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Report Preview

Revolut's UK Banking Quest

A tipping point in the fintech's future



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Revolut's UK Banking Quest:

A tipping point in the fintech's future

Revolut, the UK-based fintech company, has grown to become a prominent player in the digital banking landscape around the world. Since its inception, it has continually redefined the boundaries of fintech with its innovative solutions and products. This report aims to explore Revolut's extraordinary growth, its journey towards obtaining a banking licence in the UK, the challenges encountered, and the actions taken to overcome these obstacles.






Moonshots @ Revolut

At WhiteSight, we have been meticulously studying Revolut's intriguing evolution, encompassing various aspects of its growth trajectory and territorial expansion. Our thorough analysis sheds light on how they have spread their fintech influence across different markets, introduced innovative services, and continued to grow their user base. Revolut has evolved from its initial startup phase, where the primary focus was solely on growth, to a more mature 'scale-up' stage, where the emphasis is now on achieving profitable expansion. Geographically, Revolut has not confined itself to the UK alone. It expanded into several markets, including the United States and Australia. It also operates in several markets in Latin America, Asia Pacific and Europe, demonstrating its ambition to be a global fintech powerhouse.


Here's a brief overview of our take on their compelling journey:

- [Revolut strategy deep dive \(Till 2020\)](#)
- [Revolut sets sights on global fintech supremacy \(2022\)](#)
- [Revolut's quest to become a financial SuperApp \(2022\)](#)
- [Revolut's playbook to build a global financial SuperApp \(2022\)](#)
- [Revolut's leaders across the globe \(2022\)](#)
- [Revolut cracking the profitability code \(2023\)](#)

WS | Revolut faces ongoing challenges

| | | |
|--|---|---|
| <p>1  Workforce challenges</p> <p>DEC 2020 Legal action enforced over Revolut's failure of bonus payments to its compliance team employees</p> <p>JUN 2020 Employees claim of being forced to accept unlawful terminations in the name of poor performance</p> <p>2016 Whistleblower tells FCA about concerns over Revolut's AML process and CEO conduct</p> | <p>4  Leadership departures</p> <p>MAY 2023 Mikko Salovaara leaves (CFO, Revolut)</p> <p>APR 2023 Matthew Maher leaves (Director of People)</p> <p>MAR 2023 James Radford leaves (CEO, UK bank)</p> <p>FEB 2023 Yuval Rechter leaves (General Manager, US)</p> <p>MICHAEL LAUBE leaves (Group COO)</p> <p>JUL 2022 Mathew Seneviratne leaves (Money Laundering Reporting Officer (MLRO), UK)</p> <p>JUSTINE WOOTTON leaves (Head of Regulatory Compliance, UK)</p> <p>VICTORIA STUBBS leaves (CRO, UK)</p> <p>DEIRDRE HALLIGAN leaves (Chief Operating Officer - Revolut Securities Europe)</p> <p>MAY 2022 Harry Gill leaves (Chief Compliance Officer)</p> | <p>5  Compliance conflicts</p> <p>MAY 2023 The Bank of England tells the Treasury that it is planning to reject Revolut's application for a banking licence</p> <p>SEP 2022 Japanese regulator orders local Revolut unit to improve AML measures</p> <p>LITHUANIAN WATCHDOG (State Data Protection Inspectorate) investigates data breach incident</p> <p>MAR 2022 Bank of Lithuania fines Revolut €200K for AML and CTF compliance failures</p> <p>SEP 2020 Revolut faces customer lawsuit in Romania over blocked account</p> <p>APR 2019 Lithuanian parliament committee calls for a renewed investigation into Revolut</p> <p>JUL 2018 Poland's KNF asks FCA to ensure and maintain increased supervision over the company</p> <p>2018 Revolut allegedly disables a system designed to automatically halt transactions to sanctioned individuals</p> <p>2017 FCA investigates Revolut after whistleblower alleges the firm of inadequate AML checks</p> |
| <p>2  Consumer protection</p> <p>DEC 2022 Scam complaints from Revolut users more than double since 2020</p> <p>SEP 2022 Experienced a cyberattack that allowed an unauthorised entity to access clients' personal information</p> | | |
| <p>3  Governance complications</p> <p>MAY 2023 SoftBank demands compensation for giving up its priority class of shares in Revolut</p> <p>JAN 2023 Revolut was fined €70,000 for failing to submit audited annual financial statements to the Bank of Lithuania in due time</p> <p>SEP 2022 Auditors ask Revolut to enhance its internal controls in response to UK's Financial Reporting Council's high risk of misstatement concerns</p> | | |

Persistent challenges shadowing Revolut's progress

This is an indicative and non-exhaustive list. 

WS | Revolut's journey towards rebuilding trust and reputation

Customer safeguarding concerns

- Formation of a dedicated team to monitor customer accounts to make sure that both money and data are safe
- Establishment of a fraud and scam hub to raise public awareness
- Usage of algorithms, machine learning and computational techniques to protect against card fraud and money laundering
- Development of Sherlock AI, a machine learning-based fraud prevention system
- Partnerships with GBG, Seon for fraud prevention

Compliance conflicts

- Partnership with Clausematch to streamline the management of its internal policies, controls and regulatory compliance
- Hiring of AML Compliance Manager
- Conduction of internal investigations over alleged AML compliance failures

Workforce challenges

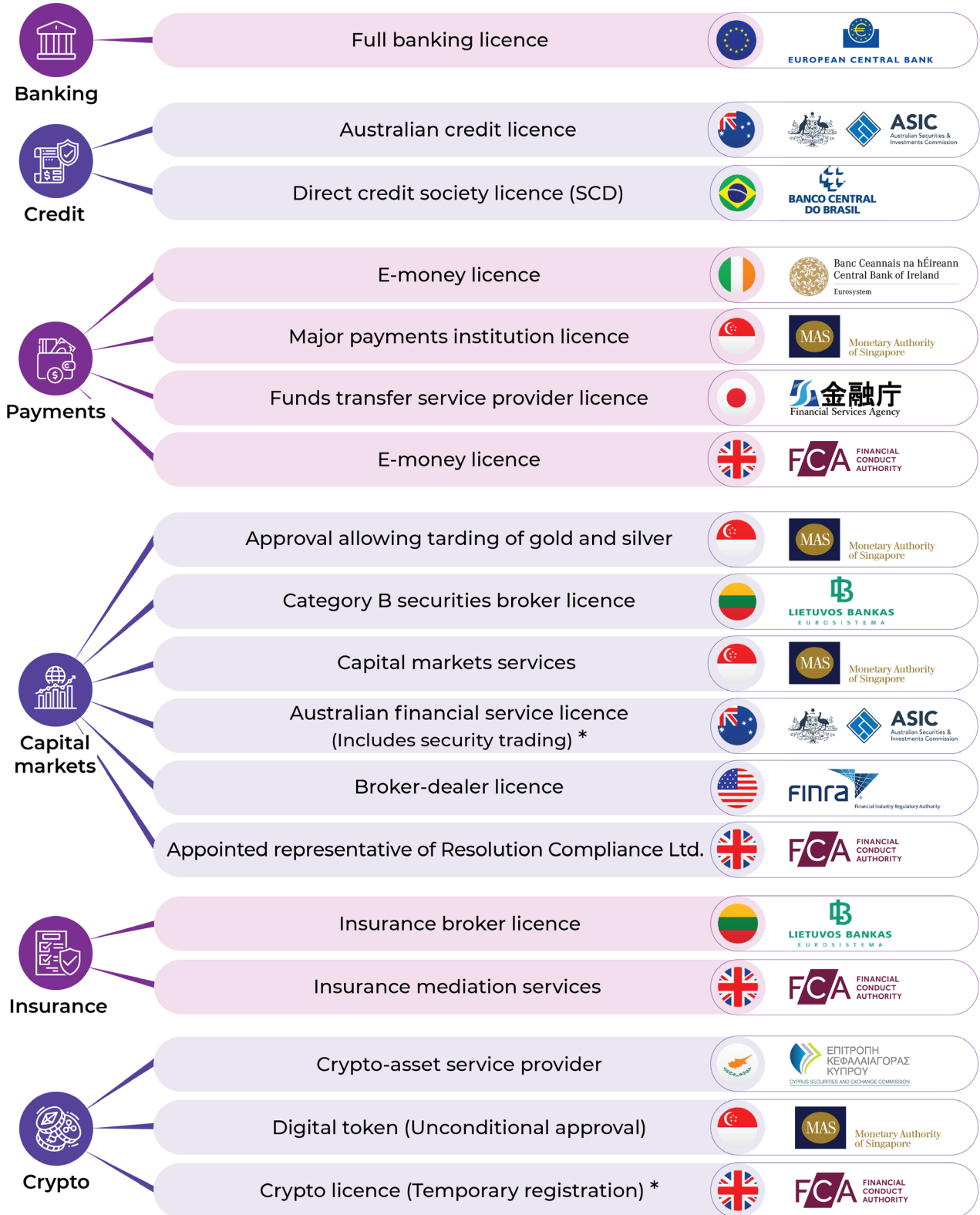
- Establishment of CultureLab, a behavioural team to address corporate culture
- Introduction of 360 new performance reviews from employees for company evaluation
- Overhaul of on-boarding and off-boarding process to improve employee experience
- Hiring of Head of People & Culture
- Penning of an open letter by Nik Storonsky apologising for past mistakes
- Awarded the 2nd best startup to work for in the UK by LinkedIn four years in a row

Leadership departures

- Several Revolut executives left to set up their own startups

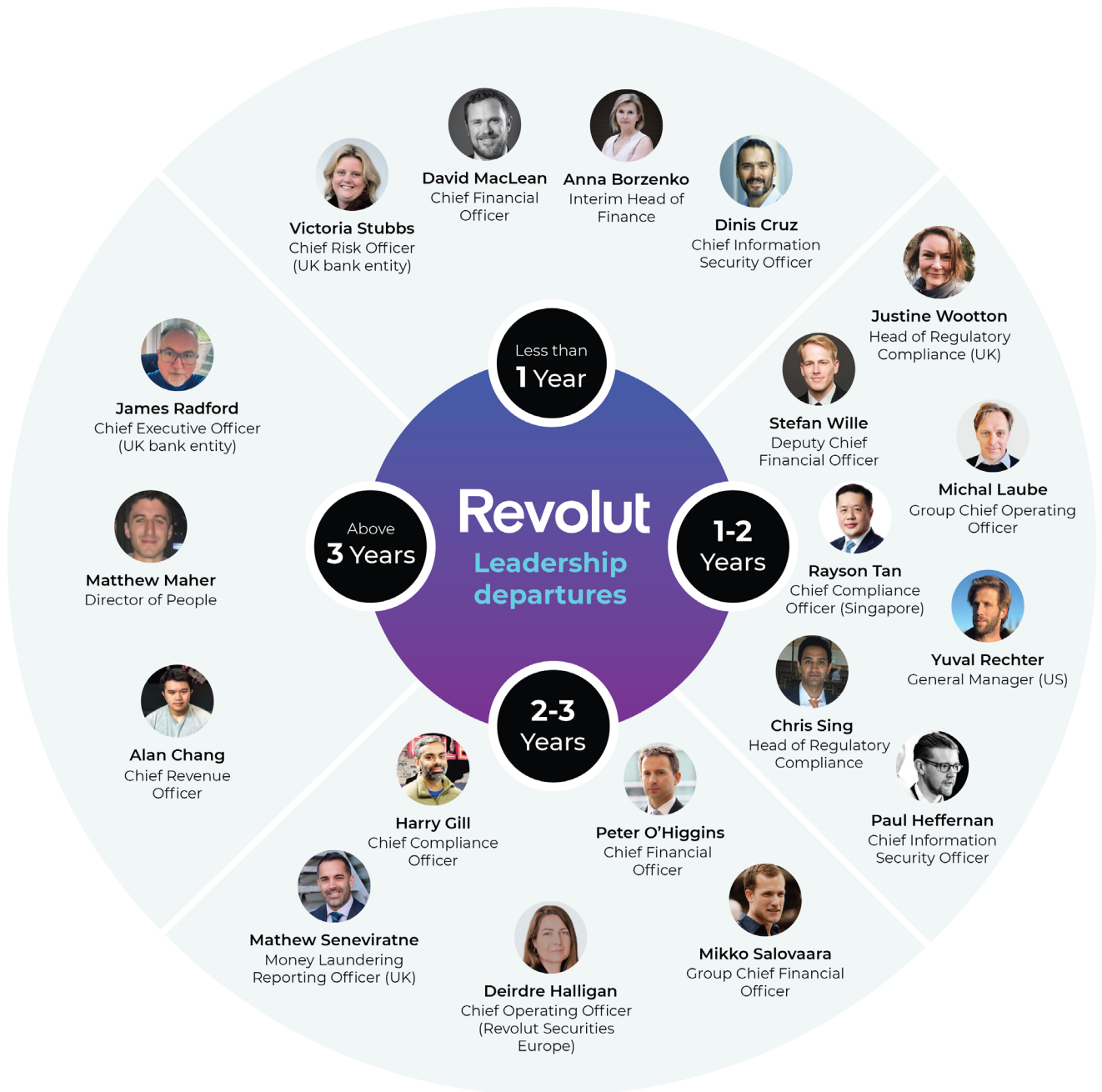
This is an indicative and non-exhaustive list. | WHITESIGHT

WS | Revolut's global licence portfolio



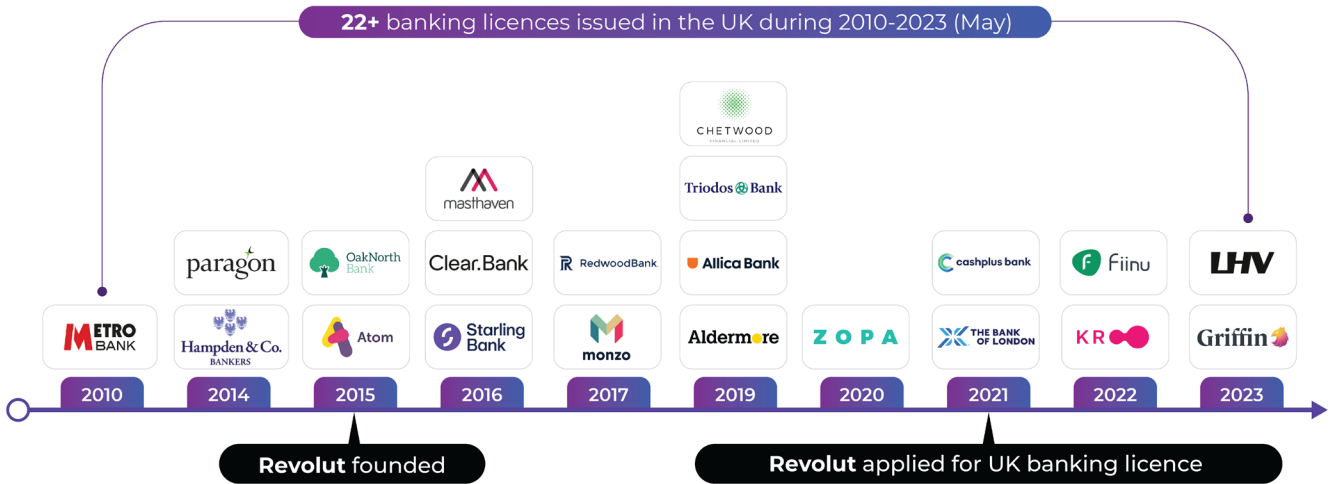
* Extension of existing authorisations | This is an indicative and non-exhaustive list.

WS | Revolut's executive exodus



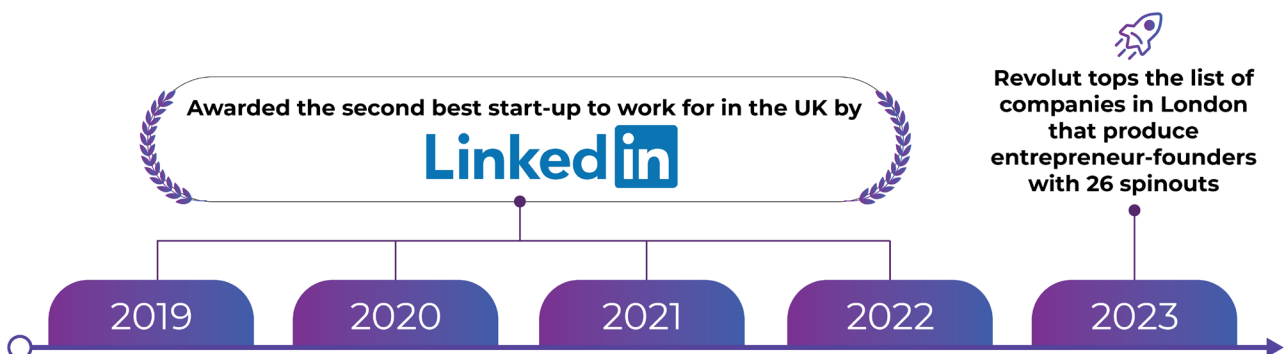
This is an indicative and non-exhaustive list. **WHITESIGHT**

WS | Licencing milestones for digital banks in the UK



This is an indicative and non-exhaustive list. WHITESIGHT

WS | Revolut 's wall of fame for employee excellence



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This report was authored by [WhiteSight](#)

To access the underlying data with further coverage and references, please reach out to us at hello@whitesight.net.

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