

## HANetf unveils Europe-focused defence ETF

The fund will exclude US defence companies and concentrate on ‘companies benefiting from Europe’s security realignment’



Ukrainian servicemen draped in flags after release in a prisoner of war exchange. The new ETF will focus on companies benefiting from Europe’s security realignment © AP

**Sandra Heistrubers**, Ignites Europe

Published MAR 24 2025

---

Get ahead with daily markets updates. **[Join the FT's WhatsApp channel](#)**

## Latest news on ETFs

---

Visit our [ETF Hub](#) to find out more and to explore our in-depth data and comparison tools

HANetf is set to launch a Europe-focused defence exchange traded fund to provide investors with exposure to “one of the fastest growing and most strategically important sectors”.

The new ETF will use a similar methodology to the white-label provider's Future of Defence Ucits ETF (NATO), which has gained "significant traction" among investors and recently surpassed \$1.8bn in assets, the company said.

In contrast to the existing ETF, which launched in July 2023, the new vehicle "will offer a more focused approach by ensuring a higher exposure to European-listed defence companies, excluding US firms, while also screening out companies with high revenue exposure to controversial weapons".

The ETF will take the EQM Future of Defence Index "as a base", but will apply additional investment screens.



**IGNITES**  
E U R O P E

This article was previously published by [Ignites Europe](#), a title owned by the FT Group.

HANetf said the product's higher European exposure would be a "key differentiator from broader defence ETFs, with a focus on companies benefiting from Europe's security realignment".

The ETF will be listed on European exchanges in the next few weeks.

Hector McNeil, co-founder and co-chief executive officer of HANetf, said the company had seen "tremendous demand for defence ETFs as investors seek exposure to one of the fastest growing and most strategically important sectors".

"We believe that, as a proudly European ETF firm, it is our duty to support investment into the European defence sector as efficient capital markets will allow European champions to expand their capabilities much more efficiently."

McNeil added: "The new ETF can provide an important role in encouraging a simple way for all investor types from retail to institutional to invest in this space."

Tom Bailey, head of research at the white-label ETF provider, said that European defence spending had "surged in response to growing security challenges".

"We've gone from just six Nato members meeting the 2 per cent of GDP target in 2021 to 23 today — a historic shift."

Bailey added: "At the same time, geopolitical realities are forcing Europe to reduce reliance on US military support and take greater responsibility for its own security."

“Addressing these structural inefficiencies will require significant investment in modern equipment, logistics, and command systems.”

News of the planned ETF launch comes shortly after rival WisdomTree also [rolled out](#) an ETF that invests only in European defence companies.

Ignites Europe [reported](#) last week that the UK financial regulator had confirmed that its sustainability rules did not restrict investments in defence companies amid a political push for financial institutions to boost the arms sector.

*\*Ignites Europe is a news service published by FT Specialist for professionals working in the asset management industry. Trials and subscriptions are available at [igniteseurope.com](https://www.igniteseurope.com)*

---

[Copyright](#) The Financial Times Limited 2025. All rights reserved.

---

## **Follow the topics in this article**

**European companies**

**Financial services**

**Exchange traded funds**

**Europe**

**ETF Hub**