

**EDEF LN**

IE000WRQ9RR1

# Global X Europe Focused Defence Tech UCITS ETF



A fund that seeks to invest in European-focused companies that appear positioned to benefit from the increased adoption and utilisation of defence technology ("Defence Tech").

For Professional Investors only.

Geopolitical tensions, economic fragmentation, and the increasing role of advanced technologies in national security are contributing to changing defence priorities across Europe.<sup>1</sup> Globally, many military budgets are expanding, with global defence spending reaching \$2.7 trillion in 2024, a 9.4% increase from 2023 levels<sup>2</sup>.

Many European governments are boosting their military budgets to strengthen strategic autonomy.<sup>3</sup> Germany has emerged as a leading force in this shift, creating a €500 billion infrastructure fund to finance infrastructure and defence spending, and removing its debt brake to facilitate an increase in defence spending<sup>4</sup>. Additionally, the European Commission has allocated €800 billion towards ReArm Europe/Readiness 2030, which includes a €150 billion facility to help finance the defence revival<sup>5</sup>. The plan aims to plug Europe's capability gaps and supercharge investment in next-gen technologies: AI, quantum computing, autonomous drones, cyber warfare.<sup>6</sup>

Within Europe, a growing portion of defence expenditure is expected to be directed towards emerging technologies such as artificial intelligence (AI), cybersecurity, robotics, and advanced hardware systems.<sup>7</sup> These shifts may potentially benefit companies operating across the broader defence ecosystem, including those involved in defence-specific software, AI components, and complex systems integration<sup>8</sup>.

The Global X Europe Focused Defence Tech UCITS ETF (EDEF LN) seeks to invest in companies that are poised to possibly benefit from the latest developments in cutting-edge technologies contributing to national defence and have a European focus.

## DID YOU KNOW?

- EU Member States are estimated to have spent €326 billion on defence in 2024, equivalent to 1.9% of EU GDP and over 30% more than in 2021.<sup>9</sup>
- The European Commission has pledged to allocate €7.3 billion for defence research over the next seven years.<sup>10</sup>
- The European Union unveiled an €800bn defence initiative, dubbed "Rearm Europe/Readiness 2030", aimed at strengthening its military capabilities.<sup>11</sup>
- Germany, France, and Poland are leading the spending surge, with Germany's military budget expanding by 25% to roughly €86 billion in 2024, making it the world's third-largest defence spender behind the U.S. and China.<sup>12</sup>

## EU MILITARY SPENDING OVER THE LAST TWO DECADES

Source: Council of the European Union. (n.d.). EU Defence in Numbers, accessed on 7th May 2025.



*There is no guarantee that any trends observed in this material will continue. Any views / opinions are based on current market conditions and are subject to change.*



## FUND DETAILS

|                     |                                                                |
|---------------------|----------------------------------------------------------------|
| Inception Date      | 20 May 2025                                                    |
| Total Expense Ratio | 0.40%                                                          |
| Ongoing Charges     | 0.40%                                                          |
| Primary ISIN        | E000WRQ9RR1                                                    |
| Primary Ticker      | EDEF LN                                                        |
| SFDR Classification | Article 6                                                      |
| Underlying Index    | Mirae Asset Europe Defence Tech Index                          |
| Management Style    | Physical - Full Replication - Passively Managed Index Tracking |

### Registered Countries:

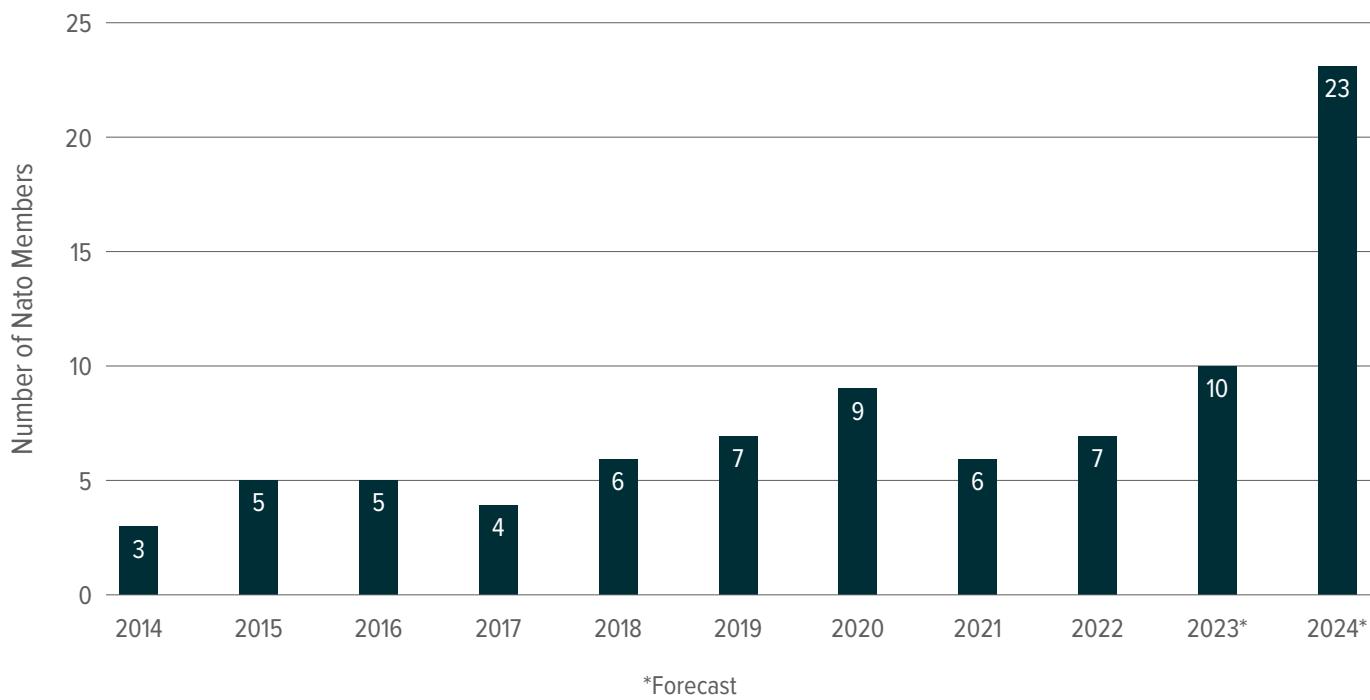
Austria, Denmark, Finland, Germany, Ireland, Italy, Luxembourg, Netherlands, Norway, Spain, Sweden, United Kingdom.

## FUND INVESTMENT APPROACH

- The Global X European Focused Defence Tech UCITS ETF (EDEF LN) seeks to invest in companies that appear poised to benefit from the development and deployment of technology, services, systems, and hardware supporting local and/or national security, defence, and military applications, with a focus on European revenue exposure.
- The index includes companies identified as “pure play” Defence Tech firms, deriving at least 50% of their revenues from core business activities within one or more of the following sub-themes: Cybersecurity, Defence Technology, and Advanced Military Systems and Hardware.
- Only companies generating more than 50% of their revenues from these sub-themes (i.e., “Pure-Play” companies) are considered for inclusion.
- The final index includes up to 50 pure-play companies, subject to liquidity, market cap, and ESG screens, including compliance with the UN Global Compact and exclusion of firms involved in controversial weapons or non-NPT signatory nuclear activity.
- Index constituents are weighted by free-float market cap and capped based on their European revenue exposure (up to 12.5% per company).
- Components are rebalanced semi-annually.

## NATO MEMBERS MEETING THE 2% DEFENCE SPENDING TARGET

Source: NATO, Defence Expenditure of NATO Countries (2014-2024), accessed on 7th May 2025.



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Prospectuses and Key Investor Information Documents (KIDs) for this ETF are available in English at [www.globalxetfs.eu/funds/edef/](http://www.globalxetfs.eu/funds/edef/)  
For more information on the Index, please visit the [Mirae](http://Mirae) website.



#### Sources:

- 1 Defencenews.com (2025, May 19). EU, UK agree defense partnership as prelude to tighter cooperation & European Central Bank, (United we stand: European integration as a response to global fragmentation)
- 2 Stockholm International Peace Research Institute. (2025, April 25).
- 3 Bloomberg. (2025, February 18). UK Plans FTSE Firm-Style Unit for £20 Billion Defence Spending.
- The Guardian. (2025, March 6). 'Watershed moment': EU leaders close to agreeing €800bn defence plan.
- The Wall Street Journal. (2025, February 17). European Defence Stocks Rise on NATO Remarks on Military Spending Boost.
- 4 The Wall Street Journal. (2025, March 4). Germany Paves Way for Defence Spending Increase.
- 5 The Guardian. (2025, March 6). 'Watershed moment': EU leaders close to agreeing €800bn defence plan.
- 6 European Commission (2025, March 6). White Paper for European Defence – Readiness 2030
- 7 Complex Discovery (2025, May 11). Europe's Tech Ascendancy: A Hub for AI Innovation and Defense
- 8 Activities Budget Overview: President's Budget (PB) 2024 Budget Request. U.S. Department of Defence
- 9 European Council, Council of the European Union (2025, February 28).
- 10 European Council, "Commission mobilises €910 million to boost European defence and close capability gaps" (2025, April 30).
- 11 The Guardian. (2025, March 6). 'Watershed moment': EU leaders close to agreeing €800bn defence plan.
- 12 Wall Street Journal. (2025, March 4). Germany Paves Way for Defense Spending Increase.

#### Disclosures

The Global X UCITS ETFs are regulated by the Central Bank of Ireland.

This is a marketing communication. Please refer to the relevant prospectus, supplement, and the Key Information Document ("KID") of the relevant UCITS ETFs before making any final investment decisions. Investors should also refer to the section entitled "Risk Factors" in the relevant prospectus of the UCITS ETFs in advance of any investment decision for information on the risks associated with an investment in the UCITS ETFs, and for details on portfolio transparency. The relevant prospectus and KID for the UCITS ETFs are available in English at [www.globalxetfs.eu/funds](http://www.globalxetfs.eu/funds).

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#### Information for Investors in Switzerland

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