

# PRESS RELEASE



## Sustainable finance and defence: Eurosif maps complex debate in discussion paper

Brussels, 26 May 2026

**Eurosif, the leading pan-European sustainable finance association,** today published a [discussion paper](#) offering a comprehensive overview of the interaction between sustainable investment and the defence sector.

As geopolitical tensions continue to intensify, the EU and its member states are under growing pressure to increase defence spending. Against this backdrop, the relationship between sustainable finance and defence has become an increasingly prominent issue in public and policy debates. In particular, the role that sustainable investment from private actors could play in supporting these objectives remains both sensitive and contested, reflecting a wide range of views across the sustainable finance industry.

In this context, this discussion paper aims to provide a clear and objective overview of the current regulatory and market landscape, and sets out the broad range of investor perspectives shaping the debate across Europe.

This discussion paper presents neither policy proposals nor a formal position from Eurosif. Rather, it provides a basis for further discussion, not to settle the debate, but to frame it more clearly and support informed investment and policy decision-making.

**Nathalie Dogniez, Chair of Eurosif, said:** *“The topic of sustainable finance and defence raises fundamental and sensitive questions. These include the respective roles of public and private finance in strengthening European defence capacity, how responsible and sustainable investors approach defence-related investments, and whether – and under what conditions – defence can form part of sustainable investment strategies. Given the complexity and sensitivity of these issues, we believe it is crucial to bring greater clarity and nuance to the discussion.”*

**Aleksandra Palinska, Executive Director of Eurosif, said:** *“Debates around sustainable investment and defence often seek simple answers to highly complex questions. In reality, investor approaches across Europe remain diverse, reflecting different cultural, geographical, and historical contexts, varying client preferences, and differing interpretations of sustainability. This paper seeks to foster a more informed and nuanced debate by presenting the range of perspectives that coexist within the sustainable and responsible investment community.”*

**Eurosif’s discussion paper focuses on three main aspects:**

- **Clarifying the current defence investment landscape,** highlighting the distinct roles of governments and private investors, as well as the latest data regarding sustainability-related funds’ investments in the defence sector.
- **What EU sustainable finance rules say about investment in defence,** by examining how recent clarifications from policymakers reinforce the sector-neutrality of the regulatory framework.
- **Reflecting the various investor approaches to sustainability-related investment and defence,** exploring the rationale and challenges of practices ranging from outright exclusion on ethical grounds to selective inclusion based on specific criteria.

- Ends -

**Eurosif – the European Sustainable Investment Forum** is the leading pan-European association promoting sustainable finance at the European level. Its membership is comprised of Sustainable Investment Fora (SIFs) from across Europe. Most of these SIFs have a broad and diverse membership themselves, including asset managers, institutional investors, banks and other financial market participants. Eurosif and its members are committed to the growth and development of sustainable finance and support the development of EU rules which are fit-for-purpose and facilitate the financial industry's contribution to a just transition.

A full list of Eurosif's members can be found [here](#) and further information is available at:

[www.eurosif.org](http://www.eurosif.org)

Contact:

Anne Risse, Policy and Communications Officer: [anne.risse@eurosif.org](mailto:anne.risse@eurosif.org)