

Increasing Transparency for Defense Funding

The Nasdaq Defense, Resilience and Infrastructure Bond Criteria (“NDRI”) acts as additional listing criteria for bonds that seek admission to trading on a designated market segment on Nasdaq’s European Bond Markets. The Designated Markets provide investors with increased transparency and granularity to ensure that capital can be deployed efficiently.

While exclusion policies concerning defense and ESG have become more lenient since the Russian invasion of Ukraine, there are calls for clearer mandates to invest in building the EU Member States’ defense capabilities moving forward. To unlock the full potential of private capital markets, the prevailing taboos among European investors must and should be addressed. Additionally, there is a need to shift public opinion regarding how investments in the defense sector should be viewed through a sustainability lens.

However, there may still be underlying obstacles for investments in certain technologies amongst asset owners. Therefore, the key objective of the NDRI and the Designated Markets is to provide investors with the data necessary to navigate the defense industry and to identify investment opportunities they are able to support. The objective is thus to ensure that no capital is held back as a result of uncertainty or misconceptions about investment opportunities.

The criteria encompass a wide range of eligible project categories, ranging from weapons and ammunition to investments in infrastructure and civil resilience.

Lastly, the NDRI builds on internationally adopted market conventions for sustainable bonds, which has supported the markets’ growth throughout the last decade.



Roland Chai

President of Nasdaq European Markets

Nasdaq Defence, Resilience & Infrastructure (NDRI)

What is NDRI?

The Nasdaq Defence, Resilience & Infrastructure (NDRI) Framework is the world's first formalised transparency standard for defence labelled bond issuance from a marketplace operator. It is a Pan-European, voluntary, free to use framework built on sustainable bond market conventions and adapted specifically to defence, resilience and critical infrastructure financing.

Launched on 10 June 2025, NDRI establishes clear expectations for issuers and gives investors reliable, structured information to assess defence related financing.

Why NDRI Exists

The demand for European defence and resilience has grown significantly and it is crucial to pool public and private capital to advance R&D and innovation and scale industrial and production capacity. NDRI bridges the gap between investors reengaging with the sector, after a paradigm shift away from ESG-based exclusions, and issuers, that must scale rapidly to meet rising defence spending across Europe. By setting clear, standardised disclosure expectations, NDRI increases transparency so investors can identify, assess and compare opportunities that support defence and resilience.

Issuer Benefits

- **Access to a broader pool of investors**, including those returning to the sector after a paradigm built on exclusions, under clear, standardised disclosure.
- **Improved price discovery** and execution confidence through more comparable, decision useful information for investors.
- **Reduced reputational and policy risk** by aligning issuance with defined safeguards, transparency and reporting commitments.
- **Showcasing issuer's positive contribution to its defense, resilience or critical infrastructure.**

Core Requirements for Issuers

To be admitted under the NDRI label, issuers must disclose a Framework covering:

1. **Eligible Assets & Categories.** Clear description of financed assets or projects contributing to defence, resilience or critical infrastructure.
2. **Project Selection & Evaluation.** Internal processes ensuring investments align with eligible categories.
3. **Management of Proceeds.** Routines to track proceeds and ensure alignment with the published framework.
4. **Reporting Commitments.** Annual public reporting on the use of proceeds until full allocation.
5. **Safeguards & Lethal Technology Statement.** Confirmation of compliance with international treaties and regulatory boundaries. Ethical guardrails prevent misuse and ensure responsible financing.

Eligible Categories

Examples of activities eligible for NDRI aligned financing include, but are not limited to:

- **Cybersecurity**
- **Weapons and ammunition**
- **Dual use technologies**
- **Civil resilience programmes**
- **Aerospace**
- **Critical infrastructure**

Financed projects must benefit EU or NATO member states or non-member states formally participating in their frameworks of cooperation.

Who NDRI Is For

- **Governments & supranational issuers**
- **State-owned enterprises**
- **Corporate issuers**
- **Banks structuring labelled bonds**
- **Investors seeking clarity in defence exposure**

First Issuer Case Study

The inaugural NDRI aligned issuer is **Valstybės Investicinis Kapitalas (VIK)**, a Lithuanian state-owned strategic investor.

- Listed on **Nasdaq Baltic Bond List**
- **€25m tranche** of a **€400m programme**
- Proceeds support defence, economic resilience and security initiatives, including an artillery ammunitions plant in Lithuania.

This demonstrated real world feasibility and set a market precedent for future defence labelled issuance.

Safeguards & Ethical Boundaries

NDRI includes:

- **Exclusions and statements on lethal technologies**
- **Compliance requirements** with international treaties and legal frameworks
- **Transparent use of proceeds tracking**
- **Annual reporting obligations**

These safeguards enhance transparency and support responsible financing decisions by enabling investors to make their own assessment of defence and resilience investments.

Nasdaq's Role

Nasdaq acts as a **neutral platform** that provides:

- **Standards & frameworks (NDRI)**
- **Transparent market infrastructure**
- **Dialogue facilitation** across ministries, banks, issuers and investors
- **Access to capital markets** without directing or allocating capital

Ready to assess whether your organisation or client could benefit from an NDRI-aligned issuance?

Book a **30-minute NDRI Readiness Session** with Nasdaq's European Market Services team to review eligibility, disclosure expectations and the optimal pathway to a defence-labelled bond. [insert email/number]