

French fashion house Chanel and German sportswear firm Adidas have both this week announced they are backing different funds and ventures that have projects related to sustainable agriculture, Reuters reports.

Chanel [is backing](#) a new climate adaptation fund called Landscape Resilience Fund (LRF) that aims to raise \$100 million by 2025 to invest in projects to promote sustainable agriculture, protect forests and support small-scale farmers in developing countries.

Meanwhile, Adidas, which is seeking to increase the proportion of sustainable materials it uses in its products, is investing in Finland's Spinnova, a company that makes textile fibre out of wood or agricultural waste.

The LRF was developed by green group WWF and Swiss-based social enterprise South Pole and is starting with \$25 million from luxury brand Chanel and \$1.3 million from the Global Environment Facility.

An independent nonprofit, the LRF aims to attract a further five to 10 additional investors to help finance small businesses and projects that foster climate-resilient agriculture and forestry practices, and protect natural systems.

Martin Stadelmann, a senior director at South Pole, which will manage the LRF, said it was a pioneering way for a major multinational company to invest in adaptation to climate change.

"As (with) other companies, some of their supply chains are under threat because of climate change," he told the Thomson Reuters Foundation.

Adidas has agreed to subscribe for 3 million euros (\$3.65 million) worth of shares in Spinnova's planned initial public offering, bringing the total investment it has secured to 58 million euros, Spinnova said in a statement.

"We are an ideal match with the ambitious and pioneering Adidas sustainability strategy," Spinnova CEO and co-founder Janne Poranen said.

Spinnova is building its first commercial factory in Finland with strategic partner and wood raw material supplier Suzano, and is also building a pilot facility for fibre production out of leather waste.

It said Adidas wanted to secure access to "significant volumes" of its patented fibre in future.

A 500 million euro sustainability bond Adidas issued last September was five times oversubscribed, with proceeds earmarked for investing in renewable energy production and projects to promote recycled materials.