Environmental and Social Review Summary (ESRS)

Project Name:	GRIDX III: Leveraging deeptech to accelerate productivity, resilience, social impact, and economic growth
Project Number:	RG-Q0159
Project Location:	Argentina; Brazil; Chile; Colombia; Costa Rica; México; Paraguay; Uruguay
Executing Agency:	Zuraley S.A
Type of Operation:	Equity investment
Publication Date:	March 2026

1. General Information of the Project and Scope of IDB Lab´s E&S Review

The project consists of an equity investment in GRIDX Capital Partners III, L.P. ("GRIDX III" or "the Fund"), a leading early-stage venture capital firm specializing in science-based biotechnology (deep tech) in LAC. GRIDX was created to transform frontier scientific research into scalable companies addressing the region's most pressing challenges across health, food, climate, and bioindustry. As the region's largest science-based venture builder, GRIDX operates a proprietary company building methodology that systematically converts academic discoveries into investment ready-startups by integrating scientific validation, business model development, and global fundraising readiness.

The environmental and social due diligence ("ESDD") of the operation consisted of a documentary review of the Fund´s operational documents (environmental and social management system -"ESMS"-, diversity and inclusion policy, grievance mechanism and code of conduct), review of GRIDX II Fund investment memos, a presentation of IDB´s Environmental and Social Policy Framework ("ESPF") and a working meeting to resolve doubts regarding the implementation of Environmental and Social ("E&S") provisions.

2. Environmental and social categorization and justification

GRIDX III seeks to invest initial tickets at the pre-seed stage in up to 70 deep tech companies addressing critical challenges across agriculture, food systems, human health, climate, and bioindustry in LAC. These companies are expected to benefit from GRIDX's venture building model, which supports their development from early scientific discoveries to global scale.

Although E&S risks are typically limited at the pre-seed stage, they may increase to a moderate level as portfolio companies begin to scale their operations. As a result, the E&S risks associated with the project are expected to range from low to moderate and are primarily related to waste generation, the handling of hazardous materials, and labor and working conditions.

In this regard, the operation has been categorized as FI-2 in accordance with the IDB's ESPF, since some of the investments are expected to have limited adverse E&S impacts, are few, site-specific, largely reversible and easily addressed through mitigation measures.

3. Environmental and Social Risks and Impacts

The environmental and social risks of the operation are associated with GRIDX's ability to manage the E&S risks of the project.

GRIDX's has an Environmental and Social Policy (disclosed on its website) that establishes the principles guiding its investments. Investments classified as Category A under IDB's ESPF criteria are excluded. The policy also commits GRIDX to respecting internationally recognized human rights, complying with national regulations, promoting gender equality and inclusive participation, and prioritizing investments that contribute to climate solutions, biodiversity protection, and sustainable management of natural resources. Additionally, GRIDX applies an exclusion list which is not fully aligned with IDB´s ESPF.

The Fund has shared a draft ESMS that includes an E&S Policy, procedures for risk identification and impact management, organizational capacity, and reporting to IDB. However, the ESMS does not clearly define a structured process for the systematic identification and management of environmental and social risks. Additionally, the ESMS does not currently include a portfolio monitoring component, which is particularly relevant for a pre-seed venture capital fund, as E&S risks are expected to increase as portfolio companies evolve from early-stage concepts to operational businesses and begin scaling their activities.

Three investment memos from Fund II were reviewed. Although E&S screening checklists are attached to the documentation, they are not fully completed, which limits adequate identification of E&S risks associated with the investments.

Regarding compliance with Performance Standard ("PS") 2, GRIDX shared a sample employment contract that outlines the obligations of the parties. In addition, the Fund has a diversity policy and a code of conduct that includes an integrity hotline for reporting potential violations of the code.

GRIDX has established an external grievance mechanism that is disclosed on its website. The Fund does not currently have an internal document describing how the external grievance mechanism operates in practice. In addition, the mechanism does not explicitly state that individuals raising concerns will be protected from retaliation.

4. Mitigation Measures

Update the E&S Policy to fully align with IDB´s Exclusion List.

Update and approve the ESMS to align it with the requirements of the IDB's ESPF and apply it to all its investments. The process for identifying and managing E&S risks should be further strengthened to ensure a clear and systematic approach supported by appropriate tools.

Strengthen the capacity of the team responsible for applying the environmental and social screening checklist to ensure proper identification of potential E&S risks associated with the investments.

Develop an internal document describing how the external grievance mechanism operates in practice. The mechanism should explicitly state that individuals who raise concerns will be protected from retaliation. The Fund should maintain a centralized log to record and track all communications received through the mechanism.

5. Environmental and Social Action Plan (ESAP)

No	Issue	Activity	Deliverable	Delivery Date
1	ESMS	Update the E&S Policy and adopt the IDB Exclusion List	E&S Policy	3 months after the closing of the operation with IDB Lab
2		Update the ESMS and align it with the IDB ESPF and the IFC Interpretation Note on FI[1]	ESMS	6 months after the closing of the operation with IDB Lab
		Provide training for the team responsible for completing the environmental and social screening checklist on how to properly fill it out in practice.	Training	3 months after the closing of the operation with IDB Lab
3		Provide the E&S Monitoring Reports for the Fund´s medium risk investments.	Monitoring Reports	As part of the Annual Environmental and Social Performance Report (AESR)

[1] https://www.ifc.org/en/insights-reports/2012/publications-policy-interpretationnote-fi

No	Issue	Activity	Deliverable	Delivery Date
4	External Grievance Redress Mechanism	Develop an operating procedure for the external grievance redress mechanism that establishes the procedure for receiving, responding to and registering external communications (including grievances)	External Grievance Redress Mechanism	6 months after the closing of the operation with IDB Lab