

Quality Policy

Karnot's commitment to deliver heat-pump products and services that meet or exceed customer specification, regulatory requirements, and the published datasheet — verified by measurement, not assertion.

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| Document ID | KES-POL-008 |
| Version | 1.0 |
| Effective from | 11 May 2026 |
| Next review | 11 May 2027 (Annual) |
| Approved by | Stuart Edmund Cox, Managing Director |
| Applies to | Every Karnot product and service, from quotation to end-of-life — including engineering, procurement, manufacturing partner management, FAT, shipping, installation, commissioning, after-sales service and warranty handling. |

1. Quality commitment

Karnot Energy Solutions Inc. ("Karnot") commits to deliver every product and service such that the customer's contractual requirements are met or exceeded; the published Karnot datasheet, COP and capacity claims are met or exceeded under the published conditions; and applicable regulatory and standards requirements are met without exception.

Karnot operates a quality management system aligned with ISO 9001:2015 — formal certification is on the Karnot roadmap and will be obtained when commercial volumes and audit cost are justified.

2. Framework

Karnot's quality approach is built on the seven ISO 9001:2015 principles:

- **Customer focus** — every project starts with a documented capture of customer requirements and operating conditions, reviewed against equipment capability at quote stage.
- **Leadership** — the Managing Director chairs quality review and personally signs off the closing FAT acceptance for every Karnot product line.
- **Engagement of people** — every Karnot service technician is trained, certified and held accountable for the quality of their workmanship.
- **Process approach** — design, manufacture, shipping, installation, commissioning and service each follow a documented process with defined inputs, outputs and acceptance criteria.
- **Improvement** — non-conformance, customer complaint and warranty claim data is reviewed quarterly and feeds back into design, procurement and service.
- **Evidence-based decision making** — claims about product performance are supported by measurement, not assumption; Karnot maintains test data on every unit shipped.
- **Relationship management** — quality is a joint commitment with manufacturing partners, sub-contractors and customers; Karnot does not blame upstream for issues the customer experiences.

3. Factory Acceptance Testing (FAT)

Every Karnot product is subject to FAT before shipment. As a minimum, each unit is tested for:

- Refrigerant leak — pressure decay test at design pressure, held for the duration specified by the test plan.
- Electrical safety — insulation resistance, earth continuity, dielectric strength.
- Functional cycle — compressor start, condenser fan operation, evaporator operation, control logic, all sensors reading plausible values.

- Capacity and COP — measured at one or more rating points, recorded against the datasheet expectation with tolerance per IEC 60335-2-40 / EN 14511.
- Visual and dimensional — to drawing and pack-out specification.
- Refrigerant charge — by mass, within the design tolerance.

4. Commissioning and customer acceptance

Karnot commissioning is a delivered output, not a transfer of risk. The commissioning report is signed by both Karnot and the customer and includes:

- Verification of installation against the issued installation drawing, including electrical, water-side, condensate and clearances.
- Refrigerant circuit pressure and leak check post-installation.
- Cold-start sequence and first-run data capture (compressor inrush, time-to-set-point, controls behaviour).
- Field measurement of COP at one or more representative duty points, compared to the design expectation.
- Sensor calibration check and data-logger configuration confirmation.
- Customer operator briefing and handover of the operations & maintenance pack.

If field-measured COP at any rating point is more than 10% below the datasheet expectation under the equivalent test conditions, the unit is not accepted. Karnot will at its own cost investigate, remediate and re-test until the criterion is met. The customer's payment milestone is not triggered until acceptance is signed.

5. Non-conformance, complaints and warranty

Any non-conformance — internal (FAT failure, installation defect, commissioning shortfall) or external (customer complaint, warranty claim) — is logged in the Karnot Quality Register and investigated to documented root cause. Material issues trigger:

- Containment — immediate action to stop the issue affecting any other unit, installation or customer.
- Root-cause analysis — typically a 5-whys or fishbone, conducted by the engineering team and reviewed by the MD.
- Corrective action — change to design, manufacturing instruction, service procedure, or training as required.
- Verification — confirmation that the corrective action has resolved the issue, without introducing new ones.
- Customer communication — where the issue affects equipment already deployed, proactive notification to the affected customer(s).

6. Supplier and sub-contractor quality

Karnot is responsible to the customer for the quality of its full supply chain. Manufacturing partners are selected on the basis of demonstrated quality system and audit history. Installation sub-contractors operate under Karnot's commissioning checklist and to Karnot's acceptance criteria. Karnot reserves the right to spot-check, audit or visit any tier of the supply chain at any stage in the process.

7. Records and traceability

Every Karnot unit is identified by a unique serial number that links to its FAT record, refrigerant charge, electrical test data, shipping documentation, installation drawing, commissioning report and subsequent service history. Records are retained for a minimum of 10 years from date of shipment.

8. Review and continual improvement

Quality performance is reviewed quarterly by the Managing Director against a small set of indicators: FAT first-pass yield, on-time delivery, commissioning first-pass acceptance, warranty cost as % of revenue, and

customer complaints closed within target. This Policy is reviewed annually.

APPROVAL

This policy is approved by the undersigned for and on behalf of Karnot Energy Solutions Inc., with effect from 11 May 2026, and will be reviewed not later than 11 May 2027.

Stuart Edmund Cox
Managing Director
Karnot Energy Solutions Inc.
Date: 11 May 2026