Quality Management and Control Procedure COLCX

Version 1.0

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Content

1. OBJECTIVE

Document the quality processes that guarantee compliance with the criteria and requirements established in the COLCX certification program, ensuring the effective implementation of the defined procedures. These processes are based on international standards such as ISO 9001 for quality management and ISO 31000 for risk management, promoting transparency, continuous improvement and the trust of stakeholders.

2. SCOPE

This document applies to all operational and administrative activities of the COLCX program. It covers the management and performance of the program's quality system, including the stages of the certification process and registration of Greenhouse Gas (GHG) mitigation initiatives, risk management, as well as the monitoring, control and continuous improvement actions necessary to ensure compliance with the established guidelines.

3. ROLES AND RESPONSIBILITIES

3.1 Leadership and process coordination

The COLCX program operates from an organizational structure composed of various professionals responsible for the administration, operation and control of the certification system. Process leaders play an important role in the implementation and supervision of program procedures, ensuring compliance with established quality standards. Within this structure, they include:

1. The Executive Director: Responsible for leading the integral management of the program, legally representing it before external agencies, governmental entities and stakeholders. Oversee the implementation of strategic policies defined by the Board of Directors. In addition, periodically reports on operational and financial performance, and identifies strategic risks and opportunities, proposing actions to strengthen the effectiveness and sustainability of the program.

2. Process Leaders: Responsible for coordinating and executing the specific activities related to each area of the program.

3. Other Support Professionals: Include roles such as the Technical Leader, SGI Coordinator, Sales Executive, and other technical specialists who provide support in specific activities, such as the implementation of marketing strategies, quality assurance, and technical compliance, according to the needs of the program.

Likewise, the inclusion of the Technical Committee as a consultative or support body can be evaluated. This committee may participate in activities such as technical review of projects, technical decision making or conflict resolution, depending on the operational dynamics of COLCX. However, if the responsibilities assigned to process leaders and other professionals are sufficient to cover these functions, formal Technical Committee involvement may not be necessary.

The following is the organizational structure of the COLCX Program, composed of the main management and control leaders. These roles have been designed to ensure efficient, sustainable and aligned management with the strategic objectives of the program. For more detailed information on the composition and functioning of this structure, please refer to the "COLCX Governance Model".

Role	Responsibility
Executive Director	Develop and execute short, medium and long term strategies for the COLCX program in order to increase the number of customers and ensure the growth, sustainability and value of the company over time.
Technical Manager	Manage the COLCX certification and registration program, ensuring compliance with the technical requirements of the program, contractual requirements with the customer and alignment with the Organization's processes ensuring customer satisfaction.
Technical Leader	Ensure technical excellence in the certification of GHG mitigation projects for the COLCX program. Role includes ensuring technical compliance in accordance with the COLCX Certification Standard and its derived methodologies.
Administrative and Financial Manager	Plan, lead and coordinate the administrative, financial, accounting and human resources processes of the company in accordance with the operational, strategic and financial guidelines established by the direction in order to achieve an organized, competent and functional structure within each of the areas of action.
Sales Executive	Apply the different sales and marketing strategies for the certification and registration of GHG mitigation projects - ColCX.
Information Technology Manager	Manage the COLCX platform for the registration and withdrawal of COLCERs in accordance with the guidelines of the certification program and the needs of the carbon market.
SGI Coordinator	Follow up on the application of documented certification information and registration of GHG mitigation projects with the COLCX program, plan internal audits at least once a year in accordance with SGI guidelines.

3.2 Quality Control Committee

The COLCX Program Quality Committee is composed of the Executive Director, the Technical Manager, the COLCX Technical Leader, the COLCX Sales Executive and the Integrated Management System ("SGI") Coordinator.

All committee members meet established criteria in terms of experience and specific skills, ensuring their knowledge of auditing, quality management and ISO standards. Optionally, knowledge related to greenhouse gas (GHG) management, such as that specified in ISO 14064-2, may be included.

In addition, the committee may convene external professionals as optional members when there is a need to strengthen its technical capacity in specific topics. These experts should have experience and/or knowledge in auditing, quality management and ISO standards, and their participation will be determined according to the needs and topics addressed in each session, ensuring a specialized and impartial approach.

3.2.1   Main Responsibilities of the Committee

The main functions of the Quality Committee include:

- Monitoring compliance with requirements: Identify and ensure that program processes comply with applicable regulatory and operational requirements.

- Review and improve procedures: Periodically evaluate established procedures to ensure their proper implementation and maintenance within the program.

- Internal audit planning: Coordinate the execution of internal audits according to the management system guidelines, ensuring traceability and continuous improvement of processes.

- Program performance evaluation: Analyze the results of process monitoring and assessment to identify opportunities for optimization.

- Continuous improvement: Propose improvements aligned with international quality and sustainability standards, in order to strengthen the program's trust and transparency.

3.2.2   Periodicity

The Quality Committee meets twice a year, ensuring the review and continuous improvement of the program's quality processes.

3.2.3   Meeting call

- The SGI Coordinator will be responsible for calling the meetings, due to his transversal role in the implementation, follow-up and improvement of the management system.
- It will be sent by writing (e-mail) at least 10 calendar days in advance, guaranteeing the availability of the participants.
- The document will include the date, time, location (or virtual medium) and agenda items, ensuring effective planning.

3.2.4   Development of the session

Quality Committee meetings will be chaired by the IMS Coordinator, who will be responsible for ensuring that the items on the agenda are addressed. If additional topics arise, they may be included by consensus of the committee members.

3.2.5   Minutes of meetings

The SGI Coordinator shall also be responsible for taking and keeping official minutes of each meeting. These minutes shall contain:

- Date and place of the meeting.
- List of attendees.
- Agenda.
- Summary of the points discussed.
- Agreements reached and responsibilities assigned.
- Tentative date for the next meeting.

The minutes shall be reviewed and approved by the committee members at the end of the session or, at the latest, at the following meeting, ensuring transparency and a formal record of agreements.

The minutes will be stored in a folder designated by the coordinator of the Integrated Management System (SGI), who will be responsible for their custody and organization. These minutes shall be duly numbered, dated and signed, ensuring their accessibility for future consultations and audits, as well as their conservation in accordance with the guidelines established by the program and the applicable regulations.

The integration of this model reinforces impartiality, transparency and technical expertise, ensuring a comprehensive approach to continuous improvement.

4.   COMUNICATION

For internal and external communications during the execution of project activities, the following process is established, considering the needs, responsible parties and channels for communicating information to the different stakeholders:

Message	Responsible	Target Audience/ Stakeholder	Media	Frequency
Official correspondence	Technical Manager / Sales Executive	Customer	E-mail address	Occasional
Customer feedback	Technical Manager / Sales Executive	Customer	E-mail address	Occasional
Response to requests	Technical Manager / Sales Executive	Customer	E-mail address	Occasional
Planning of activities to be executed	Technical Manager / Sales Executive	Collaborators / Customer	Email / Telephone / WhatsApp	Daily
Procedures and dissemination of work methodologies	Technical Manager / Sales Executive	Collaborators	E-mail / Management Software	Occasional
SGI policy and objectives	Technical Manager / Sales Executive	Collaborators / Stakeholders	Web Page / Management Software	Occasional
Notification of the Mitigation Project Certification Concept	Technical Manager / Sales Executive	Customer	E-mail address	When required
Registration of Serials in the ColCX Platform	Information Technology Manager	Customer	ColCX Platform	One Time
Cancellation or Voluntary Retirement of Carbon Credits	Customer	Information Technology Leader / Technical Manager	E-mail address ColCX Platform	Occasional
Service Billing	Administrative and Financial Manager	Customer	E-mail address	Occasional

5.   QUALITY MANAGEMENT

5.2 Integrated Management Policy

As part of its strategic planning and commitment to organizational sustainability, the COLCX Program establishes the following commitments, aligned with the Integral Management Policy CC-

GEE-PO-02 of Canal Clima S.A.S., with scope to all its employees, contractors, visitors and other interested parties:

- As part of its strategic planning and commitment to organizational sustainability, the COLCX Program establishes the following commitments, aligned with the Integral Management Policy CC-GEE-PO-02 of Canal Clima S.A.S., with scope to all its employees, contractors, visitors and other interested parties:
- Process and management system integration
- Understanding and meeting the needs and expectations of customers and stakeholders
- Compliance with legal requirements and commitments acquired.
- Risk and opportunity management

6.   DEVELOPMENT OF THE PROCEDURE

6.1 Process documentation

The document structure of the COLCX Program establishes the hierarchy of the applicable documents, differentiating between those that define the requirements and requirements to be met, the procedures that define the stages and steps to be followed within the certification process of a mitigation initiative and its results, and the guidelines that are purely indicative; also considered are the forms of the program, which must be used both by the proponents for the formulation and processing of mitigation initiatives and their results, as well as the evaluators during validation and verification, among others. Given the dynamic nature of the COLCX Program, the documentary structure will be adjusted according to the conditions established by the governing bodies of the applicable standards, the corresponding authorities or the market itself, and therefore its documentary structure is subject to permanent updating.

The COLCX Program process documentation includes:

- Record and update all key program processes.
- Ensure that documented procedures are accessible and understandable to stakeholders.

6.2 Implementation of control mechanisms

6.2.1   Internal audit

To ensure that products or services are delivered in accordance with the specified requirements, the processes for certification and registration of Greenhouse Gas (GHG) mitigation initiatives under the COLCX program will be audited at planned intervals as part of Canal Clima's internal audit program to assess the effectiveness and compliance of the project in relation to the Management Systems implemented in the Organization, the guidelines for the management of internal audits can be found in the internal document RFC-SGI-PR-03 Internal Audit Procedure.

The audit process includes:

- Conduct periodic internal audits to verify compliance with procedures.
- Identify and correct non-conformities detected during monitoring.

6.2.2   Continuous improvement

Records of non-conformities shall be kept in the organization's document manager in accordance with the guidelines of internal document RFC-SGI-PR-02 Improvement Management Procedure, which details the management of improvement actions identified.

- Analyze non-conformities and comments received to identify recurring patterns.
- Incorporate process improvements based on the results of audits and analyses

In order to evaluate the satisfaction of the customer or those who represent their interests, a Satisfaction Survey is conducted, in accordance with the provisions of RFC-SGI-PR-19 Procedure for Customer Satisfaction Follow-up. The purpose of this survey is to know the perception of the service and based on it, to establish the actions to be taken, thus ensuring continuous improvement.

6.2.3   Risk management

Risk management from quality and control management is a process that ensures effectiveness, transparency and continuous improvement in the operating procedures of the COLCX program. It focuses on the identification, analysis and mitigation of risks that may compromise the quality and reliability of the certification processes.

The risk management process is aligned with the principles established in ISO 31000, ensuring the implementation of preventive and corrective actions in the event of possible deviations.

The following are some examples of risks that may affect the quality and reliability of the program's processes:

Category	Description	Risk Example	Possible Mitigation Measures
Audit Non-conformity Risks	Errors in the implementation of the quality system resulting in non-compliance with regulations.	An internal audit detects that an update of procedures has not been carried out in a timely manner.	Implementation of a document review and updates calendar, with assigned responsible parties.
Information Traceability Risks	Lack of documented records or loss of information for certification.	A certifier does not find sufficient evidence of compliance review of a project.	A certifier does not find sufficient evidence of compliance review of a project.
Risks in the Application of Methodologies	Deviations in the application of quantification methodologies.	An VVB uses evaluation criteria different from those defined in the program, generating discrepancies in the results.	Training and constant monitoring to ensure the correct application of procedures.

Category	Description	Risk Example	Possible Mitigation Measures
Risks of Bias or Subjectivity in Evaluation	Lack of objectivity in the application of quality criteria.	A verifier interprets certain requirements inconsistently, affecting process uniformity.	Development of clear operational guidelines and periodic monitoring by the Quality Committee and Technical Committee.
Risks of Failure to Follow-up on Corrective Actions	Failure to implement measures to correct findings detected in internal audits.	An audit identifies a non-conformity, but the correction is not adequately documented and followed up.	Establish a corrective action follow-up system with defined deadlines and assigned responsibilities.
Internal Communication and Coordination Risks	Lack of alignment between the areas responsible for quality management.	Modifications are made to procedures without being communicated to the teams involved.	Establish periodic process review and validation meetings between the technical and operational areas.

To minimize these risks, the Quality Committee should implement strategic actions, such as:

- Monitoring and Follow-up: Implementation of periodic process reviews to detect deviations before they generate impacts.
- Continuous Training: Training of internal and external teams in procedures and application of methodologies.
- Records Automation: Use of digital tools to improve document traceability and reduce the risk of information loss.
- Internal Audits and Direction Review: Ongoing assessment of compliance with requirements and performance analysis of the quality system.

Risk management is not a static process but requires a dynamic approach to evaluation and continuous improvement. To this end, the following strategies will be implemented:

- Periodic review of risks and updating of controls based on new needs or changes in applicable standards.
- Trend analysis of internal audits to detect recurring patterns and develop preventive strategies.
- Participation of the Quality Control Committee in the identification and mitigation of critical risks.

7.   PROCESS CONTROL

The ColCX Procedure of the mitigation initiatives cycle guides the proponents of mitigation initiatives, the Validation and Verification Bodies (VVB) and the technical team of the COLCX Program, on how mitigation initiatives should be presented so that they can be evaluated in order to certify and register them in the program; It also guides them on how to organize the information regarding the operation of the mitigation initiative that has been monitored, so it can be evaluated

so that the program, under its rules, can certify the results and issue the corresponding carbon credits.

The document describes the procedures to be followed regarding:

- The process of formulating, developing and monitoring mitigation initiatives.
- The application process for the registration of mitigation initiatives, as well as the application for the issuance of the resulting carbon credits; and
- The third-party evaluation process of the mitigation initiatives, for consideration and subsequent approval or rejection of the registration applications by the program, as well as its results for the issuance of the ColCERS.

8.   QUALITY REIVIEW

8.1   General aspects

When the Technical Committee considers that there are conditions or situations that could affect the environmental integrity of the Program, at its own convenience and discretion, they may initiate a review process of the mitigation initiatives registered or ColCERs issued, in consideration of compliance with program rules, methodologies employed and applicable regulations. Such review may occur under the following circumstances:

a.   An interested party submits complaints by any of the existing communication channels about a registered mitigation initiative or issued ColCERs.
b.   The proponent of a mitigation initiative identifies a problem or situation that could affect the implementation or monitoring of an activity that reduces or removes GHG emissions, after the actual registration of the activity or the issuance of the ColCERs.
c.   VVB identifies during any of its work as a validator or verifier of a mitigation initiative, a quality problem or situation that affects the quality of the implementation or monitoring of an activity that reduces or removes GHG emissions.
d.   Within the operation of the COLCX Program, a problem or situation is identified that could affect the implementation or monitoring of an activity that reduces or removes GHG emissions, after the effective registration of this activity or the issuance of the ColCERs.

8.2   Quality review process

When the COLCX Program identifies the need to conduct a quality review, the COLCX Technical Manager will notify the proponent of the mitigation initiative or the VVB of the review, so that the necessary actions for its development can be planned and the terms of the actions being executed within the framework of the initiative can be suspended while the review is conducted and determinations are made.

For the review process, the COLCX Technical Manager will notify the proponent and the VVB (when applicable) about the conditions that triggered the review and the doubts about the program, either about the mitigation initiative registered or the ColCERs issued; such notification will include the terms for the response. The proponent or the VVB provides in writing the response to the questions sent from the program so that they can be analyzed and determination can be made.

Based on the results of the review, the COLCX Program will make the following determinations:

a. When the problem or situation identified results in non-compliance with the mitigation initiative of the COLCX Program rules and conditions: the issuance of future ColCERs is suspended until the proponent eliminates the cause of non-compliance.

b. When the problem or situation identified results in a substantial increase in carbon credits to be issued: the maximum allowable variation limits established in the COLCX Standard for the Certification of Mitigation Initiatives shall be applied to the ColCER emission, and a root cause analysis of the origin of the problem or situation shall be carried out to determine whether it is temporary or permanent. If it is temporary, the duration of the problem or situation shall be established; if it is permanent, actions should be taken to carry out a post-registration change considering the impact of the mitigation initiative and its future results.

c. When the problem or situation identified resulted in a substantial increase of carbon credits already issued: based on the limits established in the COLCX Standard for the Certification of Mitigation Initiatives for the emission of ColCERs, the amount of carbon credits that were issued in excess is defined so that the proponent can compensate them according to the indications received from the program to minimize any adverse impact as far as possible.

When the proponent does not compensate the excess ColCER, the program may take the necessary legal actions against the proponent, including blocking the registration account until the excess issuance has been compensated.

In any case, the analysis shall show the origin of the problems or adverse situations and their impact on the performance of the mitigation initiative to establish whether they are due to fraudulent conduct, negligence, recklessness, misrepresentation or error with or without intention, either on the part of the proponent or the VVB, in order to take the necessary disciplinary measures from the COLCX Program.

VVB may review and adjust the validation or verification statement, as applicable, according to the results of the review, in order to provide consistency between the documents and the mitigation initiative.

9   MONITORING AND REVIEW

The monitoring and review of the processes in COLCX guarantee the quality, transparency and continuous improvement of the certification program. To this end, we have established mechanisms for monitoring, measuring and evaluating performance, including indicators and periodic audits that allow us to verify the correct implementation and operation of the management system.

9.1   Quality objectives and performance indicators

The quality objectives of the program are aligned with the Integral Management Policy CC-GEE-PO-02 of Canal Clima S.A.S., and are focused on:

*   To implement and maintain in an integral manner the necessary processes to guarantee the correct operation and organizational sustainability.
*   Control operations through understanding and meeting the needs and expectations of customers and stakeholders.
*   Identify and manage compliance with legal requirements and commitments acquired in the development of operations.
*   Identify and address process and operational risks and opportunities.
*   Continuous improvement of process and operational performance

9.2 Performance indicators

To ensure operational efficiency and compliance with the program's strategic objectives, the following performance indicators have been defined:

Category	Strategic Objective	Indicator	Measurement	Goal
Project Management	Ensure the efficient management of projects at risk of expiration (projects with more than 5 years since the last verification).	% of projects managed per year with status update (Frequency of measurement: annual)	(No. of projects managed with update in COLCX / No. of projects at risk of expiration) * 100	≥ 70% (first year) with gradual improvement
Quality in the Certification process	Reduce the number of corrections rounds for project approval or denial, ensuring that the process is agile without compromising its thoroughness, promoting greater understanding of the COLCX program by proponents and VVB	Total correction rounds performed for all projects. (Frequency of measurement: annual)	Total rounds of correction in the year/ Total number of certified projects	≤ 3 average rounds per certified project.
Efficiency in the management of requests and inquiries	Ensure efficient response times from COLCX in the certification process.	Average response time to requests and queries in the certification process that are made formally.	Average days from receipt to final response.	≤ 8 business days the first year, trending to ≤ 5 business days.

The results of these indicators will be analyzed periodically to identify trends, detect opportunities for improvement and define corrective actions in the event of deviations from the established objectives.

9.3 Auditing and performance evaluation

The audit process is a tool to evaluate compliance with the requirements of the quality management system, ensuring alignment with applicable national and international standards. Internal and external audits are conducted to verify the correct implementation of procedures, identify

opportunities for improvement, and ensure transparency in the certification and registration of GHG mitigation initiatives.

Internal audits are conducted by the Canal Clima team and are aimed at evaluating the conformity of operational processes, identifying possible deviations and proposing corrective actions. These audits strengthen internal control, ensure traceability of actions and verify compliance with the guidelines established in the COLCX platform. On the other hand, external audits may be carried out by certification bodies to verify compliance with regulatory and normative requirements.

During the audits, aspects such as compliance with established procedures and protocols, effectiveness of established controls, risk management, quality of technical reports and consistency with program objectives are evaluated. The findings and observations detected in these processes are documented and managed through corrective and preventive action plans, ensuring continuous improvement in the quality and reliability of the certification and registration processes in COLCX. In addition, the results of the audits are analyzed in follow-up meetings to define optimization strategies and strengthen the effectiveness of the quality management system.

History of the Document

Version	Date	Description
1.0	25/04/2025	Initial version.