



Ciudad Guzmán, Jalisco, December 2023.

Grupo Los Cerritos is a significant producer of Berries and Avocados in Mexico, standing out for its commitment to the integral development of its employees. We are building a more digital company that promotes productivity and applies sustainable agricultural practices. Since January 2023, in collaboration with London Consulting Group, we have initiated the fourth phase of the operations transformation project. This project focuses on leadership development, process digitization, increased productivity, and budget management. We have achieved the following goals:

Company Strategy and Structure:

- Construction of the Strategic Plan with the team leaders to ensure the group's sustained growth.
- Design a new macro-organizational structure, defining the correct spans of control of operational and support areas.
- 8% reduction in annual payroll value due to organizational changes.

Avocado Packing Plant:

- 7.9 percentage points increase in exportability due to improvements in internal operational processes.
- Digitization of internal measurement processes, such as OEE, packing productivity, and harvest quality.
- 4 percentage points improvement in export fruit selection due to quality process improvement.
- Digitization of key tools, such as the pricing calculator, budgets, and producer reports.
- Implementation of SAP's CRM to improve customer service.

Berries and Avocado Operations:

- 18% cumulative productivity increase in Berries versus production from the previous period.
- 29% reduction in cost per unit in the Agrochemical and Fertilizer category.
- 13% reduction in total operating cost per unit.
- 100% work plan scheduling in Microsoft Project to ensure proper attention to each plot.
- Construction of a solid variable compensation system based on speed and productivity indicators.

Supply Chain:

- Supplier Negotiation process reengineering, resulting in a 6.4% savings in prices compared to the previous year.
- Digitalization of business reports, OTIF, purchase orders, and internal and external service levels.
- 30% decrease in global inventory value through inventory rotation strategies in the network warehouses.

Human Resources and Organizational Development:

- Strengthening of the talent retention process and development of an 80/20 high-potential employee program.
- Designing the variable compensation system for all business units.
- Change Management sessions were conducted, promoting innovation and continuous improvement at GLC.

Thanks to the implementation of agile methodologies and the adoption of digital platforms, we have exceeded the project's economic benefits, achieving an ROI of 4.4 to 1. Based on these results, I strongly recommend London Consulting Group, emphasizing the professionalism of their team and the effectiveness of the methodology used in this project.

Sincerely,

Saul Medina Villanueva
President of Grupo Los Cerritos