



GENERAL MILLS

Global Responsibility 2013

Health | Environment | Sourcing | Workplace | Community



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To our Stakeholders:



Ken Powell
Chairman, Chief Executive
Officer, General Mills

At General Mills, one of our goals is to stand among the most socially responsible food companies in the world. In pursuit of this goal, we work to earn the trust of our consumers, customers, employees and other key stakeholders every day. Building and maintaining this trust is essential to our business and to the fulfillment of our mission of Nourishing Lives.

Acknowledging and addressing the inter-relationship of economic, environmental and social value is a necessity in today's world. For companies looking to responsibly address truly global challenges, it is also an opportunity. At General Mills, we call our approach "Holistic Value Creation." We look to create value holistically – not only for our shareholders, our customers and our consumers, but also for our suppliers, our communities and our world.

From China to Peru, we are more carefully considering business outcomes and external impacts. Through our products, we are continuously striving to make consumers' lives healthier, easier and richer. Through our actions, we are simultaneously working to source responsibly, to conserve the natural resources on which our products depend and to strengthen the communities producing them.

Our world faces unprecedented challenges. Today, almost 1 billion people lack sufficient food – and the number

of hungry is likely to only increase. Current projections suggest the world's population will reach 9 billion people by 2050. Essential natural resources – especially water and arable land – are already under severe stress in parts of the planet, creating chronic challenges for millions. Producing enough food to feed an increasingly hungry world will require not only innovation and dedication, but also careful attention to the impact of agriculture on our environment.

In this, our 43rd year of reporting back to our communities and stakeholders, we have expanded the breadth and depth of our reporting across five key focus areas: Health, Environment, Sourcing, Workplace and Community. We continue to make progress in advancing our stated goals in these key focus areas. For example, in 2012, we again improved the health profile of General Mills products around the world. We again decreased natural resource consumption in our operations and across our global supply chain. We are

mitigating water risk, and taking steps to more sustainably source raw materials. Of course, we also continue to support our employees with safe, ethical and inclusive workplaces. And we continue to nourish our communities through philanthropic and employee engagement.

We're not alone in addressing these global challenges. We're finding opportunities for collaboration with business, government and NGOs on important systemic solutions. We're working with external partners and are signatories on a number of key global efforts, such as the United Nations Global Compact. And while we're proud of our progress, we also know there is still much more to be done.

Thank you once again for your interest. As always, we welcome your questions and comments.

Sincerely,

A handwritten signature in black ink that reads "KJPowell".



INTRODUCTION



General Mills has been fulfilling our mission of Nourishing Lives – making lives healthier, easier and richer – for 146 years.

Our values

Everything we do reflects our strong core values, and we live these values every day:

We do the right thing, all the time.

We innovate in every aspect of our business.

We build our great brands.

We respect, develop and invest in our people.

We strive for consistently superior performance.

Highlights

650+

General Mills products have been **nutritionally improved** since we implemented our Health Metric in 2005.

\$143 million+

donated to **charitable causes** in 2012 – General Mills has given more than \$1 billion to charitable causes worldwide since the General Mills Foundation was created in 1954 (US\$).

52%

packaging volume has been improved since 2009 – exceeding our 2015 goal, which we have increased.

50%

palm oil will be **sustainably sourced** by the end of fiscal year 2013.

8

countries honored General Mills with **workplace awards** in 2012, and 88 percent of our U.S. employees said that General Mills is a great place to work.

86%

increase in R&D **spending** on **health and wellness** since 2004.

10

priority ingredients representing 50 percent of our annual purchases are on the path to **improved sustainability**.

\$35 million+

food products donated to Feeding America's 200 food banks in 2012 (US\$).

10

or **less grams of sugar** in all General Mills cereals marketed to children.

84%

solid waste diverted from landfills in 2012. Since 2005, we have reduced our waste generation rate by 40 percent.

We produce and market more than 100 consumer brands in more than 100 countries on six continents.



\$16.7
billion

Global net sales*

\$1.6
billion

Net earnings*

\$143
million

Community contributions

34,500
employees

About half work outside the United States

100+
consumer brands

Our many brands can be found in more than 100 countries on six continents

\$4.2
billion

Net sales for our International business segment*

146
years

We have been making lives healthier, easier and richer for more than a century

*Excludes \$1.3 billion proportionate share of joint venture sales
All figures represent fiscal 2012 results and U.S. dollars.

Opportunities and challenges

As one of the world's largest food companies, we see the opportunity to help address some of the world's most pressing challenges, including nutritional imbalances, natural resource scarcity and food insecurity.

Health – improve nutrition and increase activity



NUTRIENTS – More than 15 percent of the global population today is undernourished. Fortified foods help deliver needed nutrients. General Mills and other food companies enrich foods with nutrients, such as vitamins, minerals and fiber.



REDUCTION – Many people around the world consume too many calories and too much fat, sugar and sodium. Consumers worldwide eat

an average of 9 to 12 grams of salt a day – up to twice the recommended daily level of 6 grams. General Mills and other food companies are reducing calories, fat, sugar and sodium in our products.



BALANCE – In more developed regions of the world, obesity is a major health issue. The World Health Organization reports that the number of overweight children has tripled in the past three decades, with rates holding

steady since 2007. Making nutritious food choices and balancing food intake with activity are keys to addressing the obesity challenge. General Mills helps educate and empower people around the world to live healthier lives.

• Making nutritious food choices and balancing food intake with activity are key to addressing the obesity challenge.

Environment – reduce impact



CLIMATE CHANGE – Climate change poses serious risks for our planet. Governments, companies, organizations and individuals all need to take action to mitigate these risks. In the process of bringing food from the farm to the consumer's table, the majority of greenhouse gas (GHG) emissions occur in agriculture and the packaging supply chain. General Mills is reducing GHG emissions in our facilities and across our entire value chain.



WATER – Water scarcity is a growing problem around the world. According to projections from the Organisation for Economic Co-operation

and Development (OECD), almost half of the world's population could be living under severe water stress by 2050. Agriculture is a major user of water resources and also contributes to water pollution: farming accounts for approximately 70 percent of water used in the world today. General Mills is addressing water use across our value chain to improve sustainable management of water resources.



WASTE – Food waste creates five times more methane in landfills than packaging waste – and methane is a greenhouse gas 20 times more potent than carbon dioxide.

Everyone across the food production and consumption spectrum plays a role in reducing the amount of solid waste. Efficiencies in production play a role as does the processing of food, which extends shelf life, and the packaging of food in quantities that match consumption to reduce waste. General Mills also works to reduce the environmental impact of our packaging.

• According to OECD projections, almost half of the world's population could be living under severe water stress by 2050.

Sourcing – protect people, animals and the environment



PEOPLE – Workers in agriculture and food production around the world deserve to be treated with dignity and respect in accordance with the United Nations Global Compact and the International Labour Organization’s 1998 Declaration on Fundamental Principles and Rights at Work. General Mills supports ethical standards and guidelines across our supply chain.



ANIMALS – The humane treatment of animals is an area of concern within the agricultural supply chain. General Mills’ animal welfare policy focuses on how animals are raised and treated.



AGRICULTURE – To conserve natural resources, it is essential to sustainably source ingredients that become food and fiber that becomes

packaging. General Mills pursues increased levels of sustainability in our raw materials and promotes sustainable processes in our supply chain.

⋮ **To conserve natural resources, it is essential to sustainably source ingredients that become food and fiber that becomes packaging.**

Food security – increase yields sustainably, reduce water use, reduce food waste



GROW – In order to feed the 9 billion people expected by 2050, the world will need to produce 70 percent more food. Doing so will require innovation and collaboration to increase yields sustainably on currently producing lands. Future production increases must be achieved using less water and less expensive inputs to conserve resources.



RESEARCH – Higher yielding crops, including disease and drought resistant varieties, will be necessary to sufficiently boost global food production. While biotechnology holds promise to alleviate chronic hunger and prevent disease, and to enhance sustainability, nutrition and taste, the success of this technology will continue to depend on its ability to achieve broad consumer acceptance

and support. Ingredients improved through biotechnology have been used for 15 years, yet some consumers remain opposed to biotechnology. As a consumer-focused company, General Mills tries to deliver what consumers want and need. For that reason, products we produce for Europe do not use genetically modified ingredients, and we offer our U.S. consumers leading brands of organic products as a non-GMO choice.



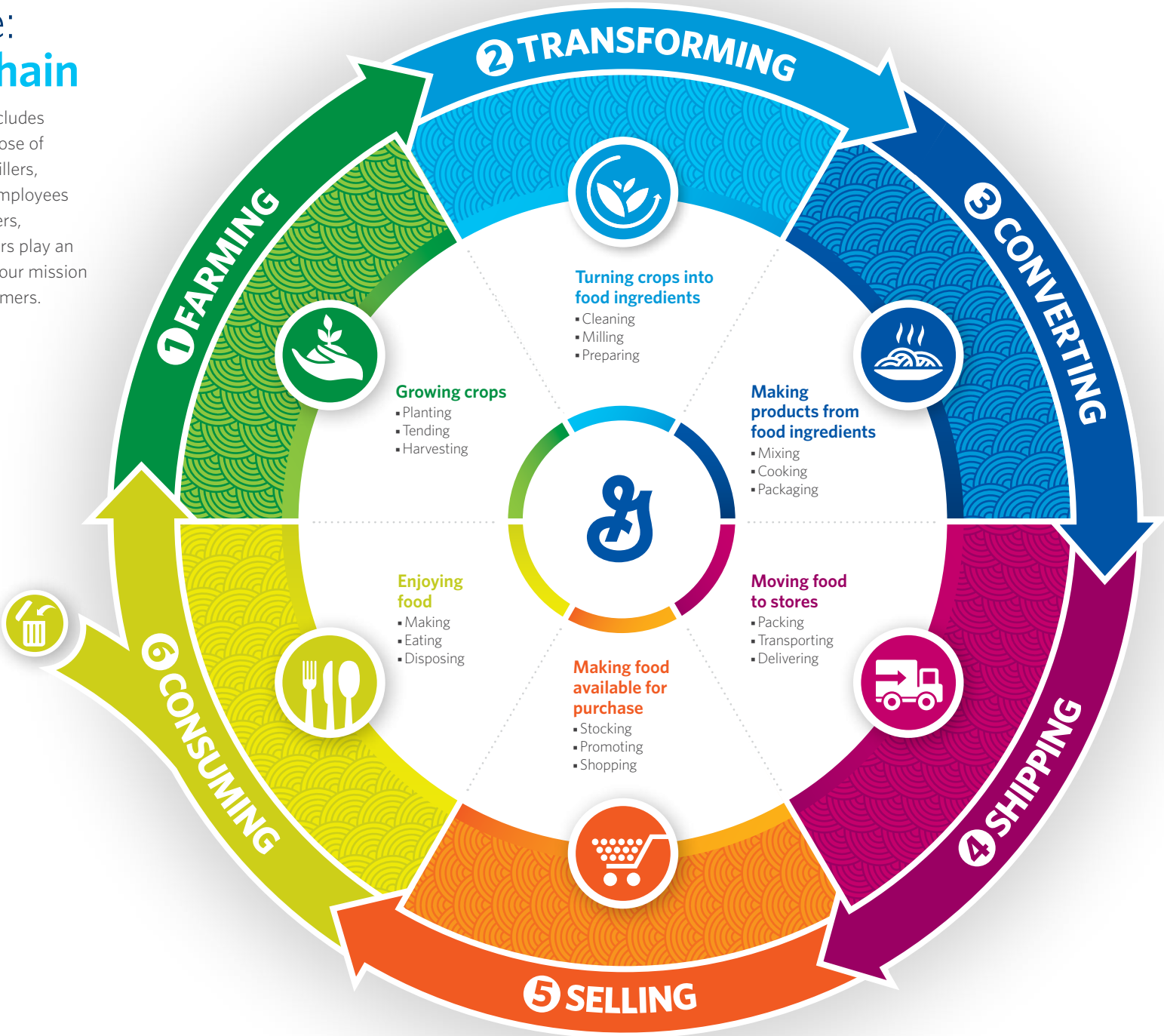
PRESERVE – One-third of the food grown globally is wasted, according to the Food and Agriculture Organization of the United Nations (FAO). Reducing food waste is critical to feeding the world’s growing population. In the developing world, much of the waste stems from inadequate food storage and transportation. In the

United States, where as much as 40 percent of food is wasted, more than 90 percent of that waste occurs at homes or in foodservice settings. Processing and packaging food extends shelf life, thereby reducing waste. General Mills strives to package food in quantities that match consumption to reduce waste.

⋮ **In order to feed the 9 billion people expected by 2050, the world will need to produce 70 percent more food.**

Field to Table: Our Value Chain

The General Mills value chain includes our own operations as well as those of our partners, such as farmers, millers, transporters and retailers. Our employees as well as our suppliers, customers, consumers and other stakeholders play an essential role in helping to bring our mission to life and our products to consumers.



Responsible practices are at the core of our mission and business strategy.



Health

We provide people with convenient, nutritious food that – when combined with exercise and activity – can help them live healthier lives. We improve the health profile of our products while meeting consumer requirements for taste. We educate consumers to promote better health, we support responsible marketing practices, and we advance global food safety.



Environment

Our goal is to continually reduce our environmental footprint. We focus our efforts on areas where we can have the greatest impact, both within our own operations and outside of them, primarily in agriculture and ingredient production. Across our global operations, we work to reduce our natural resource consumption. And upstream, we focus on sustainably sourcing the raw materials we use in our products.



Sourcing

We conserve and protect resources by sustainably sourcing the raw materials we use in our products. We focus on increasing the sustainability of the 10 priority agricultural raw materials we source, which represent more than 50 percent of our annual purchases. We also help improve the livelihoods of smallholder farmers, improve global water stewardship, improve supplier sustainability and respect human rights in our supply chain.



Workplace

We foster a safe, ethical, diverse and inclusive workplace where employees can thrive. We respect, develop and invest in our employees and continue to improve workplace safety through our efforts to prevent injuries and illnesses. We support our employees in being active, eating healthy and staying well.



Community

We nourish our communities globally with remarkable philanthropy. We work in innovative ways with partners at the global, national and local levels to harness our collective impact in key target areas, while engaging employees through volunteerism. We focus on alleviating hunger and advancing nutrition wellness, improving education, and strengthening communities.

Approach

Ethics and compliance

Our [Code of Conduct](#) for employees reflects our value, “Do the right thing, all the time.” We have high expectations for ethical conduct in every aspect of our business. General Mills’ global reputation as an ethical company depends on each employee always acting consistently with the law, our policies and our values. General Mills employees receive a Code of Conduct that outlines our ethical expectations and provides practical tips and examples for how to act with integrity in every decision, every action, every day.

Organizational responsibility

The General Mills leadership team has ultimate responsibility for the company’s corporate social responsibility. The team includes: Ken Powell, chairman and CEO; Kim Nelson, senior vice president of External Relations and president of the

General Mills Foundation; Jerry Lynch, chief sustainability officer; and John Church, senior vice president of Supply Chain; as well as our Board of Directors’ Public Responsibility Committee.

Stakeholder engagement

We solicit input from groups like Ceres (a coalition of investors, environmental organizations and other public interest groups working with companies to advance their environmental and social performance) to ensure we address issues of concern to them.

We are active members in key industry coalitions such as the Consumer Goods Forum, Grocery Manufacturers of America, and Field to Market. We partner with nongovernmental organizations (NGOs) such as the World Wildlife Fund and The Nature Conservancy on environmental matters. We have been

participants in the Carbon Disclosure Project (CDP) since its inception in 2000 and are members of the Roundtable on Sustainable Palm Oil (RSPO). As part of our commitment to supporting human rights in our supply chain, we are leaders in the AIM-PROGRESS Responsible Sourcing task force, and are signatories to the United Nations Global Compact (UNGC). In addition, we are guided by the International Labour Organization’s (ILO) 1998 Declaration on Fundamental Principles and Rights at Work. With regards to nutrition, we work with several organizations including the American Academy of Family Physicians (AAFP) and the Academy of Nutrition and Dietetics to fund nutrition research and help promote nutrition education.

Public policy

In addition to this engagement, we also recognize the importance of accountability and transparency regarding

our public policy engagement and political contributions. Our [civic policy](#) describes our approval process for using corporate funds for political contributions. The Public Responsibility Committee of our Board of Directors oversees the company’s political activity, including our policy, an annual list of corporate political contributions, major trade association memberships, and any independent political expenditures (although the company has not made any). A list of our political contributions is made available on our website. We have been publicly disclosing this information since 2005. In 2012, we increased the disclosure of information we provide about our [public policy engagement](#). In 2012, the Center for Political Accountability gave General Mills a positive ranking using its [accountability metric](#).

Report scope

Increasing transparency

In this year’s report, we have expanded from three to five key focus areas: Health, Environment, Sourcing, Workplace and Community. Our decision to elevate Sourcing and Workplace as independent sections is based on our own assessment as well as stakeholder input on material topics.

For the second year, we have utilized Global Reporting Initiative (GRI) G3.1 Guidelines to help inform our reporting scope and content. We expanded the number of GRI Indicators included in this year’s report – including Food Processing Sector Supplement indicators. Our report is undeclared and is not externally assured.

Scope and responsibility

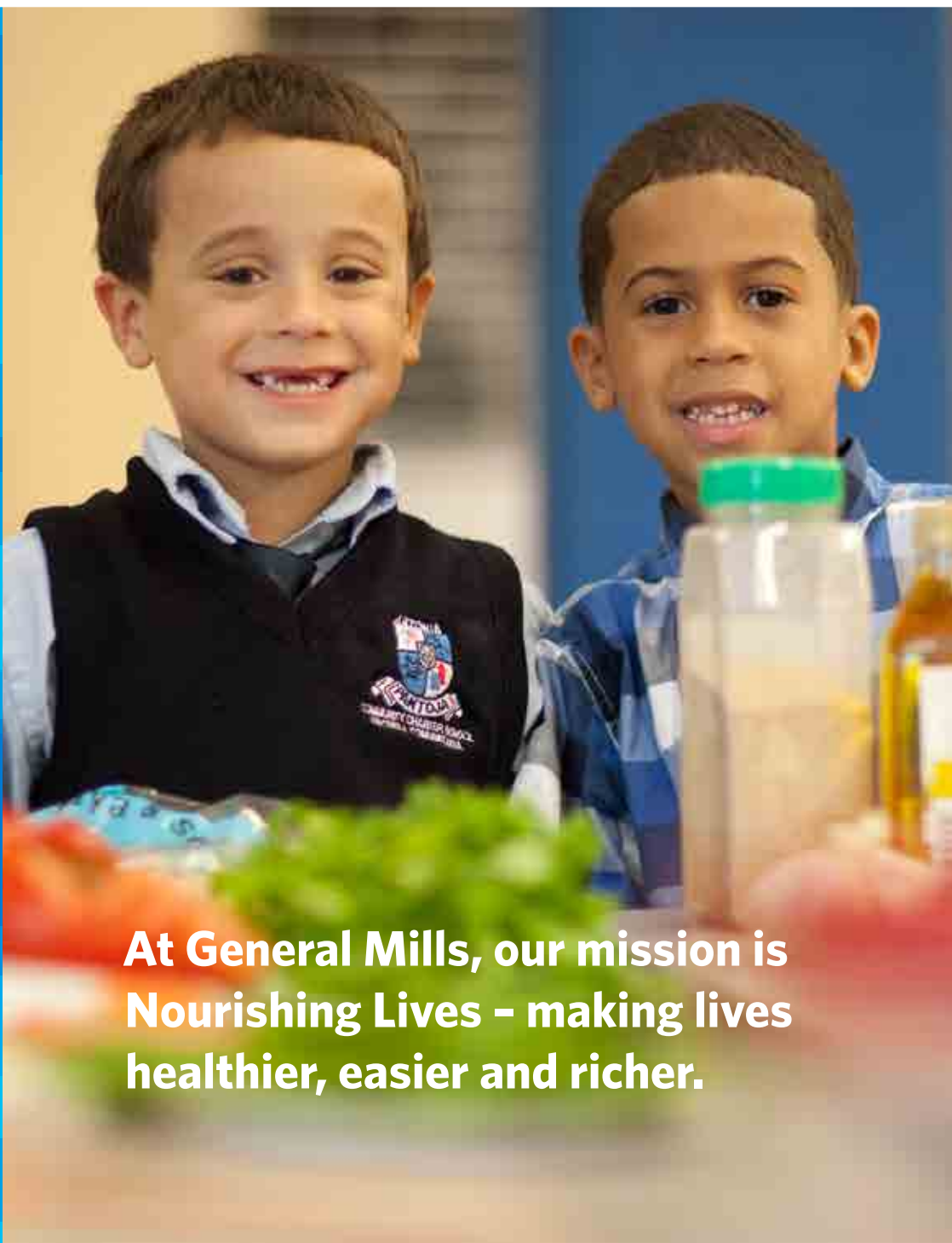
Our progress on key metrics is reported for fiscal 2012. We also include information about some of our more recent activities to illustrate progress on newer initiatives. The report scope includes global operations except where otherwise noted. Because more data is available, the report provides comparatively more data about our U.S.

operations, the largest segment of our business. Key metrics do not reflect recent acquisitions – our controlling interest in Yoplait S.A.S. to market Yoplait yogurt around the world and the fiscal 2013 acquisition of Yoki Alimentos S.A.

The General Mills leadership team, noted above, has responsibility for the development of this report.



HEALTH



At General Mills, our mission is Nourishing Lives - making lives healthier, easier and richer.

OUR GOAL is to provide people with convenient, nutritious food that - when combined with exercise and activity - can help them live healthier lives. We believe that a variety of convenient foods plays an important role in peoples' diets, providing nutritious, tasty choices at a reasonable cost. A healthy product portfolio is a fundamental part of our business strategy, and we continue to improve the health profile of our products.



Our strategies

Provide
nutritious
foods

Educate
consumers

Advance
global food
safety

Overview

Measuring progress: our Health Metric – General Mills is committed to improving the health profile of our products while meeting consumer requirements for taste. Since 2005, we have tracked and quantified health profile improvements using the General Mills Health Metric. This tool is overseen by the General Mills Health and Wellness Council and our Bell Institute of Health and Nutrition. Our Health Metric enables us to measure progress against our product improvement goals. We have improved the nutrition profile of more than 650 General Mills products in the U.S. since 2005 in one or more of the following ways (for more detailed goals and results, see page 15):

Performance dashboard PRODUCT IMPROVEMENT GUIDELINES



Reducing

Reducing calories, fat, saturated fat, trans fat, sugar or sodium by **10 percent** or more.



Increasing

Increasing beneficial nutrients – including vitamins, minerals and fiber – by **10 percent** or more and formulating products to include at least a half-serving of whole grain, fruit, vegetables, or low or nonfat dairy.



Formulating

Formulating new products or reformulating existing products to meet specific internal requirements, including limiting calories, and meeting health or nutrition claim criteria as defined by the U.S. Food and Drug Administration (FDA).



Our approach: invest & innovate

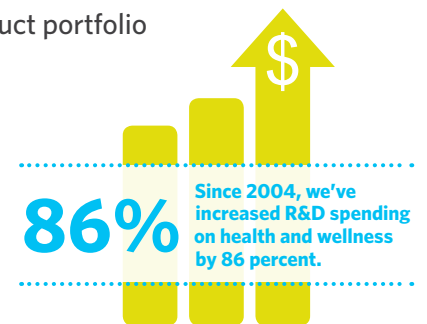
We invest in nutrition science to better understand the relationship between food and health as we enhance our product portfolio

Our investment includes research conducted by our own Bell Institute of Health and Nutrition scientists as well as by scientists outside General Mills. With backgrounds in nutrition science, public health, clinical nutrition and food science, Bell Institute of Health and Nutrition experts are a valuable resource for the business teams at General Mills, as well

as for health professionals around the U.S. In fiscal 2012, the Bell Institute of Health and Nutrition distributed more than 2.8 million consumer nutrition education materials to health professionals.

Within our business units, we invest in research and development (R&D) to help improve the health profile of our products.

Since 2004, we've increased R&D spending on health and wellness by 86 percent. In May 2012, we realigned our Innovation, Technology & Quality (ITQ) organization to increase the speed of innovation, invest in technologies that support multiple businesses and leverage our R&D and Quality capabilities around the world.





We also enhance and accelerate our innovation efforts by teaming up with world-class innovators from outside of the company. Through the General Mills Worldwide Innovation Network (G-WIN), we actively seek external partners who can help us deliver innovation in products, packaging, processes, ingredients and technologies.

We are growing our portfolio through acquisitions that meet consumer demand for health, taste and convenience. General Mills has licensed the Yoplait brand from Yoplait since 1977 and operates the U.S. Yoplait business, which holds the No. 1 brand position in the U.S. yogurt category. In fiscal 2012, we completed our acquisition of a 51 percent controlling interest in Yoplait S.A.S., and a 50 percent interest in a related entity that holds the worldwide Yoplait brands. Yoplait is the second-largest brand in the global yogurt market. Consumer demand for yogurt is growing in response to increased interest in foods that emphasize convenience, flavor variety, value and nutrition. Yogurt is a nutrient-dense food that provides protein, calcium, potassium, vitamin D and other nutrients.

In 2012, we expanded our portfolio by acquiring the Food Should Taste Good natural snack food business. Food Should Taste Good is the latest addition to our Small Planet Foods natural and organic products business, joining the division's category-leading Cascadian Farm, Muir Glen, and LÄRABAR brands. In India, we acquired the Parampara

Foods business, which offers consumers the convenience of ready-to-cook spice blends made with natural ingredients, such as herbs, spices, onions and sunflower oil, to deliver authentic Indian flavors.



△ In fiscal 2012, we expanded our interest in Yoplait worldwide and acquired Food Should Taste Good natural snack foods and Parampara spice mixes.

Leadership and governance

Our commitment to offering nutritious foods extends across the company. Operationally, product responsibility lies within the R&D and Marketing organizations. Responsibility for consumer health and safety, and product and service labeling is held by the Senior Vice President of Supply Chain, Senior Vice President of Innovation, Technology and Quality. Responsibility for Marketing Communications is held by the Chief Marketing Officer. The Board Public Responsibility Committee oversees the company's health and wellness strategy.

Our strategies and actions

1 Provide nutritious food

p.13

- A Delivering nutrition to millions of consumers
- B Improving product health profiles
- C Offering nutritious new products

2 Educate consumers

p.21

- A Promoting better health
- B Supporting responsible marketing

3 Advance global food safety

p.24

- A Adhering to strict food safety processes
- B Partnering to increase food safety



1 Provide nutritious food

1A Delivering nutrition to millions of consumers

Our portfolio offers a broad array of great-tasting products that boost nutrient intake

Since the 1940s, General Mills has been an industry leader in enriching foods with nutrients in the United States. Research shows that enriched and fortified foods make a substantial contribution to the nutrient intakes of Americans. Around the world, more than 18,400 servings of Yoplait dairy products are eaten every minute, providing consumers with calcium and vitamin D.

KEY NUTRIENTS AND FOOD GROUPS

Whole grain

Nine out of 10 Americans aren't getting enough whole grain. Most Americans are barely eating one serving of whole grain a day. Research shows that eating enough whole grains, as part of a healthy diet, can help with heart health, weight management and diabetes management and reduce the risk of certain cancers.



Fiber, Iron, Vitamin C, B Vitamins

Dietary fiber is important to digestive health and may also help curb hunger. Some research suggests that people who have a higher intake of fiber also tend to have a healthier body weight.



Calcium & Vitamin D

Most Americans aren't getting enough calcium or vitamin D in their diets. Nearly nine out of 10 American kids don't get enough vitamin D, and about four out of 10 don't get enough calcium. Sixty percent of women don't get the calcium they need for healthy bones and teeth.

Percentage of people who are not getting enough calcium or vitamin D

Age groups	Calcium	Vitamin D
2-5 years	16%	86%
6-12 years	43%	94%
13-18 years	53%	92%
19-50 years	26%	96%
51+ years	55%	94%

GENERAL MILLS' IMPACT

Cereal and Snack Bars

In 2012, our U.S. operations shipped more than 15 billion servings of whole grain annually. That adds up to more than 40 million servings of whole grain each day (1 serving = 16 grams) - 35 million of those servings from our Big G cereals. Per capita cereal consumption is growing in markets around the world. Since 2003, our Cereal Partners Worldwide joint venture with Nestlé has increased global consumption of whole grain by more than 3.4 billion servings.



Vegetables

Americans get as much as 30 percent of their daily fiber and 50 percent of their daily vitamin C from frozen, canned and dry fruits and vegetables. According to research by the University of California, Davis, frozen vegetables are as nutritious as their fresh counterparts. Green Giant vegetables are picked at the peak of perfection, packed and frozen to lock in naturally occurring nutrients.

Cereal

General Mills offers nearly 40 innovative, fiber-added products - everything from cereal and bars to pancakes - under its category-leading Fiber One brand. According to the U.S. Centers for Disease Control and Prevention (CDC), ready-to-eat cereal is the No. 1 source of key nutrients like iron and folate for kids ages 4-12. Our cereals advertised to children are fortified with calcium, iron, vitamin D and B vitamins.

Yogurt

Yogurt provides protein, calcium, potassium and other important nutrients. Yoplait Original contains 20 percent of the Daily Value of calcium and vitamin D in each cup. Research indicates that women who regularly eat yogurt have a healthier body weight, smaller waist size and consume more essential nutrients.



Cereal

General Mills has been a pioneer in fortifying cereals. Today, all Big G kid cereals are fortified with vitamin D and calcium. A July 2012 study funded by the General Mills Bell Institute of Health and Nutrition, and published in The Journal of Food Science, shows that vitamin D fortified cereal is one of the top 10 food sources of vitamin D for those in the United States.





General Mills has a long history of providing convenient, affordable, nutritious foods to help consumers meet key health and nutrition recommendations. In fiscal 2012, General Mills' U.S. retail operations shipped billions of grams of whole grain and dietary fiber and billions of servings of vegetables and dairy, detailed below.

Whole grain	Vegetables	Dairy	Fiber
240 billion grams of whole grain	1 billion servings of vegetables (1 serving = 1/2 cup)	2.3 billion servings of low/ nonfat dairy (1 serving = 1 cup)	55 billion grams of dietary fiber

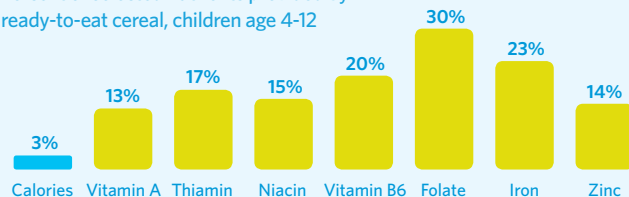
Benefits of cereal

Health benefits for children

- Studies have shown that children and adolescents who eat a ready-to-eat cereal breakfast have a lower Body Mass Index (BMI) and waist circumference than those who don't eat cereal at breakfast or who skip breakfast.^{1,2}
- Girls who eat cereal are less likely to become overweight as young adults than non-cereal eaters.³
- A serving of cereal with milk costs about 50 cents on average, making cereal an inexpensive and efficient way to get important vitamins and minerals.

CEREAL PROVIDES KEY NUTRIENTS FOR CHILDREN

Percent of selected nutrients provided by ready-to-eat cereal, children age 4-12



Centers for Disease Control and Prevention (CDC). National Center for Health Statistics (NCHS). National Health and Nutrition Examination Survey Data. Hyattsville, MD: U.S. Department of Health and Human Services, Centers for Disease Control and Prevention.

Health benefits for adults

A research¹ study conducted in 2012 and funded by the Bell Institute of Health and Nutrition examined the relationship between ready-to-eat cereal consumption and BMI, nutrient intake and whole grain intake among American adults. Key findings include:

ADULTS (AGES 19-64)

- Adults who consumed more than 7 servings of ready-to-eat cereal in a 2-week period had lower BMIs than those who ate cereal less frequently.
- Frequent cereal eaters were less likely to be overweight or obese, compared to those who ate cereal less frequently, and had nutrient intakes that aligned more closely with national dietary recommendations.
- Ready-to-eat cereal consumption is related to improved nutrient intakes. Ready-to-eat cereal consumption is related to improved nutrient intakes in American adults.

Learn more about the benefits of cereal.

¹ Albertson AM et al. Ready-to-eat cereal consumption: Its relationship with BMI and nutrient intake of children aged 4 to 12 years. *J Am Diet Assoc* 2003;103:1613-1619.

² Cho S et al. The effect of breakfast type on total daily energy intake and body mass index: Results from the Third National Health and Nutrition Examination Survey (NHANES). *J Am Coll Nutr* 2003;22(4):296-302.

³ Barton BA et al. The relationship of breakfast and cereal consumption to nutrient intake and body mass index: The National Heart, Lung and Blood Institute Growth and Health Study. *J Am Diet Assoc* 2005;105:1383-1389.

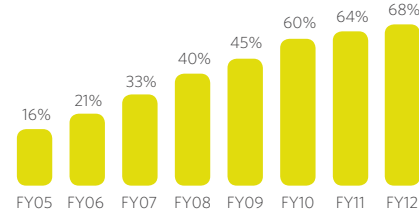


1B Improving product health profiles

Increasing nutrients in key food groups while reducing sugar, sodium, fat and calories

Around the world, we are making progress toward our healthier product commitments. General Mills has improved the health profile of 68 percent of our U.S. retail sales volume since we began tracking and quantifying health improvements in 2005. In fiscal 2012 alone, we improved nearly 16 percent of our U.S. retail sales volume. Improvements include adding whole grains, fiber and calcium, and reducing calories, sugar, sodium and trans fat. In the U.K., we have removed artificial trans fat from foods, and

Percent Nutritional Improvement (U.S. retail sales volume)



we are proceeding with our sodium reduction program as part of our pledge associated with the "Responsibility Deal," a set of voluntary agreements covering food, physical activity and

health at work that is backed by the U.K.'s Department of Health.

In Australia, we joined the Australian Food and Grocery Council and other food companies to launch the [Healthier Australia Commitment](#) in October 2012. In support of this commitment, General Mills and the other companies have pledged to collectively deliver on targets that include reducing sodium by 25 percent and reducing energy (as measured by kilojoules to address calorie consumption) by 12.5 percent by 2015. The commitment

also includes educating consumers about balanced diets and healthy, active lifestyles and promoting employee wellness.

In Canada, we began a strategic process to address nutritional improvements to our product portfolio in 2010. During the first two years of this initiative, more than 30 percent of our retail product portfolio in Canada was nutritionally improved or launched with a strong nutrition profile. In fiscal 2012 alone, more than 25 percent of retail volume in Canada qualified for our "health improved" criteria, with

Tracking health improvements

Key to indicators: Achieved goal In progress



Whole grain

U.S.



Increase whole grain: Every Big G cereal now has more whole grain than any other single ingredient and contains at least 10 grams of whole grain per serving; more than 20 General Mills cereals deliver at least 16 grams



Sugar

U.S.



Reduce sugar in kids' cereals to single-digit levels per serving



Sodium

U.S.



Reduce sodium by 20 percent across top 10 product categories by 2015

U.K.



Reduce sodium in food, helping consumers get closer to the 2.4 grams per day maximum recommended daily intake



Trans fat

U.S.



Remove trans fat

U.K.



Remove trans fat



Calories

U.S.



Reduce calories: Currently more than 500 U.S. retail products with 100 calories or less per serving; and more than 800 U.S. retail products with 150 calories or less per serving

650

or more of our U.S. products have been nutritionally improved since 2005.





meaningful increases in nutrients targeted for increased consumption or decreases in nutrients that are over-consumed in the Canadian population. We are anticipating similar achievements in fiscal 2013 to help improve diet quality in Canada in areas such as whole grain, fiber, sodium and heart-healthier fats.

PR1, FP6, FP7

Boosting whole grains

Research shows that eating whole grains as part of a healthy diet can help improve heart health, weight management and diabetes management while reducing the risk of some cancers.

The USDA 2010 Dietary Guidelines for Americans advise people to eat at least half of all grains as whole grains and choose products that name a whole grain ingredient first on the label. In

2012, General Mills reached a multiyear reformulation milestone across its portfolio of Big G cereals to ensure that every Big G cereal now has more whole grain than any other single ingredient. All Big G cereals now contain at least 10 grams of whole grain per serving, and more than 20 General Mills cereals deliver at least 16 grams. This whole grain innovation was accomplished while delivering the same great taste consumers expect.

All global cereal brands offered by our CPW joint venture with Nestlé now have at least 8 grams of whole grain per serving. CPW – which makes and markets cereals such as Fitness, Cheerios, Chocapic and Nesquik globally outside North America – is the second-largest cereal provider in the world. CPW is working to increase levels of whole grain so it is the main ingredient in all CPW cereals.

▽ Our Pillsbury Chakki Fresh Atta is made with 100 percent whole grain wheat, providing fiber, iron and essential nutrients. Product information helps build customer awareness of the nutritional value of whole grains.



10 grams

All Big G cereals now contain at least 10 grams of whole grain per serving.



Learn more about whole grains



WATCH VIDEO

In India, our Pillsbury Atta with Multigrains combines seven natural grains – wheat, soy, oats, maize, ragi, chana dal and barley – with added iron, calcium and protein.

△ Watch “The Benefits of Whole Grains” – one of five videos focusing on making half your grains whole. The videos were produced by the General Mills Bell Institute of Health and Nutrition and other partners committed to promoting and supporting grains in collaboration with the USDA Center for Nutrition Policy and Promotion.



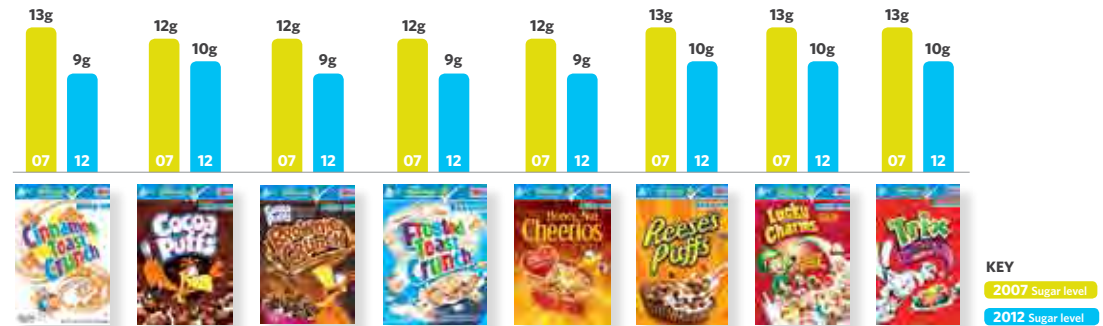
Reducing sugar

General Mills continues to reduce sugar across our global product portfolio. For example, in 2009 the company announced it would reduce sugar in all of its cereals advertised to children under age 12 to single-digit grams of sugar per serving. Today, all General Mills cereals marketed to children are at 10 grams of sugar or less per serving. Four varieties of

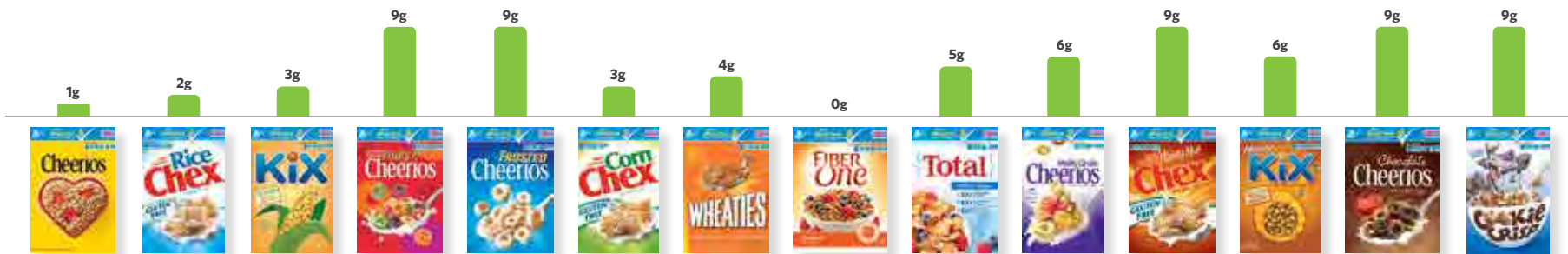
these cereals, including Honey Nut Cheerios and Cinnamon Toast Crunch, contain 9 grams of sugar per serving, down from 11 to 15 grams of sugar in 2007.

General Mills also has been working since 2004 in the U.S. to lower the sugar in our yogurts advertised to children under age 12. Since 2007, we've lowered the average sugar level in Yoplait kid yogurts by more than 21 percent and continue to

improve the nutrition profile of our products while striving to meet consumer taste preferences.



Cereals at single-digit sugar levels

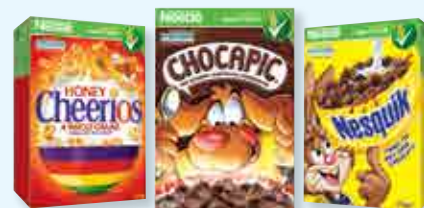


Cereal Partners Worldwide nutritional improvements

Our Cereal Partners Worldwide (CPW) joint venture with Nestlé makes and markets cereals under the Nestlé brand globally outside North America. CPW announced specific commitments in October 2012 to nutritionally improve about 5.3 billion portions of breakfast cereals in more than 140 countries.

CPW is working to reduce the sugar content of 20 Nestlé breakfast cereal brands popular with

children and teenagers to 9 grams or less per serving by the end of 2015. The changes mean that Nestlé breakfast cereals will have a sugar reduction of up to 30 percent across brands including Nesquik, Chocapic, Honey Cheerios



and Milo. In addition, CPW is making other nutritional improvements, including increasing calcium to at least 15 percent of the recommended daily allowance (which varies in different parts of the world) and reducing the

sodium content of 20 breakfast cereals popular with children and teenagers to 135 mg or less per serving by the end of 2015. Since 2003, CPW has removed more than 9,000 tonnes of sugar and almost 900 tonnes of salt from its recipes, while adding more than 3.4 billion servings of whole grain.



Reducing sodium

General Mills has a broad commitment to reducing sodium in our products while meeting consumer taste requirements. Around the world, consumers eat an average of 9 to 12 grams of salt a day. Many health authorities recommend reducing this level to around 6 grams – or about a teaspoonful – a day. General Mills has steadily reduced sodium in our product portfolio in many parts of the world. We have a team of researchers dedicated to reducing sodium in foods through gradual reductions.

In the U.S., General Mills committed in 2008 to trim sodium, on average, by 20 percent in our top 10 categories by 2015. We are on track to meet this ambitious, industry-leading sodium reduction effort. This effort affects a significant portion of our portfolio – products from snacks to soups to side dishes. General Mills has made strong progress toward this goal with sodium reductions in fiscal 2012 across our product portfolio. In 2012, our ready-to-serve soup category achieved more than 20 percent sodium reduction four years ahead of schedule. We also reduced sodium



.....
 ▲ In 2012, our ready-to-serve soup category achieved more than a 20 percent sodium reduction – four years ahead of schedule. We also reduced sodium by 10 percent in a number of Hamburger Helper dinners along with other products in the meals category.

by 30 percent or more in several Chex Mix varieties and made significant strides in other product categories, such as dry dinners, canned vegetables, frozen pizza and refrigerated dough. In fiscal 2012, General Mills had 1,641 U.S. retail SKUs with 480 mg or less sodium per serving.

In the U.K., we have pledged as part of the [Responsibility Deal](#) to reduce salt in food – helping consumers get closer to the 6 grams of salt per day (2.4 grams of sodium) maximum recommended daily intake. Our sodium reduction program is aligned to the U.K. Department of Health targets. Acceptable technical solutions have been identified for some product categories, enabling us to speed up reformulation activities. We continue to seek additional sodium reductions in our remaining product categories. We also have implemented nutrition standards for each brand to ensure that sodium levels are a key consideration when developing new products.

In Australia, we also have been reducing sodium in our portfolio, including our Old El Paso products. These reductions help lay the foundation for our progress toward the collective industry goal of reducing sodium by 25 percent by 2015 as part of the [Healthier Australia Commitment](#).

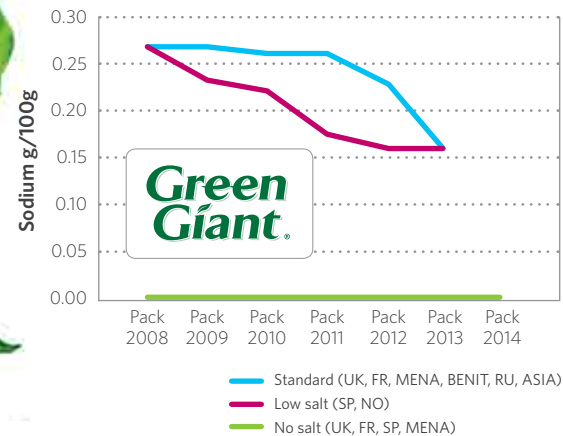
.....
 ▲ For the past five years, Green Giant has made consistent, steady sodium reductions across our range of vegetable products in Europe. In Sweden and Norway, we apply the keyhole symbol on our packaging to highlight healthier options in the canned vegetable category.



In the U.S., General Mills has committed to trim sodium, on average, by 20 percent in our top 10 categories by 2015.



Sodium reduction – corn



◀ Green Giant is lowering the salt in its canned vegetables by 5 to 35 percent across Europe, Russia, Africa and the Middle East. This sodium reduction effort has already been implemented in 90 percent of Green Giant products – including sweet corn, artichokes and hearts of palm – in these markets.





Reducing trans fat

In recent years, General Mills has successfully reformulated a number of products to reduce trans fat, achieving trans fat reductions in more than 150 of our U.S. retail products since 2005. In fiscal 2012, General Mills continued to remove trans fat by reformulating additional Pillsbury biscuits and crescents – all Pillsbury refrigerated biscuits and crescents now have zero grams labeled trans fat.

In the U.K., we have achieved our goal of removing trans fat from partially hydrogenated oils in our products, meeting the trans fat elimination target of the U.K. Responsibility Deal pledge. In addition to these ingredient selection and reformulation efforts, we have put in place nutrition standards ensuring continued absence of trans fat from our products in the U.K.



△ In the U.S., all Pillsbury flaky refrigerated biscuits now have zero grams labeled trans fat. Many varieties of these biscuits have lowered calories as well.



△ Our Old El Paso line of products in Europe has achieved a 39 percent saturated fat reduction and 43 percent total fat reduction.

Reformulating products

We continually reformulate our products to meet consumer preferences and offer healthier options. For example, in the summer of 2012, we modified several varieties of our Yoplait yogurt. We removed high fructose corn syrup from our Original Style Yoplait, Yoplait Light, Light Thick & Creamy and Yoplait Lactose-Free (along with our new Fruiplait and Simplait yogurt options). We also added more fruit to our yogurt varieties that contain pieces of fruit, reduced the calories in Yoplait

Light to 90 per serving, and switched to natural colors, flavors and sweeteners in Original Style Yoplait. In addition, we redesigned our packaging (read more about our Yoplait packaging reductions in the [Environment](#) section of this report).



△ We listened and responded to customer feedback about Yoplait yogurt.

Yoplait, Simplait and Fruiplait are trademarks of YOPLAIT MARQUES (France) used under license.

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We modified Yoplait Light so it now contains 90 calories – 10 less calories than the previous formulation – as well as zero grams of fat and 20 percent of the recommended Daily Value of calcium and vitamin D. Yoplait Light is the only light yogurt endorsed by Weight Watchers®.



“At General Mills we are committed to continuous health improvements. We also know that food is absolutely not nutritious unless people are eating it. The win in innovation is in providing healthier products that are affordable and taste great.”

– Maha Tahiri, Senior Technical Director, General Mills Bell Institute of Health and Nutrition





Modifying school meals

General Mills also is responding to changing U.S. Department of Agriculture (USDA) standards for K-12 school meals, which include increasing fruits and vegetables, serving items with zero grams of trans fat and meeting whole grain requirements. Under the new standards, school meals also must meet specific calorie ranges and sodium targets.

The new requirements apply to school lunches during the 2012/13 school year, while the majority of changes to school breakfasts take effect beginning July 2013.

General Mills is well-positioned to meet these new requirements while continuing to provide items that offer easy menu planning and preparation. Already, we have 70 products that meet the USDA whole grain criteria, a full portfolio of products

with zero grams trans fat that can be served throughout the school meal program. We also have convenient breakfast items – such as Pillsbury Mini Pancakes, Mini Waffles and the new Pillsbury Sunrise Flatbread – that provide schools a quick way to serve hot breakfast favorites while meeting the new requirements.



△ General Mills products help schools serve meals that meet new USDA requirements.

1C Offering nutritious new products

Striving to offer products with more whole grain, more calcium, more vegetables and fruit, reduced sodium, less fat, fewer calories

General Mills continues to provide consumers with healthful new product options. In fiscal 2012, new products – such as Fiber One 90 Calorie Brownies, Multi Grain Cheerios Peanut Butter and Nature Valley Protein bars – generated 5 percent of General Mills' U.S. retail segment sales.

▽ Fiber One 90 Calorie Brownies provide 20 percent of the recommended Daily Value of fiber with 5 grams of fiber per serving.



Nutritious new products

Our summer 2012 product launches included:



Green Giant Seasoned Steamers frozen vegetables in six varieties are made with seasoning blends – including rosemary, oregano, honey and parsley – that boost flavor without added sauces.



Yoplait Greek 100 has two times the protein of regular yogurt – with 100 calories. Yoplait Greek 100 is the only Greek yogurt endorsed by Weight Watchers®.



Cascadian Farm Ancient Grains Granola organic cereal combines quinoa, spelt and kamut khorasan wheat with granola, providing an excellent source of fiber with 5 grams of protein and 35 grams of whole grain.

New options for limited diets

General Mills continued to expand our offerings of gluten-free and lactose-free products, making it easier for consumers to find the nutrition attributes they seek, including:



LÄRABAR über sweet and salty Fruit & Nut bars are gluten-free and contain 9 ingredients.



Gluten Free Apple Cinnamon Chex cereal has 10 grams of whole grain per serving and no artificial colors or flavors.



Yoplait Lactose Free yogurt provides 20 percent of the Daily Value of calcium and vitamin D.

General Mills offers more than 300 gluten-free products, including gluten-free versions of Betty Crocker dessert mixes and frostings, a gluten-free version of Bisquick pancake and baking mix, and five varieties of Chex cereals.



2 Educate consumers

2A Promoting better health

Educating consumers around the world about nutrition and fitness

General Mills believes that in addition to delivering a range of healthful and better-for-you products, we also can help to raise awareness about the importance of achieving a balance of good nutrition and physical activity through healthy lifestyle choices. In the U.S., we sponsor [Champions for Healthy Kids](#), a program promoting healthy nutrition and fitness for America's youth (learn more in the [Community](#) section).

In 2012, we joined in a strategic partnership with the USDA Center for Nutrition Policy and Promotion to help promote dietary guidelines for Americans. As part of this combined effort between government and industry to promote nutrition in the context of the Dietary Guidelines for Americans 2010, our Bell Institute of Health and Nutrition helped equip health professionals with information about the latest science and practical nutrition tips. Learn more at [ChooseMyPlate.gov](#).

General Mills also is a member of the [Healthy Weight Commitment Foundation](#), an industry-led coalition of more than 200 organizations focused on combating childhood obesity.

PR4, FP8

Encouraging consumption of fruits and vegetables

Across Europe and the U.S., General Mills is helping promote consumption of fruits and vegetables. Our campaign to leverage the popularity of the Jolly Green Giant to encourage families to eat more vegetables has expanded from the U.K. and France to the U.S. In France, we help promote the Programme National Nutrition Santé with the "5 par jour" (5 a day) message online, on product packaging and in stores. In the U.K., General Mills supports the U.K. Department of Health's Fruit and Vegetable

▽ In October 2012, kids interacted with a virtual Jolly Green Giant during an event at New York City's Grand Central Terminal promoting the nutritional benefits of eating vegetables.



△ Our Green Giant campaign promotes vegetable consumption in France.

pledge as part of the Responsibility Deal through media campaigns and online efforts promoting the "5 a day" message, including providing recipe ideas and promotion of healthy lifestyle habits.

PR4, FP8

"At General Mills, we not only provide consumers with a range of healthful products – we also help raise awareness about the importance of making healthy lifestyle choices. Through our Champions for Healthy Kids program, our participation in the Healthy Weight Commitment Foundation and other partnerships, we are working to promote overall health by balancing good nutrition and physical activity."

– Kim Nelson, General Mills Senior Vice President, External Relations and President, General Mills Foundation



Combining nutrition and fitness

General Mills supports online resources that help consumers make more healthy choices about nutrition and exercise. In the U.K., we promote physical activity through our Nature Valley brand in partnership with Walk for Life, part of the Change4Life movement that encourages families and adults to eat well, move more and live longer by making small lifestyle changes that add up to big health benefits. Our U.K. [Nature Valley website](#) now features details of more than 2,000 free walks and fitness insights – consistent with our brand and our participation in the U.K. Responsibility Deal pledge. Nature Valley promotes healthy, active lifestyles fueled by whole grain consumption.



△ Within six months after its launch, 78 percent of the more than 90,000 visitors to the Nature Valley U.K. website viewed information about local walks.

In Australia and in the U.S., we support [Together Counts](#), an online program promoting energy balance. Launched in the U.S. by the



Healthy Weight Commitment Foundation to help reduce obesity – particularly among kids – by 2015, Together Counts is now being used as part of the [Healthier Australia Commitment](#) as well. Together Counts encourages families to eat and exercise together regularly to achieve healthy weight through energy balance – matching calories in with calories out. In the U.S., we also support [EatBetterEarly.com](#) (featuring recipes, nutrition tips, cooking tips, and information about whole grains) and [LiveBetterAmerica.com](#) (featuring recipes, tips for healthy living, Food 101 glossary of fruits and vegetables, coupons and a blog from a range of contributors).

PR4, FP8

Communicating nutrition information on packaging

General Mills' product packaging provides clear nutrition information for consumers.

U.S.: Currently, more than half of our U.S. products feature front-of-package labeling and, by early 2014, all of them will. The "Nutrition Keys" are a set of standard icons including information about calories, saturated fat, sodium and total sugars – designed to make it easier for consumers to make informed food choices in the grocery aisle. All of our Big G cereal boxes also display grams of whole grain per serving so consumers can see how cereal helps them meet dietary recommendations. We were also the first to use a "contain" statement to highlight allergen information boldly on our product information panels.



Canada: In Canada, we participate in the Nutrition Facts Education Campaign, a collaboration between Food & Consumer Products of Canada and Health Canada that has helped increase consumer awareness and use of the "% Daily Value," a component in the Nutrition Facts table.

Europe: In Europe, we joined 11 other leading food and beverage manufacturers in November 2012 in reaffirming our commitment to harmonized front-of-pack nutrition labeling across all markets in the European Union (EU). The commitment will ensure that consumers have access to consistent, meaningful nutritional information on products, including continuing to display calorie information on the front of packages. Currently, 92 percent of our products across all EU markets feature Nutrition Keys printed on the packaging. We began this labeling in 2008.

FP8

Nature Valley promotes healthy, active lifestyles fueled by whole grain consumption.

Each portion contains				
Calories	Sugars	Fat	Saturates	Sodium
112	2,5g	0,3g	Trace	0,2g
6%	3%	<1%	<1%	8%

of an adult's Guideline Daily Amount

△ In Europe, 92 percent of our products feature Nutrition Keys on the packaging.



2B Supporting responsible marketing

Participating in pledges around the world that address advertising to children

General Mills' marketing guidelines underscore our commitment to responsible marketing and advertising by stating that all marketing should respect three key steps to healthier living: balance, moderation and physical activity. We take particular care around advertising directed to children – including prior review by the Better Business Bureau's Child Advertising Review Unit in the United States. General Mills has had [child marketing guidelines](#) in place for more than 30 years, and they are reviewed and updated annually by the company's Child Marketing Review Council. These guidelines are reviewed annually with the company's CEO and the Chief Operating Officers of the company's U.S. and International operating units.

We adhere to strict internal and industry guidelines in producing and

reviewing ads to ensure they are appropriate for the intended audience.

Along with other companies in the industry, we have also made commitments to self-regulation around the world – including advancing pledges to ensure our advertising meets specific standards in countries from the U.S. and the EU to Brazil, Canada, India and Singapore.

In July 2011, for example, we joined 16 food and beverage companies in establishing uniform nutrition criteria for foods advertised to children under age 12 in the U.S. – strengthening industry guidelines that we had helped put in place in 2007. We are on track to comply with Children's Food and Beverage Advertising Initiative (CFBAI) guidelines by the Dec. 31, 2013, deadline. (Find more details about

“Our goal is to innovate to make people’s lives healthier, easier and richer. As an industry leader, we are also committed to maintaining the highest standards for responsible marketing practices, especially those directed to children. Each year, we proactively establish industry-leading product standards and marketing guidelines to ensure we deliver on our commitment.”

– Mark Addicks, Chief Marketing Officer, General Mills

General Mills' commitments regarding [advertising to children](#) in the U.S.)

In Canada, we participate in the Canadian Children's Food and Beverage Advertising Initiative (CAI), a voluntary initiative by 19 of Canada's leading food and beverage companies to promote and support healthy dietary choices and healthy lifestyles to children under 12 years of age. The 2011 [CAI Compliance report](#) includes General Mills.

As a founding member of the [EU pledge](#), a voluntary initiative by leading food and beverage companies, General Mills and other signatories agree not to advertise

any product that does not meet specific nutrition criteria to kids under 12. In November 2012, the EU pledge added harmonized nutrient profiles to the EU platform for diet, physical activity and health. In the future, only foods and beverages meeting these profiles will be advertised to children. The EU pledge aligns with the International Food and Beverage Alliance's pledge to establish global minimum standards for marketing to children in accordance with the World Health Organization (WHO) framework. WHO has identified child marketing as a regulatory priority.

PR6



14

General Mills is among 14 of the world's leading food companies to sign the Singapore Food & Beverage Industry Responsible Advertising to Children Pledge – the first pledge of its kind in Singapore. Beginning in January 2013, these companies will advertise to children only products that meet agreed-upon nutritional criteria.



3 Advance global food safety

3A Adhering to strict food safety processes

Setting high standards for prevention, quality and investment

As a consumer foods company, General Mills is committed to the safety of the products we produce and market around the world. That commitment is fundamental to the way we do business. This emphasis on food safety and quality has long addressed issues such as spoilage and contamination, as well as allergenicity and ingredient simplification.

Strategy and process

Our food safety risk management strategy is based on three core elements: prevention, intervention and response. We work hard to prevent problems by building in quality and food safety from the start of our product design process. We maintain stringent internal standards and requirements to ensure safety across all processes and operations. To verify prevention, we conduct focused audits, risk-based surveillance and testing. We continually review our processes and procedures. Should a compromised product reach the market, we have well-established processes that guide our immediate response.

More than 50 years ago, General Mills developed the Hazard Analysis and

Critical Control Points (HACCP) process with NASA. HACCP details a process for ensuring food safety by identifying critical stages in the production process in order to minimize or eliminate potential food safety issues. Today, the comprehensive HACCP preventive process is not only required of General Mills' businesses around the world, it also has become the food industry's gold standard and the backbone of many countries' food safety regulations.

Investment and certification

General Mills adopts and applies the same high safety and quality standards everywhere we do business. All employees are stewards of our brands, and food safety is integral to this mission. We spend five times the amount on food safety we spent five years ago and annually review areas where capital is required to address emerging needs.

More than 90 percent of our total worldwide volume – including products produced at our own plants and at co-manufacturing sites – is manufactured in facilities audited and/or certified by

an independent third party, according to publicly available and recognized standards. In 2012, our plants around the world were inspected by numerous local, state, federal and/or provincial regulatory agencies; no official actions or noncompliance issues of significance were identified. We had a total of five recalls in 2012, all of which were voluntary and did not result in any consumer illness or injury.

Governance and auditing

Governance of General Mills food safety and regulatory matters begins with a corporate policy signed by our CEO. This corporate policy is further supported by an additional set of 16 detailed policies with accompanying standards and guidance documents providing more granular requirements. These food safety policies are developed by a global team involving subject matter experts relevant to the policy. Policies are signed by the senior leader(s) in the functions primarily responsible for assuring compliance. These policies are global – we have the same expectations regardless of country – and cover a broad range of food safety areas,



△ All General Mills owned facilities receive certification based on audits from an independent third-party service provider – a strategy we adopted more than 50 years ago and continue to refine.

including: regulatory compliance; trace and recall; labeling; claims; physical, chemical and biological hazards; transportation; good manufacturing practices and sanitation. The policies form the foundation for our internal audits, including collaborations with our global internal auditing group.

5 times
We spend five times the amount on food safety we spent five years ago.



3B Partnering to increase food safety

Increasing supplier and co-manufacturer audits, training and awareness

In recent years, we have dramatically increased our supplier and co-manufacturer audits worldwide to help ensure the safety of the raw materials (ingredients and packaging) we use in our products, including those products produced by non-General Mills locations. In fiscal 2012, we directly conducted more than 350 supplier and 150 co-manufacturer audits worldwide. We also encourage third-party audits and/or certification, such as the Global Food Safety Initiative, as an additional preventive control measure. In fiscal 2011, we held our first supplier school in the U.S., reaching our largest base of suppliers. We have continued this strategy, conducting a supplier school

500+
We conducted more than 350 supplier and 150 co-manufacturer audits worldwide in 2012.

in Asia in 2012. In addition, we directly hosted several webinars covering topics such as biological and physical hazard controls, allergen management and plant sanitation. We are continuing this well-received strategy in 2013, kicking off with a supplier school in Europe in March.

FPS

- We encourage third-party audits and certification
- as additional preventive control measures.



BPA

Most canned food and drink products on the market today use BPA (bisphenol A) in the can lining or lid to protect food from spoiling and to prevent metal food packaging from corroding. Scientific and governmental bodies worldwide have studied BPA and concluded that the weight of evidence supports its safety.

Despite broad scientific and regulatory consensus on the safety of BPA, we know that some consumers would prefer to see alternatives – and General Mills is actively working with suppliers and manufacturers to develop and test can linings that do not use BPA.

Technical challenges remain, but progress is being made. For example, General Mills identified a safe, viable alternative for our Muir Glen tomatoes in the United States, and with the fall 2011 tomato harvest, we successfully transitioned Muir Glen tomato products to cans with linings that do not use BPA.

As viable alternatives prove safe and effective for other products, we expect can suppliers and the food industry, including General Mills, in response to consumer interest, will convert to alternatives that do not incorporate BPA.



ENVIRONMENT



Our sustainability mission is to conserve and protect the natural resources upon which our business depends.

OUR GOAL is to continually reduce our environmental footprint. We focus our efforts on areas where we can have the greatest impact, both within our own operations and outside of them, primarily in agriculture and ingredient production. Across our global operations, we work to reduce our natural resource consumption. Additionally, we focus on sustainably sourcing the raw materials we use in our products.



Our strategies

.....

Reduce resource usage in our operations







Increase sustainability of ingredients

Overview

Our Environmental Sustainability Metrics - We continue to work toward our fiscal 2015 goal of achieving significant, measurable reductions in energy usage, greenhouse gas (GHG) emissions, water usage and other sustainability metrics. In fiscal 2012, our rates improved across all metrics with the exception of water usage. This increase was due to slightly decreased product volumes across our business as well as changes to product mix, which adversely impact all rate-based metrics. We exceeded our packaging goal and have since reset our 2015 goal to reflect this performance. In absolute terms, we improved across all dimensions (see page 76 for detail). We remain committed to making progress toward our goals.

EN5, EN18

Performance dashboard

	FY2015 target (% rate reduction from FY2005) ^{*,**}	Progress through FY2011 (% rate reduction from FY2005) ^{***}	Progress through FY2012 (% rate reduction from FY2005)
 Energy usage rate* (kilowatt hours/metric ton of product)	20%	8%	11%
 GHG emissions rate* (metric tons CO2e/metric ton of product)	20%	9%	10%
 Water usage rate^{*,**} (cubic meters/metric ton of product)	20%	11%	10%
 Solid waste generation rate* (metric tons/metric ton of product)	50%	35%	40%
 Transportation fuel usage rate^{*,**} (% fuel reduction/metric ton of product shipped)	35%	15%	17%
 Packaging improvement rate^{*,**} (% of packaging volume improved)	60% (increased from 40%)	27%	52%

* Energy, GHG emissions, water and solid waste generation absolute and rate-based data in this section are from wholly owned production facilities globally, excluding recently acquired Yoki and Yoplait International. Transportation fuel use data covers outbound shipments in the United States by our logistics service providers. Packaging improvement data are global.

** Water usage rate goal and progress are based on fiscal 2006 baseline data. Transportation fuel usage rate and packaging improvement rate goals and progress are based on fiscal 2009 baseline.

*** FY2011 rate adjustments reflect improvements in data gathering and tracking methodology.



Our approach: measure & reduce

We track our environmental footprint, report progress and work to reduce our global impact

We measure and report our progress according to key performance indicators (see table on page 27) as well as other metrics, making changes in our processes and facilities to improve our environmental performance. We affect these improvements through our environmental management system, which follows a “plan, do, check, act” approach. At each facility, we use scorecards to track and report progress.

To reduce our environmental impact, we pursue two key business strategies. The first is Continuous Improvement (CI), which focuses on waste elimination and prevention. CI encourages employee ownership of company processes – from plant production workers to our executive management team – to eliminate and prevent waste, including time and effort. The second is Holistic Margin Management (HMM), which calls on cross-functional teams to understand the value drivers for our brands and eliminate nonvalue-added costs. In addition to improvements in environmental performance, savings from these initiatives enable us to offset inflation increases in our raw material costs which, in turn, helps us to keep our consumer prices stable and to invest in innovation. Our companywide goal – which includes environmental and non-environmental initiatives – is to accrue US\$4 billion in HMM savings between fiscal 2010 and

2020. To date, sustainability initiatives have contributed substantially to our progress against this goal. For example, by focusing on landfill diversion, our North American plants returned more than US\$8 million in recycling income to their bottom lines in fiscal 2012. Additionally, our energy reduction projects in fiscal 2012 resulted in a cost savings of US\$1.3 million. Since 2005, our North American operations have saved more than US\$55 million by using proactive environmental management, CI and HMM tools to make our plants more efficient and environmentally sustainable.

\$55 million
 Since 2005, our North American operations have saved more than US\$55 million through proactive efforts to make plants more efficient and sustainable.



In fiscal 2012, we commissioned a Trucost study of natural resource use across our value chain. We recognize that the majority of our overall environmental

impact occurs upstream and downstream of our own operations. Results of that study are detailed on page 41 of this report’s Sourcing section.

EN18

Organizational responsibility

At General Mills, our Chairman and CEO has ultimate accountability for environmental sustainability performance, which is included in his annual performance objectives. He convenes the Sustainability Governance Committee three times per year, made up of operating and functional heads. The committee reviews and approves strategies, programs and key investments. In addition, our Chief Sustainability Officer, who reports to the Senior Vice President of Supply Chain and the Senior Vice President of External Relations, leads



Jerry Lynch, Chief Sustainability Officer at General Mills, highlights the role of employees in championing sustainability efforts.



Environmental management approach

PLAN: Identify our key impacts and develop thorough task lists to address them.

DO: Leverage multiple systems to complete the work.

CHECK: Complete internal and external assessments and audits.

ACT: Utilize the results to improve performance and update our tasks.

our global environmental sustainability initiatives. Executives in Supply Chain, External Relations and Sustainability have responsibility to develop, coordinate and execute programs to achieve corporate-wide goals. To ensure ownership across the company, these goals are broken down and assigned annually to the relevant executives within business units, supply chain and production facilities. The Board of Directors’ Public Responsibility Committee regularly reviews the company’s sustainability objectives, strategies and performance.



Training, monitoring and follow-up

On a quarterly basis, our Global Safety and Environment team reviews the company's compliance status and progress toward sustainability goals with senior management, production facilities and business units. Global Safety and Environment teams at our plants hold regular meetings to share best practices about environmental initiatives and compliance requirements. In each production facility and targeted commercial units, we conduct training annually with relevant personnel. In fiscal 2012, we performed scheduled safety and environmental audits at many of our wholly owned facilities around the world.



△ Yoplait fridge pack: reduced, recycled, and labeled for recycling. In 2012, we reduced the weight of the Yoplait cup, reduced the weight of the paperboard carton, converted the paperboard carton from virgin to recycled paper, and printed a label on the carton indicating the recyclability of each packaging component.



Significant reductions in 2012



REDUCED total energy use by more than 172 million kilowatt hours



LOWERED GHG emissions by about 60,000 metric tons



CUT water usage by roughly 300,000 cubic meters



REDUCED solid waste generated by about 17,000 metric tons



RECEIVED no significant compliance violations, fines or penalties

In 2012, we exceeded our 2015 packaging improvement goal and have since reset our 2015 goal to reflect this performance.

Our strategies and actions

1

Reduce resource usage in our operations

p.30

- A** Reducing energy usage
- B** Reducing GHG emissions and addressing climate change
- C** Reducing water usage
- D** Reducing solid waste generation
- E** Reducing transportation fuel usage
- F** Reducing packaging footprint

2

Increase sustainability of ingredients

p.39

- A** Improving sustainability of raw materials and watersheds



1 Reduce resource usage in our operations

1A Reducing energy usage

Improving the energy efficiency of our facilities around the world

 Across our businesses worldwide, we are making improvements to the energy efficiency of our plants and processes. We continue to focus on reducing energy consumption in our operations. Our energy audit program collects and shares sustainability best practices across our production facilities, such as dryer and oven optimization, building heating and cooling system improvements and lighting replacement innovations. The combined savings from individual projects at each of our plants adds up to significant energy reductions across the company.

During 2012, we used 2.4 billion kilowatt hours of energy in our wholly owned production facilities, 7.0 percent less than in 2011. During this time, we used 514 kilowatt hours per metric ton of product, a decrease of 2.7 percent over 2011. These decreases were primarily due to a continual focus on energy conservation and developing processes around energy management. Main sources of energy included natural gas (54 percent of the total) and electricity (45 percent of the

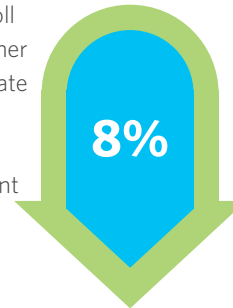
total). We remain committed to meeting our goal of a 20 percent reduction by 2015, using 2005 as our baseline year.

EN3, EN4, EN5

Energy reduction process

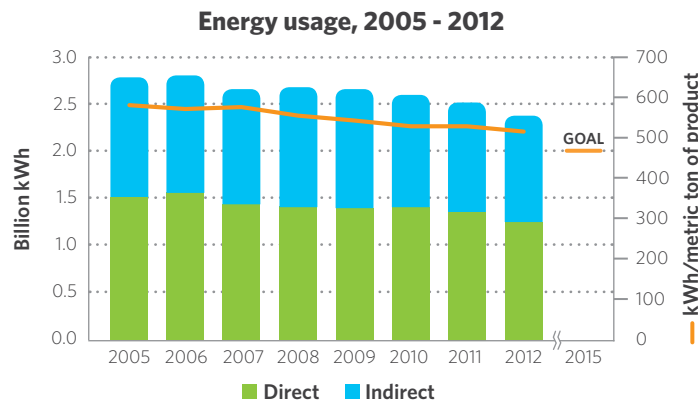
In the United States, we are using a new process to drive energy efficiency in our Big G cereal sites, which account for more than 40 percent of our global energy consumption. In 2012, we allocated resources – including adding dedicated, energy-focused engineers at each of our Big G cereal production

facilities – and developed an internal process focused on energy reduction. Through this process, we systematically analyze energy use at each facility and develop improvement plans. We have piloted the approach at seven sites, and in fiscal 2013 will roll it out across our other divisions to accelerate energy reduction performance. The results are significant – participating sites improved their average annual



energy use reduction rate (per pound of production) from 1.4 percent to 8 percent during the first six months of the initiative (May-November 2012).

Our comprehensive energy management process improves plantwide performance through a range of actions at each facility. While some changes provide sizable savings on their own, we also realize the cumulative contribution of smaller steps toward our energy goals. For example, our Big G plant in Albuquerque, New Mexico, identified energy savings opportunities including



△ Our Big G plant in Covington, Georgia, first piloted the energy reduction process, decreasing the energy use rate (per pound of production) by 29 percent and saving an estimated US\$5 million in energy over five years.



shutting down dryers in our production area, eliminating compressed air cooling in the packaging process, turning off lights in offices, and adjusting controls for heating and cooling the entire facility. Together, these changes are saving 2.6 million kilowatt hours of energy annually. We are using a similar energy management approach at our plant in Rooty Hill, Australia, where we installed high-efficiency lighting that is expected

to save 865,000 kilowatt hours per year, decreasing GHG emissions by 917 metric tons of carbon dioxide equivalent and saving US\$133,000 annually. We completed installation of the new office lighting in July 2012, followed by factory lighting in September 2012. The savings have been validated as part of a rebate program from the local energy provider, state and federal governments.

EN7



△ In Australia, high-efficiency lighting better illuminates the workspace while saving energy. The system uses programmable logic controllers and zoning to further reduce energy consumption.

Sustainable building design

In September 2012, we opened the largest LEED Gold certified facility of its kind in North America: our warehouse and distribution center in Fort Wayne, Indiana. This new facility received certification from the U.S. Green Building Council because environmental sustainability has been integrated into the building's design, construction, operation and maintenance. In January 2012, an expansion at our production facility in Albuquerque, New Mexico, also earned LEED Gold certification. Five General Mills buildings have attained LEED Gold certification since 2010.

▽ A Taste of General Mills blog, September 2012, "A solid gold facility"



Renewable energy: solar panels in Spain

Many of our facilities use renewable sources of energy, such as biomass, wind and solar power. At our San Adrián plant in northern Spain, nearly 4,500 solar panels generate almost 1.5 million kilowatt hours of electricity annually, which is directed to the power grid. Completed in July 2012, the facility is our first in Europe with solar power (we already have solar panel installations at facilities in the United States and China). The San Adrián plant receives all of its electricity – representing one-third of its energy overall – from renewable sources, including wind power. The plant also has significantly trimmed its energy and water usage rates in recent years. Learn more about the San Adrián solar panel project in this [Triple Pundit interview](#) with our plant manager.



◁ Solar panels generate electricity at our plant in San Adrián, Spain. This facility also has achieved ISO 50.001:2011 Energy Management System certification.



1B Reducing GHG emissions and addressing climate change

Managing the environmental impact of our operations



Climate change is a serious issue with broad implications for agriculture and the world's food supply. We see a clear role for responsible companies to help mitigate the risk of climate change. Our primary focus is reducing our GHG emissions in our operations through improved energy efficiency and the use of low-carbon energy sources (see pages 30-31).

The majority of our Scope 1 and Scope 2 GHG emissions are from burning fossil fuels at production plants and purchased electricity. Energy sources we use include natural gas, fuel oil, propane and electricity generated by various sources. We promote energy efficiency throughout our value chain and consider the climate impacts of packaging design and raw material inputs.

During fiscal 2012, we generated 936,000 metric tons carbon dioxide equivalent (CO₂e) of GHG emissions in our wholly owned production facilities, 5.9 percent less than in 2011. This included 242,000 metric tons CO₂e of Scope 1 emissions and 694,000 metric tons CO₂e of Scope 2 emissions. GHG emissions were 0.2 metric tons CO₂e per metric ton of product, down 1.5 percent from 2011. These decreases were primarily due to energy conservation. We remain committed to meeting our



General Mills has participated in the Carbon Disclosure Project (CDP) since its inception in 2000. We regularly report our GHG emissions and climate change strategies through this initiative. In 2012, CDP compiled data from 4,100 organizations in 60 countries around the world.

goal of a 20 percent reduction by 2015, using 2005 as our baseline year.

EN16, EN17

In addition to reducing GHG emissions from our own operations, we also work to decrease emissions across our value chain. Regarding our Yoplait yogurt business, General Mills is a member of the Sustainability Council of the Innovation Center for U.S. Dairy – which has committed to the voluntary goal

of reducing GHG emissions for fluid milk by 25 percent by the year 2020 (using 2007-2008 as a baseline) – and the Sustainable Agriculture Initiative (SAI) in Europe. We are also helping to measure GHG emissions stemming from U.S. row crops through our collaboration with Field to Market. Learn more about our efforts to help manage GHG emissions across our supply chain in the [Sourcing](#) section of this report.

Deforestation and forest degradation also contribute to climate change. General Mills has policies in place to help slow the impact of these trends. For example, we have public commitments about our sourcing of ingredients such as palm oil, detailed in our [Sourcing](#) section.

EN18

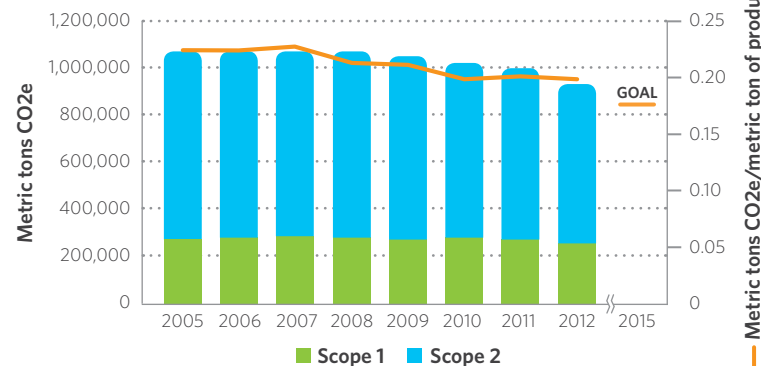


Reducing emissions

We reduce GHG emissions in our operations by improving energy efficiency and using low-carbon energy sources.



Greenhouse gas emissions, 2005 - 2012





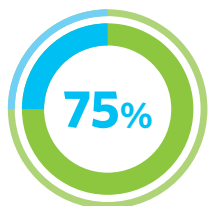
1C Reducing water usage

Lowering consumption and reusing water



In food production, water is used as an ingredient, to cool or heat various production operations, and to clean and sanitize equipment. We track water usage in each of our production facilities to identify areas of high usage and target opportunities for conservation. We are working with vendors and partners to develop water balance processes to help our facilities identify opportunities to decrease water use. We continue our efforts to reduce water usage by making improvements to the efficiency of our plants and processes around the world.

During 2012, we used 10 million cubic meters of water in our wholly owned production facilities, 2.9 percent less than in 2011. Eighty-two percent of total usage was from municipal sources, and the other 18 percent was groundwater.



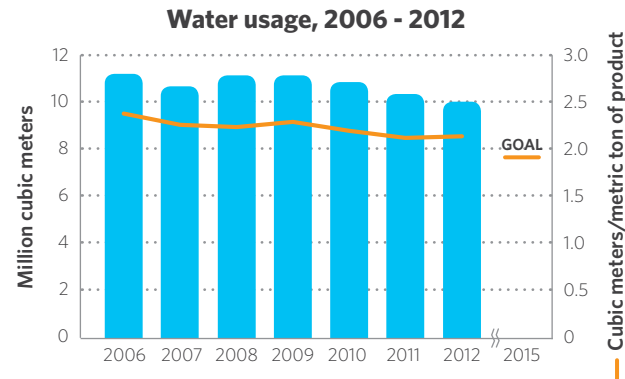
At our Cedar Rapids cereal plant in Iowa, a new water filtration system recirculates up to **75 percent** of the water used to clean emissions from the air.

The decrease in the absolute amount was primarily due to our water conservation efforts and reuse projects. In 2012, our water consumption rate was 2.1 cubic meters per metric ton of product, an increase of 1.1 percent over 2011, primarily due to change in the mix of products sold. We are renewing efforts to meet our goal of a 20 percent decrease by 2015, using 2006 as our baseline year.

Water recycling saves 380,000 cubic meters each year

We fund scalable sustainability projects that drive us toward our corporate footprint reduction targets. Two examples of this approach include investments to reduce water use at our production facilities in Vineland, New Jersey, and Cedar Rapids, Iowa. In both cases, we are reusing water only for cooling and cleaning during the production process, separate from water in food products.

At our soup facility in Vineland, we are reusing water to save 190,000 cubic meters of water per year – a 14 percent annual reduction in the plant’s water usage. We are also recovering heat energy to save 14.7 million kilowatt hours of energy (natural gas), representing a 13 percent annual reduction in energy usage. The plant team achieved these



results by using recycled water to cool soup cans during the final stage of canning. In addition to reducing water usage and energy consumption, the new approach has led to an estimated US\$600,000 in combined annual savings. At our cereal facility in Cedar Rapids, a filtration system installed in 2012 has reduced water usage by 190,000 cubic meters per year. Previously, water was used only once; the new system

recirculates up to 75 percent of the water. As a result, the team predicts that water usage will decrease by nearly 40 percent, equal to about 2 percent of General Mills’ entire global water use. The system also will save US\$220,000 annually in water and sewer costs. The savings at these two plants are a result of plant-driven CI initiatives.

EN10, EN26



△ Employees helped General Mills earn an Environmental Quality Award from the New Jersey Business & Industry Association for the Vineland plant’s water and energy conservation system.



Reverse osmosis system saves water in Mexico

At our facility in Irapuato, Mexico, we installed a reverse osmosis (RO) water recovery system that saves more than 3,000 cubic meters of water per year. The RO system purifies water by removing salts using membranes,

creating a pure water stream that the facility uses in the food production process. The remaining water is used for sanitation after treatment with ultraviolet (UV) light as a safety precaution.

Looking at our broader environmental footprint, the majority of water required to bring our products to consumers is used upstream of our direct operations, primarily in agriculture. Across our



△ We are saving more than 3,000 cubic meters of water per year at our facility in Irapuato, Mexico.

value chain, we are implementing our global water stewardship strategy to improve the health of watersheds accessed by our operations. Learn more in the [Sourcing](#) section.

EN9, EN10

.....

Our reverse osmosis water recovery system purifies water by removing salts.



WATCH VIDEO

△ At our plant in Covington, Georgia, an onsite facility treats food processing wastewater so thoroughly that the water can be fully reused, saving about 750,000 liters of water per day and almost US\$1 million annually.



WATCH VIDEO

△ Agriculture accounts for the largest percentage of water use in our value chain (see Trucost study results on page 41). In Mexico, our Green Giant business helps growers use water more efficiently.



Raising awareness about water consumption

At our Häagen-Dazs facility in Arras, France, more than 100 people - including students and employees - gathered to raise awareness and exchange information about water consumption in the community during our Water Day event. The environmental team presented best practices of its water use and provided a tour of its wastewater treatment facility.



1D Reducing solid waste generation

Keeping waste out of landfills through reduction, reuse and recycling

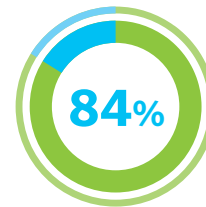
 We continue to reduce our solid waste stream by improving efficiencies in our production operations. This includes identifying sources of waste and decreasing waste from our processes. We also reduce the amount of waste sent to landfills by finding ways to recycle it or use it for other purposes.

During 2012, we diverted approximately 84 percent of waste from landfills. We generated 159,000 metric tons of solid waste in our wholly owned production facilities in 2012, 10.7 percent less than in 2011. Our waste generation rate was 0.034 metric tons per metric ton of product, which is a decrease of 7.6 percent, on target to achieve our goal of a 50 percent reduction by 2015, compared to 2005. These decreases were primarily due to a focus on Continuous Improvement

and loss identification, specifically ingredient overuse elimination efforts.

Waste reduction at our plants around the world

- At many of our facilities, we reuse boxes and totes instead of recycling the cardboard or sending it to a landfill. At our plant in Belvidere, Illinois, for example, we reuse corrugated cardboard from supply shipments – decreasing waste by 200 metric tons annually.
- In the U.K., our Berwick facility stopped sending its waste to landfills in 2012. Instead, the plant now manages its waste through reuse and recycling, and diverted 328 metric tons of waste from local landfills in fiscal 2012. In addition to becoming a “zero waste to

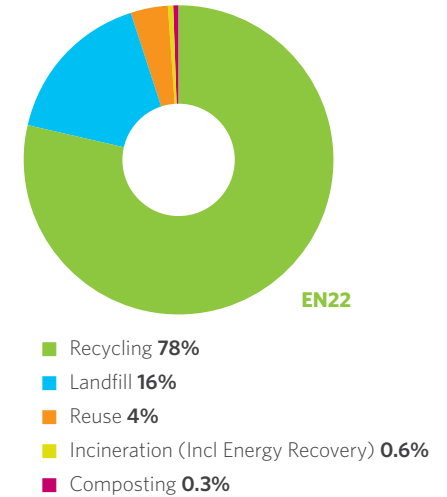


We diverted approximately **84 percent** of waste from landfills in 2012.

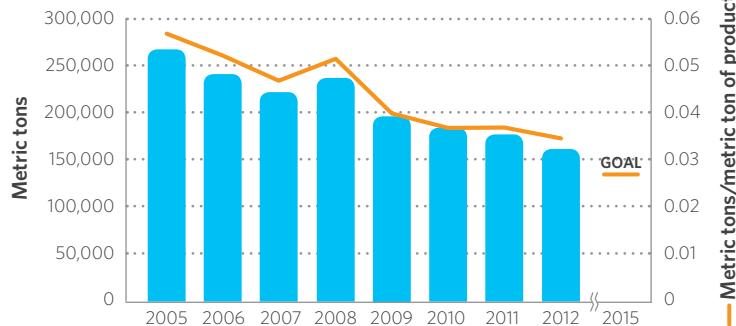
landfill” plant, the change also saves more than US\$16,600 per year.

- Our Seretram plant in Labatut, France, shares the zero-waste-to-landfill distinction. Green Giant sweet corn cans that do not meet quality specifications are crushed in a machine, which separates steel ready for recycling from corn. In 2012, we identified a partner that composts the corn for use as garden fertilizer.

Solid Waste by Disposition, 2012 (% of total)



Solid waste generation, 2005 - 2012



△ At our San Adrián plant in northern Spain, our employees are working toward a zero-waste goal.



Targeting food waste

One-third of all the calories of food produced in the world every year are wasted – equaling 1.3 billion metric tons of food waste – while nearly 1 billion people do not have enough to eat. Food waste also is five times more impactful in a landfill than packaging waste, because it creates methane – a GHG 20 times more potent than carbon dioxide.

In our supply chain, we have established new systems to more effectively identify opportunities to capture

food for donation, such as surplus ingredients or over-runs of products with seasonal or promotional packaging. From promotional cereal boxes and snack bars to ingredients such as flour and chocolate chips, we continuously seek opportunities to donate food and boost food security in developed and developing countries (read more about our work with food cooperatives and food shelves around the world in the [Community](#) section of this report).

We also help address the food waste challenge through industry collaboration.

In the United States, the Food Waste Reduction Alliance plays a critical role in food waste reduction. The goals of the Alliance – made up of the Grocery Manufacturers Association, the Food Marketing Institute, the National Restaurant Association and many member companies – are to reduce the amount of food going to landfills and increase the amount of food going to hungry people.

EN22

Donating surplus: reducing waste and feeding people

In 2012, we donated more than 10,800 metric tons of surplus food to U.S. charitable organizations – feeding hundreds of thousands of people rather than recycling the food (such as using it for animal feed) or sending food waste to landfills. Examples include:

- **158 truckloads** of Big G cereal products
- **333 truckloads** of Yoplait products – more than 4,800 metric tons of food
- **More than 61 metric tons** of snack products donated to Feeding America Food Banks
- **More than 250,000** cases of Mill City baking products donated to food banks in Georgia, Ohio, Massachusetts, Michigan, New York and Tennessee

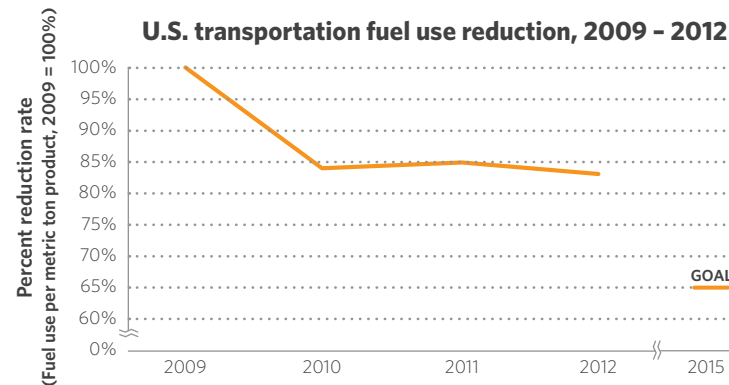
1E Reducing transportation fuel usage

Improving transportation efficiency



We are making progress toward our U.S. goal of a 35 percent reduction in fuel usage by 2015, using 2009 as the baseline year. During 2012, fuel usage per metric ton of product (for outbound product transport in the U.S.) decreased by 2 percent to reach 17 percent fuel reduction versus the 2009 baseline. The reduction is largely due to increased efficiency in transportation planning and increased regional distribution, shipment loading practices, and delivery methods. Our approach includes improved logistics planning, modal shifts to less-impactful forms of transport (such as truck to rail), loading using slip sheets, and pallet reduction.

EN29



Global fuel reduction

Around the world, our transportation teams are making targeted changes to reduce fuel usage. In the Middle East North Africa region, for example, we decreased transport-related fuel usage

and associated GHG emissions by 47 percent. By substituting wooden pallets with slip sheets and shifting all load movements from trucks to ocean transport, the team can load almost twice as many cases per container –

“Dramatically reducing the amount of wasted food is a critical strategy in the drive for global food security. Reducing food waste also lowers the amount of methane gas – a significant source of GHGs – coming from landfills.”

– Jerry Lynch, General Mills Chief Sustainability Officer and Food Waste Reduction Alliance Co-chair



shipping the same volume using 250 containers instead of 474. In France, we also used intermodal transport – shifting some truck shipments to more fuel-efficient rail – to decrease emissions by 134 metric tons of CO₂e in 2012.

In addition to these efforts, we work with other partners across our supply chain to reduce fuel usage. For example, in the U.K. and Ireland, we transport nearly 90 percent of EU-produced products bound for the U.K. primarily by boat. We collaborate with our

logistics provider to ensure efficient delivery of our products to customers. Today, our products are combined with



△ In France, we decrease emissions using a combination of truck and rail transport.

other frozen foods transported by our logistics provider and then delivered to our largest retail customer's distribution centers. Using this strategy, we cut more than 4 million road kilometers in 2012. This collaboration optimizes our supply chain, reducing product transport-related environmental impacts and boosting efficiency. We are leveraging this approach in other locations.



△ Full containers leave our distribution partner's frozen depot, maximizing space utilization and reducing truck miles driven.

1F Reducing packaging footprint

Exceeding our goal and setting a more aggressive packaging improvement target **EN26**

 Our internal Packaging Metric indicators measure our progress in reducing the environmental impact of our packaging. Our Packaging Metric includes four key indicators to assess improvement: packaging weight; recycled content and recyclability; renewable and compostable content; and truckload efficiency.

In 2012, we reached a milestone with 52 percent of our packaging volume improved from our fiscal 2009 baseline – exceeding our 2015 goal of 40 percent improvement three years early. The vast majority of those improvements were achieved through packaging weight reduction. Our revised goal states that by 2015, 60 percent of our global product volume will be sold in

packaging that has been improved since fiscal 2009. While our 2012 results do not include recent acquisitions (Yoki and Yoplait International, which were not yet fully integrated within the fiscal year), those businesses are included in the scope of the revised 2015 goal.

Packaging weight

We innovate to reduce the package-to-product ratio across our product portfolio. In 2012, we introduced a lighter weight Yoplait cup, which decreased the cup's weight by 18 percent. The innovation saves 8 million pounds, or more than 3,600 metric tons, of plastic annually. This new cup is about half the weight of the cup in use when General Mills acquired the license to sell Yoplait yogurt

in the U.S. market in the mid-1970s. We achieved this reduction through a series of packaging enhancements over the years. This latest packaging improvement represents a breakthrough after many years of development, demonstrating General Mills' commitment to making the capital investments necessary to improve product packaging for the benefit of consumers and the environment.



◁ The new lightweight Yoplait cup reduces packaging weight by 18 percent, saving 8 million pounds (more than 3,600 metric tons) of plastic each year.



Packaging Metric

We use four key indicators to assess packaging improvement:

PACKAGING WEIGHT – reducing the package-to-product ratio

RECYCLED CONTENT – increasing recycled content and recyclability

RENEWABLE CONTENT – increasing renewable and compostable content

TRUCKLOAD EFFICIENCY – fitting more product onto trucks for transport

We work to reduce our impact across all indicators, ensuring that reductions in one area do not cause increases in another.



Recycled content and recyclability

General Mills is among the largest users of post-consumer recycled paper packaging in the United States. Recycled content accounts for approximately half the weight of the packaging we use for our U.S. products. We continue to pursue opportunities for increasing our use of recycled materials while maintaining product quality and safety.

Recycled content: In addition to encouraging consumers to recycle, we also increase the amount of recycled content in our packaging. General Mills has used recycled materials for paperboard cartons since the 1930s. In 2012, we began converting from a virgin fiber carton in our Yoplait fridge pack to one made of 100 percent recycled fiber. At the same time, we reduced the carton weight by nearly 17 percent by decreasing the thickness of our paperboard. The new fridge pack will save more than 180 metric tons of material per year. The

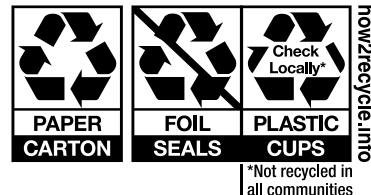
▽ Our Pillsbury dough cans contain more than 60 percent post-consumer recycled fiber. Our supplier also is investigating how to recover dough cans.



packaging improvements have saved hundreds of thousands of dollars due to the recycled paperboard content and overall reduction in tonnage.

EN2

Recyclability: We now feature **How2Recycle labels** on all eight-count Yoplait fridge packs sold at U.S. retailers nationwide to increase consumer awareness of recyclability, especially of the polypropylene cup. Educating consumers represents a substantial opportunity, because while 48 percent of Americans have access to recycling for this cup, only 8 percent of this type of packaging was actually recovered in the recycling stream in 2010, according to the most recently reported data by the U.S. Environmental Protection Agency. By the end of 2012, approximately 20 million fridge pack cases with the How2Recycle label had been sold. Our hope is that this change will increase recycling of this packaging across the country. We are evaluating adding the How2Recycle symbol to other packaging across our product portfolio.



“The Sustainable Packaging Coalition is a cross-industry effort to improve packaging throughout the value chain. The How2Recycle project, which resulted in a common label for communicating the recyclability of packaging, demonstrates the high value of collaboration across multiple industries. This outcome could not have been achieved by a single company or even a single industry.”

– Paul Earl-Torniainen, Sustainability Manager, General Mills, and Member, Executive Committee, Sustainable Packaging Coalition

Renewable content

We are making progress in identifying viable replacements for nonrenewable materials.

reduced packaging weight by 66 percent, while allowing us to fit 58 percent more packaging on each pallet.

Truck loading efficiency

To improve product transport efficiency, we introduce packaging innovations that enable us to fit more products into each container and shipment. For example, we changed the packaging of the 120-count size of our Totino's Pizza Rolls snacks from a carton containing a pouch to a printed film. This change



◀ Switching from cartons to printed-film packaging reduces packaging weight by 66 percent and allows 58 percent more packages per pallet.

◀ How2Recycle labels educate consumers about recyclability of packaging. All Yoplait fridge packs sold at U.S. retailers now feature these labels to encourage recycling.



2 Increase sustainability of ingredients

2A Improving sustainability of raw materials and watersheds

Promoting sustainable practices, purchasing sustainable ingredients and protecting natural resources

Our efforts to reduce our environmental footprint extend beyond our own operations and include raw material sourcing. Because agriculture is resource intensive, we focus on improving our sustainable sourcing

practices. Our strategy is to increase the sustainability of the ingredients we use in our products. We partner with industry groups to advance sustainable sourcing frameworks across our food supply chain. We also pilot scalable

solutions, focusing on our 10 priority raw materials. Learn more about how we are helping transform the food supply chain in the [Sourcing](#) section of this report.

EN26

Sustainable agriculture and integrated pest management

At General Mills, our holistic approach to sustainable agriculture includes reducing environmental impacts and improving the overall value chain. Through our relationships with growers, suppliers, industry associations and other partners, we focus on sustainably sourcing the raw materials we use in our products. Integrated pest management (IPM) is one component of our broader focus on sustainable agriculture.

As part of our long-term sustainable agriculture strategy, we share our knowledge about IPM with peer companies and work with our suppliers to minimize the use of pesticides on the crops and ingredients we source. Our suppliers utilize their own IPM programs. Through our work with Field to

Market, we also are helping growers capture information about pesticide use, including energy use (farmer application of pesticides) and GHGs (embedded in the manufacturing of pesticides). For more details, see the Field to Market story in the [Sourcing](#) section. Another example is the support we provide to farmers in central Mexico through interest-free loans that allow them to adopt drip irrigation, which reduces the use of pesticides, improves yields and uses about 50 percent less water than conventional furrow irrigation.

General Mills has a long history of working closely with farmers around the world to promote responsible pesticide use. Our Green Giant brand, for example, was among the first to use best-in-class pesticide management

in the 1940s. Beginning in 1980, Green Giant agronomists implemented a series of measures and practices for reducing pesticide use across all crops. Between 1980 and 2007, Green Giant sweet corn products cut the pounds of insecticides used by 80 percent, reduced the number of applications by 40 percent, and trimmed the costs to control insects by 37 percent. In 2007, we set new goals, including reducing insecticide and herbicide applications on sweet corn - insecticides by 30 percent and herbicides by 5 percent - in three years. The insecticide goal was attained one year early - with the fall harvest in 2009; herbicide reductions were achieved in 2010. Growers reduced insecticide use by utilizing better



[△ Learn more about Green Giant integrated pest management.](#)

monitoring and improved harvest/cleaning equipment. These practices are still in use today. We continue to collaborate, educate where needed and encourage IPM wherever our business takes us.

EN26



SOURCING



Our sustainability mission is to conserve and protect the natural resources upon which our business depends.

OUR ULTIMATE GOAL is to sustainably source the raw materials we use in our products. Our current focus is on increasing the sustainability of the 10 priority agricultural raw materials we source, which represent more than 50 percent of our annual purchases. We partner with industry groups to advance sustainable sourcing frameworks across our supply chain. Then we pilot scalable solutions and share our findings so others can refine their efforts as well.



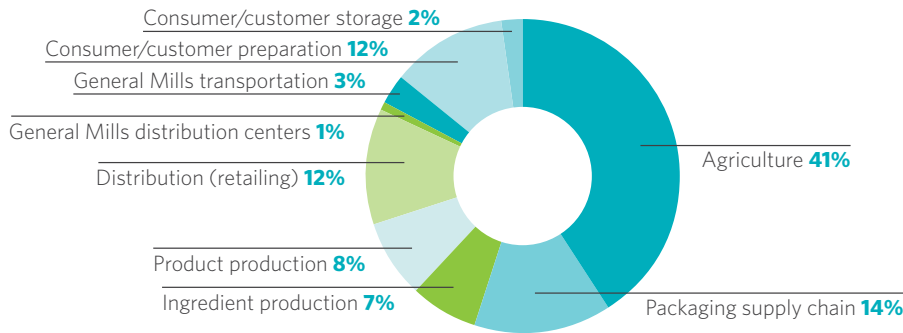
Our strategies

-
- Increase** sustainability of ingredients
- Improve** global water stewardship
- Improve** supplier sustainability

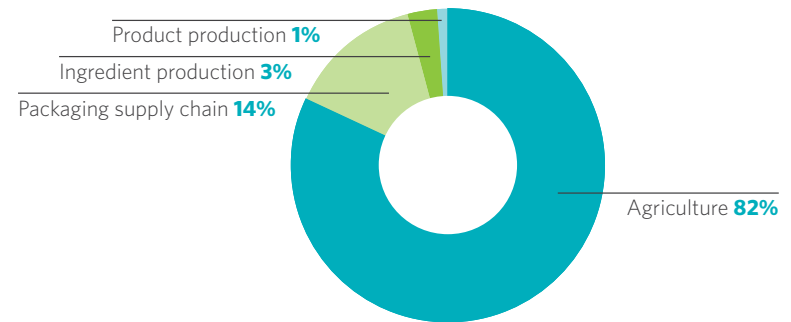
Overview

Evaluating General Mills' greenhouse gas (GHG) and water footprint - In fiscal 2012, General Mills commissioned a Trucost study of our environmental dependence on natural capital (use of natural resources) across the value chain - including agriculture, ingredient production, packaging supply chain, product production, distribution and consumer use. The resulting natural capital assessment, issued in September 2012, shows that nearly two-thirds of GHG emissions and 99 percent of water use occurs outside our own operations in the growing of raw materials and preparation of ingredients we use to produce our products (detailed below) - reinforcing the importance of sustainable sourcing.

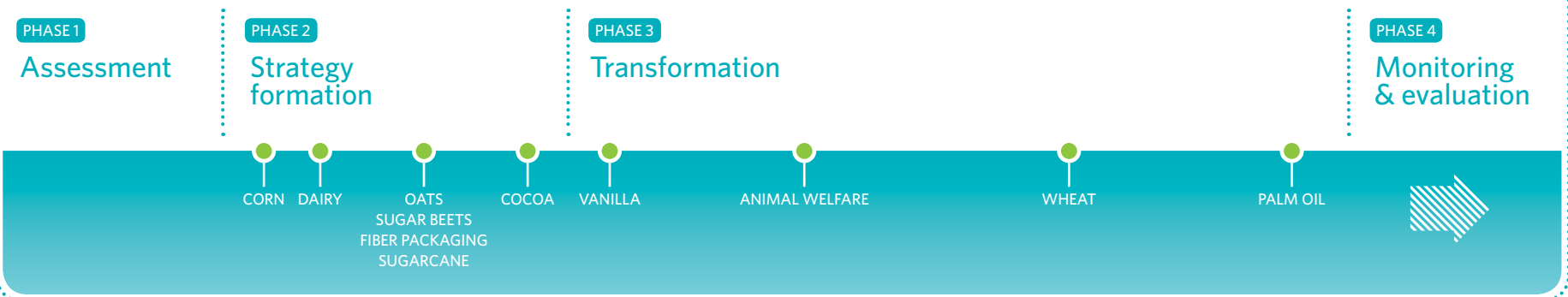
Greenhouse gas emissions



Water consumption



Performance dashboard





Our approach: plan & execute

We focus on improving the environmental, economic and social impacts of sustainable sourcing

Through our work with industry groups, such as Field to Market: The Alliance for Sustainable Agriculture and the Roundtable on Sustainable Palm Oil (RSPO), we are helping to move the raw material supply chain toward more sustainable solutions. Our efforts include measuring and managing the use of water and energy throughout our supply chain. Through our holistic value creation strategy, we also are helping to improve the livelihoods of smallholder farmers and their communities.

General Mills follows a four-step sustainable sourcing model – **assessment, strategy formation, transformation and monitoring/evaluation** – to improve the sustainability of the raw materials we use to make our products. We also apply this four-step process to manage the impact of water usage across our supply chain.

1. Assessment: In 2011, we worked with the World Wildlife Fund (WWF) and the Rainforest Alliance to complete a comprehensive, in-depth assessment of all the raw materials we buy worldwide. Each raw material was measured against dozens of potential risk categories, including animal welfare, child labor, deforestation, economic sustainability, fertilizer (nitrogen) use, GHG emissions, soil loss, water quality and water use.

2. Strategy formation: We identified the 10 priority raw materials where we can have the greatest impact from a sourcing standpoint: wheat, oats, palm oil, vanilla, cocoa, corn, dairy, eggs, fiber packaging and sugar (sugar beets and sugarcane). Our focus is on developing strategies for sustainably sourcing these materials.

3. Transformation: Improving sustainability is a continuing process – one that we do not undertake alone. We believe we can have the greatest impact by working with industry partners and nongovernmental agencies across the supply chain to identify new solutions. We pilot projects and

Our strategies and actions

1 Increase sustainability of ingredients p.43

- A** Purchasing sustainable raw materials and promoting sustainable processes
- B** Improving the livelihoods of smallholder farmers

2 Improve global water stewardship p.50

- A** Charting a path to watershed health

3 Improve supplier sustainability p.52

- A** Tracking our upstream environmental impact
- B** Respecting human rights in our supply chain



“By assessing the impacts of each of their raw materials, General Mills has an opportunity to advance a sustainable agriculture industry. This transformation is only possible by mapping and engaging their supply chain in water stewardship and improved farming practices to meet the challenges of feeding a growing population on a finite planet.”

– Jeff Malcolm, Manager, Business & Industry, World Wildlife Fund



communicate the results so we – and others in the industry – can continue to refine our approach. General Mills has taken the lead in pursuing sustainable solutions for wheat and oats. In other geographies, we are pursuing a holistic value creation strategy to improve the livelihoods of smallholder farmers who grow artichokes, cocoa, corn and vanilla.

4. Monitoring and evaluation: Our efforts to monitor and evaluate our progress are ongoing. When necessary, we involve third-party auditors to help measure and analyze our results.

Leadership and governance: Within General Mills, responsibility for sustainable sourcing lies with the Vice President and Chief Sustainability Officer

(CSO) and the Director of Sourcing Sustainability, who reports to the CSO and the Vice President and Chief Purchasing Officer. The CSO reports into the Senior Vice President of Supply Chain and the Senior Vice President of External Relations. Our Sustainability Governance Committee is comprised of the Executive Vice President of Supply Chain, Executive Vice President of U.S. Retail Operations and Executive Vice President of International Operations. Board oversight occurs through the annual sustainability update to the Public Responsibility Committee. The General Mills Director of Sourcing Sustainability plays a leadership role in key industry initiatives, including serving on the board of Field to Market and participating in the Sustainability Council of the Innovation Center for U.S. Dairy and the RSPO.

1 Increase sustainability of ingredients

1A Purchasing sustainable raw materials and promoting sustainable processes

Applying our sustainable sourcing model to our 10 priority raw materials

As noted in the timeline on page 41, our efforts to improve sustainability of our 10 priority raw materials (those where we can have the greatest impact from a sourcing standpoint) are proceeding through the strategy and transformation phases. We continue to make progress on all fronts. We are furthest along in our work to sustainably source palm oil and wheat.

Palm oil

To reinforce the development of certified sustainable palm oil production practices,

General Mills committed in 2010 to sourcing 100 percent of its palm oil from sustainable sources by 2015. We are on track to meet this commitment. We are advancing our pledge by identifying and securing sources of sustainably produced palm oil in a phased approach. We are in the process of converting our portfolio leveraging mass balance and anticipate that by the end of fiscal 2013, 50 percent of our global portfolio will be using sustainably sourced palm oil. Although General Mills is a relatively minor user of palm oil, we acknowledge

that responsible users of even small amounts of raw materials can impact issues via principled purchasing practices. General Mills supports [RSPO principles](#) and efforts to encourage and certify sustainable palm oil production practices. To reinforce those principles, General Mills purchases palm oil only from RSPO members – with preference for purchasing RSPO-certified sustainable palm oil. General Mills is committed to sourcing palm oil in a socially and environmentally responsible manner.

EN26



△ General Mills is committed to sustainably sourced palm, the raw fruit used to create palm oil.



Wheat

As a large buyer of U.S. wheat, General Mills is at the forefront of sustainable sourcing efforts for this raw material. We are partnering with Field to Market: The Alliance for Sustainable Agriculture to conduct a three-year pilot project studying the environmental impact of wheat production in eastern Idaho. The goal of this work is to reduce the impact of wheat cultivation on the environment while maintaining or improving productivity. This Idaho pilot includes 15 to 20 growers with more than 50,000 acres of land raising 6 million bushels of wheat annually over the 2010, 2011 and 2012 growing seasons. Using a software tool called the Fieldprint Calculator, participating growers obtain detailed reports about how they are performing against key indicators. The data helps them measure inputs and yields



△ General Mills is identifying supply chain strategies to define, measure and promote continuous improvement for agriculture. One of these strategies is to develop and pilot outcomes-based, science-based metrics and tools. Using this approach, we are partnering with Syngenta and wheat growers as part of a Field to Market pilot in Idaho.

to better understand the environmental impact of crop production on GHG emissions, irrigation water use, energy use, soil loss and land use. In February 2013, these growers gathered at a workshop to share results and insights about how their operations compare to others in the

region, across the state and nationally. Next steps in 2013 include expanding the Field to Market approach beyond wheat to potatoes and sugar beets – the other rotation crops in the Snake River, Idaho, pilot growing area. Additionally, we are exploring third-party verification

of sustainable wheat using the outcome-based measures established by the Field to Market roundtable. Through our role in the pilot and roundtable, General Mills is helping lead the effort for more sustainably sourced wheat. We hope to begin meeting our customers' requests for sustainable wheat starting in 2014.

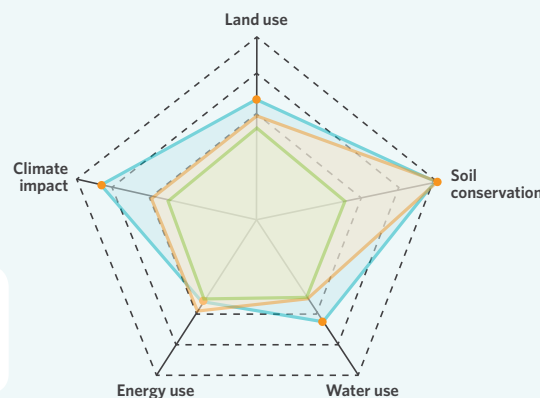
EN26



△ A Taste of General Mills blog, August 2012, "Growing sustainable wheat in Idaho"

Field to Market: industry collaboration increases sustainability of U.S. row crops

General Mills participates in Field to Market: The Alliance for Sustainable Agriculture, which brings together a diverse group of grower organizations, agribusinesses, food companies, conservation groups, universities and agency partners to focus on promoting, defining and measuring the sustainability of agriculture. Field to Market's sustainability efforts focus on reducing the environmental impacts – including GHG emissions, irrigation water use, energy use, soil loss and land use – of North American row crops. Field to Market is now expanding its water metric beyond the quantity of water used to also focus on water quality.



◁ Using the Fieldprint Calculator, which is integrated into the growers' farm record software, growers analyze how their practices influence natural resource management outcomes on their farms, including efficient land use, soil conservation, water use, energy use and GHG emissions.

“Field to Market is the leading roundtable defining sustainability for U.S. row crops. This group plays a strategically important role in advancing our work on wheat, oats, sugar beets, corn and soy – almost half of our priority ingredients.” – Steve Peterson, General Mills Director of Sourcing Sustainability and Vice Chair of Field to Market



Animal welfare

At General Mills, we support the humane treatment of animals in agriculture. Our [animal welfare policy](#) focuses on how animals are raised and treated.

FP11, FP12

Pork production



General Mills supports the development of pregnant sow housing alternatives. Though we recognize that the development and implementation of alternative systems may be a long-term process that could take up to 10 years, we will favor pork suppliers who provide actionable plans by 2017 to create traceability and to end their use of gestation crates within the U.S. pork supply chain.

FP11

Egg production



General Mills is working with suppliers in Europe to increase the volume of eggs available from free-range hens. As a result, in 2013 we expect to source 100 percent free-range eggs for all Häagen-Dazs products produced in Europe, while continuing to support and source ingredients from local farmers and suppliers. To encourage the development of alternative production methods in the United States, General Mills purchased 1 million eggs from cage-free hens for our U.S. retail operations in 2012.

FP11

Milk production



Along with other members of the [Sustainable Agriculture Initiative \(SAI\)](#), General Mills Europe is working with farmers' associations to ensure that all animals are: free from hunger, thirst and malnutrition; free from discomfort; free from pain, injury and disease; free from fear and distress; and free to engage in normal patterns of animal behavior. In the United States, General Mills' Yoplait was the first leading yogurt company to source only milk produced by cows not treated with the synthetic growth hormone rBST. General Mills' Häagen-Dazs products in Europe are also produced using only cream and milk from cows not treated with rBST.

FP12

Vanilla

Madagascar is the world's leading producer of vanilla, responsible for more than 80 percent of production. General Mills relies on this region as a source of the high-quality vanilla used in Häagen-Dazs ice cream. For a majority of the estimated 80,000 Malagasy farmers, the vanilla crop is their only source of income.

In February 2013, we announced a new sourcing program designed to foster

greater economic vitality for smallholder vanilla farmers in Madagascar and ensure the availability of high-quality vanilla for future generations.

Barriers to a sufficient supply of sustainably sourced vanilla include limited yields due to recurring crop disease, weather disruptions and other challenges faced by growers, such as price volatility and limited market access. General Mills is pursuing a two-pronged approach to address

“CARE is excited about the opportunity to expand its long-standing partnership with General Mills in Madagascar. This will allow us to work together to integrate smallholder farmers in the supply chain, raising incomes for poor families and providing an environmentally sound, socially responsible source of vanilla for Häagen-Dazs and General Mills. This is a great example of a partnership based on shared values and a true ‘win-win’ effort.”

- Helene D. Gayle, MD, MPH, President and CEO, CARE USA



these issues: working with smallholder vanilla growers in Madagascar and supporting vanilla genome research to improve the crop's disease resistance.

Smallholder program: This new sourcing program brings together the strength of three partners to promote responsible vanilla farming: General Mills and its extensive supply chain and agronomic knowledge; vanilla supplier Virginia Dare with its deep understanding of the vanilla market; and the international humanitarian organization CARE with its expertise in economic development for poor communities globally.

The Madagascar vanilla program will provide access to training and education that will allow several hundred smallholder vanilla farmers to produce a more sustainable and higher quality vanilla crop. The training will focus

on teaching value-added production techniques, including yield improvement and vanilla curing. By adding value at the farm level, vanilla growers will be able to significantly increase their incomes. The program also will include building a vanilla curing and storage facility that can be used to store rice after harvest, helping improve food security for the community. Based on our experiences with the initial pilot village in Madagascar's Sava region, we will modify the program as needed and expand it to other villages. This evolution is consistent with our approach across all raw materials in our supply chain: pilot, learn, then implement a scalable model for sustainable sourcing.

HR6, FP4

Genome research: General Mills is also working to deepen global understanding



△ General Mills is a member of the World Cocoa Foundation (WCF), which encourages socially, economically and environmentally responsible and sustainable cocoa farming. WCF has reached more than 540,000 cocoa farmers in Africa, Asia and the Americas.

of the vanilla plant, which will ultimately benefit growers in Madagascar. The company is funding cutting-edge research to map the vanilla genome by the University of California, Davis. This research is well underway and will help lay the foundation for natural and conventional breeding improvements to increase disease resistance or even to enhance flavor. Using traditional plant breeding methods, researchers are working to develop disease-resistant, higher-yielding varieties. Researchers plan to begin small-scale testing of new vanilla varieties in 2013 and hope to make the plants available to growers as soon as 2015. Future research efforts will target yield improvements.

Cocoa

Although General Mills does not buy cocoa directly from farmers – we

source products such as chocolate from ingredient suppliers – cocoa is one of the priority commodities we are addressing in our sustainable sourcing model. Cocoa farming is an intensive process, and there are labor issues within the cocoa supply chain. General Mills' [Supplier Code of Conduct](#) prohibits the use of forced labor and child labor in the making of our ingredients and products (read more about human rights in our supply chain on p. x). It is our view that a greater share of the benefit of more socially and economically sustainable cocoa production practices should accrue to the people who produce the crop. Sustainable methods and improved production practices are key tools for helping raise living standards for cocoa growers.

We are exploring opportunities to help generate better sources of cocoa, improve sustainability, and foster greater



△ In Madagascar, vanilla beans are laid out to dry in the hot sun as part of the curing process, which adds value to farmers' vanilla production and significantly increases their incomes.



△ We are helping launch a sustainability pilot program for oats in western Canada, a major oat growing region.

economic vitality for cocoa growing communities and individual farmers.

General Mills is a member of the [World Cocoa Foundation \(WCF\)](#). WCF builds partnerships with cocoa farmers, origin governments and environmental organizations; supports and applies research that improves crop yield and quality; and supports training and education for cocoa farming families.

HR6, HR7, FP4

Oats

Oats are one of the largest grain crops purchased by General Mills. In Canada, General Mills is helping to launch the Western Canada Sustainability Pilot in Manitoba and Saskatchewan. Canada is one of the world's largest producers of oats – and a significant source of oats for our products. We are working to recruit growers for a sustainability pilot beginning in 2013 (similar to the Field to Market efforts in the United States) for oats and

wheat, two of the main crops used in our cereals. This pilot also will include canola and pulse crops (peas and lentils) as part of the local growers' crop rotation. Our partners in this sustainability project include Pulse Canada, Canola Growers, the Prairie Oat Growers Association (POGA), Crop Life and Ducks Unlimited.

This sustainable oats pilot project builds on General Mills' previous research focus on oats. In 2009, General Mills funded an initiative at the U.S. Department of Agriculture to promote public research on oats to produce a genetic roadmap for the crop. General Mills has now partnered with the North Carolina Research Campus (NCRC) – pairing more than 80 years of agricultural research expertise with the cutting-edge technology and genomic and bioinformatics expertise at NCRC. One objective of this research is to boost the yield improvement and disease resistance of future oat crops, thus further improving the sustainability of this important crop.

EN26

Sugar beets

In concert with Field to Market, we are working across the industry to improve sustainable sourcing of sugar beets. Our efforts include pursuing the launch of a sugar beet pilot in the Red River valley of Minnesota and North Dakota, which is a major sugar beet growing area in the United States. This work is a natural extension of our Field to Market pilot efforts with wheat and oats. Through our work with sugar beets, we are now bringing another important North American row crop into the Field to Market program.

EN26



△ With Field to Market, we are targeting sugar beets grown in Minnesota and North Dakota as the next sustainability pilot.

Fiber packaging

Through our membership in the [Consumer Goods Forum \(CGF\)](#), we are working to determine the best approach for sustainable sourcing of fiber-based packaging, including managing the role of fiber packaging in helping to reduce global deforestation. We also have

participated in the [Global Packaging Project](#), a CGF initiative to harmonize the definition of sustainable packaging.

EN26

Sugarcane

General Mills buys sugar sourced from sugar beets and sugarcane. Given the different growing environments of these two crops, our sustainability approach to sourcing these two types of sugar also varies. We are currently evaluating our global strategy for sustainable sugarcane sourcing. We anticipate following a similar process to the approach we are taking with our other priority raw materials: joining an industry group, engaging suppliers and partners, and piloting programs to execute sustainable sourcing of sugarcane. General Mills has begun work with the World Wildlife Fund on sustainable sugarcane in order to advance industrywide initiatives for improving production methods and conserving natural resources.

EN26



△ We are evaluating our global strategy for sustainable sugarcane sourcing.



△ We support efforts to establish a dairy sustainability framework for measuring the impact of dairy production from cows to consumers.

Dairy

Since 2010, we have been an active member of the [Innovation Center for U.S. Dairy Sustainability Council](#), which is working to improve the sustainability of the U.S. dairy supply.

We participated in the Innovation Center for U.S. Dairy's efforts to establish a dairy sustainability framework for measuring the impact of dairy production from farmers to consumers. This standardized framework was developed in partnership with dairy producers,

processors, environmental groups, scientists, economists and government agencies – involving stakeholders from across the value chain. Using this framework as a baseline, we are working toward demonstrating continuous improvement in dairy sustainability.

General Mills Europe is an active member of the [Sustainable Agriculture Initiative \(SAI\) Platform](#), which facilitates sharing of knowledge and initiatives to support the development and implementation of sustainable agriculture practices worldwide involving stakeholders from across the food chain.

Corn

The majority of the corn and soybeans we purchase are grown in the United States. General Mills' use of corn is relatively small compared with our use of other raw materials, such as wheat and oats. In the United States, we support the Field to Market pilot led by

industry partners to advance sustainable sourcing of corn and soybeans.

EN26



△ Sustainable sourcing of corn grown in the United States is advancing through a Field to Market pilot program.



WATCH VIDEO

△ In Arras, France, we are sustainably producing Häagen-Dazs products.



Reducing our dairy carbon footprint

General Mills is a member of the Sustainability Council of the Innovation Center for U.S. Dairy, which has committed to the voluntary goal of reducing GHG emissions for fluid milk production by 25 percent by the year 2020 (using 2007-2008 as a baseline). Read more about our GHG reduction efforts in the [Environment](#) section of this report.

EN26

◁ The addition of a raw milk receiving and processing facility at our yogurt plant in Reed City, Michigan, has significantly reduced our inbound freight. By switching from processed condensed skim milk to direct delivery and onsite processing of raw milk, we have eliminated more than 1 million transportation miles each year. The plant also reduced its use of city water by 10 million gallons annually.



1B Improving the livelihoods of smallholder farmers

Pursuing sustainable development through origin-direct investment

Through our holistic value creation strategy, we are building a model for sustainable development focused on origin-direct investment to boost incomes of smallholder farmers, raise living standards in their communities and ensure sustainable sourcing of raw materials. We have a long-standing program with Chinese corn farmers and are launching new programs in Madagascar and Peru (see page 50). These programs build upon General Mills' century-long history of working closely with farmers around the world to promote sustainable agriculture.

deliver huge impact for the farmers and their community by raising household incomes across the village and spreading the ripple effect of these economic gains through the surrounding area. In return, General Mills has a reliable, sufficient supply of high-quality, locally sourced corn – a more efficient and sustainable solution than importing corn to make our Bugles snacks in China.

By contracting directly with General Mills, the corn growers increase their agronomic knowledge and improve their environmental stewardship, as well as their yields. General Mills also stays close

to growing conditions and helps reduce risks, such as plant diseases. Higher prices and a guaranteed market for the farmers' corn crops have raised living standards for everyone in the village. Household incomes have grown as much as eightfold; two-story houses constructed of brick and cement block are replacing mud and grass homes; and many families have purchased cars, appliances and farming equipment. The town also benefits from paved roads and an airport that serve the nearby corn processor.

EC9, SO1, FP4



△ General Mills partners with corn farmers in the Yongqing Village in China's Heilongjiang Province.

HOLISTIC VALUE CREATION

Partnering with corn farmers in China

Since 2003, General Mills has pursued a holistic value creation strategy in northeastern China. Our three-pronged approach includes: providing smallholder farmers with training, seeds and other inputs; guaranteeing a price that's higher than the market price; and committing to buy the farmers' entire corn crop. This holistic approach continues to



.....
Our holistic value creation strategy in northeastern China has improved household incomes for corn farmers since 2003.



Working with artichoke growers in Peru

We also are pursuing a holistic value strategy in Peru, where we source high-quality artichokes for our Green Giant business in Europe. In partnership with our Peruvian artichoke co-packer, NGO partner CARE and smallholder artichoke farmers, General Mills is launching a project to improve agronomy practices, yields and crop quality. This pilot project, initiated in 2013, will provide technical training to local farmers on growing techniques, post-harvest

practices and entrepreneurial skills. In addition, the project will support the establishment and formalization of farmers' associations and offer financial training to help farmers access credit for the purchase of seeds. General Mills will benefit from a reliable and sufficient supply of high-quality artichokes – a special variety grown only in the Sierra region of Peru. The long-term goal is to develop a scalable, sustainable artichoke sourcing model that creates value for the farmers, for our business and for the environment.

FP4



△ Harvesting artichokes in Peru. Our new pilot program will provide technical and entrepreneurial support to 89 smallholder artichoke farmers in Peru's Sierra region.

2 Improve global water stewardship

2A Charting a path to watershed health

Applying our sustainable sourcing model to conserve water resources

Water is a critical resource for General Mills. Within our own facilities, we reduce the amount of water we use through efficiency improvements and water reuse (see [Environment](#) section of this report). As noted in the Trucost data on page 41, our own operations account for a small fraction of our overall footprint – approximately 99 percent of the water consumed

to create and distribute our products occurs outside our direct operations.

We are working to improve the sustainability of water use throughout the General Mills value chain. In 2012, we launched a global water stewardship strategy in partnership with The Nature Conservancy (TNC).

EN9, EN26





As with the other raw materials in our supply chain, our approach to water stewardship follows a four-step process of assessment, strategy formation, transformation and monitoring/evaluation.

PHASE 1 Assessment

In March 2012, we began the process with TNC of conducting a water risk assessment of all our plants and growing regions, beginning with North America and continuing across our global footprint. This assessment is helping us to better understand the health of freshwater resources we depend upon for our global plant locations and in our most important growing regions around the world. We expect to complete this global footprint assessment by the end of calendar 2013. This assessment builds on our work with the World Wildlife Fund (WWF) to conduct a supply chain water risk analysis in 2010. That analysis helped identify potential physical, regulatory and reputational water risks associated with sourcing key commodities, including dairy, sugar, wheat and oats, used in our products. WWF leveraged this work to create its online [Water Risk Filter](#), which was developed with support from DEG, the German Development Bank. Our collaboration with WWF demonstrates General Mills’ leadership in partnering to innovate and solve problems in our supply chain.



△ We are working with The Nature Conservancy to conduct water risk assessments of our plants and growing regions.

PHASE 2 Strategy formation

In collaboration with TNC, we are now proceeding with a “deep-dive” assessment of some of our key growing areas – including broad stakeholder engagement – that is helping to shape our strategies. One of those areas is in Mexico, where we have completed an assessment in the area around our Irapuato site. Our work in the Irapuato area was instructive, causing us to shift our approach from a point-source water strategy (water sourced from a specific well head or municipality) to a broader watershed strategy focused on the entire growing region. This example demonstrates General Mills’ iterative process of assessment and experimentation through pilot projects to inform our strategy. We are building on our previous facility-focused conservation efforts and elevating our strategy to focus on longer-term impacts to our business and the surrounding area. We plan to replicate this approach across our global high-risk watershed areas. Going forward, we will be formulating strategies based on the health assessment of each watershed with clear mitigation plans, then inviting others to join us in protecting each watershed area.

EN9



△ Watershed strategies focus on mitigating longer-term impacts to an entire growing region.

PHASE 3 Transformation

Our goal is to begin implementing changes – based on our Phase 2 assessments – in high-risk watershed areas in 2014. We anticipate these actions to include: beginning to implement on-the-ground conservation initiatives in the most at-risk watersheds; putting in place stewardship best practices; setting company-wide sustainability targets; and developing a global freshwater stewardship program including public commitments, public education and advocacy with watershed neighbors. We also will work with others to pursue Alliance for Water Stewardship certification.

PHASE 4 Monitoring and evaluation

Our efforts to track progress and analyze results are ongoing.

“General Mills is a global leader of corporate watershed stewardship, demonstrated by their commitment to incorporating assessment of risk and development of real on-the-ground action throughout their entire value chain. The company has realized its potential to serve as a water stewardship leader, engaging with other stakeholders to make a real impact on the sustainability of water use.”

– Kari Vigerstol, Senior Hydrologist, Global Freshwater Team, The Nature Conservancy



3 Improve supplier sustainability

3A Tracking our upstream environmental impact

Measuring our broader footprint with Supplier Sustainability Scorecards

Because our broader environmental impact occurs outside our operations – primarily in agriculture, ingredient production and packaging (as noted in the Trucost study results on page 41) – we are working with our suppliers to measure and reduce our upstream footprint. Using our Supplier Sustainability Scorecard to track our portion of a supplier’s energy, water, waste and GHG emissions, we are gathering data associated with the raw materials used to make our products. We’ve been tracking these metrics since 2005 in our own operations. Now we are expanding this process to include our suppliers,

enabling better collaboration to reduce our extended environmental impact.

As awareness grows of the importance of this type of measurement, new industry-wide platforms for data collection are emerging. We are evaluating those options.

FP1

Phase 1 results

In fiscal 2012, we deployed the supplier scorecard to our top 100 U.S. suppliers in our four main categories: commodities, ingredients, packaging and external supply chain. Eighty percent of these

suppliers responded. We now have baseline data for each of these suppliers. In the future, we plan to collaborate around reductions in energy, water, solid waste and GHG emissions.

Phase 2

Already in fiscal 2013, we have launched the supplier scorecard with our top 15 European suppliers to capture the same baseline data as in the United States. We also expect to introduce optimized data collection and reporting, establish supplier goals and implement changes across our sourcing platform.



We are working with our suppliers to measure and reduce our upstream footprint.



80 percent of our top U.S. suppliers participate in our Supplier Sustainability Scorecard efforts. Our top 15 European suppliers will capture data using the scorecard in 2013.



3B Respecting human rights in our supply chain

Supporting ethical standards and guidelines

We believe that the protection of human rights through responsible sourcing is a critical part of our Nourishing Lives mission. As part of our commitment to supporting human rights in our supply chain, we are leaders in the AIM-PROGRESS Responsible Sourcing task force, whose mission is to promote responsible sourcing by sharing best practices and promoting efficiency in the packaged goods supply chain.

We also are signatories to the United Nations Global Compact (UNGC) and are guided by the International Labour Organization's (ILO) 1998 Declaration on Fundamental Principles and Rights at Work.

Our [Supplier Code of Conduct](#) details our expectations of our suppliers. Together, our Workplace Standards and Ethical Sourcing Policy and our Supplier Code of Conduct set standards for our company, as well as for our suppliers, vendors and other business partners, regarding the protection of human rights. These standards are based in part on the ILO 1998 Declaration on Fundamental Principles and Rights at Work. In 2012, we completed our first audit cycle of finished goods producers, including our own facilities and co-packers. We will continue to audit our finished goods producers and co-packers on a continuous cycle driven by performance.

Guided by the 1998 Declaration, General Mills respects the principles of collective bargaining and freedom of association, and prohibition of discrimination, child labor and forced labor – including that associated with human trafficking. A third-party auditing program helps ensure remediation should we find or become aware of violations. All instances of noncompliance related to our audited suppliers in fiscal 2012 are either resolved or are actively being addressed in an agreed-upon corrective action plan.

HR2, HR5, HR6, HR7, FP1

Regarding Dodd-Frank Act (Section 1502) additional reporting requirements for SEC registrants relating to the

In 2012, we completed our first audit cycle of finished goods producers.

geographic source of certain “conflict minerals.” General Mills is well-aware of this new regulatory requirement and is fully committed to the important public policy behind it. We are currently in the process of assessing its impact on our business operations and our precise reporting obligations.

Read more about our [commitment to responsible sourcing](#).




Responsible sourcing guidance:

- AIM-PROGRESS Responsible Sourcing task force
- United Nations Global Compact
- International Labour Organization's 1998 Declaration on Fundamental Principles and Rights at Work
- Supplier Code of Conduct



The protection of human rights through responsible sourcing is a critical part of our Nourishing Lives mission.



WORKPLACE



Every day around the world, our 34,500 employees work to carry out our mission of Nourishing Lives.

OUR GOAL is to foster a safe, ethical, diverse and inclusive workplace where employees can thrive. We accomplish our mission by living our values: do the right thing, all the time; innovate in every aspect of our business; build great brands; respect, develop and invest in our people; and strive for consistently superior performance.



Our strategies

Build
a strong
workplace
culture

Maintain
a safe
workplace

Respect,
develop and
invest in
employees

Overview

A great place to work – Employees recognize our efforts to foster a positive and rewarding work environment by consistently identifying General Mills as “a great place to work.” In 2012, we received workplace awards in Australia, Canada, China, France, Greece, India, the U.K. and the U.S., where we also were named one of the World’s Most Admired Companies by *Fortune* magazine. We recruit, retain and develop talented employees and continue to improve workplace safety through our efforts to prevent injuries and illnesses. We support our employees in being active, eating healthy and staying well.

Performance dashboard



Strengthening our workplace culture

88 percent of U.S. employees said that General Mills is a great place to work in 2012.*

*2012 Great Place to Work Institute, representative sample of U.S. employees



Increasing diversity and inclusion

Our Board of Directors includes 31 percent female directors and 23 percent who are people of color. Our U.S. workforce includes 40 percent women and almost 20 percent people of color.



Increasing workplace safety

We reduced our total injury rate, improving from 2.11 injuries per 100 employees in 2011 to 1.79 in 2012. Our ultimate goal is zero injuries and illnesses.



Increasing employee well-being

36 percent of our U.S. employees participated in voluntary health assessments in 2012. We offer health and wellness programs for employees worldwide.





Our approach: inspiration & action

We work hard to earn our employees' respect and trust

At General Mills, we know that engaged employees drive customer value and business performance. Our mission and culture, our brands and business practices, and our commitment to a clear **Code of Conduct** helps inspire our employees.

Our company leadership maintains the highest ethical standards when conducting business, and they honor and acknowledge employees' contributions to the company's success.

The best companies win committed employees who grow and develop to achieve their highest potential, making significant contributions to the business. This is especially true – and important – at General Mills, because we hire

people for a career, not for a specific job. Our motivated and talented employees have an opportunity to innovate, contribute and lead. We also encourage a healthy work/life balance and promote safe, injury-free workplaces.

We believe that the way employees view their managers is one of the most significant drivers of engagement, success and satisfaction. Recently we launched a multiyear program, called Great Managers, to inspire and empower managers at every level of the company with the tools and resources to become better leaders so they can support and challenge employees to achieve their full potential.



Our strategies and actions

1 **Build** a strong workplace culture p.57

- A** Setting clear expectations
- B** Fostering diversity and inclusion
- C** Rewarding employees

2 **Maintain** a safe workplace p.61

- A** Leading with safety

3 **Respect, develop and invest** in employees p.63

- A** Empowering employee health
- B** Investing in development and training



1 Build a strong workplace culture

1A Setting clear expectations for ethics and compliance

Do the right thing, all the time

At General Mills, doing the right thing is not left to chance. Our comprehensive [Code of Conduct](#) and ethics and compliance program promote ethical behavior in all aspects of our employees' work. We treat our employees with respect and integrity.

Conduct

Our Champion's Code of Conduct summarizes our ethics guidelines and gives employees practical information as well as answers to their questions. The code covers everything from maintaining corporate integrity, communicating appropriately, and competing fairly and legally to personal safety, appropriate use of company resources and ensuring consumer privacy. Annually, our company leaders – from managers upward, approximately 14 percent of our employees



In 2012, General Mills was ranked No. 1 on the list of America's Most Reputable Companies by *Forbes* and the Reputation Institute

– must attest to compliance with our Code of Conduct and business conduct policies. We have high expectations for ethical conduct in every aspect of our business.

Ethics

The motto for our Ethics & Compliance program is "Every Decision, Every Action, Every Day." The program includes extensive online resources and self-directed courses for employees along with our confidential Ethics Line, which allows employees to raise questions or report questionable conduct anonymously, where allowed by law, and an orientation video that introduces new employees to General Mills' ethics philosophy. The program also features "Ethics Matters," a collection of stories published by the Ethics & Compliance group that puts policies into practice by providing real, concrete examples of ethical lapses and choices that reflect a great deal of integrity.

Assessment

We also take steps to analyze risks related to corruption. We recently conducted a comprehensive corruption risk assessment across our businesses around the world.

"Every single one of us is personally responsible for upholding our reputation as a highly ethical company. When we think about integrity and ethics, it is our everyday decisions that are most important." – Ken Powell, CEO, General Mills

This assessment included analysis of specific business operations data, geographic corruption risk, electronic employee questionnaires and live employee interviews. The results of this risk assessment were then used to inform our global anti-corruption compliance program and internal anti-corruption controls.

We include corruption as a risk factor in the annual risk assessment fielded by our Global Internal Audit function. This risk assessment touches all of our business units around the world. In addition, we ask detailed questions related to corruption risk during each routine, in-depth business unit audit by our Global Internal Audit team.

SO2



△ At General Mills, employees are encouraged to do the right thing, all the time.



Action

All allegations of bribery and corruption relating to General Mills' business operations are promptly and thoroughly investigated, in accordance with our ethics and compliance procedures and

corporate policies. Upon completion of the investigation, our Ethics & Compliance group oversees appropriate disciplinary actions (including termination of third-party relationships), remediation steps and internal/external reporting.

SO4

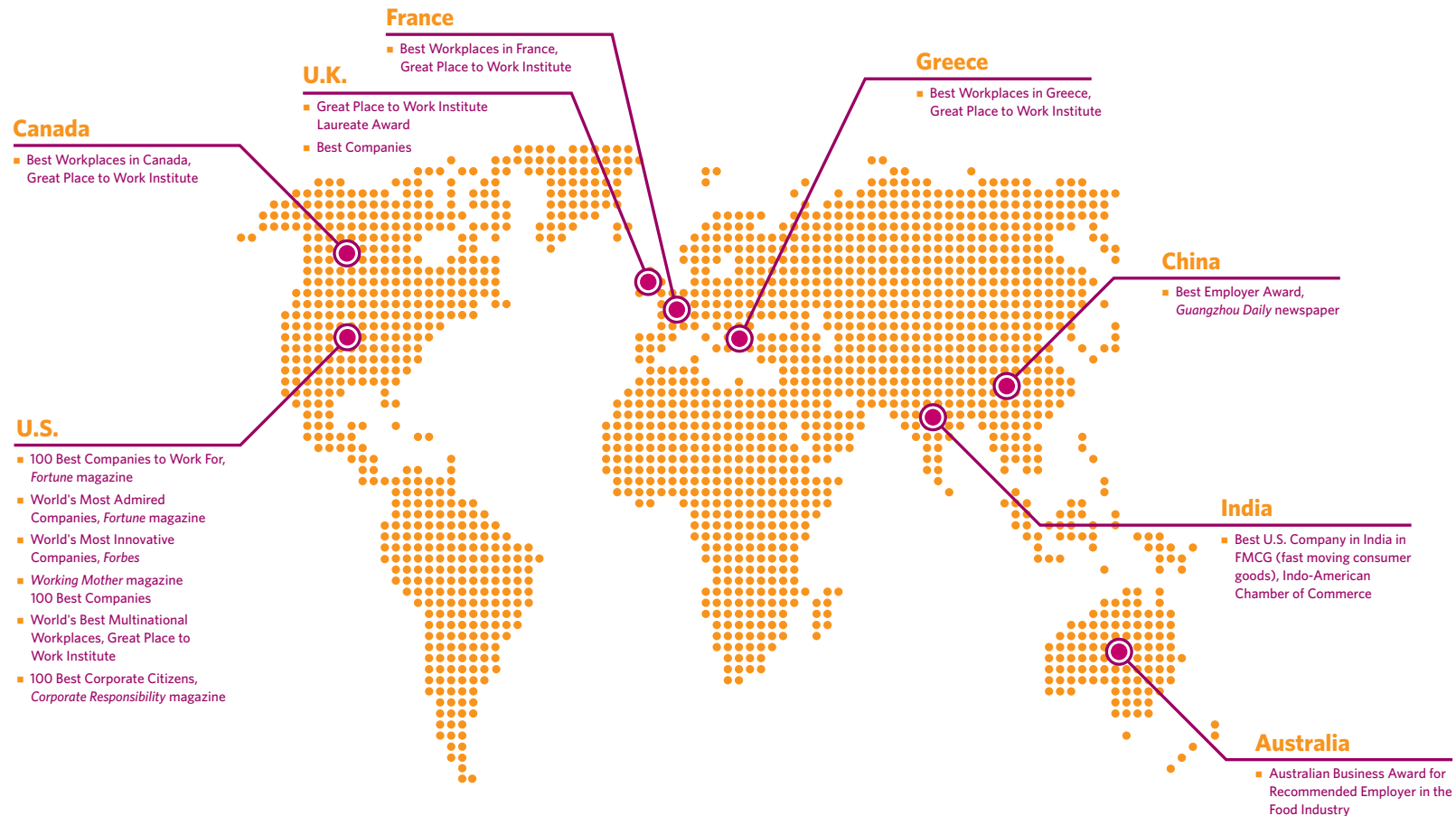
Organizational responsibility

Our Ethics & Compliance group, led by our Chief Compliance and Risk Officer, is committed to upholding General Mills' long-standing culture of integrity by

ensuring that employees know what it means to behave ethically and to act in compliance with our [Code of Conduct](#). Key business leaders throughout our global operations own responsibility for ethical market and brand development.

Awards, honors and accolades

General Mills receives a wide array of workplace awards and honors annually. We value the objective, third-party recognition of our commitment to being a great place to work. General Mills received numerous awards in 2012. The map below showcases some of our global recognition.





1B Fostering a culture of diversity and inclusion

Taking action through hiring practices, employee development and measurement

At General Mills, we value diversity and consider it core to our business strategy. Our goal is to build an employee base that mirrors the consumers of our products. Attracting, retaining and developing employees with a variety of backgrounds is a top priority. For example, almost 20 percent of our U.S.-based employees are people of color and 40 percent are women.



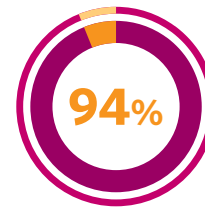
△ General Mills attracts, retains and develops a diverse workforce – reflecting the broad base of consumers who enjoy our products.

General Mills creates a diverse workforce by recruiting the best and brightest talent from all communities to drive innovation and consumer engagement around the world. To cultivate an inclusive environment, we respect all dimensions of diversity – gender, race and sexual orientation as well as cultural values, preferences and beliefs. We publically demonstrated this respect during the 2012 U.S. election cycle when General Mills opposed the proposed constitutional amendment on marriage in the state of [Minnesota](#).

We increase our ethnic and gender diversity by assessing our hiring needs for women and people of color, and implementing strategies to meet those needs. We engage in effective outreach efforts – including search firms, community groups, professional organizations and employee referrals.

Our leaders focus on personal objectives regarding diversity and inclusion. Each of our plants also creates and implements a diversity and inclusion strategic plan.

LA13



A record-setting 94 percent of our employees say General Mills provides a working environment accepting of differences in background and lifestyle.

Employee networks and associations

Members of our employee networks support each other and help recruit new employees by increasing confidence in General Mills' approach to diversity and inclusion. Our employee networks include: Black Champions Network, American Indian Council, Hispanic Network, Asian Heritage Network, South Asian Network, Middle East North African Network, Veterans Network and Betty's Family for gay, lesbian, bisexual and transgender (GLBT) employees.



Recognition

General Mills' efforts to create an inclusive, supportive workplace were recognized by a number of organizations in 2012, including:

- Best Companies for Multicultural Women, *Working Mother* magazine
- Top 50 Companies for Diversity, *DiversityInc*
- 40 Best Companies for Diversity, *Black Enterprise* magazine
- 50 Best Companies for Latinas, *LATINA Style* magazine
- Best Companies for Hispanics, *HispanicBusiness Media*
- 50 Out Front, *Diversity MBA* magazine
- Top Companies for Executive Women, *National Association for Female Executives*
- Top 50 Employers, *Woman Engineer* magazine

“When you combine diversity with a culture that acknowledges, respects and values all of our differences and similarities, good things happen. We are able to connect with our consumers, customers and communities. We reap new ideas and innovation. And we recruit and retain the talent to win now and in the future.”

– Kenneth Charles, Vice President, Global Diversity & Inclusion, General Mills



We also sustain relationships with professional associations, including the National Black MBA Association and National Society of Hispanic MBAs.

Supplier diversity

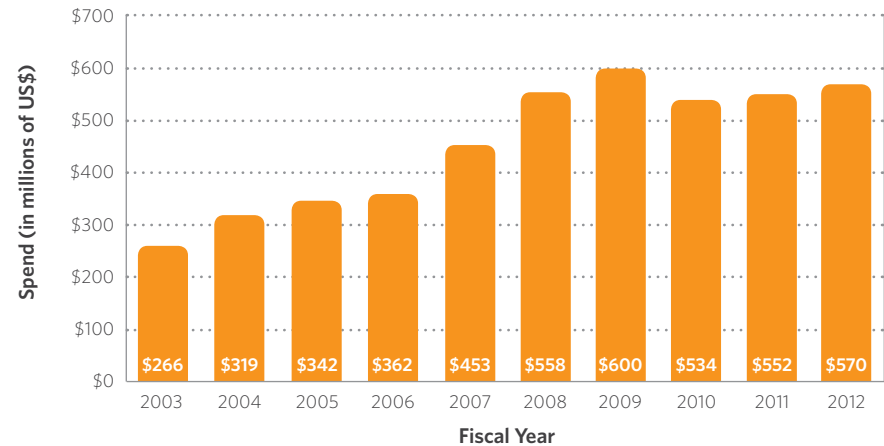
Our Supplier Diversity efforts are a reflection of our commitment to nourish lives through job creation and by strengthening the economic footprint of communities across the U.S. In 2012, our first-tier spending with minority and female-owned businesses exceeded US\$570 million, and over the past 10 years we've grown our first-tier spending by 9 percent compounded annually.

We are committed to establishing and growing successful business relationships

with an increasing number of qualified minority and women-owned enterprises. Fulfilling this commitment is important to our shareholders, our increasingly diverse consumer base, the communities in which we operate and, ultimately, the success of our company. Each division or department establishes annual objectives and plans that lead to measurable improvement in diversifying our supplier base. The Supplier Diversity department at General Mills advocates for and supports the business development of diverse suppliers by creating networking and training opportunities for minority and female-owned businesses.

EC6

Purchasing history with minority and women-owned suppliers



1C Rewarding employees and ensuring equal opportunity

Creating a culture of fairness, trust and openness

We believe our compensation, benefits and incentive plans are among the best in our industry. At General Mills, we value our employees and reward them with a competitive "Total Rewards" compensation and benefits package. We are a pay-for-performance culture, so incentive payments and merit increases are directly linked to employee performance. We offer competitive pay, retirement programs and employee and education assistance programs. Implemented in 2009, our annual performance and awards statement was developed and revised in response to employee suggestions.

LA3

Labor-management relations

Globally, General Mills is committed to providing both our union and non-union production employees workplaces that are among the safest manufacturing facilities in the world. In addition, we work to have total employee engagement as the foundation of our mutual success, strive to create cultures that champion respect and inclusion, and offer competitive rewards. We have clear health and safety practices that include joint management-employee health and safety teams and committees; participation

of workers and/or worker representatives in health and safety inspections, audits and accident investigations; as well as use of personal protective equipment, training and periodic inspections. We maintain good relationships with our unions, and our labor contracts are typically settled on time and without work disruption.

LA6, LA9

Equal opportunity

General Mills prohibits discrimination based on age, race, sex, national origin, disability, citizenship, sexual orientation or other characteristics



△ We value our employees and reward them for their contributions to our company's success.



protected by law. This equal employment opportunity (EEO) policy applies to employment practices and procedures including compensation practices.

Employees are expected to report situations that compromise their ability to do their jobs. Formal channels are available for employees who seek advice or a solution. Everyone has the right to work without fear or intimidation. General Mills does not accept abusive conduct or harassment – a policy made clear from an employee’s first day of orientation. Our policies strictly prohibit

retaliation against employees who express concerns. We manage our business operations so that employees feel they are being treated fairly. We value our relationships with our employees and invest in them for the long term.

Organizational responsibility, monitoring and follow-up

General Mills has established key metrics and measurement approaches to understand our performance as it relates to

labor and decent work. Examples include a refined performance management process, annual employee surveys and a clearly articulated [Code of Conduct](#).

Responsibility for upholding our workplace commitments starts at the top and extends across the organization. Our Chairman and CEO has ultimate accountability for ensuring a healthy, productive and motivated workforce. Governance for our labor practices lies primarily within our Human Resources, Law and Supply Chain organizations. At an operational level, the Human Resources organization leads key

employee initiatives in partnership with company business leaders at multiple levels. Reflecting the importance of people to our business, General Mills has a vice president of Global Diversity and Inclusion; a vice president of Global Health Services; a vice president of Engineering, Global Safety and Environment; and a Chief Learning Officer. At the board level, the Compensation and Public Responsibility Committees maintain responsibility for issues related to labor and decent work.

2 Maintain a safe workplace

2A Leading with safety

Building a safety culture and tracking our progress

Our ultimate workplace health and safety goal is zero injuries and illnesses. Achieving that goal requires support from company leadership, improvements in our safety culture, and systems to manage and track progress and results. In 2012, we laid the groundwork in each of those important areas.

Leadership

In 2012, we made “Lead with Safety” the top priority across our supply

chain, followed by generating return on capital and growing our business. We believe that the discipline required to ensure food safety and the safety of our people will drive other priorities as well. During the 2012 calendar year, we restructured our global safety team to support our focus on leading with safety.

Culture

In the summer of 2012, we began rolling out an awareness-building campaign

focused on creating a culture of safety. The “What if” campaign, which targets our production employees, challenges employees to think about how their decisions and actions can lead to injury-free workplaces. Part of a companywide effort, the campaign supports our goal of having zero workplace injuries. We are rolling out the campaign across our General Mills manufacturing plants throughout fiscal 2013. Building on momentum, we launched our revised safety principles



△ “Lead with Safety” is the top priority across our supply chain. Our “What if” campaign raises awareness to help prevent injuries.



across our North American operations in January 2013. Our three safety principles are: we lead with safety, every incident is preventable, and we are all accountable.

Tracking and managing progress

In 2012, General Mills invested in a new global safety tracking and environmental management system, called G-STEMS. G-STEMS allows us to track all workplace incidents – even those near-misses that did not result in an injury – and also document the completion of necessary actions to reduce future risks and communicate progress. Now we are updating the system to include mobile device access and enhanced language



capabilities. Our goal is to expand to other locations during 2013 and establish G-STEMS in all global production facilities by the beginning of fiscal 2014. Safety research shows that for every injury, there are typically several other incidents that serve as predictors. Capturing that information and following up to resolve issues will help improve workplace safety.

Clear safety targets

Historically, General Mills has had a very strong safety record when compared with our peer food group manufacturers. Our corporate policy for workplace health and safety directs all operations to implement management systems, programs and procedures that will lead the company to our goal of zero injuries and illnesses. We have set interim improvement targets, which are the basis for our plant safety metrics. General Mills has established clear safety targets specific to each location

and measures progress. In fiscal 2012, we reduced our total injury rate from 2.11 injuries per 100 employees in 2011 to 1.79 in 2012 and maintained our lost-time accident rate of 0.66. Sadly, we had one employee fatality in fiscal 2012. The death of one of our long-time employees occurred following a rail car accident at our Lodi, California, plant. Efforts by responding employees and emergency medical personnel to resuscitate were unsuccessful.

LA7

Responsibility, training and auditing

Workplace health and safety is the responsibility of line management and each individual employee. All employees are expected to work safely by following all rules, procedures and training. Employees are trained in all applicable health and safety subjects relevant to

their jobs. This training helps ensure that all employees know how to perform their jobs correctly and to comply with all local, regional and country requirements.

As part of the safety management system at General Mills, manufacturing locations are encouraged to have safety committee meetings on a periodic basis (e.g., monthly). The committee is organized by the formal and/or informal safety leaders and consists of wage and management employees.

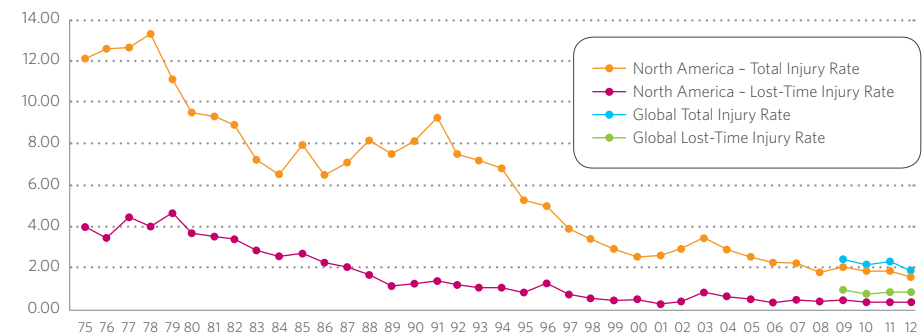
LA6

General Mills has an active auditing program to monitor our operations to ensure compliance with all internal requirements and external regulations. Any deficiencies identified are tracked until completion. Senior-level responsibility for workplace safety lies with the Director of Global Safety and Environment, who reports to the Vice President of Engineering, Global Safety and Environment.



△ Our workplace safety culture reinforces three principles as we work to achieve our goal of zero injuries and illnesses: we lead with safety, every incident is preventable, we are all accountable.

General Mills injury history 1975 to date



△ We reduced our total injury rate in 2012 to 1.79 injuries per 100 employees at our production facilities around the world. **LA7**



3 Respect, develop and invest in employees

3A Empowering employee health

Supporting work/life balance and wellness

Our employees – whether on a manufacturing line or working at headquarters, union or non-union – are core in our mission and the key to our success. We value them and provide benefits specific to the needs of each geography, including retirement savings plans, health care coverage and flexible work arrangements.

Balance and flexibility

We dedicate resources to help employees balance the demands of work and personal life.

The General Mills culture has emphasized the importance of work/life balance for decades. We offer special leave programs, an on-site health clinic at headquarters and fitness centers at several of our



△ General Mills offers multiple flexible work arrangements for employees.

plants and office locations. We also offer multiple flexible work arrangements to accommodate employees, including telecommuting, flextime and the innovative Flexible User Shared Environments program, which allows employees to create workspaces that best suit their personal and business needs. Our education and referral program provides information and resources on important subjects such as child care, adoption information, elder care and more.

Our programs to help employees balance their work and personal lives extend from our headquarters to our locations worldwide, including plant employees

and field sales employees. On an annual basis, we evaluate our work/life balance programs in an effort to meet employees' changing needs. We have a work-flex strategy focused on increasing the work/life balance programs throughout the company, including partnerships with community-based programs, flexible work arrangements, and wellness and fitness programs. We're proud of the progress we've made.

Health and wellness

We support our employees in being active, eating healthy and staying well. For 28 years, General Mills has provided resources that help employees live healthy lifestyles. We encourage our employees to take a personalized health assessment that helps identify risks, motivate lifestyle changes, and provide information about health and wellness resources. In 2012, 36 percent of our U.S. employees took a voluntary health risk assessment – an increase from 35 percent in 2011. We are hoping to see that number continue to grow – 71 percent of U.S. employees have committed to completing a

health assessment in 2013. The 2012 assessments of participating employees showed improvement since 2009 in five of the nine health risks we measure.



△ Employees check their blood pressure and record their weight at stations in 29 of our U.S. facilities. More than 7,000 employees have recorded over 250,000 blood pressure and weight readings since 2009. Sixty percent of the employees who logged in more than 50 times during a two-year period lost weight (an average of 11.5 pounds).

LA8



△ Supporting work/life balance at General Mills



△ Health and wellness at General Mills



Our wellness programs are an integral part of our culture. We invest in wellness programming, which continues to have leadership support from the top of the organization. The programming is based on a strategy of empowering employees to bring wellness to life and creating physical spaces that support a culture of wellness, such as on-site fitness centers, healthy dining choices and safe walking spaces. We are also working toward being a tobacco-free company. We continue to create innovative programming to meet the ever-changing needs of our employee population.

As a food company, nutrition and eating right are primary concerns for our consumers and for our employees. General Mills sponsors a number of weight loss and weight management programs to



△ We support the health and wellness of our employees by encouraging proper nutrition, activity and well-being.

help employees take better care of their bodies and their long-term health.

Our LifeWorks Employee Assistance program provides confidential counseling,



△ In the U.K., Healthy Highlights are posted in employee restaurants to reinforce healthy food choices. Healthier meals from the on-site catering options also are more heavily subsidized to encourage nutritious selections. At our Uxbridge, U.K., facility, employees recorded a total weight loss of more than 150 kilograms in 2012. The location also has a wellness consultant offering advice on personal health and well-being.

emotional support, and referrals to employees and their families in the United States. Counselors assist employees dealing with stressful situations through on-site face-to-face counseling, toll-free phone access, online resources, and educational materials. Through LifeWorks sponsorship, some locations also offer on-site support groups. Our worldwide employee assistance program is available to help global human resource professionals find resources and information to support employee issues.

General Mills participated on the advisory board of the World Economic Forum's Workplace Wellness Alliance in 2012, focusing on promoting workplace health and raising awareness about the impact of chronic disease globally. We will continue to stay engaged as the alliance transitions to become part of the [Institute for Health and Productivity Management](#). **LA8**

Organizational leadership

We launched a new global health and wellness advisory council in January 2013

to provide more support for wellness programs around the world. Council participants connect on a quarterly basis to share best practices and resources. Overall responsibility for health and wellness lies with the Vice President of Global Health Services and Chief Medical Officer.



Recognition

- **Start! Fit-Friendly Company, American Heart Association, United States - General Mills has received this award annually since 2007 (Platinum level)**
- **Best Employers for Healthy Lifestyles, National Business Group on Health, United States - General Mills has received this award annually since 2007 (Gold level)**
- **National Health and Well-being Award, New Zealand Heart Foundation**

3B Investing in development and training

Developing our people

At General Mills, we know that engaged employees drive customer value and business performance. We are single-minded when it comes to development -

we plan for it, we invest in it, we track it and evaluate it. It is essential to develop all employees - production employees, salaried employees, managers and

executives alike - and we work to have a depth of leadership prepared to take on new responsibilities, when necessary. Globally, 87 percent of our managers

are promoted from within the company. General Mills consistently receives external recognition for our performance in this area.



At General Mills, development takes many forms and includes performance appraisals. In the U.S., opportunities range from employees' Individual Development Plans (IDP) to our Great Manager initiative, as well as mentoring, peer networking and courses at the General Mills Institute. We also offer numerous courses and online learning classes that support professional development. General Mills provides severance benefits to employees who are impacted by downsizing.

The severance benefits include compensation as well as professional development assistance from an external organization that provides outplacement services.

LA11, LA12

\$21 million

In 2012, General Mills invested US\$21 million in training and development for U.S.-based employees.

LA10



General Mills is proud that 91 percent of our officers have been promoted from within the company. More than 50 percent started their careers at entry-level positions with General Mills, and 40 percent come from non-officer roles. Contributing to this continuity in leadership is the company's broad-based commitment to leadership development.

LA11

Encouraging activity and well-being around the world LA8

We support the efforts of our employees to lead active, healthy lifestyles fueled by good nutrition and overall well-being. Listed below is a sampling of health and wellness programs around the world.

U.S. and Canada:

In 2012, more than 2,700 General Mills employees in the U.S. and Canada participated in the Great American Fitness Challenge, a program that encourages participants to exercise at least 30 minutes per day for eight weeks. The challenge got people out biking,



walking, running, gardening and more – for a grand total of 6.1 million minutes reported exercised, equaling an average of four-and-a-half hours of exercise per person per week. In addition, General Mills' headquarters in Minnesota was named a "bicycle friendly business" by the League of American Bicyclists.

Spain: In San Adrian, our cardiovascular risk reduction program has been helping to increase awareness about the main drivers of cardiovascular risk since 2009. The program continues to reduce risk factors among employees, including corporal mass index improvements and smoking cessation. Becoming a tobacco-free workplace is a companywide goal.

Mexico: More than 50 employees competed in races to improve their fitness levels and tracked their weight loss – each kilometer raced and kilo lost represented a contribution to benefit Fundación Familiar Infantil, a local children's charity.



△ Employees in Mexico ran together.

U.K.: General Mills participates in the U.K. Public Health Responsibility Deal pledge to help improve levels of employee health and well-being, including focusing on physical activity. Our U.K. operations have seen a reduction in the number of employee working days lost year-on-year, with current levels below targeted U.K. industry standards.

New Zealand: As part of its year-round focus on wellness, the New Zealand team offers regular activities emphasizing weight management, nutrition, physical activity and stress management. In 2012, 96 percent of

employees created a personal health goal, then participated in activities working toward those goals. Employees have reported feeling healthier and better about themselves, losing weight, increased physical activity, and being more engaged and focused at work.



△ General Mills received an award from the New Zealand Ministry of Health.

China: All employees receive free physical checkups. Our on-site clinics also provide care and health tips to factory employees. At our Shanghai office, employees now have access to a gym space.



WATCH VIDEO

△ Biking to work is a preferred activity of many employees – hear why.



COMMUNITY

Our General Mills Foundation and community engagement mission is to nourish our communities globally with remarkable philanthropy.



OUR GOAL is to build strong communities. Our philanthropic work is an extension of the company's Nourishing Lives mission and ties closely to our company's core business. We work in innovative ways with partners at the global, national and local levels to harness our collective impact in key target areas, while engaging employees through skills-based and other volunteerism.



Our strategies

Alleviate
hunger and
advance
nutrition
wellness

Improve
education

Strengthen
communities

Overview

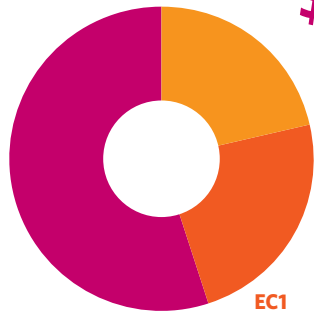
Nourishing our communities - In fiscal 2012, General Mills donated more than US\$143 million (nearly \$3 million a week) to key initiatives that support our communities around the globe. General Mills has given more than US\$1 billion to charitable causes worldwide since the General Mills Foundation was created in 1954.

\$143+ million

The amount we gave to charitable causes in fiscal 2012

Corporate Contributions/
Brand Partnerships

\$77.9 million



Foundation Grants

\$27.6 million

Product Donations

\$37.7 million

"To us, remarkable philanthropy lies at the intersection of the world's greatest needs and our company's unique strengths. That is why we focus our philanthropic and community engagement efforts on alleviating hunger and advancing nutrition wellness, improving education and strengthening communities."

- Ellen Goldberg Luger, Executive Director, General Mills Foundation

Performance dashboard



Nourishing

We alleviate hunger.

More than **US\$37 million** in product donations around the world.

200 food processors (sourcing from **100,000+** smallholder farmers) supported through Partners in Food Solutions.

We advance nutrition wellness.

US\$500,000 in Champions for Healthy Kids grants.



Educating

We improve education.

2,400 girls and **100 teachers** supported in residential schools through Join My Village in India.

US\$60 million raised for schools by General Mills brands through Box Tops for Education.



Strengthening

We strengthen communities.

More than **US\$27 million** in grants to local nonprofit organizations in **48 communities** worldwide.

2,500 employees from **60 locations** participated in "Think Global, Volunteer Local" initiatives around the world.



Our approach: connect & lead

We bring together resources, partners, innovative ideas and employee expertise to make an impact around the world

Our commitment to building strong communities includes providing grants from the General Mills Foundation, donating food products from our businesses, supporting brand/cause partnerships, and encouraging and enabling high-impact employee volunteerism around the globe. Through their skills-based volunteerism, our employees address local needs and deliver results. The combined impact of these initiatives produces positive change in our key focus areas: alleviating hunger and advancing nutrition wellness; improving education; and strengthening communities.

We look for opportunities to connect the many stakeholders within a community and to leverage existing programs in new ways for maximum impact. One example of this approach is our support of the [Minneapolis Youth Coordinating Board](#) in our headquarters' community. This nonprofit group promotes the health, safety, education and overall development of Minneapolis youth through jurisdictional partnerships, promotion of programs for young people, and resources for parents and teens.

General Mills' community engagement and Foundation programs are led by the Executive Director of the Foundation with support from program officers at headquarters who are aligned to each philanthropic focus area. In addition, employee councils located across our key operating locations around the world assist with the identification and selection of area nonprofits who have demonstrated an ability to positively impact that local community. The General Mills Foundation is governed by a Board of Trustees that includes leaders from the company's finance, supply chain, marketing, legal, human resources, sales and external relations functions.



△ [Learn more about the scope of work in our communities throughout 2012.](#)

Our strategies and actions

- 1 Alleviate hunger and advance nutrition wellness** p.69
 - A Addressing barriers to food security around the world
 - B Promoting nutrition wellness
- 2 Improve education** p.72
 - A Building better futures through education
- 3 Strengthen communities** p.74
 - A Innovating to empower communities around the globe
 - B Increasing impact through employee volunteerism



1 Alleviate hunger and advance nutrition wellness

1A Addressing barriers to food security around the world

Providing food and developing solutions EC1, FP4

General Mills has a long-standing commitment to help feed people in need. Our hunger-relief efforts span the globe and focus on alleviating hunger and uncovering barriers to food security.

Donating products

General Mills is consistently ranked among the top contributors of food in the United States. Our contributions to Feeding America and The Global FoodBanking Network help nourish people around the world. We've donated US\$250 million in food worldwide since 1999.



Feeding America: In 2012, we donated nearly US\$36 million worth of food products to Feeding America's 200 food banks across the United States. General



After Superstorm Sandy damaged the U.S. East Coast, General Mills sent more than 31,000 cases (nine tractor-trailer loads) of Progresso soup to food banks in New Jersey.

▷ We also support Feeding America through our **Outnumber Hunger** consumer engagement platform. We are expanding consumer awareness and involvement in the fight against hunger through product packaging, websites, social media and live events associated with some of our key brands, including Bisquick, Betty Crocker, Big G cereals and Green Giant.



Mills has partnered with **Feeding America** for more than 30 years. Through this partnership, we provide nourishment to Americans struggling with hunger; safe and nurturing places for children to have a meal; emergency assistance for disaster victims; and an opportunity for adults trying to break the cycle of poverty and hunger to achieve self-sufficiency.



The Global FoodBanking Network:

Outside the United States, General Mills directs product donations to **The Global FoodBanking Network**, an organization dedicated to creating and strengthening

\$36 million

We donated nearly \$36 million worth of food products to Feeding America's 200 food banks in 2012.

food banks around the world. Currently, General Mills is working with this organization in the United Kingdom, South Africa, Argentina and Australia, and playing an active role in helping The Global Foodbanking Network plan and prepare for further expansion to alleviate hunger in other countries around the globe. Last year, the company donated nearly US\$2 million in food outside the United States.

Rescuing food

Around the world every day, food is wasted. In the United States, more than 30 million tons of food is sent every year to landfills, bypassing the 50 million Americans who struggle with hunger. Food that is in danger of going to waste is an area of high priority for General Mills. We are continuously improving our operations so that more food can be saved from the landfill and

▷ In November 2012, General Mills employees in our supply chain and quality groups helped redirect food from an overturned truck to a food pantry in New Mexico, including 23 pallets of Yoplait yogurt, Grands! biscuits and Pillsbury refrigerated cookies.



"General Mills' involvement has helped The Global FoodBanking Network educate food bank leaders from around the world through our Food Bank Leadership Institute, create new programming to feed more people, focus on providing highly nutritional food to children, and continue to develop food banks in countries where they are needed. We are inspired and extremely grateful." - Jeffrey D. Klein, President and CEO, The Global FoodBanking Network



Partners in Food Solutions

In many parts of the developing world, strengthening the food supply chain is one of the most effective ways to raise living standards.

General Mills founded **Partners in Food Solutions (PFS)**, a nonprofit organization that focuses on improving mills and food processors in the developing world, as a way to directly address chronic food supply issues and extreme hunger in sub-Saharan Africa.

In 2012, the U.S. Agency for International Development (USAID) and the Clinton Global Initiative recognized General Mills' work with PFS. USAID Administrator Dr. Rajiv Shah



WATCH VIDEO

△ Learn more about Partners in Food Solutions.



WATCH VIDEO

△ Former U.S. President Bill Clinton speaks about PFS at the Clinton Global Initiative Annual Conference in September 2012.

shared with people in need. General Mills' Product Donations Action Team leverages employee expertise in supply chain operations, warehousing, tax, finance and quality to help drive improvements in our food donation processes around the world.

visited General Mills to honor employee volunteers who share their business and technical expertise through PFS with small and growing food processors and mills in Africa. General Mills also was highlighted at the 2012 Clinton Global Initiative annual meeting. During a session on the future of food, former President Clinton recognized

General Mills for its pioneering work helping to improve food security across Africa.

In addition to General Mills, PFS corporate partners include Cargill, Royal DSM and Bühler, along with implementing partner TechnoServe and public partner USAID. Over the next five years, PFS plans to broaden its work to include as many as 10 corporate

partners, working with 500 Africa-based food processors, who purchase from more than 500,000 local smallholder farmers in as many as 12 African nations, thereby benefiting tens of millions of consumers.

"The greater challenge is to help countries become more 'food secure' so they won't need aid and so they can trade with us, create jobs and grow their economy. We seek strong partnerships with American corporations. We can get more value for our taxpayers' money."

- Dr. Rajiv Shah, Administrator, U.S. Agency for International Development



△ Through Partners in Food Solutions (PFS), we are improving access to more locally sourced, nutritious and safe food at affordable prices for both food aid and local retail markets in sub-Saharan Africa. General Mills' work with PFS was recognized by the USAID and the Clinton Global Initiative in 2012.

Our Haverhill facility in Massachusetts is one example of how General Mills increases food donations and reduces food waste sent to landfills. The Haverhill warehouse donated 1.25 million pounds of soon-to-expire food to the Greater

Boston Food Bank in 2012. The food bank honored General Mills with its "Food Donor of the Year" award.

Ingredients: We also find ways to donate bulk items and ingredients,

saving millions of pounds of edible food from landfills every year. In 2012, we saved US\$650,000 of surplus pineapple pouches from going to waste. We partnered with Feeding America to repack and re-label the items.



PFS results to date

- **300** food companies and processors in Kenya, Zambia, Tanzania, Malawi and Ethiopia have received training and support since 2008.
- **More than 131,000** local smallholder farmers - and their 786,000 family members - benefit as they supply these processors.
- **Nearly 500** skilled employees from corporate partner organizations have participated.
- **More than 40,000** hours contributed by these volunteers have supported more than 150 individual projects.



Agricultural surplus: In September 2012, General Mills and others in the food supply chain worked together to rescue 600,000 pounds of freshly harvested sweet corn that was transformed into 465,000 meals eaten by people in 10 U.S. states. Read more about this success, known as *“The Great Corn Rescue.”*

Expanding access to food

We support programs that expand people’s access to food. In Minnesota, General Mills is a founding supporter and strategic partner of *Hunger-Free Minnesota*, providing charitable contributions, product donations, expertise and employee engagement at all levels of the company. We have committed US\$2 million to this multi-year campaign focused on fighting

hunger and closing the *“missing meal gap”* by increasing the amount of food available through the emergency food system by 50 million meals; adding 30 million meals through increased enrollment in the Supplemental Nutrition Assistance Program; and adding 20 million meals by increasing enrollment in and use of public nutrition programs for children and families.



△ In 2012, General Mills China funded nutritious meals for more than 1,000 students at four schools in Yunnan’s Xuanwei region, which is one of the poorest in China with high rates of malnutrition.

In Canada, we support *Breakfast Clubs of Canada (BCC)*, a nonprofit organization that provides breakfast programs to underserved youth. In 2012, General Mills granted US\$100,000 to fund nine

multi-ethnic and First Nations breakfast programs across Canada, providing nutrition training and food – including nearly 350,000 breakfasts served to more than 2,100 students.

Giving Gardens

In Europe and the U.S., our employees cultivate *“Giving Gardens”* to provide fresh vegetables to local communities. More than 3,000 pounds of organic vegetables grown in the garden at our headquarters have been donated to food shelves and meal programs in Minnesota. In Germany, we support the *Gardens for Children* project, which helps urban children plant and tend school gardens. The project combines age-appropriate physical activity with basic instruction about healthy nutrition.



△ Employee volunteers laid the groundwork for a garden that will be tended to by schoolchildren in Hamburg, Germany.

1B Promoting nutrition wellness

Integrating food with healthy, active lifestyles

We advance nutrition wellness by helping families make nutritious food choices and integrate food with healthy, active lifestyles.

Champions for Healthy Kids: Our *Champions for Healthy Kids* program improves the fitness behaviors and nutritional knowledge of America’s youth. We developed the program in 2002 in partnership with the *Academy of Nutrition and Dietetics Foundation*. Since that time, we have funded 460 programs and

reached nearly 1 million kids through grants totaling US\$5 million.

Presidential Youth Fitness Program: In 2012, General Mills and the *President’s Council on Fitness, Sports and Nutrition* launched the *Presidential Youth Fitness Program*, providing new school-based education assessment tools and fitness education program resources. As the Inaugural Presidential Sponsor, the General Mills Foundation’s support of the program includes US\$10 million

over six years (2012 – 2018), including US\$1 million of in-kind marketing support, which will enable the new program to expand to reach 90 percent of U.S. schools, helping students pursue personal fitness goals and promote lifelong physical activity.

EC1, FP4



△ The *Champions for Healthy Kids* program boosts the nutritional knowledge and improves the fitness behaviors of U.S. kids.



2 Improve education

2A Building better futures through education

Increasing access to education, partnering to improve education **EC1, FP4**

We support programs around the world that help increase access to education and raise achievement levels. Our contribution of funds, expertise and collaboration are boosting the impact of innovative education programs.

Educating girls in Africa and India

One of those initiatives is [Join My Village](#). Since launching in 2009, Join My Village has given thousands of girls the ability

to advance their education by helping strengthen and expand local school education, building homes for teachers in remote communities and providing hundreds of scholarships for girls to continue to secondary school. The program began in Malawi, Africa, and expanded to India in 2012. Join My Village is a partnership with General Mills, Merck and the humanitarian organization [CARE](#).



Why girls and education?

- Education creates a pathway out of extreme poverty.
- Globally, there are 33 million fewer girls than boys in primary school.
- A child born to a literate mother is 50 percent more likely to survive past age 5.
- A girl with an extra year of education can earn 20 percent more as an adult.
- Educated mothers are twice as likely to send their own children to school.



Join My Village results to date

- **More than 13,000** children have gained access to classroom and reference materials.
- **802** secondary school scholarships have been given.
- **More than 230,000** people have been helped through maternal health education projects.
- **8,500** girls have been supported academically at 24 residential schools in India.
- **21** homes have been built for female teachers.
- **More than 150** girls have participated in an Udaan accelerated learning program for older students who never attended school.

< In 2012, we expanded Join My Village to India, where 40 percent of girls under age 14 don't attend school. Join My Village helps improve schools and provides scholarships, reaching 8,500 girls in India during the first year.



Expanding educational resources and closing the achievement gap

In 2012, our **Box Tops for Education** program and its affiliates raised more than US\$74 million for K-8 schools in the U.S., including US\$60 million from General Mills brands. Since inception in 1996, this program's fundraising has exceeded US\$525 million and reached more than 90,000 schools across the United States. More than 240 of our brands participate in Box Tops for Education, including General Mills brands such as Cheerios, Betty Crocker, Pillsbury, Hamburger Helper, Old El Paso, Progresso and Green Giant.



In our headquarters community, we are collaborating to help close the educational achievement gap that exists between students of color and their white counterparts. Through funding and direct involvement with organizations and initiatives like **Generation Next**, **AchieveMpls**, and the **Northside Achievement Zone** (modeled after the Harlem Children's Zone), General Mills is helping bring together an unprecedented partnership of key education, community, government and business stakeholders dedicated to accelerating educational achievement for all children - from early childhood through early career.

Promoting early childhood education

Through our **Spoonfuls of Stories** program in the United States, we have distributed 70 million children's books since 2002 inside specially marked boxes of Cheerios cereal and have donated US\$4 million to First Book, a nonprofit children's literacy organization. In 2012, we expanded



△ In the UK, General Mills launched an innovative "floating classroom" in 2012 to provide students with hands-on education about geography, history, heritage, the environment and science on the waterways of England. The team was recognized as the 2012 "Outstanding Philanthropic Program" at the Global Angel Awards in London.

Spoonfuls of Stories to our Honey Nut Cheerios and other Cheerios varieties to help distribute even more books to kids and encourage parents and children to read together. The in-pack books target children 3 to 8 years old and are printed in both English and Spanish.

70 million
We have distributed 70 million books through our Spoonfuls of Stories program.

\$74 million
In 2012, Box Tops for Education raised more than US\$74 million.



Making college possible

The General Mills Foundation supports College Possible, a nonprofit organization that helps low-income high school students earn admission to college and succeed once there. Overall, 98 percent of students assisted by College Possible have earned admission to college. In addition, College Possible students are graduating at more than five times the rate of their low-income peers.



3 Strengthen communities

3A Innovating to empower communities around the globe

Providing resources to nonprofits around the world **EC1, FP4**

We strengthen communities from the ground up by supporting nonprofit organizations that are making a difference around the world. We partner with United Way Worldwide and provide grants to support local efforts in the communities where General Mills operates.

We focus on helping women gain livelihoods and support their communities. The work we are doing to educate girls through [Join My Village](#) also extends to women. Through Join My Village, we are, among other things, helping establish village-based savings and loans. Since 2009, more than 6,700 women and families have benefited from village savings and loans made possible by Join My Village.

As General Mills' business has expanded in China, so has our community engagement and philanthropic activity. Since 2008, General Mills has donated more than US\$460,000 to the China Women's Development Foundation to construct water cellars for villages in western China's drought-parched Shaanxi, Gansu and Ningxia provinces. In this region, women typically have to walk eight hours a day to fetch water for household use. The water cellars catch and store rainwater so families have access to clean water. In 2012, 400 additional water cellars were constructed, bringing the total number funded by General Mills to more than 1,000 as part of our support to sustainable development in western China.



△ Women gain access to education and credit through village-based savings and loan associations.

In several parts of the developing world, we are supporting smallholder farmers through our holistic value creation model for sustainable development in

rural areas. Read more about how we are helping boost farmer incomes in the [Sourcing](#) section of this report.

3B Increasing impact through employee volunteerism

Sharing our skills and best practices **FP4**

More than 80 percent of General Mills U.S.-based employees volunteer in our communities. We are proud of the results our employees achieve around the world. [Partners in Food Solutions](#) (PFS), for example, thrives on our

employees sharing their skills. PFS links the technical and business expertise of General Mills employee volunteers and other food industry experts with small and growing food processors and millers in the developing world.

"We ask volunteers for one to two hours a week. It is amazing what you can get for a minimal investment of time. The leverage of expertise is far greater than anything you will get out of a dollar. It is working, it is measurable, and it is scalable."

- John Mendesh, General Mills Vice President, R&D, for Big G cereals and Partners in Food Solutions Director of Operations



Thinking globally, volunteering locally

We encourage our employees to “Think Global, Volunteer Local” – and in 2012, more than 2,500 employees from more than 60 locations around the world responded by participating in our annual volunteer event by the same name. Below is a sampling of their efforts, which reinforce our core values. **FP4**

United States



△ In the aftermath of a tornado in Joplin, Missouri, the community lost 155 people and more than 8,000 homes and businesses. Our employees volunteered their time to clean up and rebuild in 2012; the company donated US\$100,000 to reconstruct a local school.

India



△ General Mills employees in Mumbai, India, volunteer in a program that brings health and nutrition education to six villages (9,400 individuals) via a tribal development project. General Mills has also provided a multiyear grant to support and expand the program.

United Kingdom



△ Employees of General Mills in the U.K. partnered with a local nonprofit to construct greenhouses on school grounds, helping students to grow and eat their own vegetables. The students also created a recipe book to reach even more schools and students.

France



△ Employees cleaned up several sites contaminated by rubbish in the Forest of Meudon, learned about recycling and cleaned a coastal beach at Messanges in the Landes region of France.

Greece



△ General Mills employees in Athens cooked and served meals to people at a homeless shelter that feeds 200 people daily.

Spain

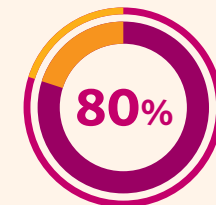


△ Employees from our San Adrián facility teamed up to clean the banks of the Ebro River, while employees from General Mills Iberica prepared for future planting of regional plants in environmentally protected areas around Madrid. Their hard work will help restore these ecosystems and contribute to the reforestation of the local habitat.

Dubai



△ Employees visited a construction site and distributed 76 boxes containing food, personal hygiene and clothing items to underprivileged workers.



More than **80 percent** of General Mills U.S.-based employees volunteer in our communities.

APPENDIX

Environmental Data Summary^{*,**,***}

	2005	2006	2007	2008	2009	2010	2011	2012
Energy usage rate (kWh/metric ton of product)	577	575	577	551	542	528	528	514
Energy usage (kWh) EN3, EN4	2,751,525,000	2,766,116,000	2,728,058,000	2,724,411,000	2,665,305,000	2,627,062,000	2,577,278,000	2,396,834,000
Direct energy usage by primary source (kWh)	1,508,978,000	1,539,436,000	1,525,505,000	1,469,271,000	1,452,478,000	1,485,244,000	1,449,191,000	1,308,209,000
Fuel oil (kWh)	49,036,000	59,263,000	35,326,000	25,957,000	18,939,000	17,431,000	19,143,000	2,749,000
Natural gas (kWh)	1,453,395,000	1,460,901,000	1,407,019,000	1,357,066,000	1,363,947,000	1,364,632,000	1,340,525,000	1,236,163,000
LP gas (kWh)	4,484,000	5,846,000	4,403,000	2,989,000	14,190,000	16,711,000	3,477,000	1,569,000
Biogas (kWh)	NA	NA	NA	NA	NA	2,000,000	2,000,000	2,000,000
Biomass (kWh)	0	0	0	0	0	0	5,828,000	16,704,000
Solar panels (kWh)	NA	NA	NA	NA	NA	NA	82,000	120,000
Cogeneration electric (kWh)	NA	NA	19,614,000	20,734,000	14,668,000	27,221,000	25,234,000	17,764,000
Cogeneration steam (kWh)	2,063,000	13,426,000	59,143,000	62,525,000	40,734,000	57,249,000	52,902,000	31,140,000
Indirect energy usage (electricity) (kWh)	1,242,547,000	1,226,680,000	1,202,553,000	1,255,140,000	1,212,827,000	1,141,818,000	1,128,087,000	1,088,625,000
International (kWh)	87,362,000	108,473,000	117,405,000	174,873,000	159,616,000	133,206,000	129,176,000	132,071,000
North America (kWh)	1,155,185,000	1,118,207,000	1,085,148,000	1,080,267,000	1,053,211,000	1,008,612,000	998,911,000	956,554,000
Energy usage, by region								
International (kWh)	182,228,000	248,443,000	276,249,000	247,902,000	245,321,000	232,405,000	243,227,000	215,436,000
North America (kWh)	2,571,250,000	2,530,373,000	2,500,226,000	2,529,338,000	2,453,208,000	2,454,816,000	2,389,988,000	2,217,720,000
GHG emissions rate (metric tons CO ₂ e/metric ton of product)	0.223	0.222	0.224	0.214	0.210	0.202	0.203	0.200
GHG emissions (Scopes 1 and 2) (metric tons CO ₂ e)	1,066,000	1,065,000	1,057,000	1,058,000	1,032,000	1,004,000	992,000	935,000
Scope 1 (metric tons CO ₂ e) EN16	277,000	286,000	289,000	278,000	271,000	282,000	273,000	242,000
Fuel oil (metric tons CO ₂ e)	11,000	14,000	8,000	6,000	4,000	4,000	4,000	1,000
Natural gas (metric tons CO ₂ e)	265,000	271,000	280,000	271,000	264,000	274,000	268,000	240,000
LP gas (metric tons CO ₂ e)	1,000	1,000	1,000	1,000	3,000	4,000	1,000	1,000
Scope 2 (metric tons CO ₂ e) EN16	788,000	784,000	772,000	783,000	762,000	723,000	722,000	694,000
GHG emissions, by region								
International (metric tons CO ₂ e)	56,000	76,000	84,000	77,000	82,000	77,000	80,000	72,000
North America (metric tons CO ₂ e)	1,010,000	989,000	973,000	981,000	950,000	927,000	912,000	863,000
Water usage rate (cubic meters/metric ton of product)	NA	2.383	2.266	2.222	2.258	2.186	2.112	2.135
Water withdrawal (cubic meters) EN8	NA	11,100,000	10,600,000	11,000,000	11,000,000	10,800,000	10,300,000	10,000,000
Groundwater (cubic meters)	NA	NA	NA	NA	NA	NA	2,000,000	1,800,000
Municipal (cubic meters)	NA	NA	NA	NA	NA	NA	8,300,000	8,200,000
Solid waste generation rate (metric tons/metric ton of product)	0.057	0.052	0.047	0.051	0.040	0.037	0.037	0.034
Solid waste (metric tons) EN22	266,000	241,000	221,000	239,000	197,000	183,000	178,000	159,000

* All data are fiscal year. Energy, GHG emissions, water, and solid waste generation absolute and rate data are from wholly owned production facilities globally, excluding the recently acquired Yoki Alimentos S.A.

** Some segments do not add up to total, due to rounding.

*** Some data are restated compared to reporting in prior years to reflect improvements in data gathering and tracking methodology.

(LA13) Governance Body Diversity (% of total)	%
Male	69.2%
Female	30.8%
Black	15.4%
Asian	0.0%
Hispanic	7.7%
Native American/American Indian	0.0%
Age 50+	100%

Standard Disclosures: Profile Disclosures

Profile Disclosure and Description	Reported	Location/Comments
1. Strategy and Analysis		
1.1 Statement from the most senior decision-maker of the organization.	●	CEO Letter 2012 Annual Report
1.2 Description of key impacts, risks, and opportunities.	●	2012 10K
2. Organizational Profile		
2.1 Name of the organization.	●	2012 10K
2.2 Primary brands, products, and/or services.	●	Introduction 2012 10K
2.3 Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	●	2012 Annual Report
2.4 Location of organization's headquarters.	●	2012 10K
2.5 Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	●	GeneralMills.com/Company/Countries
2.6 Nature of ownership and legal form.	●	2012 10K
2.7 Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	●	GeneralMills.com/Company/Countries
2.8 Scale of the reporting organization.	●	2012 Annual Report
2.9 Significant changes during the reporting period regarding size, structure, or ownership.	●	2012 Annual Report
2.10 Awards received in the reporting period.	●	Workplace GeneralMills.com/Media/Awards

Key to indicators: ● Fully ● Partially ○ Not covered

Standard Disclosures: Profile Disclosures (con't)

Profile Disclosure and Description		Reported	Location/Comments
3. Report Parameters			
3.1	Reporting period for information provided.	●	Introduction
3.2	Date of most recent previous report (if any).	●	April 2012
3.3	Reporting cycle	●	Annual
3.4	Contact point for questions regarding the report or its contents.	●	Introduction
3.5	Process for defining report content.	●	CEO Letter/Introduction
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers).	●	Introduction
3.7	State any specific limitations on the scope or boundary of the report.	●	Introduction
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	●	Introduction
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report. Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols.	●	Health Environment Workplace
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	◐	Environment Appendix
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	●	None
3.12	Table identifying the location of the Standard Disclosures in the report.	●	Appendix
3.13	Policy and current practice with regard to seeking external assurance for the report.	●	Introduction
4. Governance, Commitments, and Engagement			
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	●	GeneralMills.com/Investors
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	●	GeneralMills.com/Investors
4.3	For organizations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members.	●	GeneralMills.com/Investors
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	●	GeneralMills.com/Investors
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).	●	2012 Proxy Statement
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	●	GeneralMills.com/Investors

Key to indicators: ● Fully ◐ Partially ○ Not covered

Standard Disclosures: Profile Disclosures (con't)

Profile Disclosure and Description	Reported	Location/Comments
4. Governance, Commitments, and Engagement		
4.7 Process for determining the composition, qualifications, and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity.	●	GeneralMills.com/Investors
4.8 Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	●	GeneralMills.com/Company GeneralMills.com/Responsibility
4.9 Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	●	GeneralMills.com/Investors Introduction
4.10 Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	●	GeneralMills.com/Investors
4.11 Explanation of whether and how the precautionary approach or principle is addressed by the organization.	●	GeneralMills.com/Responsibility
4.12 Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	●	Introduction Sourcing
4.13 Memberships in associations (such as industry associations) and/or national/international advocacy organizations.	●	Introduction Health Environment Sourcing Community
4.14 List of stakeholder groups engaged by the organization.	●	Introduction Health Environment Sourcing Community
4.15 Basis for identification and selection of stakeholders with whom to engage.	●	Introduction Health Environment Sourcing Community
4.16 Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	●	Introduction Health Environment Sourcing Community
4.17 Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	◐	Introduction Health Environment Sourcing Community

Key to indicators: ● Fully ◐ Partially ○ Not covered

Standard Disclosures: Performance Indicators

Profile Disclosure and Description		Reported	Location/Comments
Economic Disclosures on Management Approach			
ECONOMIC PERFORMANCE			
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.		Community 2012 Annual Report 2012 Proxy Statement
EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.		Introduction Environment Sourcing Carbon Disclosure Project
EC3	Coverage of the organization's defined benefit plan obligations.		2012 10K
EC4	Significant financial assistance received from government.		
MARKET PRESENCE			
EC5	Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.		
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.		Sourcing Workplace
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.		
INDIRECT ECONOMIC IMPACTS			
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.		
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.		Sourcing
Environment Disclosures on Management Approach			
MATERIALS			
EN1	Materials used by weight or volume.		
EN2	Percentage of materials used that are recycled input materials.		Environment
ENERGY			
EN3	Direct energy consumption by primary energy source.		Environment Appendix - Environmental Data Summary
EN4	Indirect energy consumption by primary source.		Environment Appendix - Environmental Data Summary
EN5	Energy saved due to conservation and efficiency improvements.		Environment









Key to indicators: Fully Partially Not covered

Standard Disclosures: Performance Indicators (con't)

Profile Disclosure and Description		Reported	Location/Comments
Environment			
ENERGY			
EN6	Initiatives to provide energy-efficient or renewable energy-based products and services, and reductions in energy requirements as a result of these initiatives.	○	
WATER			
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	◐	Environment
EN8	Total water withdrawal by source.	●	Environment Appendix - Environmental Data Summary
EN9	Water sources significantly affected by withdrawal of water.	◐	Environment Sourcing
EN10	Percentage and total volume of water recycled and reused.	◐	Environment
BIODIVERSITY			
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	○	
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	○	
EN13	Habitats protected or restored.	○	
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity.	○	
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	○	
EMISSIONS, EFFLUENTS AND WASTE			
EN16	Total direct and indirect greenhouse gas emissions by weight.	●	Environment Appendix - Environmental Data Summary
EN17	Other relevant indirect greenhouse gas emissions by weight.	◐	Carbon Disclosure Project
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	◐	Environment
EN19	Emissions of ozone-depleting substances by weight.	◐	Ozone-depleting substances (ODS) are most commonly used in small quantities for closed-loop refrigeration systems and occasional fumigation activities. ODS emissions are strictly regulated.

Key to indicators: ● Fully ◐ Partially ○ Not covered

Standard Disclosures: Performance Indicators (con't)

Profile Disclosure and Description	Reported	Location/Comments
Environment		
EMISSIONS, EFFLUENTS AND WASTE		
EN20 NOx, SOx, and other significant air emissions by type and weight.		Air emissions primarily include particulate matter and organic compounds from ingredient handling, cooking and drying, as well as emissions associated with fuel combustion. Our production facilities are governed by applicable regulations as well as our compliance management program.
EN21 Total water discharge by quality and destination.		We do not discharge untreated sanitary wastewater to land or surface waters at any of our locations. Wastewater discharges primarily consist of organic matter from ingredient handling, food production and cleaning processes. Our production facilities are governed by applicable regulations as well as our compliance management program.
EN22 Total weight of waste by type and disposal method.		Environment
EN23 Total number and volume of significant spills.		There were no significant spills at our manufacturing locations during the reporting period.
EN24 Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.		The quantity of hazardous waste produced and shipped is insignificant relative to the amount of solid waste generated at General Mills. Hazardous waste shipping and disposal is restricted by government regulations.
EN25 Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.		No water bodies are significantly affected by company discharges. Our production facilities are governed by applicable regulations as well as our compliance management program.
PRODUCTS AND SERVICES		
EN26 Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.		Environment Sourcing
EN27 Percentage of products sold and their packaging materials that are reclaimed by category.		

Key to indicators:  Fully  Partially  Not covered

Standard Disclosures: Performance Indicators (con't)

Profile Disclosure and Description	Reported	Location/Comments
Environment		
COMPLIANCE		
EN28 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	●	General Mills received no significant fines or regulatory sanctions during the reporting period.
TRANSPORT		
EN29 Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	◐	Environment
OVERALL		
EN30 Total environmental protection expenditures and investments by type.	○	
Social: Labor Practices and Decent Work Disclosures on Management Approach		
EMPLOYMENT		
LA1 Total workforce by employment type, employment contract, and region, broken down by gender.	○	
LA2 Total number and rate of new employee hires and employee turnover by age group, gender, and region.	◐	In the summer of 2012, General Mills announced its intention to cut 850 jobs worldwide, amounting to 2.4% of the global workforce. The reductions were part of a restructuring plan.
LA3 Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	◐	Workplace
LA15 Return to work and retention rates after parental leave, by gender.	○	
LABOR/MANAGEMENT RELATIONS		
LA4 Percentage of employees covered by collective bargaining agreements.	◐	Approximately 45% of U.S production employees are covered by CBAs
LA5 Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	◐	General Mills maintains good notice practices as it relates to notice periods, whether they are required by law, by contract or outside of both.
OCCUPATIONAL HEALTH AND SAFETY		
LA6 Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	◐	Workplace
LA7 Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and by gender.	◐	Workplace
LA8 Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	●	Workplace

Key to indicators: ● Fully ◐ Partially ○ Not covered

Standard Disclosures: Performance Indicators (con't)

Profile Disclosure and Description	Reported	Location/Comments
Social: Labor Practices and Decent Work		
OCCUPATIONAL HEALTH AND SAFETY		
LA9 Health and safety topics covered in formal agreements with trade unions.	●	Workplace
TRAINING AND EDUCATION		
LA10 Average hours of training per year per employee by gender, and by employee category.	●	Workplace
LA11 Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	●	Workplace
LA12 Percentage of employees receiving regular performance and career development reviews, by gender.	●	Workplace
DIVERSITY AND EQUAL OPPORTUNITY		
LA13 Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	●	Workplace Appendix GeneralMills.com/Investors
EQUAL REMUNERATION FOR WOMEN AND MEN		
LA14 Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.	○	
Social: Human Rights Disclosures on Management Approach		
INVESTMENT AND PROCUREMENT PRACTICES		
HR1 Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening.	○	
HR2 Percentage of significant suppliers, contractors and other business partners that have undergone human rights screening, and actions taken.	●	Sourcing GeneralMills.com/Sourcing
HR3 Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	○	
NON-DISCRIMINATION		
HR4 Total number of incidents of discrimination and actions taken.	○	
FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING		
HR5 Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights.	●	Sourcing
CHILD LABOR		
HR6 Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.	●	Sourcing

Key to indicators: ● Fully ● Partially ○ Not covered

Standard Disclosures: Performance Indicators (con't)

Profile Disclosure and Description	Reported	Location/Comments
Social: Human Rights		
FORCED AND COMPULSORY LABOR		
HR7 Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.	●	Sourcing
SECURITY PRACTICES		
HR8 Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	○	
INDIGENOUS RIGHTS		
HR9 Total number of incidents of violations involving rights of indigenous people and actions taken.	●	Sourcing
ASSESSMENT		
HR10 Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.	○	
REMEDIATION		
HR11 Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms.	○	
Social: Society Disclosures on Management Approach		
LOCAL COMMUNITIES		
SO1 Percentage of operations with implemented local community engagement, impact assessments, and development programs.	●	Sourcing
SO9 Operations with significant potential or actual negative impacts on local communities.	○	
SO10 Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.	○	
CORRUPTION		
SO2 Percentage and total number of business units analyzed for risks related to corruption.	○	
SO3 Percentage of employees trained in organization's anti-corruption policies and procedures.	●	19% of our global workforce participated in anticorruption training during fiscal 2012. Anticorruption training is provided to employees with roles that may involve interactions with non-U.S. government officials.
SO4 Actions taken in response to incidents of corruption.	○	
PUBLIC POLICY		
SO5 Public policy positions and participation in public policy development and lobbying.	●	Introduction GeneralMills.com/ CivicInvolvement

Key to indicators: ● Fully ● Partially ○ Not covered

Standard Disclosures: Performance Indicators (con't)

Profile Disclosure and Description	Reported	Location/Comments
Social: Society		
PUBLIC POLICY		
SO6 Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	●	GeneralMills.com/ CivicInvolvement
ANTI-COMPETITIVE BEHAVIOR		
SO7 Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	○	
COMPLIANCE		
SO8 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	○	
Social: Product Responsibility Disclosures on Management Approach		
CUSTOMER HEALTH AND SAFETY		
PR1 Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	●	Health, Environment, Workplace
PR2 Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	○	
PRODUCT AND SERVICE LABELLING		
PR3 Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	○	
PR4 Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	◐	In fiscal 2012, there were no incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling.
PR5 Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	◐	In fiscal 2012, our U.S. consumer satisfaction rate was 97%. Globally, we invest in measurement and monitor satisfaction on an on-going basis.
MARKETING COMMUNICATIONS		
PR6 Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	●	Health
PR7 Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	○	
CUSTOMER PRIVACY		
PR8 Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	○	

Key to indicators: ● Fully ◐ Partially ○ Not covered

Standard Disclosures: Performance Indicators (con't)

Profile Disclosure and Description		Reported	Location/Comments
Social: Product Responsibility			
COMPLIANCE			
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	○	
Food Processing Sector Supplement			
FP1	Percentage of purchased volume from suppliers compliant with company's sourcing policy.	◐	Sourcing General Mills adheres to a strict supplier code of conduct and utilizes independent third parties to assess supplier compliance with this code. GeneralMills.com/Sourcing
FP2	Percentage of purchased volume which is verified as being in accordance with credible, internationally recognized responsible production standards, broken down by standard.	○	
FP3	Percentage of working time lost due to industrial disputes, strikes and/or lock-outs, by country.	○	
FP4	Nature, scope and effectiveness of any programs and practices (in-kind contributions, volunteer initiatives, knowledge transfer, partnerships and product development) that promote access to healthy lifestyles; the prevention of chronic disease; access to healthy, nutritious and affordable food; and improved welfare for communities in need.	●	Health Workplace Community
FP5	Percentage of production volume manufactured in sites certified by an independent third party according to internationally recognized food safety management system standards.	◐	Health
FP6	Percentage of total sales volume of consumer products, by product category, that are lowered in saturated fat, trans fats, sodium and added sugars.	●	Health
FP7	Percentage of total sales volume of consumer products, by product category, that contain increased nutritious ingredients like fiber, vitamins, minerals, phytochemicals or functional food additives.	●	Health
FP8	Policies and practices on communication to consumers about ingredients and nutritional information beyond legal requirements.	●	Health WholeGrainNation.com GeneralMills.com/Benefits of Cereal GeneralMills.com/Benefits of Yogurt GeneralMills.com/Eating Healthy
FP9	Percentage and total of animals raised and/or processed, by species and breed type.	●	General Mills does not raise or process animals in its production operations. Meat that is used in our products is processed by our suppliers. For information on our approach to animal welfare, see our policy.
FP10	Policies and practices, by species and breed type, related to physical alterations and the use of anaesthetic.	●	General Mills does not physically alter animals or use anaesthetics. For information on our approach to animal welfare, see our policy.

Key to indicators: ● Fully ◐ Partially ○ Not covered

Standard Disclosures: Performance Indicators (con't)

Profile Disclosure and Description		Reported	Location/Comments
Food Processing Sector Supplement			
FP11	Percentage and total of animals raised and/or processed, by species and breed type, per housing type.	●	General Mills does not raise or process animals. For information on our approach to animal welfare, see our policy.
FP12	Policies and practices on antibiotic, anti-inflammatory, hormone, and/or growth promotion treatments, by species and breed type.	●	Sourcing Animal welfare policy
FP13	Total number of incidents of non-compliance with laws and regulations, and adherence with voluntary standards related to transportation, handling, and slaughter practices for live terrestrial and aquatic animals.	●	General Mills does not transport, handle or slaughter live or aquatic animals.

Key to indicators: ● Fully ● Partially ○ Not covered