



# Corporate Social Responsibility 2011

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## To our stakeholders



Ken Powell, Chairman,  
Chief Executive Officer,  
General Mills

Visit our  
[Corporate Social  
Responsibility  
website.](#)

Welcome to our 2011 Corporate Social Responsibility report. Our mission at General Mills is Nourishing Lives. Inside, you'll find an update on the progress we're making to enhance the nourishment we provide ... to better the lives of the people we serve ... and to protect the planet we share.

We've made a lot of progress in 2010 and have a lot to be proud of.

We improved the health profile of products comprising nearly 24 percent of our U.S. Retail sales in fiscal 2010 – the largest one-year gain in our history.

All of our cereals advertised to kids under 12 are now at 10 grams or less of sugar per serving – and our pledge to reduce this to single-digit grams is within striking distance. We're also making good on our promise to trim the sodium by 20 percent in about 400 of our products by 2015. And we're not done.

Our goal is to be the health leader in every food category in which we compete.

We also reached a milestone with our philanthropy. For the first time, we surpassed the \$100 million giving mark.

But perhaps more importantly, our employees volunteer at nearly three times the average of comparably sized companies. Philanthropy is deeply embedded in our culture.

One of our best examples is Partners in Food Solutions, our effort to coordinate the business and technical expertise of company volunteers and other food companies to aid small and medium-sized processors in four African countries. I hope you'll read about it and watch our video.

Finally, I encourage you to learn more about the many environmental initiatives that are taking hold throughout our company.

In December 2010, our new oat burner at our Fridley, Minn., flour mill came online. It burns some of the discarded oat hulls from the milling process to produce about 90 percent of the steam needed to heat the plant and to produce oat flour used in making Cheerios and other products.

Solar panels are going up at several of our facilities. We're saving water at our plants and through our work with farmers. And we've cut our solid waste generation rate by a third since 2005.

We've also established aggressive new sustainability goals for 2015, recognizing that work in this area is never done. Many challenges remain.

Our goal is to stand among the most socially responsible consumer food companies in the world. Every day we work to earn the trust of consumers, beginning with the safety of our products. Being a responsible corporate citizen is integral to maintaining that trust.

This report – our 41st year of reporting back to the community – is designed to open the front door of our company so everyone can see how we're doing as corporate citizens.

As always, we welcome your questions and comments – and we hope you'll join us in making General Mills a more sustainable company and the world a better place.

A handwritten signature in black ink that reads "KJPowell". The signature is written in a cursive, slightly slanted style.

# Introduction

Our mission at General Mills is Nourishing Lives® – making lives healthier, easier and richer. Every day throughout the world, our 33,000 employees work to carry out this mission.

**We make lives healthier** with foods such as [Yoplait](#) yogurt, [Progresso](#) soups, [Green Giant](#) vegetables, ready-to-eat whole grain cereals like [Cheerios](#), and organic food like [Cascadian Farm](#) vegetables and [Lärabar](#) energy bars.

**We make lives easier** with foods that are simple to prepare – like a [Pillsbury](#) crescent dinner roll that can be baked in minutes or a [Totino's](#) frozen pizza that can be popped into the oven and served.

**We make lives richer** with foods to celebrate special moments – whether it's a [Betty Crocker](#) cake for a child's birthday, a [Nature Valley](#) bar to enjoy while on a hike or the trimmings for a festive holiday meal.

This marks our 41st year of reporting back to the community on the progress we've made over the past year. Our decades-long record of reporting to the community underscores the

importance we place in honestly and openly communicating with our many stakeholders.



See an overview of General Mills' Corporate Social Responsibility efforts.

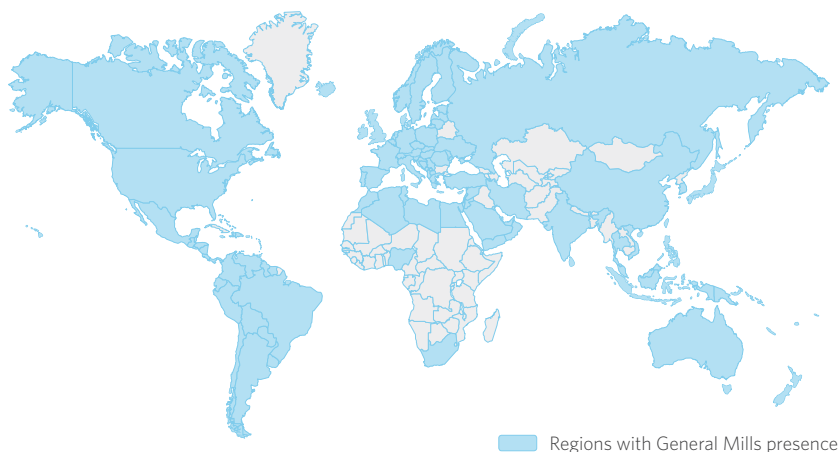
## CSR report organization

This report is organized into three sections to align with our mission:

- **Health: the nourishment we provide**, outlines the progress we're making in Nourishing Lives through our food products, and how we're improving the nutritional profile throughout our portfolio.
- **Communities: the people we serve**, outlines the many ways we engage our stakeholders – whether through the General Mills Foundation, volunteering in our communities, or through cause-marketing programs such as Box Tops for Education. We also include our employees among our stakeholders and strive to be an employer of choice.
- **Environment: the planet we share**, outlines the progress we're making toward becoming a more sustainable company.

Our overall progress in each of these areas is reported for fiscal year 2010. We also include information about some of our other activities in these areas for the entire 2010 calendar year (to illustrate progress on new initiatives).

## General Mills around the world



## Our Company (fiscal 2010)

Net sales	\$16 billion*
Net earnings	\$1.5 billion
Community contributions	\$100 million
Employees worldwide	33,000
Operates in more than	100 countries
Markets more than	100 consumer brands

\*Includes \$1.2 billion proportionate share of joint venture net sales



## Engaging stakeholders

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

We are also a member of the United Nations Global Compact, a collaboration of businesses, NGOs (nongovernmental

organizations) and the United Nations dedicated to improving human rights, labor, the environment and business practices. We are committed to working globally on these important issues.

We have been participants in the Carbon Disclosure Project (CDP) since its inception in 2000 and regularly report our greenhouse gas emissions and climate change strategies to this

initiative. The CDP compiles data from 2,500 organizations in some 60 countries around the world.

Concerning nutrition, we work with several organizations including the American Gastroenterological Association (AGA), the American Academy of Family Physicians (AAFP), the American Society for Nutrition (ASN) and the American Dietetic Association

(ADA) to fund nutrition research and help promote nutrition education.

And we work with a variety of organizations on food safety - from the Asia Pacific Economic Cooperation forum to the Institute of Medicine and the National Organic Standards Board.

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## Standardized reporting

At some point in the future, we expect reporting on sustainability issues to become standardized in the same manner as financial reporting is required to follow a set of formal rules.

This is one reason why we have added representation from our finance group to our sustainability efforts. Another is that adding this expertise should further

help to enhance our level of rigor and discipline on how we measure and improve our environmental performance.

We have established a cross-functional team within General Mills to evaluate and recommend possible reporting frameworks - including the Global Reporting Initiative - that we could use in future CSR reports.

This report is assembled with help from teams throughout General Mills. But the ultimate owners are our leadership team, including Chris Shea, executive vice president of External Relations and president of the General Mills Foundation, and our Board of Directors' Public Responsibility Committee. The committee reviews a draft of the

report and provides input before the final document is published.

Senior oversight is also being provided by Shea's announced successor, Kim Nelson, senior vice president of External Relations. Nelson will assume all of Shea's duties in August 2011, when Shea will retire.

## Recognition for our efforts

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Our efforts to build a sustainable and responsible organization have been recognized by several third-party groups.

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For the third time in four years, General Mills was named in the top 10 of Corporate Responsibility magazine's "**100 Best Corporate Citizens.**" Our company was No. 3 in 2010.

The ranking is regarded as the top corporate responsibility ranking based on publicly available information. The list is based on data in seven categories that are publicly available, including human rights, climate change, environment, philanthropy, employee relations, finance and corporate governance.

General Mills also made several other prestigious top rankings in 2010.

- *Fortune* magazine named us to its list of the top 50 of the "**World's Most Admired Companies**" and to its list of "**100 Best Companies to Work For.**"

- The Ethisphere Institute selected us as one of the "**world's most ethical companies**" for the third year in a row. The institute is a New York-based think tank dedicated to advancement of best practices in business ethics, corporate social responsibility, anti-corruption and sustainability.

- *Working Mother* magazine named us to its top 10 list of best companies – and to its "**100 Best Companies Hall of Fame.**" We have been selected to its "100 best" for 15 straight years and its top 10 list several times.

While our reputation as a great place to work is well-known within the U.S., our reputation as an employer of choice is growing internationally.

- *The Financial Times* named us as one of the "**United Kingdom's 50 Best Workplaces.**"
- In Canada, the Great Place to Work Institute selected us as one of the country's "**top 75 best workplaces.**"
- And in Australia, we were named as a "**recommended employer**" by a national group that conducts a comprehensive survey of companies and organizations.

A complete list of our awards can be found on our [awards page](#) on GeneralMills.com. Our 2010 awards can be found on [page 81](#) of this report.



Our goal is to provide nutritious foods that — when combined with exercise and activity — can help people live longer, healthier lives. We've made progress, and we're by no means finished. We're continuing to push the envelope on improving the nutrition profile of our many products.

## Measuring our progress

Our health profile improvements are tracked and quantified using our "Health Metric" — a corporate initiative overseen by our Health and Wellness Council and our [Bell Institute of Health and Nutrition](#) (BIHN) — as a way to encourage and measure the company's progress on nutrition and health improvements.

Since 2005, when General Mills first implemented its Health Metric, the nutrition profile of more than 500 different General Mills products in the U.S. have been improved in one or more of the following ways:

- Increasing beneficial nutrients, including vitamins, minerals and fiber, by 10 percent or more.
- Reducing calories, fat, saturated fat, trans fat, sugar or sodium by 10 percent or more.
- Formulating products to include at least a half serving of whole grain, fruit, vegetables or low or nonfat dairy.
- Formulating new products to meet specific internal requirements including limited calories, and meeting "healthy" criteria per labeled serving as defined by the FDA.

## Health profile advances in 2010

We improved the health profile of products comprising nearly 24 percent of our U.S. Retail sales in fiscal 2010 — the largest one-year gain in our history.

Among our improvements were a:

16 percent sodium reduction in original Bisquick.

10 percent or greater sodium reduction in original Cheerios, Honey Nut Cheerios, MultiGrain Cheerios, Honey Kix, Wheat Chex and several other cereals.

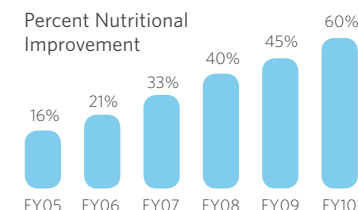
100 percent decrease in total fat in Green Giant Boil in a Bag teriyaki vegetables (as well as an 18 percent cut in sodium and a 42 percent reduction in calories).

In addition, all of our flavors of Betty Crocker SuperMoist cake mixes now have 0 grams of trans fat — just one slice of our ongoing, multi-year effort to remove trans fat from all of our products.

## Raising the health bar



In fiscal 2010, 60 percent of our U.S. Retail sales volume was comprised of products that had been nutritionally improved since 2005.



## Rolling out nutritious products

Every year we introduce many new nutritious products in the hopes people will embrace them. Among the products we introduced in fiscal 2010 and fiscal 2011:



- A new line of **Green Giant** Valley Fresh Steamers that includes an herb-infused extra virgin olive oil sauce to serve with a premium blend of colorful vegetables.



- **Total** Plus Omega-3 Honey Almond Flax cereal, which offers 100 percent of the Daily Value of 12 vitamins and minerals, plus the benefit of omega-3 ALA.



- **Yoplait Greek yogurt** with twice the protein of regular yogurt.



- Fruitful O's organic cereal from **Cascadian Farm** delivers the taste kids want and the nutrition moms expect. Each serving has 8 grams of whole grain, 3 grams of fiber, and only 9 grams of sugar.



- **Fiber One** 90-calorie bars, which have 20 percent of the Daily Value of fiber.



- Four flavors of **Yoplait Smoothie**, each containing a full serving of fruit.



- Two flavors of **Fiber One** muffin mix, Banana Nut and Blueberry. Each muffin has 20 percent of the Daily Value of fiber.



- Three flavors of **Progresso Light** soups, with at least 33 percent less calories than regular ready-to-serve soup.



## Global partnerships to promote health

In accordance with our public commitment in 2008 to support the World Health Organisation's global strategy on diet, physical activity and health, many of our international brands are working with governments and industry groups to develop plans to improve the health profile of food.

In Canada, General Mills has been involved with a multi-stakeholder working group to develop a sodium reduction strategy that will require all foods, on average, to have 30 percent less sodium. Over six years, this would enable 95 percent of Canadians to reduce their sodium consumption from the current average of 3,400 mg to consume 2,300 mg per day. The plan will be finalized in early 2011.

Within Europe, we're working with regulators such as the UK Food Standards Agency (now incorporated into the UK Department of Health) to reduce sodium



and saturated fat in our products. We're also working to align our advertising to promote the government's goal of encouraging people to eat at least five servings of fruit and vegetables per day.

Several General Mills employees are also active in numerous trade groups within the food industry. In October 2010, for example, Jim Moseley, managing director of General Mills in the UK, Ireland and Nordic markets, was elected as president of the Food and Drink Federation (FDF), effective Jan. 1, 2011.

### Canada: Understanding nutrition labels

General Mills Canada participated in a collaboration between Health Canada and Food & Consumer Products of Canada (FCPC) to launch a multifaceted educational campaign to help Canadians better understand nutrition information on food products.

Specifically, the initiative is focusing on the Nutrition Facts panel found on the side of packaging as well as helping explain what is meant by "% Daily Value" for individual nutrients.

The educational information was displayed on the full back



panel of five Cheerios boxes (4.7 million packages) through the end of December 2010. Over

time, as packages are updated, the "% Daily Value" icon and messages will be added to all of our products in Canada.

The information is also being displayed in stores and shared nationwide through the media – in print, on television and online.

Among many other duties, Moseley will work together with the UK food and drink manufacturing industry, stakeholders and government to achieve mutual goals

to improve the health of our products, as well as minimizing the environmental impact of the food supply chain.

## Improving the nutrition profile in our international products

Throughout our international portfolio, we've been working to reformulate our products.

- In Argentina, all of our La Salteña branded products (tapas, empanadas and fresh pasta) now have 0 grams of trans fat per serving.
- In China, we've reduced the sodium in five of our Wanchai Ferry dumpling products and three of our wonton lines. The sodium reductions are between 5 and 8 percent per serving.
- In Europe, we've reduced the sodium in our Old El Paso Mexican Meal kits by 23 percent. And we've cut the sodium in our Old El Paso tortillas by up to 38 percent.
- In Canada, our Old El Paso Smart Fiesta dinner kits have 35 percent less sodium than our hard and soft taco kits, plus they are a high source of fiber and made with whole grains.



## Trimming the fat

We trimmed the total fat in our Jus-Rol puff pastry, the leading chilled and frozen pastry in the United Kingdom, by 13 percent – while at the same time maintaining the popular brand’s taste and texture. In the process, we also trimmed the calories by 10 percent.

The improvement made General Mills the first food company to meet the UK’s Food Standards Agency’s (FSA)

saturated fat reduction 2012 targets for pastry. The fat reduction also follows General Mills’ commitment in 2008 to support the World Health Organisation’s global strategy on diet, physical activity and health.

The research and development team used a different blend of fat ingredients to achieve the reduction, and taste tests showed people didn’t notice any

significant differences between the old and new puff pastries. The new product and packaging launched in January 2010.



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Another product where we have provided consumers with a reduced-calorie choice is our Häagen-Dazs Ice Cream Smoothie. Compared with vanilla ice cream, the Smoothie has:

- 30 percent fewer calories
- 55 percent less fat
- 55 percent less saturated fat
- 50 percent less sodium

## Developing new, trans fat alternatives

We’re also working to remove trans fat from our products.

Internally, a group of researchers earned our “Invention of the Year Award” for developing a healthier, cost-saving new formula for making biscuits and other baked goods. The team developed a reformulated type of shortening with the potential to reduce both the trans fat and the saturated fat in biscuits and other specialty baked goods.

The trans fat alternative developed by General Mills, which is currently scheduled to be phased in beginning in fiscal year 2012, provides a number of important benefits.

One is that it’s made from U.S. soybean oil rather than palm oil – a more expensive option derived from palm trees mostly from Asia.

Concern about the role of palm oil production in the deforestation of the

world’s rainforests led us to announce in September 2010 our commitment to “strive to source 100 percent of our palm oil from responsible and sustainable sources by 2015.”

A second benefit is that our new trans fat alternative could reduce the level of fat (saturated fat and trans fat) by 40 percent.



## Focus on sodium reduction

We're also continuing on our quest to reduce sodium levels in our products.

In April of 2010, we announced that we would trim the sodium by 20 percent, on average, in more than 400 of our products by 2015. That represents about 40 percent of our U.S. Retail portfolio. Among the targeted product categories are:

- Canned vegetables
- Cereals
- Dry dinners
- Frozen pizza
- Mexican dinners
- Refrigerated dough products
- Savory snacks
- Side dishes
- Soups
- Variety of baking mixes

We've made considerable progress over the past year. We have reduced the sodium by:

- 10 percent or more in 50 flavors of Progresso soups.

- 10 percent or more in several of our Big G and Cascadian Farm cereals.
- 30 percent or more in Chex Mix Trail Mix.

Sometimes we call out these reductions to consumers. Other times, we do so "silently" to not draw attention to the change, knowing that consumers are usually more willing to accept less sodium if reductions are made gradually over time.



## Trimming sodium in cereals, canned vegetables

Over the past year, we've cut the sodium in 10 of our cereals advertised to children by 14 percent, on average, in the U.S.

This includes a 16 percent reduction in both original Cheerios and Honey Nut Cheerios. Further sodium reductions are planned over the next three years.

And we're trimming the sodium in our Green Giant brands across seven vegetables and 45 canned products. We're doing so in small steps in order to meet consumer expectations, and we are on schedule to meet our goal to reduce sodium in more than 400 of our U.S. Retail products by 20 percent by 2015.



# Reducing sugar in kid cereals

We listen to our consumers and have been working for more than three years on lowering sugar levels in our cereals advertised to children under age 12<sup>†</sup> in the U.S.

- Since 2007, we've lowered sugar levels in our kid cereals by more than 14 percent, on average.
- In 2009, we strengthened our commitment by pledging to reduce all of our cereals advertised to children under 12 to single-digit grams of sugar per serving. And we've made progress.
- As of December 2010, all of our kid cereals are at 10 grams of sugar or less per serving. In one case - Frosted Cheerios - we've cut it to 9 grams. And we've

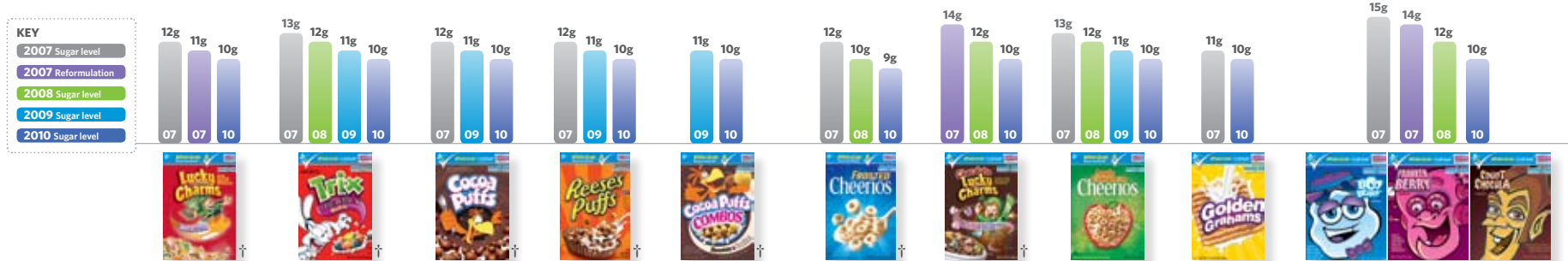
reduced the sugar in many of our other cereals as well. Our research teams have been aggressively working to trim sugar in our cereals while maintaining great taste. General Mills strives to be the health leader in every food category in which

we compete - and we're committed to continuing to lead the cereal category. In Canada, all of our cereals advertised to children are also at 10 grams of sugar or less per serving - with the goal of reducing them to single-digit grams.

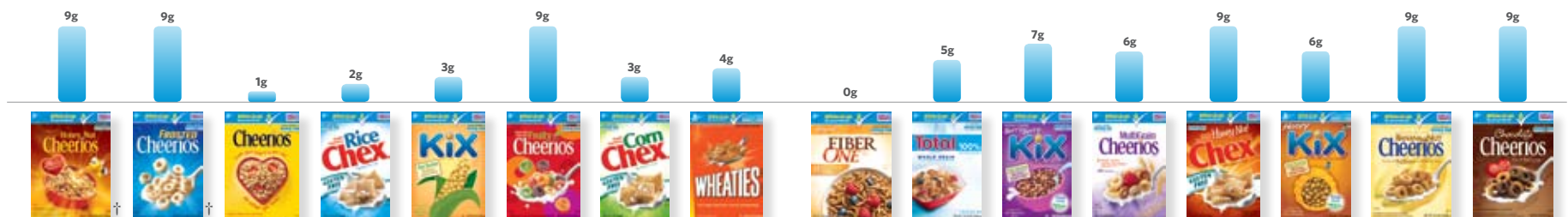


See Benefits of Cereal report.

## Progress on reducing sugar



## Cereals at single-digit sugar levels



### Additional cereals at single-digit grams:

Wheat Chex (5g), Fiber One Honey Clusters (6g), Dora the Explorer (6g), Chocolate Chex (8g), Cinnamon Chex (8g), Cinnamon Crunch Total (9g), Yogurt Burst Cheerios - Strawberry (9g).

<sup>†</sup> Cereals advertised to children: Chocolate Lucky Charms, Cinnamon Toast Crunch, Cocoa Puffs, Cocoa Puffs Combos, Cookie Crisp, Cookie Crisp Sprinkles, Frosted Cheerios, Honey Nut Cheerios, Lucky Charms, Reese's Puffs, Trix.

## No. 1 whole grain source at breakfast

We converted our entire line of Big G cereals to whole grain in 2005 – the single biggest health-driven product improvement in our history.

Today, our Big G cereals deliver about 37.5 million whole grain servings per day – a 46 percent increase in whole grain servings over 2005.

Big G cereals are the No. 1 source of whole grain at breakfast and provide America with more whole grain at breakfast than any other breakfast

food from any other food company. That's important because 95 percent of Americans don't eat enough whole grains. We're also encouraging people to eat more whole grain through our [Whole Grain Nation](#) website.

One recent study found people who ate several servings of whole grain each day, instead of refined grains, had less "belly fat" – the type of fat linked to higher risk for certain chronic diseases.

Big G cereals deliver about 37.5 million whole grain servings per day – a 46 percent increase in whole grain servings over 2005.



## CPW boosts whole grain, reduces sugar

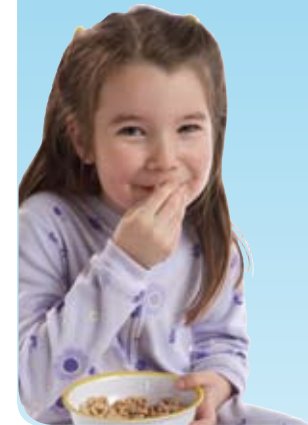
Our Cereal Partners Worldwide (CPW) joint venture – the second largest cereal provider in the world – is also making significant improvements in the health profile of its many cereals.

Since 2003, it has increased global consumption of whole grain by more than 3 billion servings. In addition, it has reduced sugar by more than 7,182 tons and reduced salt by more than 898 tons.

All of its global brands – Fitness, Cheerios, Chocapic and Nesquik – now have at least 8 grams of whole grain per serving.

In 2009, CPW pledged to reduce the sugar by an additional 20 percent in its cereals that are advertised to children.

All of our Big G cereals contain at least 8 grams of whole grain per serving – and many deliver 16 grams or more (at least 48 grams are recommended daily).



## Promoting dietary fiber

From the first launch of our original **Fiber One** cereal in 1985, we now offer nearly 40 Fiber One products — everything from cereal, bars and pancakes to yogurt, bread and muffins. But despite these many options to choose from, just one in 10 people in the U.S. get enough fiber in their diets.

Getting the recommended levels of fiber may lead to many health benefits. Research suggests that:

- People who have higher intakes of fiber tend to have healthier body weights.

- Along with regular exercise and plenty of water, fiber plays an important part in maintaining digestive health. By providing bulk, it helps food move through the digestive track.
- Fiber — specifically soluble fiber from oats — may also help lower blood cholesterol levels, thereby reducing the risk for heart disease. Soluble fiber appears to lower cholesterol by interfering with its absorption in the digestive tract.
- Fiber may also help with diabetes management. The American Diabetes Association recommends fiber as part of a diabetic diet.



With more products to choose from, General Mills is committed to increasing fiber consumption — sometimes using humor to drive home the message.

## Providing essential nutrients

For generations, we've enhanced many of our products with essential nutrients to promote health.

In the 1930s, Kix cereal was one of the first General Mills products to be "vitalized," as we called it then, with vitamins B and D, calcium, phosphorous and iron. In the 1940s, we began enriching Gold Medal flour with thiamine, calcium and iron in response to studies that showed people were suffering from inadequate diets.

We've been leaders ever since, adding B-vitamins and iron to cereals in the 1970s, folic acid (important to prevent spina bifida) in the 1980s, more calcium in the 1990s, and vitamin D in the 2000s.

Today, fortified cereal provides more iron, folic acid, zinc, B-vitamins and fiber than any other conventional noncereal breakfast choice. Many cereals also contain vitamin A, niacin, calcium, phosphorous, magnesium and/or potassium.

Eating cereal has the added benefit of encouraging milk consumption. About half of the milk in African-American and Hispanic kids' diets is eaten with cereal.

Our latest efforts have been the addition of 10 percent of the Daily Value of the omega-3 polyunsaturated fatty acid ALA



to Total cereal and Cascadian Farm cereal and bars. Omega-3 fatty acids are essential nutrients for a healthy body. The omega-3 in the cereals and bars is sourced naturally from ground flax.

To learn more, see our [Benefits of Cereal](#) website.

**For children aged 4 to 12, cereal is the No. 1 source of many key nutrients, including iron, vitamin A, folate and zinc.**

## Fiber One commercials

To encourage more people to eat the fiber they need, we've been running a series of engaging commercials about how our Fiber One cereals taste so good that consumers have a hard time believing they contain between 35 and 57 percent of the Daily Value of fiber per serving.



WATCH COMMERCIAL

## Promoting global food safety

By working inside our company, and with governments and organizations around the world, we strive to continuously improve food safety.

Externally, General Mills and several other global food companies are collaborating with the Partnership Training Institute Network to develop a food safety curriculum that can be broadly shared.

The group was formed in November 2008 through the Asia Pacific Economic Cooperation (APEC) forum, an organization made up of

government representatives from 21 countries that border the Pacific Ocean, including Canada, China, South Korea, Malaysia and the United States.

In November 2010, the organization held an event in Beijing that focused on topics such as supplier selection, managing the supply chain, preventive practices, risk analysis and export certification.



## Leading efforts to promote food safety

We play a leading role in supporting specific research-oriented efforts to promote food safety, and to work jointly with the food industry on ways to improve the health profile of our food and the environmental impact of our products.

In October 2010, for example, we hosted two scientific conferences.

The first was a gathering of more than 15 leading toxicologists from several global companies who met for the first Toxicology Roundtable to share best practices for ensuring food safety. The group also discussed how to communicate complex topics such as risk tolerance to a general audience. The group has pledged to not use food safety as a competitive advantage and to elevate the voice of science in issues concerning food and health.

The second was a meeting of the Food Industry Microbiology Roundtable. Its goal was also to promote food safety across the industry by openly sharing experiences and insights. Nearly 100 food industry microbiologists gathered to discuss several topics, including new techniques in risk assessment, the role of testing in food safety, the impact of epidemiology and the need for improved methods in process validation.

Although the two conferences may sound similar, toxicology and microbiology are entirely different disciplines and address two main aspects of food safety.

Throughout 2010 and the year before, we also actively supported the passage of the comprehensive food safety bill that was approved by the U.S. Congress in December 2010.

We believe the new law will help ensure the integrity of the U.S. food safety system.

## Assisting with special dietary needs

For the millions of people who suffer from celiac disease, the simple pleasures of sharing breakfast or a birthday cake with family and friends has been difficult at best. But General Mills continues to add more family-friendly options to its gluten-free lineup.

Among the latest is gluten-free **Bisquick**, an offshoot of the classic pancake and baking mix, and Asian Helper, an extension of the 30-plus-year-old Hamburger Helper line. Both are rice-based products instead of the wheat-based originals.

For someone with celiac disease, consuming gluten – a protein found in wheat, barley, malt and some oats – makes it very difficult for the body to absorb nutrients from foods. Over time, this can lead to malnourishment and possibly other complications.

Having the opportunity to share meals with family and friends that actually taste good is key to the quality of life for those who suffer from gluten intolerance. That has been the common theme shared through our Consumer Services hotline from happy customers.

General Mills now offers more than 300 gluten-free products. One product line – Betty Crocker Gluten Free Dessert Mixes – was honored in May 2010 with an “Edison Award,” named for the inventor of the electric light bulb.

The dessert mixes were held up as a best-in-class innovation alongside the Kindle II digital reader from Amazon, an electronic stethoscope from 3M and a residential wind turbine from Honeywell.



“I wanted to thank you so very much for making my life so much better. I just had Gluten Free Bisquick. My wife made pancakes for me. WOW!! I have never had a gluten free food that tasted like real food. Now I can have something I always wanted and it will not taste like cardboard like all other gluten free products I have tried before.” — Ray Long, Columbia, S.C.

## Expanded resources on LiveGlutenFreely.com

Our [LiveGlutenFreely.com](http://LiveGlutenFreely.com) website (and e-newsletter) now has more resources for people who need to avoid gluten in their diets.

A variety of bloggers share their perspectives on how to live a gluten-free life. And we continue to add more

gluten-free recipes, including tips on how to update traditional holiday dishes so they are gluten free.





## Affordable, nutritious food

One of the most important contributions we make toward healthy diets is providing affordable foods.

In November 2010, a serving of the following items cost about (US\$):

- Cheerios: 25 cents.
- Green Giant Valley Fresh Steamers: 47 cents.
- Wholesome Hamburger Helper: 36 cents.
- Yoplait Light: 66 cents.

- Progresso vegetable soup: \$1.09.
- Nature Valley granola bar: 53 cents.

Since “The Betty Crocker Cooking School of the Air” was launched via radio in 1924, Betty Crocker has been sharing cooking tips and information on how to prepare meals on a budget.

During the Great Depression in the 1930s, for example, when the income of U.S. families dropped by 40 percent, Betty Crocker dedicated two of her weekly broadcasts on

recipes and menus designed for families who were scraping to get by.

More recently, the company has created a “Better at Home” website that provides recipes and other information for how to prepare home-cooked meals that are less expensive than eating out. The initiative also includes coupons for savings on many General Mills products – as well as encouraging families to enjoy the benefits of eating dinner together.

### Partnering with the USDA

We were the first company to partner with the USDA when the food pyramid concept was introduced in 1992, and the first to add MyPyramid information to cereal packaging in 2005.

Increasingly, this information is being provided in both English and Spanish through several outreach efforts – including Hispanic health and nutrition educators known as “promotoras,” Family Fitness Nights through our Box Tops for Education program, and our Eat Better Early website.

### Our products offer good value | Merchandised base price/serving (US\$)\*



25 cents



47 cents



36 cents



66 cents



\$1.09



53 cents

\*Costs are approximate.

# Empowering people with information and tools to make good choices

For generations, Betty Crocker and Pillsbury have been empowering people with information and tools to prepare wholesome meals.

“The Betty Crocker Cooking School of the Air” debuted on the radio in 1924 and has since evolved into an online cooking school (featuring how-to videos) as well as content on several websites and e-newsletters.

Betty Crocker has continued using new technology to reach more people. Her recipes are now available on the iPhone and iPad.

In fact, in the first two weeks of the iPad launch, the **Betty Crocker application** was among Apple’s top 25 free downloads.

**BettyCrocker.com** and **Pillsbury.com** are among the most popular food websites. In 2010 there were nearly 70 million visits to BettyCrocker.com and another 35 million visits to Pillsbury.com.

We continue to add new food content including recipes, tips, videos and articles, and embracing social media. Both Betty Crocker and Pillsbury



are closing in on 1 million Facebook “likes” respectively.

.....  
 Since 1924, Betty Crocker has pioneered the use of information technology to provide families with information about how to prepare nutritious meals.  
 .....

## Eat Better Early

Our **Eat Better Early** website was created in 2009 to help moms from all walks of life plan nutritious meals.

But it has been especially helpful to parents in the federal WIC (Women, Infant and Children) program, designed for lower-income families. And it



continues to expand, with more than 500 recipes available in 2010.

Each recipe contains at least one WIC-eligible food item, provides MyPyramid nutrition information and is available in both English and Spanish. The site also helps educate moms about portion sizes, cooking, and maintaining healthy weights for children.

General Mills has been a longtime partner with the WIC program and provides more WIC-eligible food

categories than any other food company. We even created a new cereal, Honey Kix, to meet the program’s requirements and that would also appeal to children.

The recipes on Eat Better Early are created by home economists in the Betty Crocker Kitchens with the help of registered dietitians from our Bell Institute of Health and Nutrition.



## Expanding our Hispanic outreach with Qué Rica Vida

We continue to extend our outreach to Hispanic audiences. In May 2010, we revamped our **Qué Rica Vida** website to make it more relevant for Latina women.

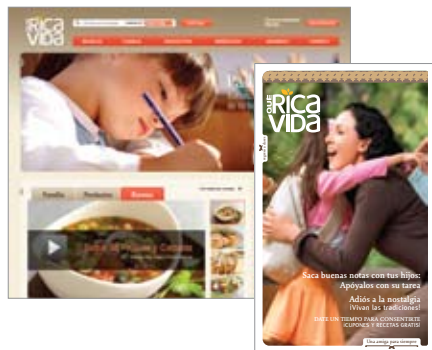
The redesigned website is organized around four key lifestyle “tension points” for Latinas – food, health and wellness, parenting, and education – and is refreshed regularly with new content.

Translated, Qué Rica Vida means, “What a Rich and Wonderful Life.” The program is designed to provide tips and guidance on healthy nutrition to the growing Spanish-speaking population in the United States.

Now in its fifth year, the Qué Rica Vida initiative includes a quarterly magazine, website and grassroots health education seminars. The Qué Rica Vida website is now the No. 1 food and lifestyle website for Latina moms.

In October, we launched our first Spanish language application for the iPad: **Qué Rica Vida Recetario**, which contains more than 900 Latin-inspired recipes.

See [Qué Rica Vida overview](#).



## Eat Better America gains advocates

Our [EatBetterAmerica](#) website was created in 2006 as a resource for people looking for guidance on how to improve their nutrition.

Under the guidance of nutritionists from our Bell Institute of Health and Nutrition and chefs from the Betty Crocker Kitchens, we regularly add “healthified” recipes, which are healthier versions of classic recipes submitted by readers.

In advance of the winter holiday season, for example, a healthified version of pumpkin pie was featured that had 53 percent less fat and 24 percent fewer calories.

Today, more than 1.4 million readers subscribe to the e-newsletter and 700,000 visit the website, on average, each month.



## Enhancing access to nutrition information

We’re working with other food companies and retailers in the U.S. to devise a fact-based nutrition information system on the front of packages that includes important information such as calories, saturated fat, sodium and total sugars.

The “Nutrition Keys” initiative, which is being developed by members of the Grocery Manufacturers Association

and the Food Marketing Institute, is tentatively scheduled to launch in 2011.

Although the details are still being worked out, the general approach is similar to the [current front-of-pack nutrition information](#) that we have had on our cereal boxes since 2007. Our research indicates that consumers find this information to be both clear and helpful.

The icons will inform consumers about how the key nutrients in each product fit into their diets as part of the U.S. government’s daily dietary advice.

Our intention is to incorporate the new Nutrition Keys icon on products as new packages are produced.

## Orman gives the Total view on health and wealth

We also empower consumers to make good choices with information on our cereal boxes, including Total cereal. Take the advice of personal finance guru Suze Orman, for example.

“A healthier you is a wealthier you,” she says.

Orman shared this simple message on our Total cereal boxes as well as in several media appearances.

“You can’t have true health if you’re worried about your money,” Orman said in one appearance in April 2010. “And if you have wealth, all the money in the world isn’t going to do you any good if you don’t have your health.”

## Promoting healthy, active living

Eating the right foods is just one part of leading a healthy lifestyle. Being active is another, and General Mills has been at the forefront of encouraging active lifestyles for decades.

### General Mills helps up to 1 million children get active

Wheaties and General Mills were among the first to respond when former U.S. President Dwight D. Eisenhower launched his Council on Youth Fitness in 1956. The “Breakfast of Champions” and the Wheaties Sports Federation promoted youth fitness and education throughout the 1950s, 1960s and 1970s.

More recently, General Mills has been a supporter of the “One Million PALA Challenge,” a new initiative to help kids become more active across the United States.

With General Mills’ support, tens of thousands of PALA (Presidential Active Lifestyle Award) certificates have been awarded to students throughout the country. The One Million PALA Challenge has raised the bar to get even more kids to participate.

To help reach that goal, **Box Tops for Education** volunteer coordinators across the country are partnering with gym teachers to hold Family Fitness Nights at 8,000 schools. At these events, students and their families



learn about good nutrition and about fun, easy ways to be physically fit.

To earn a PALA award, kids need to exercise for an hour a day, five days a week for six weeks.

### Kids lead the way

We’ve also backed public efforts to encourage more people to eat smart and be active.

We were the lead sponsor, for example, of a Minnesota-based program that



WATCH VIDEO

solicited ideas from people of all walks of life to help combat obesity.

The Minnesota Idea Open posed a challenge: How would your community use US\$15,000 to help people eat smart and be active?

Hundreds of ideas were submitted, and the winner – Christine Tubbs and “Kids Lead the Way” – received a US\$500 cash prize and US\$15,000 to implement the idea. Kids, with the help of community volunteers, developed a series of summer field days, one day a

week, that featured such activities as sack races and tug-of-war. Nutritionists also provided information on how to choose more nutritious foods for snacks.

The Minnesota Idea Open is the brainchild of the Minnesota Community Foundation, which has been working for more than 50 years to help people, organizations and communities shape their visions for creating a healthful future.

### Family Fitness Nights

To help families improve their overall fitness and nutrition, in 2008 our Box Tops for Education program and Foundation began piloting Family Fitness Nights in the U.S., which are 90-minute events that parents and kids can attend together at their K-8 school for an evening of fun, education and activities. Another key partner is the President’s Council on Fitness, Sports and Nutrition.

After school, kids and parents are encouraged to visit several different stations where they can participate in activities ranging from sack races to hula hoops. They also learn about nutrition via “MyPyramid” for kids – the latest nutrition guide from the U.S. Department of Agriculture.

In the 2010-2011 school year, more than 600 schools have signed up to host a Family Fitness Night, and the number is growing quickly.

## Champions for Healthy Kids

Since 2002, General Mills has invested more than US\$19.5 million in overall youth nutrition and fitness programs that have served nearly 5 million children in the U.S. Each year in the U.S., we award 50 US\$10,000 “Champions for Healthy Kids” grants to organizations that provide fitness and nutrition education to children.

Champions for Healthy Kids is a partnership between the General Mills Foundation, the American Dietetic Association Foundation and the President’s Council on Fitness, Sports and Nutrition.

In Canada, US\$5,000 grants are awarded to 25 recipients each year such as “Go Girls!,” a Big Brothers Big Sisters program

designed to promote fitness, balanced eating and a positive self-image in young women. Since 2006, more than 85 community-based organizations across Canada have received US\$5,000 grants.

## Promoting exercise, nutrition and value

Our brands have long been involved in promoting active lifestyles.

Babe Ruth, for example, offered some advice on the back of a 1933 Wheaties flip-photo booklet that illustrated Ruth hitting a home run. This year, Wheaties Fuel, an offshoot of the iconic “Breakfast of Champions” cereal, became the official cereal of the Ironman.

The 140.6-mile race, which consists of a 2.4-mile swim, 112-mile bike ride and a marathon-length run of 26.2 miles, is considered the pinnacle of endurance sports.

Triathlon participation has been booming in recent years. According to the Sporting

Goods Manufacturers Association, there were 1.2 million participants in 2009 – up 11 percent from 2008 and 50 percent higher than in 2007. And membership in USA Triathlon now stands at 135,000 – up 35 percent from 2007.

A study showed that a bowl of 100 percent **whole wheat flake cereal** – like Wheaties – with nonfat milk is effective in boosting post-exercise muscle recovery.

The global Ironman qualifying series includes more than 20 races that culminate with the Ford Ironman World Championship, held every October in Kailua-Kona, Hawaii.



© Luci Pemoni/AP Images

Chris McCormack, 2010 Ironman World Champion, will be featured on Wheaties and Wheaties Fuel boxes.

## Girls in the Game

General Mills supports a variety of other youth nutrition and fitness programs – like Girls in the Game, a Chicago-based nonprofit organization that promotes sports and fitness activities, nutrition and health education, and leadership development for girls.

Since 2002, the General Mills Foundation has invested more than US\$19.5 million in youth and nutrition programs that have served nearly 5 million children in the United States.



WATCH VIDEO

## Weight management

Weight management is about balance — balancing energy intake with energy output.

General Mills offers more than 500 U.S. retail products that have 100 calories or less per serving. And more than 800 of our products have 150 calories or less per serving.

From **Green Giant** vegetables to **Yoplait** Light yogurt, General Mills offers a variety of lower-calorie options for meals or snacks throughout the day.

Microwavable, single-serve Just For One! Green Giant vegetables provide portion control and convenience at dinner. While **Fiber One** chewy bars – which have just 90 calories and 20 percent of the Daily Value of fiber – are a good snack.

## The Progresso way to lose weight

The **Progresso** line of lower-calorie soups has also been popular with people looking to manage their weight. Progresso has 40 soups that contain 100 calories or less per serving.

To appeal to women looking to manage their weight, Progresso launched the “Souper You” contest in January 2010 and awarded three grand prize winners

an all-expense paid luxury makeover trip to New York City in May 2010.

The contest was so successful that it was renewed for 2011 with a Facebook component to make it easier for even more people to participate. As of the end of 2010, the Souper You Facebook site had more than 60,000 likes.

## Valley Fresh Steamers a top product for 2009

Getting people to eat enough vegetables is always a challenge. A series of innovations from our **Green Giant** brand is helping people get more vegetable servings every day.

One recent innovation was Valley Fresh Steamers microwave-in-the-bag vegetables with sauce that have relatively few calories – despite their rich taste. A one-cup serving of broccoli with cheese sauce, for example, is only 45 calories.

Valley Fresh Steamers with sauce ranked No. 4 among the top 10 most successful new products in the United States in 2009, according to industry analysts IRI (Information Resources, Inc.).

A second innovation, which debuted in January 2011, makes it easier to prepare vegetables.

The Green Giant cook sensor, available on four Green Giant Valley Fresh Steamers Healthy Colors products, gives consumers a clear visual signal that their microwaved vegetables are ready to eat. The word DONE appears on the packaging when the food inside has reached its optimal cooking point.

This makes it easier for consumers to prepare vegetables. Only 6 percent



45 calories per serving

**“Love the Valley Fresh Steamers. My kids love eating them. They often take out a bag of broccoli and cheese and just pop it in the microwave for a snack. Thanks so much.”**

— Pat Gaitan, Debarry, Fla.

of Americans aged 19-50 eat the daily recommended amount of vegetables, and frustration with preparing them is one reason why.

## Coalition of food companies works to reduce obesity

General Mills was a founding member of the Healthy Weight Commitment Foundation, a coalition of more than 125 retailers, food and beverage manufacturers, restaurants, sporting goods companies, trade associations, NGOs (non-governmental organizations) and others. Its goal is to help reduce obesity – especially childhood obesity – by 2015.

The foundation promotes ways to help people achieve a healthy weight through energy balance – calories in and calories out. It focuses on three critical areas – the marketplace, the workplace and schools.

**Connecting with consumers in the marketplace:** Participating companies are committed to enhancing existing efforts by changing their products, packaging and labeling to make it easier for consumers to manage their calorie intake while preserving or improving overall nutrition quality.

**Empowering employees in the workplace:** Participating companies will undertake new or enhance existing programs to help employees achieve and maintain a healthy weight.

**Creating healthy habits in schools:** The Healthy Schools Partnership integrates nutrition education and physical education through a school-based curriculum to help children develop lifelong healthy habits.

## Employees slim down

Since changing her diet and beginning to exercise in the summer of 2010, Fae Jones, a senior quality specialist at General Mills, shed more than 65 of the 32,414 pounds General Mills employees lost in 2010.

By working out each morning at our headquarters fitness center and using the tools on the Alliance for a Healthier Minnesota's Biggest Loser Summer Challenge website, Jones dropped from 230 to 165 pounds. Jones says her goal of losing another 15 pounds and one dress size is in sight.

"My weight loss journey is just that – a journey," she says. "Unfortunately, you won't magically wake up skinny one day. Like a journey in your car, you need to determine where you want to go, start at the beginning and just keep going, despite the obstacles and setbacks that you will encounter. That's what I'm doing."

Jones was one of thousands of General Mills employees who participated in "Biggest Loser" weight-loss challenges in 2010.



A 2009 study showed that regardless of sweetness level, cereal eaters have healthier body weights than those who don't eat cereal. And they also had significantly higher intakes of fiber, whole grain, folate, calcium, iron, zinc and several other nutrients.

## I love breakfast

A 10-year study of more than 2,000 girls (about half African-American and half Caucasian) found that breakfast cereal eaters tended to have lower waist-to-height ratios, lower total cholesterol and lower LDL (bad) cholesterol than those who did not eat breakfast cereal.

To promote the health benefits of cereal, General Mills has enlisted the help of a teen actress and singer to help spread the word.

KeKe Palmer is encouraging teen girls aged 14 to 17 to fuel up each morning as part of the "I <3 BKFST" campaign.

For every teen who clicked "like" on Facebook.com/IHEARTBKFST, General Mills donated 25 cents. In all, General Mills gave US\$10,000 to Grace House, a foster home for girls in Birmingham, Ala.

Eating cereal also has the added benefit of promoting milk consumption

in children. Forty-one percent of the milk consumed by 6- to 12-year-olds is consumed with cereal. The figure is even higher for African-American and Hispanic children.





## Investing in health and nutrition research

We continue to invest in nutrition science to better understand the relationship between food and health – through research by our own Bell Institute of Health and Nutrition scientists as well as research conducted by other scientists outside General Mills.

We're working with several organizations including the American Gastroenterological Association (AGA), the American Academy of Family Physicians (AAFP), the American Society for Nutrition (ASN) and the American Dietetic Association (ADA) to fund nutrition research and help promote nutrition education.

We're a founding member of AGA's Digestive Health Partner program and have provided a three-year, \$225,000 research scholar

award to help understand the role of gut microflora and health.

And we are a corporate sponsor of the ADA, helping to share science-based information and new research with ADA members. Our partnership helps broaden the reach of ADA's healthful-eating messages to consumers, especially youth through our [Champions for Healthy Kids](#) grant program.

In fiscal 2010, there were 2.1 million downloads of nutrition education resources on the [Bell Institute of](#)

[Health and Nutrition's](#) website. Some are designed for health professionals to share with their patients.

Others – like a collection of recipes that use WIC-friendly ingredients – are designed for educators to share with parents and their families. (WIC stands for Women, Infants and Children, a government-run program designed to promote good nutrition in lower-income families.)



Bell Institute of  
Health and Nutrition  
.....  
GENERAL MILLS

In fiscal 2010, there were 2.1 million downloads of nutrition education resources from the Bell Institute of Health and Nutrition website.

## Updating marketing guidelines

One way General Mills acts to maintain the highest standards for responsible marketing practices is through the annual update of its industry-leading child marketing guidelines.

Expanding on the 2009 update that focused on restricting marketing to children via social media, the 2010 guidelines feature a new, expanded Social Media Policies and Procedures section that includes more detailed information – regardless of audience.

The new section covers:

- Requirements for the use of social media for official marketing efforts.
- Added requirements for blogger or influencer outreach programs, such as the company's [MyBlogSpark](#) and [Pssst](#) programs.

General Mills has had marketing guidelines in place for more than 30 years. They are updated annually, a process that has resulted in some industry-leading practices.

Several groups of our employees are required to demonstrate that they understand the guidelines.



## Giving tops US\$100 million

General Mills' philanthropy reached historic heights in fiscal 2010. The company contributed more than US\$100 million – a 10 percent increase over fiscal 2009.

At a time when many organizations are cutting their philanthropic contributions to communities and causes, General Mills has increased its overall financial support of families and communities, and expanded its outreach efforts globally.

Our commitment to help build strong communities falls under four broad categories: Grants from the General Mills Foundation; product donations; charitable corporate contributions and brand philanthropy; and employee citizenship.

### General Mills Fiscal 2010 Giving Summary

**Total giving: US\$100 MILLION**



**82% of U.S. employees volunteer**

### Grants from the General Mills Foundation

The US\$22.4 million donated in fiscal 2010 by the **General Mills Foundation** is to strengthen families and communities by supporting:

- Hunger and nutrition wellness initiatives, including our flagship **Champions for Healthy Kids** program.
- International giving, up 49 percent from last year, as we expand our giving around the world.

### Product donations

The US\$18.2 million of food the company donated in fiscal 2010 is mostly for Feeding America, the largest network of food banks in the United States. Food is also donated – in addition to money – following natural disasters such as the Haiti earthquake. We are a founding member of Feeding America's support network.

### Charitable corporate contributions and brand philanthropy

This represents the largest share of our giving – US\$59.4 million in fiscal 2010. These dollars include the company's popular and well-known cause-marketing programs such as **Box Tops for Education** (which supports K-8 schools in the U.S.), **Cheerios Spoonfuls of Stories** (which supports literacy programs), and many others.

### Employee citizenship

Employee citizenship enhances our financial contributions to the community. Our employees are engaged in their communities in many ways, including personal philanthropy. The company encourages personal philanthropy through gift-matching programs and through volunteerism. About 82 percent of our U.S. employees volunteer.

## International giving on the rise

Our long-standing commitment to strengthen communities and families is global in thought and deed.

More than US\$300,000 was allocated in fiscal 2010 by the General Mills Foundation for 23 international education, social service, and youth nutrition and fitness grants.

Our ongoing Wanchai Ferry Water Cellars for Mothers project received the most support to continue providing ways for families to collect water in northwest China's drought-parched Shaanxi province.



WATCH VIDEO

Water cellars – which are underground containers for collecting and storing rainwater – are critical to survival. In many remote villages, the cellar is the only water source for families fortunate enough to have one.

Most families don't, which forces women to walk many miles on mountain roads to get water that will be reused several times. In response to the need, the Foundation donated US\$39,000 in 2008 to build 312 water cellars in Shaanxi.

The results were so encouraging that the Foundation nearly doubled the donation to US\$75,000 to build 560 cellars in 2009, and increased the grant in 2010 to US\$100,000 to build another 770 cellars. The cellars are funded through a grant to the China Women's Development Foundation.

The water cellars enable farmers to plant crops and raise livestock, which allows more men to stay with their families rather than seek jobs elsewhere. In a region where face washing is a luxury, the cellars also help improve health and hygiene.

Among the other initiatives our Foundation has funded in 2010:

- **Thailand Adopt a School.** A total of US\$15,000 was provided to the Thailand Charitable Foundation to rebuild three classrooms and supply a library.
- **Organic gardens in Puerto Rico.** Organic vegetable gardens took root in 2010 thanks, in part, to a US\$10,000 Foundation grant to the Fundacion Luis Munoz Marin

in Puerto Rico. In addition to being a source of nutritional food, the gardens promote community integration in low-income areas.

- **Preservation and renovation in France.** The Foundation provided US\$15,000 to the Auteuil Foundation to add one hospitality unit, renovate three units, and to provide a safe environment for young girls in transition.
- **New Zealand Teaching Gardens.** A US\$5,000 Foundation grant was awarded to the Manukau City County in New Zealand for the Manukau Parks Teaching Gardens. The gardens will be used to teach people about animal husbandry and how to grow their own food at home.

## Helping in times of need

General Mills has a long tradition of stepping in to help following natural disasters around the world, including:

- **In Haiti,** more than US\$400,000 was donated to the American Red Cross International Response Fund and CARE International to support earthquake relief efforts, after a January 2010 earthquake claimed about 100,000 lives and left several hundred thousand more homeless.
- **In New Zealand,** US\$15,000 was allocated to the New Zealand Red Cross following a September earthquake that damaged an estimated 100,000 homes.
- **In southern Minnesota,** US\$25,000 was given to the American Red Cross in response to the September river flooding that damaged bridges and roads.
- **In Pakistan,** US\$250,000 was given to CARE for relief efforts after August flooding claimed 1,300 lives, injured 1,500 and displaced many more.



## Product donations

As a company and through the efforts of our employees who volunteer, we help feed the hungry on many levels.

### Helping feed the hungry

General Mills donated more than \$18 million in food products to food banks across the U.S. through our partnership with Feeding America, the largest hunger relief organization in the U.S.

We're a founding partner with Feeding America, and have worked with the network of food banks for more than 30 years.

"General Mills has been brilliant in bringing the issue of hunger and nutrition together," says Vicki Escarra, president and CEO of Feeding America.

In addition to assisting Feeding America, our employees help the hungry in many different ways as highlighted below.



WATCH VIDEO



"General Mills has been brilliant in bringing the issue of hunger and nutrition together."

— Vicki Escarra, president and CEO of Feeding America

### Campus Kitchens Project

General Mills contributed US\$300,000 to the Campus Kitchens Project in fiscal 2010, to bring its 10-year total to more than US\$827,000.

Since 2001, the Campus Kitchens Project has provided healthy meals to the hungry by supporting student volunteers who help feed the needy. With the support of General Mills and its partners, the

Campus Kitchens Project operates on 20 college and high school campuses.

In 2010, the organization served its one millionth meal.

### Canadian team harvests produce

More than 7,000 pounds of apples and pears were picked by about 70 Finance and Information Technology (IT) employees from General Mills Canada.

The harvest was a team-building exercise for employees during a break at an offsite conference. Four food banks in the Niagara region received fresh fruit to help restock shelves.

# Charitable corporate contributions and brand philanthropy

From education and hunger relief to childhood literacy and breast cancer, General Mills and its brands go the extra mile to help support charitable causes.

## Box Tops grows to new levels

General Mills supports many programs that help young people realize their full potential. But one of our most important initiatives is [Box Tops for Education](#), which supports schools across the U.S. by funding essential items like books, computers, musical instruments and other supplies.

Since its inception in 1996, Box Tops for Education – America’s premier cause-marketing initiative – has raised more than US\$340 million for K-8 schools.

More than 69,000 schools participated during the 2009-2010 school year, redeeming, on average, US\$707 for their school.

While the program began with Box Tops coupons on General Mills products exclusively, it has since expanded in 2010 to include Land O’Lakes and Welch’s, joining Avery Dennison, Kimberly-Clark, Nestlé, Pactiv and SC Johnson.



WATCH VIDEO

## Cause campaign brings pink efforts together

For the fourth straight year, General Mills sponsored a companywide “Pink Together” campaign to help support those affected by breast cancer.

The [Pink Together](#) campaign has donated US\$2.25 million in fiscal 2010 to advance breast cancer research, education and community outreach programs. In addition, US\$150,000 was contributed to the Circle of Promise, a Komen effort focused on African-American women, many of whom are

underserved in their communities.

Combined with the Yoplait [Save Lids to Save Lives](#) campaign, Pink Together boosts General Mills to the No. 1 consumer packaged goods supporter of the leading global breast cancer organization.

Since 1998, when the Save Lids to Save Lives program began, Yoplait has donated more than US\$25 million to the breast cancer cause. When you add the US\$8 million our Pink Together

effort has donated to the cause since 2007, General Mills has contributed more than US\$33 million to support breast cancer research and awareness.

Among our brands participating in Pink Together are Nature Valley, Big G, Chex, Progresso, Green Giant frozen, Cascadian Farm, Fiber One and “Restaurant Favorites” packaged dinners.

## General Mills honored for philanthropy

In June 2010, General Mills received the 2010 President’s Award from the Committee Encouraging Corporate Philanthropy (CECP) – one of the highest honors in the world of corporate giving.

General Mills was honored for our work in Africa, which began in 2007 with an employee-led initiative to pack “1 million meals for Malawi” and has since expanded to include the [Partners in Food Solutions](#) technology transfer program and [Join My Village](#), an online fundraising program to help girls and women in Malawi.



WATCH VIDEO

See an overview of General Mills’ global philanthropic efforts.

## Yoplait College Challenge sets record

2011 marked the sixth year of the Yoplait [Save Lids to Save Lives](#) College Challenge, an annual event where college and university chapters of the Zeta Tau Alpha (ZTA) sorority partner with campus foodservice operations to help raise awareness and funds for breast cancer research and education.

Since beginning their partnership with General Mills, ZTA collegiate and alumnae chapters have earned more than \$92,000 – by collecting more than 920,000 Yoplait lids – that was then donated to Susan G. Komen for the Cure.



## Breast cancer philanthropy in China

Breast cancer is one of the most common types of cancer among women in China and is a top killer of urban women. But many patients can be cured with early diagnosis and treatment. However, many do not know they have cancer until it reaches an advanced state.

To help those women who can't afford diagnosis and treatment, the Ruijin-Häagen-Dazs breast cancer Aid Fund was established to help provide medical services and raise public awareness of breast cancer prevention and treatment.



## Hannibal women 'go pink' for a great cause

Employee organizations throughout General Mills get involved in charitable causes, including those at our plant in Hannibal, Mo. Our Women in Operations Network there – some 40 members strong – helped raise US\$8,600 to support breast cancer organizations in northeast Missouri.

The second annual "Go Pink!" campaign in October 2010 included a T-shirt sale, co-sponsorship of a 5K walk or run and 18-mile bike ride, and the sale of 10-inch pink ribbons that could be personalized with a name or message, to honor a survivor or remember a lost loved one.



## Join My Village

In 2010, General Mills expanded its Join My Village online giving program that promotes education and economic development for girls and women in Malawi, who grow and prepare most of the food in sub-Saharan Africa.

Every month, people who visit the [JoinMyVillage.com](http://JoinMyVillage.com) website can instantly activate a contribution from General Mills and partnering companies like MERCK by watching a video or reading a story about a girl's future.

In addition, all personal donations made to Join My Village are matched dollar-for-dollar, up to this year's maximum gift of US\$900,000. More than 95,000 people have become members of the online initiative.

The program, in partnership with the humanitarian organization CARE, funds scholarships for girls, lends money to women to help them start businesses, builds homes for teachers, among many other programs designed to break the cycle of poverty in one of the poorest regions in the world.

In its first year, funds helped:

- Support 160 scholarships plus curriculum for 15 schools.
- Build eight homes for teachers that meet ministry of education specifications.
- Helped more than 1,000 women start their own businesses.



By the end of 2011, Join My Village hopes to exceed US\$1.4 million to support even more work and impact.

A relatively small amount of money goes a long way in Malawi:

- For US\$25, a village's savings and loan group can buy a lockbox for their hard-earned contributions.

- For US\$100, a woman can be trained in the village's savings and loan program, which helps her onto a path of financial empowerment.
- For US\$341, a girl can pay tuition plus room and board for an entire year of secondary school.



WATCH VIDEO

Those who visit the [Join My Village Facebook page](#) can instantly activate a US\$1 contribution from General Mills by clicking "like" at the top of the page.

## ‘Stirring Up Wishes’ for a girl and her dog

Happiness, it has been said, is a warm puppy. And you’d get no argument from 10-year-old Catrina, who, thanks to the Betty Crocker Stirring Up Wishes program and the Make-A-Wish Foundation®, got her wish.

Catrina arrived at General Mills on a warm May day empty handed but left, after a scavenger hunt, with a friendly and furry golden retriever puppy. Catrina, who is battling leukemia, is one of the kids whose wishes have been granted since Betty Crocker launched the program, which grants wishes to children with life-threatening medical conditions.

“I hope there are 10 more clues because this is so fun!” she said after the first 10 stops, each of which had its own surprise – a leash, dog toys, shampoo.

When Catrina arrived at the last clue, Baking division employees parted to reveal a pen of nine golden retriever puppies. Catrina dove in and was all giggles as the puppies wiggled and played with her shoelaces and hair. In the end, she chose a lucky pup and named her Princess Bella.

“People were in tears watching Catrina discover the puppies – it was a special moment for everyone,” says Shelly Latimore, then the promotion marketing manager with the Baking division.

Betty Crocker has been a long-time supporter of the Make-A-Wish Foundation and its local chapters. Since 2005, Betty Crocker has donated more than US\$1 million to the Make-A-Wish Foundation. In Minnesota, Betty Crocker has granted 50 wishes for local “wish kids” and their families, and another 20 wishes for other children across the country.





## Changing the world one laptop at a time

It may take a village to raise a child, but it takes technology in the form of a laptop computer to help reach – and help teach – children in remote villages.

A cause-marketing campaign by our Fruit Snacks team led to the donation of more than 2,000 laptops to children in South Africa. The computers will help the children teach themselves, other children and their parents, according to One Laptop Per Child Founder and Chairman Nicholas Negroponte, who spoke at our headquarters office in May 2010.

One Laptop Per Child (OLPC) is a nonprofit organization with the mission of providing educational opportunities to the world's poorest children by providing each of them with a self-powered laptop preloaded with special content.

Since it launched in 2005, OLPC has distributed nearly 2 million laptops to children, nearly all of whom don't attend school and live in communities that do not have electricity (the laptops are powered by solar cells).

"We think of the child as being the agent of change. Children can learn how to read or write on their own the same way they learned how to walk and speak," said Negroponte, an MIT professor.

OLPC plans to distribute 5 to 10 million laptops around the globe in the next few years and has added partnerships, including the United Nations Relief and Works for Palestine, to expand its work in Africa, the Near East and beyond.



WATCH VIDEO



## Employee citizenship

Eighty-two percent of our U.S. employees volunteer – nearly three times the 29 percent average reported in a survey of more than 150 Fortune 500 companies. Volunteerism has long been part of our culture, and our employees continued the tradition in 2010.

### Volunteering runs deep in our culture

Our volunteers can be found most everywhere, but they are most commonly found working on civic projects to address hunger, housing, homelessness and youth programs.

But it doesn't end there.

For example, about 2,000 employees around the world participated

in "Think Global, Volunteer Local," which was held in conjunction with the 40th anniversary of Earth Day and National Volunteer Week.

The weeklong event packed in dozens of projects worldwide as employees painted a Habitat for Humanity house in Minnesota, cleaned up tires from beaches in England, and

educated park visitors and community members in China about how they can reduce their carbon footprint.

Throughout the globe, our employees are involved in their communities working to make the world a better place.



### Helping nourish lives in India

Since 2008, employees of our India operations have logged more than 140 days of volunteering to help 250 families in five rural villages in arid regions around our Nashik plant, about 120 miles northeast of Mumbai.

The [General Mills Foundation](#) has supported the volunteer effort with US\$135,000 in grants to promote:

- Better health and nutrition
- Development opportunities for women
- Watershed development and conservation
- Improved education

The goal is to nourish lives in these communities by taking a holistic approach to development.

We're working to improve health and nutrition, for example, by purifying home water supplies, developing ways to vent harmful cooking fire smoke outside the home, and encouraging health checkups for women and children.

We're also promoting the creation of small "kitchen gardens" to increase vegetable consumption, digging

deeper wells to bring more land into production, and supporting the local school by providing basic infrastructure, teaching and coaching.

"Our goal is to make a very real difference in these villagers' lives by measuring their development over time – health, nutrition, education and income," says Ashutosh Phadke, our human resources director for the India business. "This will take time, but we're making steady progress every year."



## Expanding efforts in Africa

Partners in Food Solutions is a General Mills-driven effort to coordinate the technical and business expertise of company volunteers to meet the needs of small and medium-sized mills and food processors in developing countries.

The goals of [Partners in Food Solutions](#) are to improve the ability of those companies to produce high-quality, nutritious and safe food at affordable prices, and to increase demand for the crops of small-holder farmers who supply those businesses.

We are looking to partner with other food companies and nonprofits to expand this effort.

Fourteen projects currently are under way in Kenya, Malawi, Tanzania and Zambia. They link the talents of General Mills employees from across our company – research and development, nutrition, engineering, marketing, finance and beyond – with small, growing food processors in those countries.

Over the past two years, more than 300 company researchers and scientists have volunteered more than 20,000 hours to help solve technical issues at several African food processing facilities.

Through our experienced volunteers, Partners in Food Solutions offers expertise in areas such as:

- Determining the best nutritional mix based on local ingredients.
- Developing locally sourced new products.
- Designing facilities and food processing systems.
- Creating high-performance packaging.
- Improving quality, safety and food processing procedures.
- Improving marketing, distribution and other aspects of getting products to end consumers.



## Project Peanut Butter: Nourishing lives and souls

On a frigid Saturday morning in January 2010, 36 General Mills scientists, engineers and retired technologists met in Minneapolis to hear about malnourished kids in Malawi.

They were told that Malawi is a tiny country with 13 million people, most of whom are members of farm families in chronic poverty. Hunger is the primary reason 13 percent of the children die before they reach age 5.

“Whose fault is it that these kids don’t have enough to eat? Malnutrition is not a bad thing done by bad people. It just is,” Dr. Mark Manary, professor of pediatrics at Washington University in St. Louis, Mo., told the group.

Manary was at General Mills to meet with employee volunteers who would begin to help him fight the ravages of hunger through Project Peanut Butter (PPB), a nonprofit organization he founded in Malawi to produce and distribute a high-nutrient and calorically rich peanut butter paste that’s saving the lives of severely malnourished children across the country. (It is one of 14 projects undertaken by [Partners in Food Solutions](#), which links the expertise of General Mills employees with small- and medium-sized food processors in Africa.)

Between 2004 and 2006, Manary treated more than 12,000 malnourished kids, and he saw a 90 percent recovery rate. Today, this Ready-to-Use Therapeutic Food (RUTF) is recognized by the World Health

Organization and other global food programs to be an effective treatment.

Agnes Paiva knows firsthand how the paste that she knows as “chiponde” has helped her 14-month-old son, Chisomo. “My son was sick. He was very weak and listless, had diarrhea and was vomiting,” she said outside the Makwhira Village Health Center in Malawi.

She had walked about 10 kilometers (6 miles) that morning to bring Chisomo to the clinic to get him checked and to pick up more chiponde. “I’m feeding him chiponde five times a day and doing what I’ve been taught. Now, he’s getting big and fat.” Chisomo’s chart shows that he’s gained nearly 1 kilogram (2.2 lbs) in the last month and is well enough to “graduate” from the treatment program.

“This is very hopeful,” Dr. Indi Trehan said over the sound of crying children as he treats Chisomo and about 70 other kids who came with their mothers that morning. Trehan is a clinic fellow in pediatrics at Washington University working for Project Peanut Butter in Malawi. “You can’t get sad about the kid who shows up and gets better. It’s the kid out in the village who should be here that you get sad about.”

Manary shares a similarly positive attitude with General Mills’ volunteers



who are helping his project improve efficiency at its plant in Blantyre, Malawi. Our employees are helping the plant reduce costs, improve food safety and developing an RUTF recipe to help treat HIV patients.

“To me, it’s most important that this help is genuine and real,” Manary said after meeting with employees. “Just because we have the right feelings doesn’t mean it helps. I don’t need just good wishes; I need solutions.”

The 40-plus General Mills employees who work on PPB fit their volunteer work into their week days or use nights and weekends to advance their objectives.

They most often say how lucky they feel to be able to apply their knowledge and expertise to such a worthwhile cause.

“As a food scientist, I have a job at General Mills that helps me feed and nourish my family,” says Erika Smith, who leads the PPB team. “Project Peanut Butter nourishes my soul.”



[WATCH VIDEO](#)

## United Way giving at record US\$13.5 million

General Mills' total United Way giving in the U.S. and Canada this year reached US\$13.5 million, a jump of more than 6 percent from 2009.

In the Twin Cities, total giving reached US\$8.5 million, exceeding the US\$8.1 million goal by nearly 5 percent. The results secure the company's ranking as the top corporate donor in the Twin Cities for the 12th year in a row.

More than half of plants and sales offices in the U.S. and Canada reported an increase in employee giving.

In Toronto, 97 percent of employees participated in the campaign, which included a "Stuff the Bus" event as well as record contributions and creation of a [YouTube video](#). Meanwhile, the Sales office in Bentonville, Ark., conducted a campaign for the first time.

In Avon, Iowa, the team raised 62 percent more than last year. Cincinnati had a record year, and Murfreesboro, Tenn., once again was the No. 1 United Way contributor in its region. Cedar Rapids, Iowa, known for its strong campaigns, raised more than US\$600,000 this year.



"Whether it's mentoring children in the Twin Cities or supporting women farmers in Malawi, General Mills and its employees have demonstrated incredible generosity and commitment to helping others."

— Atul Tandon  
United Way Worldwide  
executive vice president

## Spoonfuls of Stories

Since the *Spoonfuls of Stories* program debuted in 2002, Cheerios has donated more than US\$3.5 million to First Book and distributed nearly 50 million children's books inside boxes of Cheerios cereal. The 2010 in-pack offerings from Simon and Schuster Children's Publishing are aimed for children aged 3 to 8.

And for the second year, all five titles are published in both English and Spanish.

Cheerios also made a US\$300,000 donation to First Book, a nonprofit organization that helps get books into the hands of low-income children.



## Giving Garden volunteers 'dig the dirt' to help others

Dozens of employee volunteers tended a 1,600-square-foot garden at our headquarters office, using their green thumbs to grow food for hungry people in the community.

After ground was tilled in April 2010 on the south lawn for the "Giving Garden," 53 volunteers planted, cared for and harvested more than 1,300 pounds of organic vegetables.

The food bounty was harvested twice each week and delivered to two nonprofit organizations that prepare, or provide food, for those in need.

Jerry Johnson, a scientist at our Green Giant agricultural research center in Le Sueur, Minn., sprouted 250 plants in southern Minnesota and delivered them, along with seeds, to the garden. He also helped design the layout for the 80-foot by 20-foot garden and showed the group how to maximize the output using organic gardening methods.

Johnson and other knowledgeable agronomists and growers offered advice about weeding, directions about which plants needed extra care, and how and when to pick the produce.

In addition, Johnson made the 100-mile roundtrip trek from Le Sueur throughout the summer to deliver harvested peas and sweet corn from company fields to contribute additional produce to help feed those in need.

"This project is so good for the company and for the community," says Johnson. "We're using our skills and expertise - along with our commitment to volunteer - to do even more for our communities."



## Habitat's finishing touches come with Jimmy Carter's help

Hammer in hand, former U.S. President Jimmy Carter worked a shift on a Minneapolis home to help finish work on a Habitat for Humanity house.

The work was done in conjunction with the kickoff of the 2010 Jimmy and Rosalynn Carter Work Project, a week-long initiative to build, renovate and repair 26 Twin Cities homes, primarily in north Minneapolis and east St. Paul, both in Minnesota.

The north Minneapolis house is located in the Hawthorne neighborhood, an area of the city the General Mills Foundation has supported for more than a decade.

General Mills volunteer Mike Viland has pounded nails, sawed siding and hung windows since General Mills became a Twin Cities Habitat for Humanity partner in 1992.

"I've really enjoyed it. The results are tangible," says Viland, a Supply Chain Operations engineering manager who has worked on 20 homes. "The

dedications are really special. The stories are all heartwarming."

In Minneapolis alone, 80-plus General Mills volunteers helped build Habitat for Humanity homes this past summer.

"General Mills crews are the best I've ever worked with," says Bill Turner, a longtime Habitat volunteer who is 85 years old. "They come to work, and when they get done with a task, they look for something else to do."

General Mills has built or remodeled 18 homes over the past 20 years.



## General Mills 2010 Sleep Out

The company hosted its fourth annual Homelessness and Hunger Sleep Out on a blustery mid-November night that dumped 8 inches of snow on the estimated 200 employees and family members who participated in the event.

About US\$70,000 was raised, with proceeds going to two local organizations that address homelessness and hunger needs: Interfaith Outreach & Community Partners; and Second Harvest Heartland.

The purpose of the event is to raise money and awareness of

the hardship that those who are homeless suffer through every day.

“The Sleep Out helped my 6-year-old daughter understand how fortunate we are to have a warm, safe home and plenty of good food to eat – things we typically take for granted,” says Cindy Koch, a finance director who helped organize the event. “She can’t really comprehend how many people struggle daily to meet these very basic needs, but at least she understands that there are people who deserve our help.”



Will Hohman, son of Corporate Communications’ Tess Hohman, stands before some of the cardboard boxes that employees and families slept in the night before. Eight inches of snow fell during the General Mills 2010 Sleep Out.

Whether it’s finding warm socks for kids in need or creating an event to raise money for the homeless, General Mills employees step up to make a difference.

## Employees manage logistics to help kids get supplies

Sixth-graders at Minnesota’s Shakopee Middle School were all smiles at the start of the school year, thanks to more than US\$900 raised by 180 General Mills logistics employees.

For the fifth time since 2003, the logistics team located at our headquarters office adopted a local classroom to raise funds, not just for school supplies, but for basic needs, including tissues, warm socks and hooded sweatshirts for kids in need.

“The need out there is tremendous,” says Jane Szymanski, an operations manager at General Mills who helped coordinate the drive. “We can’t help all the children – but we want to start somewhere.”

Over the years, General Mills’ teams throughout the company have engaged in similar philanthropic efforts as a way to build team spirit while also helping the community.



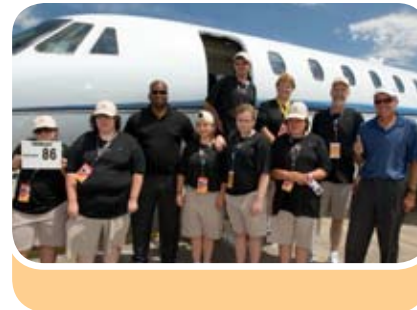


## Helping spirits soar

The General Mills Air Transportation department delivered help and hope to Haiti, and transported Special Olympic athletes to their dream destination.

After the [General Mills Foundation](#) donated US\$250,000 to support disaster relief and rebuilding efforts in Haiti following the January 2010 devastating earthquake, General Mills continued its response by providing the company's jet to deliver more than a ton of medical supplies to the beleaguered country in January 2010.

Eight months later, the jet took part in the Citation Special Olympics airlift – one of the largest peacetime airlifts in the world – transporting more than 2,000 athletes to and from the 2010 Special Olympics USA National Games in Lincoln, Neb.



## Volunteers help 'goodworks' grow

More than 30 company "goodworks" volunteers shared their business skills to help seven Twin Cities-area community groups in 2009-2010.

The "goodworks" program broke new ground by helping nonprofit organizations develop ideas – and providing the skills needed to put them into action.

A team from our Consumer Insights department, for example, helped the Walker Arts Center – the fifth-largest museum of modern and contemporary art in the U.S. – identify possible new ways to attract more visitors.

A second team helped develop the positioning, branding and marketing plan for the Minneapolis Parks Foundation as it embarked on a new effort to attract more philanthropic giving to the Minneapolis Park System.

General Mills volunteers lent their diverse skills and expertise to seven Twin Cities-area nonprofit groups in 2010. The value of the services was estimated at about US\$200,000.



## Employer of choice

We take great pride in the workplace culture that we've developed over many years — an environment that has been recognized by several different groups.

### Working Mother Hall of Fame

Working Mother magazine recognized General Mills for its strong commitment to advancing women. It ranked General Mills first out of its top 100 companies for its approach to workplace wellness, which includes comprehensive health education and wellness programs, resources, and preventive care.

We were named to the Hall of Fame for appearing on the magazine's work-

friendly list for 15 consecutive years – and for making its top 10 list several times. General Mills joins 30 other companies in the magazine's Hall of Fame.

General Mills also earned high marks for its evolving commitment to workplace flexibility.



### Infant Care Center celebrates 10th anniversary

For 10 years, our Infant Care Center at our headquarters office has provided exceptional daycare in a secure and nurturing atmosphere for infants aged 6 weeks to 16 months. It is one of the benefits General Mills provides as part of its commitment to working parents.

## A great place to work

Every year, General Mills conducts a “climate” survey of our employees to determine their perceptions about the company to help us improve the way we do business.

In our most recent worldwide survey in 2010, 90 percent of our salaried employees said they would recommend General Mills as a good place to work.

And 86 percent of our U.S. wage employees – and 80 percent of our international wage employees – would recommend General Mills as a good place to work.

Our U.S. wage score is up 4 percentage points since 2008,

and our international wage score is up 8 percentage points since then.

General Mills has been conducting regular surveys in the United States since 1999. In 2010, 82 percent of U.S. salaried employees agreed that they “have the opportunity for personal growth and development.” That figure is up 12 percent since 1999 – in large part due to the creation of training and development programs such

as the General Mills Institute and the Individual Development Plan.

While we have the most deeply established survey tradition in North America, we have focused a lot of attention on our international businesses in recent years. Increasingly, our international workplace culture is being recognized by independent groups.

## General Mills UK a great and cool place to work

For the third year in a row, General Mills UK has been ranked in the prestigious Sunday Times newspaper's "100 Best Small Companies in the UK."

The Sunday Times article said General Mills is not only managed

on "sound moral principles," but is "a cool place to work." Survey results included "86 percent of the employees said they are proud to work for the company." The company ranked 88th for the second consecutive year.

## General Mills Canada debuts as a 'Best Workplace'

For the first time, General Mills Canada has been named one of the country's top 75 best workplaces by the Great Place to Work Institute, an international consulting firm. The company ranked No. 20.

This year the institute also selected award winners in six special categories; General Mills Canada won in the "credibility" category for how employees see their managers.

## General Mills Australia wins workplace award

General Mills - for the first time - was named the "recommended employer" for the food industry in Australia.

The "Australian Business Award for Recommended Employer" is a national, comprehensive program honoring

public and private companies and organizations that demonstrate the core values of business excellence, product excellence, sustainability and commercial success in their respective industries.

### Additional workplace honors

Among the many other awards the company received in 2010:

- 100 Best Companies to Work For (No. 90), *Fortune* magazine
- Best in Leadership Development (No. 14), *Leadership Excellence* magazine
- Top Companies for Executive Women, National Association for Female Executives
- Top Companies for Leadership, *Bloomberg Businessweek.com*

A complete list of our 2010 workplace awards can be found on our [awards page](#) on GeneralMills.com

### Company named top workplace in Twin Cities

General Mills was named the top workplace among large publicly held companies in the Twin Cities metro area based on an employee-based survey project from the Minneapolis-based *Star Tribune*, the state's largest newspaper.

The survey recognizes the most progressive companies in the metro based on employee opinions about company leadership, career opportunities, workplace flexibility, compensation and benefits. The analysis included responses from over 33,000 employees at Minnesota public, private and nonprofit organizations.

## Leading programs that promote work/life flexibility

Balancing work and family is important for many General Mills employees, but especially so for Allison Pottinger, a member of the U.S. Women's Curling Team, who competed in the 2010 Winter Olympics.

Holding nine national titles, Pottinger, who was named the 2008 USA female curling athlete of the year, is the most decorated women's curler in U.S. history. But she is also a wife, mom and senior associate in our Consumer Insights department at General Mills.

If she was to succeed at home, work and on the ice, Pottinger needed flexibility, and her managers provided it with Work Flex.

Work Flex defines how, when and where work gets done through options including: formal flexible work

arrangements, time off, everyday (informal) flexibility and FUSE (Flexible User Shared Environment).

"Nobody runs on exactly the same time schedule. No one has the same responsibilities. To require the 8 a.m. to 5 p.m. structure risks losing potentially great people," Pottinger says.

Flexibility helped Pottinger succeed in her life. It enables General Mills to attract and retain the very best people, and empowers them to deliver the best results.

## Influence of FUSE grows

More and more General Mills departments are switching to a FUSE (Flexible User Shared Environment) working environment, which is designed to meet the needs of today's flexible, more mobile work force.

Compared with traditional work space, a FUSE environment provides choices for employees to work where they are most productive.

Mobile employees choose where to sit each day, and they store their belongings in lockers. Employees are also equipped

with technology that allows them to easily move from location to location.

Our surveys of those who have made the switch have found that employees are more productive and that there is better teamwork in the new, flexible environment.

In 2007, one small department of about 35 employees began working in a FUSE environment. In 2010, there were about 600 employees from seven departments that have joined the FUSE community.



"People given flexibility feel appreciated, and that causes them to do more, not less."

— Allison Pottinger, U.S. Olympic athlete and General Mills employee

## Leading workplace wellness programs

General Mills has been an advocate of workplace wellness programs for more than 25 years. Today, our programs are widely recognized as among the best-in-class.

The cornerstone of our long-standing wellness initiative is three similar programs that are tailored for different employee groups:

- TriHealthalon for sales employees.
- Total You for employees at corporate headquarters.
- Health Number for manufacturing employees.

Employees in each group are asked to complete a confidential online health assessment.

In addition, employees' body mass index, blood pressure, blood sugar

and blood lipid levels are measured and then tracked.

Over time, we have witnessed significant improvements in employee health, which helps our company in many ways.



### U.S. Sen. Franken praises company's wellness programs

After attending "Start Walking at Work Day," and being given an overview of our comprehensive wellness programs, U.S. Sen. Al Franken of Minnesota praised the company's health and wellness programs, which he said are a model for holding down health care costs. "It's good that health and wellness are so much a part of your brand, especially at a time when obesity is increasing and people are not eating as well as they need to," Franken said.

## TriHealthalon celebrates silver anniversary but sets gold standard

General Mills' TriHealthalon, which celebrated its 25th anniversary in 2010, is one of a host of company programs and resources that has resulted in lifestyle improvements.

Twenty-five years ago, many General Mills sales employees had sedentary lifestyles or unhealthy habits.

Dr. James L. Craig, then vice president of Health and Human Services, was

concerned and sought a solution to help. He created the TriHealthalon, a wellness program tailored for sales employees based on friendly competition in adopting healthy lifestyle changes.

This initial program, which served as the model for similar wellness programs for headquarters and manufacturing employees, has led to a culture of wellness throughout General Mills.



## Yoplait plant No. 1 in corporate fitness challenge

Eighty-four Carson, Calif., Yoplait plant employees clicked on their cyber passports and took a virtual walk around the world during the summer, racking up 95 million steps to travel more than 38,000 miles.

After enrolling in the Global Corporate Challenge, the world's largest corporate

health initiative in May 2010, employees spent the next 16 weeks taking a virtual walk around the world, and learned online about different countries, customs, history, geography, food and politics.

Each team committed to the 10,000 steps a day, pedometer-based walking challenge. The walkers

averaged more than 14,000 steps per day – the equivalent of 5.6 miles for each participant.

The "Seven Wonders of Carson" team – the plant's top team of seven – placed No. 1 among 58 corporations in the North America field, and No. 891 in a field of 14,000 teams worldwide.

## Daryl's excellent (and healthy) adventures

Daryl Blakeborough may be the poster employee for the company's fitness programs.

The General Mills architect - who continues to help the company "go green" - leaves a very small carbon footprint on his daily commute to work, as well as his more adventurous multi-state bicycle trips.

Blakeborough, who has commuted to work since joining General Mills in 1978, is also an avid runner. He is a charter member of the Twin Cities Marathon, having run all of the marathons since the first race in 1982.

Noting the many amenities in the headquarters office such as the on-site fitness center and wellness programs,

Blakeborough says General Mills has helped him live a healthy lifestyle.

"There is no excuse if you are interested in getting fit. General Mills makes it easy to have a healthy lifestyle," he says.

And when he's not working, he's likely riding. In the summer of 2010, he completed a 1,587-mile round trip, one-man pedal-a-thon to Wyoming's Devils Tower.

"For the last three years, I've been taking longer bike trips and trying to go a little bit farther," says Blakeborough, who rides his bike to work about 100 days each year, covering some 6,000 miles.



With its fitness centers, bike racks and shower facilities, General Mills has encouraged a very active biking community - many of whom commute to work.

### Start! Fit-Friendly Company, American Heart Association

In May, the company won a platinum award from the American Heart Association for being a Start! Fit-Friendly company. Awarded annually, platinum-level recognition is for companies that fulfill all the gold-level criteria and demonstrate at least one behavior change, and achieve at least one cost savings outcome.

## 'Best Employers for Healthy Lifestyles,' National Business Group on Health

The National Business Group on Health honored General Mills for its commitment to workplace health and wellness programs with a "Best Employers for Healthy Lifestyles" gold award.

The Best Employers for Healthy Lifestyles awards acknowledge employers that

"recognize the urgent need to improve their workers' health, productivity and quality of life." The goal of the program is to serve as a catalyst to encourage all employers to take action.

General Mills has earned gold awards for the past four consecutive years.



We regularly host wellness activities for employees. Here, employees take a spin on our groomed cross-country trails at our headquarters office in Minneapolis.

# Working to improve workplace safety

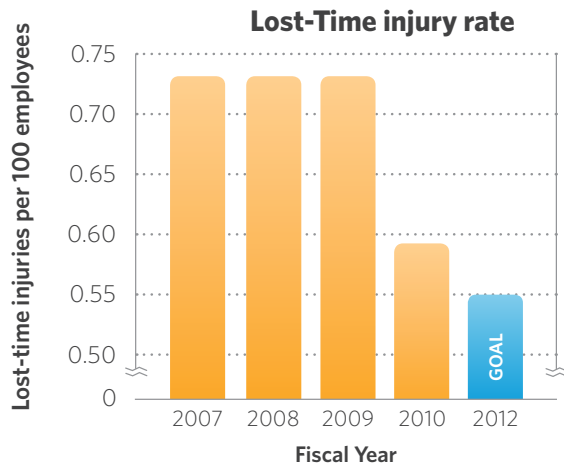
We recorded a total of 169 lost-time accidents in fiscal 2010 among all of our manufacturing facilities globally – down from 205 in fiscal 2009. Our ultimate goal is zero lost-time injuries.

Sadly, however, we did suffer a work-related fatality in fiscal 2010, when an employee became accidentally

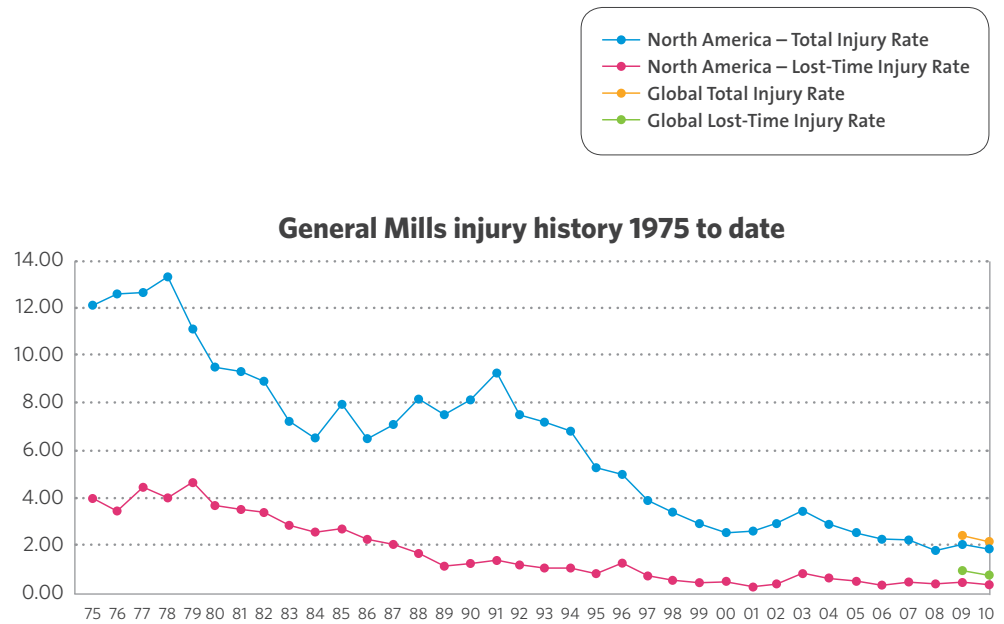
entrapped in a grain bin. An intensive rescue effort was unsuccessful. The incident was extensively reviewed both internally and externally.

Though safety systems were in place and extensive training had been completed, proper safety procedures were not followed. General Mills’

safety officials rigorously addressed retraining of grain-handling personnel to reinforce the necessity of safe grain-handling procedures – and the potentially dire consequences of not doing so – to prevent any similar event.



General Mills has been working toward a goal of reducing its lost-time injury rate by 25 percent over five years.



In fiscal 2010, we recorded a total of 169 lost-time accidents at all of our manufacturing facilities globally, down from 205 in fiscal 2009. Our ultimate goal, of course, is zero lost-time injuries.

# Promoting diversity and inclusion

General Mills embraces diversity and inclusion as key drivers of innovation. We consciously create diverse teams, learning from experience that they tend to produce the best results.

A Greek national, for example, runs our emerging Vietnam business, and an Indian national heads up our business in Germany.

This kind of fluid approach to idea sharing – whether from different cultures or different life experiences – is a hallmark of the culture we try to create throughout General Mills.

It's also one reason why we purchase from minority- and women-owned suppliers, and support 17 employee networks and diversity councils.

These networks, councils and suppliers – with their wealth of different perspectives – help create an inclusive shared culture that is designed to make the whole of General Mills greater than the sum of its parts.

When people are valued for who they are, they're more engaged, and we reap the benefit of their ideas. It's a simple, effective strategy for innovation and growth.

Our 17 employee networks and diversity councils include:

- Asian Heritage Network
- American Indian Council
- Betty's Family GLBT Employee Network
- Black Champions Network
- Hispanic Network
- South Asian American Employee Network
- MENA Network (Middle East and North Africa)



Black Champions Network  
Report to the Community

At the end of fiscal 2010, 19.4 percent of our U.S. employees were minorities. Nearly 16 percent of management-level positions are held by people of color.

## Company awards for diversity

General Mills' efforts to create an inclusive, supportive workplace were recognized by a number of organizations in 2010, including:

- 100 Best Companies to Work For, *Fortune* magazine
- Top 50 Companies for Diversity, *DiversityInc*
- Best Companies for Multicultural Women, *Working Mother* magazine
- Best Places to Work for LGBT Equality, Human Rights Campaign Foundation
- Top Companies for Diverse MBA's and Managers, *Diversity MBA* magazine
- Top 25 Supplier Diversity, *Hispanic Business* magazine

## New employee network launched

With the creation of the Middle East & North Africa (MENA) employee network, another thread was woven into the cultural fabric of General Mills employee diversity.

The new network, which has members from more than half of the 20 countries in the MENA region, is open to everyone dedicated to diversity and a desire to broaden their learning.



## Advancing women at General Mills

We have a strong track record of hiring and advancing women throughout their careers at General Mills. Four of our seven U.S. Retail division presidents are women, for example, and more than 40 percent of the company's management work force is made up of women.

One reason for our success in promoting women to leadership positions is our long-standing Women's Network, which is really an umbrella network of several different women's groups throughout the company.

There are women employee networks for virtually every aspect of our business – among them Women Across Finance, Sales Women's Forum and Women in Supply Chain. But the goal of all these networks is the same – to encourage success for women at General Mills by:

- Creating networking opportunities.
- Facilitating their development.
- Promoting leadership education and excellence.
- Educating and sharing information on gender issues.

The Women's Network regularly hosts guest speakers and forums on issues of particular importance to women.

And despite the company's inclusion in Working Mother magazine's Hall of Fame

and regularly being named to the National Association of Female Executive's list of top 10 companies, the Women's Network continues to push for change.

In 2010, our Women in Leadership group developed an ambitious roadmap of goals for the next 10 years. Its title: Leverage women to drive championship results.

### Perfect rating by Human Rights Campaign Foundation

In fiscal 2010, General Mills again achieved a perfect 100 percent rating on the Human Rights Campaign Foundation's corporate equality index, the leading rating system for U.S. employers of their policies and practices concerning lesbian, gay, bisexual and transgender employees.

## Hispanic Network sets record

The Hispanic Network conducted its largest leadership event in its history – bringing together members from throughout the world for a three-day summit and the creation of its first ever "Report to the Community" brochure.

The Hispanic Leadership Development Summit was designed to provide employees with several benefits, according to Tony Elizondo, chair of the 2010 summit organizing team.

"It strengthens our networking and community-building, provides insights on success strategies, and helps us better understand the company, broadens our external focus, and allows us to celebrate achievements," says Elizondo.

In addition to helping build a culture of inclusion, the Hispanic Network also had a hand in the successful launch of four Mexican-influenced "World Recipe" soups for [Progresso](#).



General Mills has significantly increased its multicultural marketing spending in recent years under the leadership of Rudy Rodriguez, our multicultural marketing director.

## Supplier diversity video highlights thriving program

General Mills showcased its commitment to promoting diversity across the supply chain by going beyond the facts and figures. We put a face – many actually – on our thriving Supplier Diversity program. To do so, the company turned to a nontraditional, nonprofit New York-based film school.

We teamed with the decade-old Ghetto Film School (GFS) to produce a supplier diversity video – shot in Dallas, Seattle and Minneapolis – to showcase the company’s commitment to diversity in a new way.

“Traditionally, we’ve always framed our story around how much we’re spending,” says James Momon, director of Supplier Diversity for General Mills. “I wanted to try something different and thought the Ghetto Film School could tell our story in a unique and interesting way. And I also wanted to practice what I preach – to give people the opportunity to excel and achieve.”

Founded a decade ago, GFS’s mission is to connect talented young people to artistic, educational and career opportunities in the field of film and video,

and, in the process, develop the next generation of great American storytellers.

“The General Mills project really puts a stamp of approval on our program,” says Derrick Cameron, GFS program director. “It was good for our students and us. It was a very positive experience.”

The proceeds received for producing the video will be reinvested back into GFS and help fund fellowship programs.

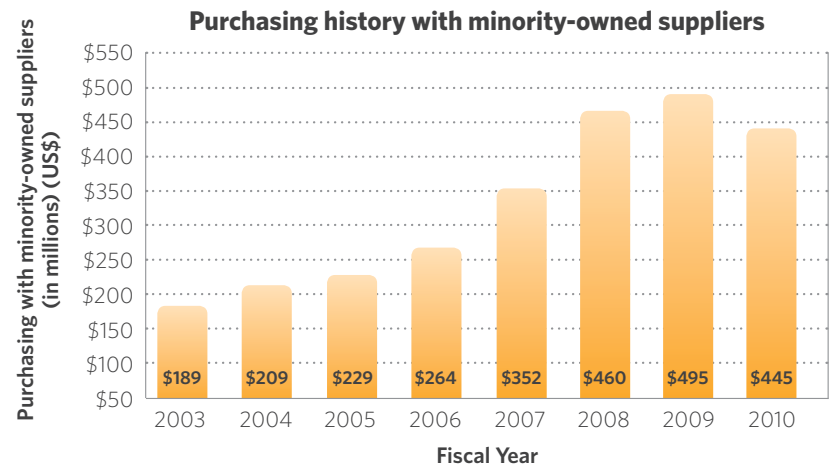
Since the Supplier Diversity program began in 2003, General Mills’ purchasing from minority-owned suppliers has more than doubled, Momon notes. Vendors supply General Mills with a wide range of products and services, including consulting, ingredients, legal counsel and packaging.



WATCH VIDEO



Children from the Boys and Girls Club of Dallas say thank you to General Mills – and one of our suppliers, MW Logistics – for donating 1,000 books through Cheerios’ Spoonfuls of Stories program. James Momon (center) is the director of our Supplier Diversity program.



General Mills’ commitment to supplier diversity remains strong – despite the decrease in fiscal 2010 caused by deflationary markets, spending declines and internal cost-saving initiatives. To mitigate these challenges, we held a supplier diversity forum in 2010 to develop additional business development ideas for our supplier diversity partners. (This chart does not reflect spending with women-owned businesses.)

## Feeding Dreams expands to 10 cities

“Feeding Dreams” – a program celebrating Black Community Champions who are making a difference in their neighborhoods – expanded its reach from four southeastern U.S. cities to 10 in 2010.

The company’s first corporate African-American campaign was co-created by our Multicultural Marketing

group and Consumer Insights, with input from the Black Champions Network employee group.

The program has focused on developing relationships with African-American consumers in Birmingham, Ala., Charlotte, N.C., Norfolk, Va., and Memphis, Tenn., but is now available in six additional cities. They are: Atlanta,

Miami, New Orleans, Jacksonville, Fla., Columbus, Ga., and Jackson, Miss.

Brands currently supporting **Feeding Dreams** include: Honey Nut Cheerios, Yoplait, Grands! biscuits, Betty Crocker, Cinnamon Toast Crunch, Nature Valley Sweet & Salty Nut Bars, and Hamburger Helper dinner mixes.



## MLK Breakfast marks 20th anniversary

What started with 800 guests in 1991 has grown to draw capacity crowds of 3,000-plus at the Minneapolis Convention Center and is now one of the largest Dr. Martin Luther King Jr. Holiday breakfasts in the nation.

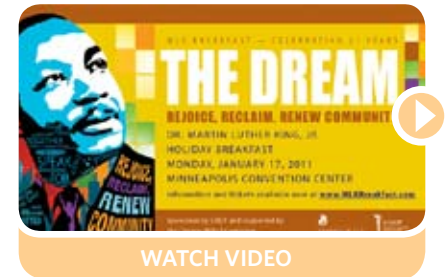
The annual holiday breakfast got its start 20 years ago when UNCF (United Negro College Fund) and

the General Mills Foundation joined together to host a community celebration to honor Dr. King’s legacy.

General Mills and its employees and retirees have long been supporters of the breakfast. A committee of more than 30 volunteers – made up primarily of General Mills employees – organizes the breakfast each year.

And our employees also use this opportunity to perform volunteer work in the community at several different community organizations.

Past speakers at the MLK Breakfast include General Colin Powell, USA (Ret), Alex Haley, Yolanda King, U.S. Rep. John Lewis and The Rev. Dr. Joseph Lowery.



WATCH VIDEO

## Red Lake mentoring program continues

Continuing a relationship born out of tragedy, two Red Lake High School students from northern Minnesota spent a week at General Mills learning about the world of work.

The event was organized by the General Mills American Indian Council (GMAIC). The council, which launched a mentoring program for high potential students at the school two years ago, began working

with the community following the 2005 school shooting that resulted in the death of 10 and the wounding of several more.

The students traveled to Minneapolis to see for themselves what a career in business looks like. The idea is to demystify what the working world is about for those who might be the first in their family to go on to college.

Company employees mentored 12 Red Lake students during the 2009-2010 school year in a program focused on helping students go to college. All five 2010 graduating seniors chose to continue their educations.

In the past five years, GMAIC members have visited Red Lake many times, teaching students about corporate life and the food industry.



# Corporate governance

General Mills has a long-standing commitment to good corporate governance practices. These practices provide an important framework within which our board of directors and management pursue the strategic objectives of the company and ensure its long-term vitality for the benefit of shareholders.

## Board independence and composition

General Mills believes that a substantial majority of its **board members** should be independent, nonemployee directors. The board has adopted criteria for independence based on those established by the New York Stock Exchange. Director affiliations and transactions are regularly reviewed to ensure there are no conflicts or relationships with the company that might impair a director's independence from the company and our auditors.

All board committees are composed entirely of independent, nonemployee directors, and all directors stand for re-election annually. We also value diversity on our board of directors. As of the writing of this report, General Mills had four women and three minority directors on its 13-member board.

## Board performance and operations

Board meetings and background materials sent to directors focus on the company's key strategic, leadership and performance issues. Executive

sessions without management directors present are scheduled at each board meeting. The chair of the Corporate Governance Committee acts as presiding director at executive sessions.

## Director Code of Conduct

All directors are governed by the company's **Director Code of Conduct**. The Corporate Governance Committee of the board ensures compliance with the Director Code. A copy of our Director Code of Conduct, along with charters for all board committees, can be found online in the **Corporate Governance** section of [GeneralMills.com](http://GeneralMills.com).

## Management governance and compliance systems

General Mills is firmly committed to integrity in its financial reporting and control activities. The **Employee Code of Conduct** establishes our high expectations and standards of ethical behavior in the workplace, particularly in the area of financial reporting and control. The company employs

a comprehensive internal control framework that includes definitive policies and procedures, effective internal control standards, and regular monitoring and auditing activities to ensure that our business is appropriately controlled and that our financial reporting complies with all regulatory standards.

Our management assertions regarding the integrity of our financial reports and internal control systems are supported by a rigorous and regular testing process across all of our material financial reporting activities with further testing and review by our internal audit function and our external auditors.

The Audit Committee of the board of directors receives regular updates on our financial reporting and control activities. The Audit Committee also reviews the company's actions in the area of risk management and broader compliance activities.

## Sustainability integration

Sustainability considerations are integrated into the company's accountability, risk management

and decision-making processes. Our board's Public Responsibility Committee oversees this area.

Leadership at our facilities is incented to achieve safety and environmental goals, and sustainability has become part of our capital allocation process. The impact of a particular project in helping us achieve our overall sustainability goals is considered – in addition to traditional return-on-investment calculations – for funding sustainability capital projects.

# Ethics and compliance

At General Mills, we have high expectations for ethical conduct in every aspect of our business.

Starting with our chairman and CEO, the Ethics & Compliance group, led by the chief compliance and risk officer, is committed to fostering and continuing 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](#) and policies.

We achieve these goals by regularly communicating and training. We also leverage our senior leadership's commitment to integrity.

For example, we host an annual Ethics in Action event; our 2010 event theme was "small things matter."

The ethics discussion featured two white-collar criminals from a different company, moderated by a former assistant U.S. attorney.

Before a packed audience at our Minneapolis headquarters office, the husband and wife team described how they embezzled more than \$1 million from the company they worked for.

"Small things matter. ...It's not that hard of a line to cross. You've got to watch

the small decisions," the husband, who spent 30 months in prison (his wife spent 24 months), explained.

Ken Powell, our chairman and chief executive officer, kicked off the event, and a panel of senior leaders shared their perspectives on integrity and our business.

Our Ethics & Compliance group used the occasion to drive home the message that small decisions really do matter.

In the weeks leading up to the conference, posters - and articles on our company

intranet site - highlighted the positive ethical decisions made by employees.

One poster explained how an employee forfeited a US\$30,000 prize after making a hole-in-one at a charity golf game hosted by one of our customers. At a minimum, accepting the prize could create the appearance of a conflict of interest.

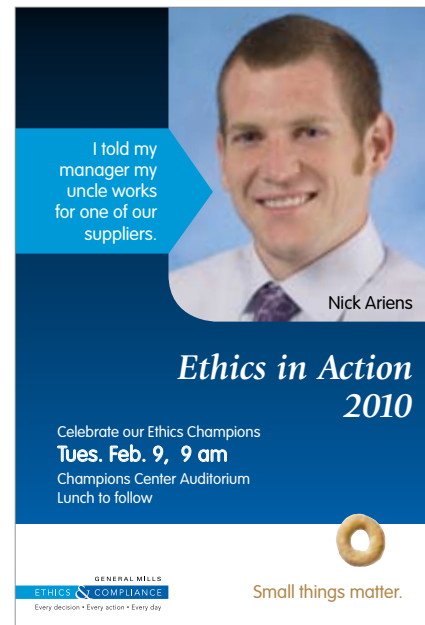
Our Code of Conduct, corporate policies, online training and Ethics Line (to report possible violations) are available in 11 languages.

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**"When we think about integrity and ethics, it is our everyday decisions that are most important. How we conduct ourselves in every facet of our jobs - whether with our fellow employees, our customers or our suppliers - reflects not only on us, individually, but also on our company."**

— Ken Powell, Chairman and Chief Executive Officer, General Mills

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I told my manager my uncle works for one of our suppliers.

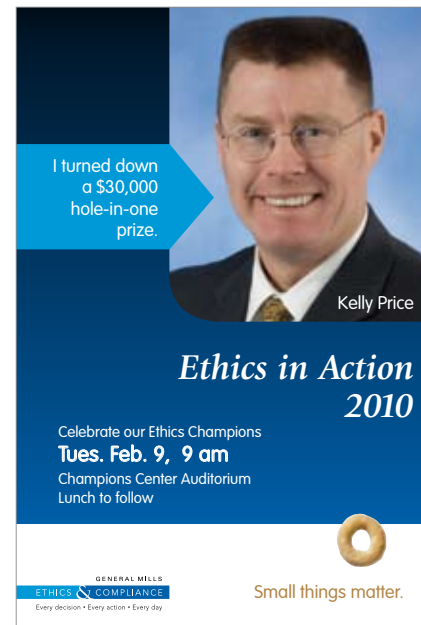
Nick Ariens

**Ethics in Action 2010**

Celebrate our Ethics Champions  
**Tues. Feb. 9, 9 am**  
 Champions Center Auditorium  
 Lunch to follow

GENERAL MILLS  
 ETHICS & COMPLIANCE  
 Every decision • Every action • Every day

Small things matter.



I turned down a \$30,000 hole-in-one prize.

Kelly Price

**Ethics in Action 2010**

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Small things matter.

# Responsible sourcing

General Mills' commitment to good corporate citizenship extends globally to our sourcing activities, suppliers and vendors. We've had a long-standing policy designed to ensure that our suppliers and vendors act ethically and responsibly in all aspects of their business.

Our responsible sourcing program begins with a clear commitment to protecting human rights in our own workplace.

We are signatories to the United Nations Global Compact (UNGC) and are guided by the International Labour Organization's (ILO) Declaration on Fundamental Principles at Work. We have policies and a [Code of Conduct](#) so

our employees understand and abide by these standards and principles.

In addition to the broad-based training programs we operate to promote best practices and compliance within our own facilities, we operate a confidential hotline where employees can report issues anonymously.

And our [Supplier Code of Conduct](#) clearly spells out the standards

we expect our suppliers to meet in several areas, including:

- Food safety
- Forced labor
- Child labor
- Freedom of association and collective bargaining
- Health and safety
- Environment
- Anti-corruption



## Education is key

A key element of our responsible sourcing program is education, which typically occurs during audits of our suppliers. Where compliance gaps exist, we've learned that they are more often due to a lack of awareness than a disregard for our policies and procedures.

We're developing a program to provide responsible sourcing education as part of our on-boarding process for suppliers and third parties that provide finished goods for us. We are planning to launch the program in June 2011.

We also continue to play a leading role in AIMPROGRESS, a forum of

consumer packaged goods companies assembled to enable and promote responsible sourcing practices.

Through collaboration on a precompetitive basis, AIMPROGRESS members share best responsible sourcing practices, leverage training and awareness opportunities, and recognize audits conducted by other members.

Mutual recognition of audits extends the reach of each participating members' responsible sourcing program and encourages buy-in from suppliers.

General Mills uses internationally recognized third party-auditors to

test compliance with our responsible sourcing standards at our own plants and third-party plants that produce finished goods for us.

Our responsible sourcing team continues to carefully review the results of each audit conducted and, where noncompliance exists, require a remediation plan and verification of remediation.

Protecting human rights through our responsible sourcing program is a critical part of our Nourishing Lives mission. We will continue our efforts in this important area.

### Responsible sourcing training

We participate in supplier training through AIM-PROGRESS, a forum of consumer packaged goods companies.

In 2010, AIM-PROGRESS held eight supplier training awareness sessions on four continents for more than 1,000 suppliers. General Mills co-led a North American webinar session for more than 100 attendees.

## Socially and environmentally responsible ingredient sourcing

General Mills is also involved with a number of organizations to help ensure that the ingredients we buy are sourced in a socially and environmentally responsible way.

For example, we are concerned about the role palm oil sourcing plays in the deforestation of the world's rainforests and the impact on biodiversity, endangered species, greenhouse gas emissions and indigenous peoples.

For that reason, we support the principles of the Roundtable on Sustainable Palm Oil (RSPO) and only purchase from RSPO members.

In September 2010, we announced our commitment to "strive to source 100 percent of our palm oil from responsible and sustainable sources by 2015."

Similarly, although we do not buy chocolate or cocoa directly from producers, we do buy processed chocolate products – like chocolate chips – from other food companies.

We recently joined the World Cocoa Foundation and are working with this 70-member nonprofit group to encourage socially, economically and environmentally responsible and sustainable cocoa farming.

We also recently authorized US\$200,000 to fund research to help develop more economically sustainable ways to grow vanilla.

Enhancing the productivity of vanilla vines through genetic research could improve the economic viability of the crop, thereby leading to more socially sustainable methods of growing vanilla.

These are just a few of the efforts under way at General Mills to ensure that the ingredients we use in our products are produced in an environmentally and socially responsible way.

# Environment: The planet we share

Health

Communities

Environment

General Mills has been making steady progress on reducing its environmental footprint for several years. But 2010 may be our best year ever when you consider the following firsts.

- **Energy from oat hulls.** We brought online new equipment that burns oat hulls left over from our milling process to provide 90 percent of the steam to operate our Fridley, Minn., facility that makes oat flour for Cheerios and other products.
- **Energy from the sun.** Our first U.S. facility to produce some of its own electricity via solar panels came online at our facility in Methuen, Mass. – and a second bank of solar panels was installed at our headquarters in Minneapolis.
- **Environmentally friendly buildings.** Our first LEED-certified buildings opened their doors – a distribution facility in Georgia, and an existing office building in Minneapolis that was upgraded to meet LEED specifications.
- **Environmental management certification.** All of our European manufacturing locations are now “ISO 14001” certified, a globally recognized environmental management system.

Many factors have contributed to the success of our recent sustainability projects. But one of the most important is the longtime support from our chairman and CEO, Ken Powell.

In addition to championing sustainability within General Mills, Powell chairs the Grocery Manufacturers Association’s (GMA) Sustainability Leadership Committee. He and others have been active in supporting sustainability initiatives with the GMA and the Food Marketing Institute (FMI).

At the GMA/FMI Sustainability Summit in December 2010, Powell delivered the keynote address to this group where he talked about how sustainability efforts are not only the right thing to do, but are also good for business.



“General Mills is committed to protect and conserve the natural resource base our business depends upon by continuously improving our environmental performance. We build consumer loyalty, societal trust and shareholder value by integrating sustainability into our strategies, our operations and our products.”

— General Mills environmental sustainability mission statement



# Progress on sustainability goals

General Mills made substantial progress on achieving our environmental sustainability goals during fiscal 2010, along with developing expanded and more aggressive sustainability goals for our manufacturing facilities by fiscal 2015.

"We're pleased with our overall progress and feel confident we have the systems in place to achieve more substantial gains in the next five years," says Larry Deeney, director of environmental sustainability.

As of the close of fiscal 2010, our global operations had achieved the following sustainability indicators, which apply to our wholly-owned manufacturing facilities:

- A 33 percent reduction in our solid waste generation rate - more than twice the 15 percent goal set in fiscal 2005.
- A 9 percent reduction in our water usage rate - nearly twice the 5 percent goal set in fiscal 2006.
- An 8 percent reduction in our greenhouse gas emission rate - about halfway toward the 15 percent goal.
- A 6 percent reduction in our energy consumption rate - short of our 15 percent goal.

The company has also set new, expanded environmental sustainability goals (using fiscal 2005 as a baseline). We've set targets to reduce our:

- Energy usage rate by 20 percent by fiscal 2015.
- Greenhouse gas emission rate by 20 percent by 2015.

- Water usage rate by 20 percent by 2015. (From a fiscal 2006 baseline.)
- Solid waste generation rate by 50 percent by 2015.

In addition, the company has set a transportation goal for North American operations to reduce the fuel used to ship a pound of product by 35 percent by fiscal 2015, using fiscal 2009 as a baseline. Achieving this goal would reduce our greenhouse gas emissions generated by shipping products by 35 percent.

We've also established a 2015 goal to reduce the environmental footprint of the packaging used to protect and sell our products. Our goal is that 40 percent of our global product volume will be sold in packaging that has been improved over the baseline year of fiscal 2009. Four key indicators will be used to assess improvement: packaging weight, recycled content, renewable content, and truck loading efficiency.

Several of our businesses have made significant improvements since fiscal 2006:

- The plants that produce our Big G cereals - our largest business in the U.S. - reduced their energy consumption rate by 14 percent through the end of fiscal 2010.

## General Mills environmental sustainability goals<sup>†</sup>

Sustainability metric (FY2005 baseline)	Rate reduction goals by FY2010	Actual rate reductions FY2006 - FY2010	Rate reduction goals by FY2015
Energy consumption	15%	6%	20%
Greenhouse gas emission	15%	8%	20%
Water usage	5%	9%*	20%*
Solid waste generation	15%	33%	50%
Transportation fuel**			35%**
Packaging footprint**			Percent of packaging volume to be improved by 2015 40%***

<sup>†</sup> Normalized to metric tons of production.

\* The fiscal 2011 water goal is measured from fiscal 2006 baseline data.

\*\* The North American transportation goal and packaging goal are measured from fiscal 2009 baseline data.

\*\*\* Four key indicators are used to assess improvement: packaging weight; recycled content; renewable content; truck efficiency.

And they've reduced their water usage rate by 25 percent.

- The plants that produce our Pillsbury products reduced their energy consumption rate by 17 percent through the end of fiscal 2010.

And they've reduced their water usage rate by nearly 16 percent.

- The plants that produce our Yoplait products reduced their energy consumption rate by 12 percent through the end of fiscal 2010.

## Continuous Improvement and Holistic Margin Management culture deepens

Companywide efforts to reduce our environmental footprint have been furthered by two ongoing internal movements: Continuous Improvement (CI) and Holistic Margin Management (HMM).

Continuous Improvement is a companywide initiative to leverage a set of standardized tools to help teams identify, eliminate and prevent waste. CI encourages total employee ownership of our processes – from plant production lines to the creation of company advertising.

For the past six years, General Mills has been focused on Holistic Margin Management. HMM calls on cross-functional teams to understand the drivers of value for their brands and to eliminate non-value added costs and activities throughout the supply chain. These savings are then captured and reinvested to further grow the business.

These savings frequently have an environmental benefit. Among them:

- Installing energy meters on several pieces of equipment at our Covington, Ga., plant led to annual savings of more than US\$600,000. The additional data allowed operators to optimize the production, and plans are in the works to extend more robust energy metering systems at more facilities.
- By identifying a new variety of rice for our Rice Chex cereal that is grown closer to where the cereal is produced, we are able to reduce our transportation costs while maintaining taste and quality.
- At our facility in Labatut, France, where we pack our Green Giant vegetables, our can supplier is now located alongside our manufacturing facility, which significantly reduces transportation costs.



Seretram facility in Labatut, France

- In Europe, Australia and India, we've kept the size of our Nature Valley granola bars the same but made the boxes smaller, which saves both packaging and transportation.

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**“Continuous Improvement (CI) is a common business philosophy that also describes a set of standardized tools and processes we use at General Mills to minimize costs and eliminate waste. The intensity of our CI efforts has been ratcheted up in the past 18 months. As we trim our use of natural resources, we’re becoming a more sustainable company.”**

— Denise Holloman  
Vice President  
Continuous Improvement

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# Reducing our energy usage

In fiscal 2010, our facilities used the equivalent of 530 kilowatt hours of energy per metric ton of production – a 6 percent reduction from our 2005 baseline but short of the 15 percent goal we had hoped to achieve.

We fell short, in part, because consumer demand has grown for more products – such as cereal and granola bars – that require cooking or toasting (which requires more energy). Our energy usage rate is determined by the amount of energy required to produce a pound of various products.

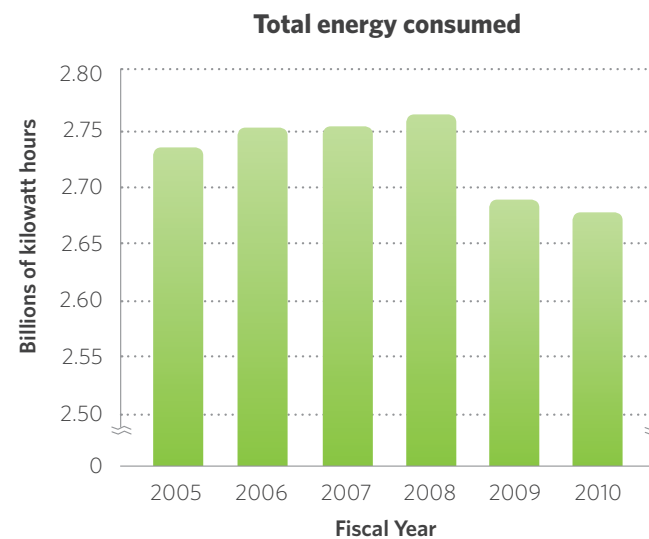
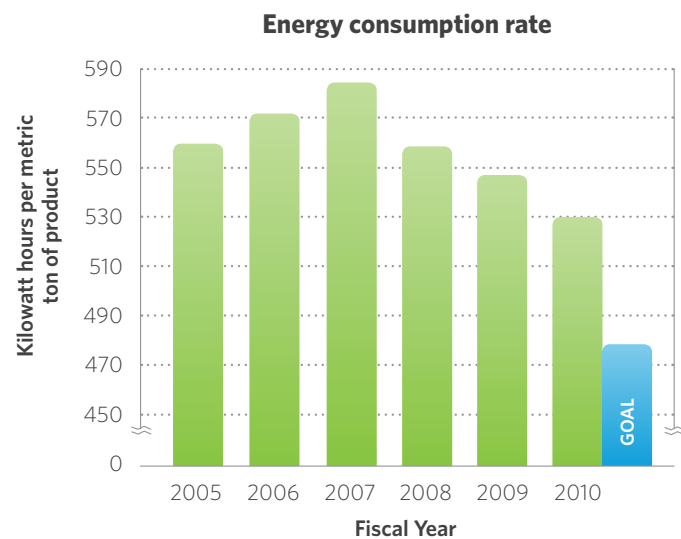
But we expect greater savings in coming years as the systems and procedures now in place become more widely embraced

and embedded into the manufacturing culture. The bulk of our energy reductions have occurred in the last three years. We believe our new, 20 percent energy usage reduction goal by 2015 is attainable.

As a food company dependent on agriculture for many of our primary ingredients, climate change – and its possible effect on crops – has long been a concern. That's why we have focused much of our attention on reducing



energy use, the main source of CO<sub>2</sub> emissions at a food processing plant.



## Burning oat hulls for energy

Our decades-long production of Cheerios entered a new chapter in December 2010 with the startup of our first biomass-powered plant in Fridley, Minn.

The US\$3.3 million biomass unit at our Fridley flour mill began burning oat hulls left over from the milling process in December 2010. It now produces about 90 percent of the steam needed to heat the plant and produce oat flour used in making Cheerios and other products.

We estimate that burning the oat hulls on-site will save about US\$390,000 per year – mostly from reduced natural gas costs – and will cut the plant’s carbon footprint by about 21 percent.

“Burning them on-site is a more sustainable – and cheaper – solution over the long haul,” says John Hellweg, Fridley manufacturing manager. “There is an environmental cost around the transportation of a bulky fuel like oat hulls.”

In recent years, the oat hulls, which have roughly the same energy value as bituminous coal, have been used to fuel a U.S. Steel plant in northern Minnesota and as fiber for a food company in Cambridge, Minn.

Our oat hulls are also currently burned by Koda Energy, a biomass plant in nearby Shakopee, Minn., that generates enough electricity, on average, to power about 17,000 homes.

We produce enough oat hulls that we can continue to provide them as an energy or fiber source for others.



WATCH VIDEO



John Hellweg, the manufacturing manager at our Fridley flour mill, has been working for four years to get the biomass burner built. “It’s nice to see a good idea come to life – one that’s good for the environment and saves the company money,” he says.

## Methuen's moment in the sun

General Mills' first U.S. facility to produce its own electricity via solar panels had its day in the sun in July 2010 when the governor of Massachusetts and several state and local officials praised our Methuen, Mass., facility for its commitment to sustainable energy and job creation.

"General Mills, you set an enviable example - not only for the Merrimack Valley and Massachusetts but for the entire nation," said Gov. Deval Patrick in a video message to those gathered to celebrate the project. "Thank you for your corporate and environmental stewardship and for your generational responsibility."

The panels atop the warehouse produce 110 kilowatts of electricity to supply about 55 percent of its annual electricity needs - 80 percent of its consumption in the summer and about 40 percent during the rest of the year.

That's enough energy to power about 12 average Massachusetts homes each year. It's estimated that the panels will save General Mills about US\$19,000 per year in electricity costs and offset more than 112,000 pounds of carbon dioxide annually - the equivalent of taking 10 cars off the road.

Massachusetts Gov. Deval Patrick cited General Mills' Methuen plant for its commitment to sustainable energy and for helping create jobs in the state. The solar panels are an example of the governor's effort to create "green" jobs in Massachusetts. One Boston-area company installed the solar panels and another manufactured the equipment required to convert the current from DC to AC.

To help underwrite the solar panels, General Mills received a combination of state and federal incentives that Massachusetts has used to create more "green" jobs in the state. One Boston-area company installed the solar panels and another manufactured the equipment required to convert the current from DC to AC.

While a northern state like Massachusetts may seem like an unlikely place to install solar panels, the sun shines an average of 202 days annually in Methuen, making it a good location for generating solar power.

.....  
**Massachusetts governor praises General Mills and our commitment to green energy.**  
 .....



WATCH VIDEO



## New solar panels will light up the ramp

A solar collector installed at our headquarters in Minneapolis in October 2010 will generate enough electrical energy to power lighting in our employee parking ramp.

This project follows the 2008 installation of a solar water heating system on the roof of one of our headquarters buildings. The solar water heater supplies hot water for our east wing building.

We also installed a “green roof” – adorned with 4,000 perennials such

as prairie grasses and thyme – in the summer of 2008. Studies have shown that green roofs can reduce both summer cooling and winter heating needs by as much as 26 percent.



## Wind energy update

General Mills has invested in and remains committed to a community-based wind energy project about 60 miles west of our headquarters in Minneapolis.

Throughout 2010, **Norfolk Wind Energy**, based in Bird Island, Minn., continued to collect wind data, toured other wind farms and secured leases from area farmers (including some who grow Green Giant vegetables for General Mills) interested in having a wind turbine on their land. In return, farmers are compensated, boosting the local economy.

The project will have the capacity to generate about 40 megawatts of electricity – enough to supply about 12,000 homes. The electricity – generated from 20 wind turbines – will be fed into the local power grid, which also supplies our headquarters office.

While the fluctuating demand for electricity and dynamics of transmission

line construction make project timing uncertain, General Mills fully supports the development of wind energy through this initiative.

# Reducing greenhouse gas emissions

In fiscal 2010, our total greenhouse gas emissions due to energy use in production facilities was 0.19 metric tons of CO<sub>2</sub> equivalents per metric ton of product (as expressed as carbon dioxide equivalents).

This is an 8 percent reduction in our greenhouse gas emission rate over our 2005 baseline – about halfway toward the 15 percent goal we had hoped to achieve by the end of fiscal 2010.

Our calculations are based on the U.S. EPA's Climate Leaders Greenhouse Gas Inventory Protocol. It should also be

noted that General Mills is a participant in the Carbon Disclosure Project.

Essentially all of the greenhouse gases produced by the company's manufacturing plants are derived from energy usage. We use natural gas, fuel oil and propane, as well as electricity generated by various sources.

While we did not reach our 2010 goal, we believe that the systems and processes we have in place will enable us to reach the new 20 percent greenhouse gas reduction goal we have set for fiscal 2015.

## Nature Valley volunteers plant trees in the Philippines

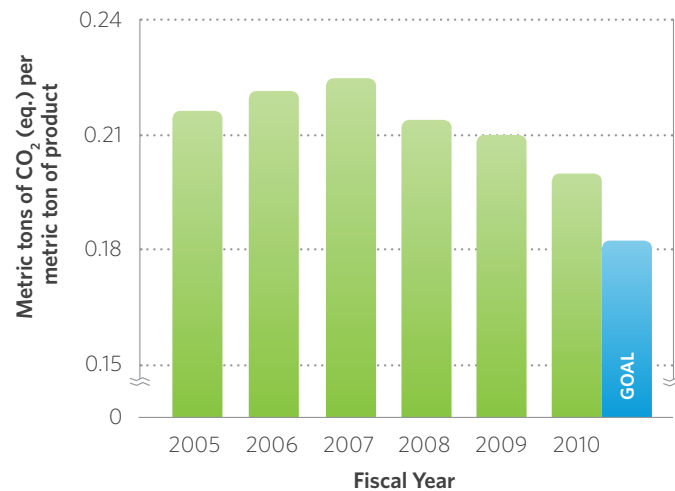
To help restore rainforests near Manila, several local employees in our Nature Valley division – with the support of the Philippine Department of Environment and Natural Resources – helped organize about 400 volunteers who planted more than 11,000 trees in 2010.

After decades of deforestation, forests in the Philippines continue to be under threat from urbanization, illegal logging and forest fires. Planting trees, which absorb carbon dioxide, helps curb global warming.

Nature Valley employees also organized a fun run that was held in conjunction with the tree planting event to stress the importance of maintaining a healthy lifestyle.



**Greenhouse gas emissions rate**



**Total greenhouse gas emissions**



# Reducing our water usage

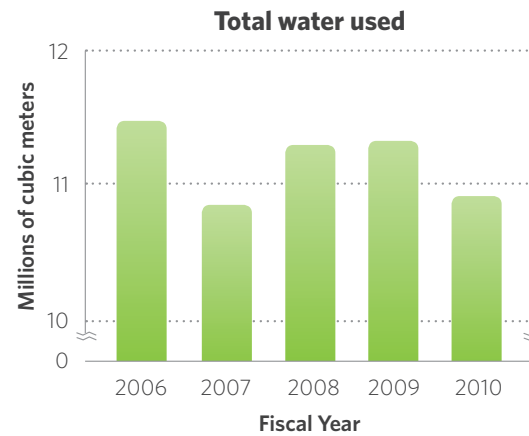
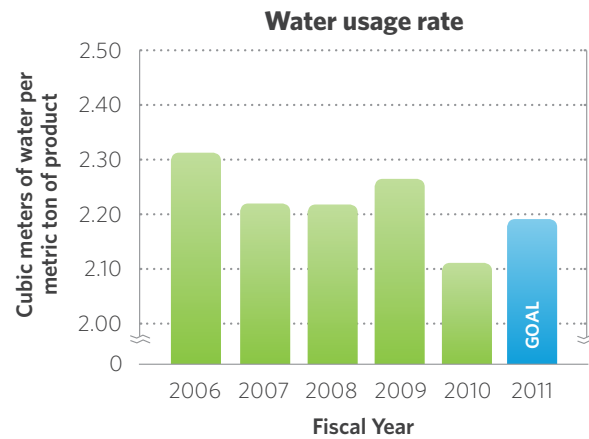
In fiscal 2010, our total water usage rate was 2.1 cubic meters per metric ton of production – a 9 percent reduction compared with our 2006 baseline. That is nearly twice the 5 percent reduction goal we set in 2006.

Water is critical to food manufacturing – it is used as an ingredient, a coolant, and to clean and sanitize manufacturing equipment. We track the usage of water in each facility to identify areas of high usage and target opportunities for water conservation.



WATCH VIDEO

A wastewater treatment facility at our plant in Covington, Ga., has cut its water use nearly in half, saving an estimated 5.3 million gallons per month.



## Water and food processing

We track the usage of water at each facility to identify areas of high usage and target opportunities for water conservation. Our water comes from private wells or municipal supplies, and is treated as necessary before use.

We monitor water quality closely to protect both employees and our products.

## ‘Scoop shower’ saves water and money for Häagen-Dazs

A new “scoop shower” is helping keep Häagen-Dazs ice cream scoops clean – while also saving money and water.

The innovation, which reduced tap water use by 75 percent and, when fully implemented, will save an estimated US\$1 million annually, was installed in about 30 of our company-owned Häagen-Dazs shops around the world.

Previously, water ran continuously over the scoops to prevent bacterial growth.

Up to 250,000 liters of water per year can flow through a continuously flowing ice cream scoop dipper well, and most stores have two or three wells.

A cross-functional U.S.-European employee team worked with the manufacturer on the design of the new scoop showers, which exert extreme

water pressure over the scoop for 5 to 6 seconds when an “actuator” button is deployed. The new scoop showers also maintain food safety.

We are currently in the process of rolling out these scoop showers to our franchised Häagen-Dazs shops.





## A passion for water conservation

The focus for much of Carolyn Sampson's personal, academic and professional life has been water conservation.

For the past decade, she has been deeply involved – including serving as board chair – with the Friends of the Boundary Waters Wilderness, an advisory group that helps set policies for the most heavily used federal wilderness area in the U.S.

For her Ph.D. thesis in environmental engineering, she studied how a small lake in Wisconsin could recover from acid rain.

So it's not surprising that in her role as an environmental manager for General Mills, Sampson's focus has also been on preserving water resources.

Sampson is also part of a team evaluating water risks in our supply chain. In 2010, General Mills partnered with the World Wildlife Fund – one of the world's largest conservation organizations – to develop a comprehensive strategy to help determine the water risks associated with key commodities.

While the methodology is still being developed, General Mills is committed to exploring multiple strategies for conserving water.

Sampson's expertise in water issues was also tapped by the Minnesota Legislature and the University of Minnesota's famed Water Resource Center. The Legislature asked the center to develop a 25-year plan to ensure the future of clean water in Minnesota.

Sampson – working as a volunteer and not representing General Mills – served with the group that pulled together the recommendations from nine subject-specific work groups.

"General Mills is committed to protecting and conserving our natural resource base because it's the right thing to do and because our business depends upon those resources being plentiful in the future," says Sampson, adding that her work on the two projects is related.

"As vital as water is to the life of everything on our planet, from a holistic vantage point, it's surprising how little we know about protecting it. I hope both of these efforts can help preserve water quality for generations to come – for the state of Minnesota and the world."



Carolyn Sampson, environmental manager, General Mills

# Reducing solid waste generation rate

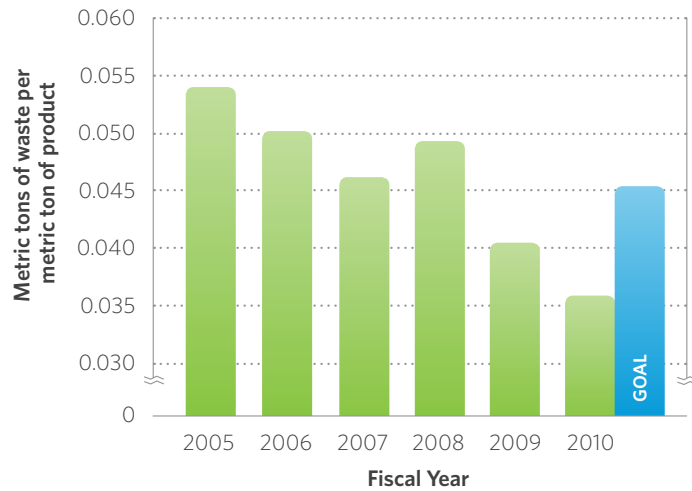
In fiscal 2010, 0.036 tons of waste was generated worldwide per metric ton of finished goods – a 33 percent reduction from our baseline year of fiscal 2005. That reduction was more than twice the 15 percent goal set in fiscal 2005.

We continue to reduce our solid waste stream by improving efficiencies in our manufacturing operations to avoid

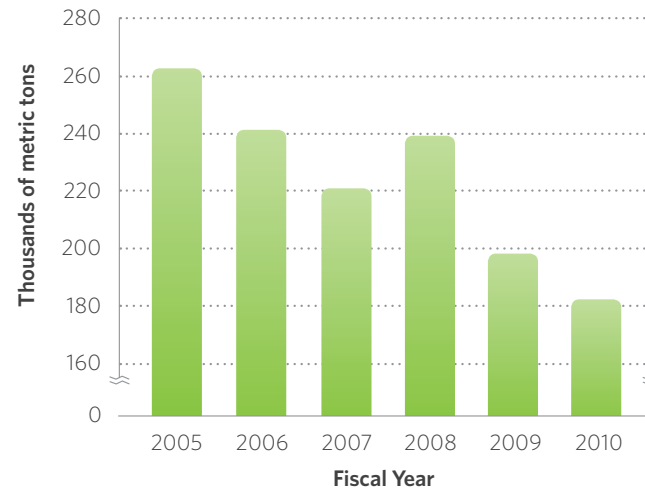
generating the waste. We also reduce the amount of waste that is sent to landfills by finding ways to recycle it or use it for other purposes. More than 80 percent of the solid waste generated by our plants is recycled or reused.



**Solid waste generation rate**



**Total solid waste generated**



## Sustainability team delivers results in Belvidere

A recently established sustainability team at our facility in Belvidere, Ill., has made significant environmental improvements by systematically evaluating virtually every facet of its production processes.

The result was significant environmental – as well as cost – savings in several aspects of its operation.

By developing a system for returning corrugated cardboard – such as the large, pallet-like trays used to ship our cereals on trucks – to vendors so they could

reuse them, it eliminated 200 tons of cardboard from the recycling stream.

Likewise, by streamlining and improving our cleaning processes, we saved an estimated 26 millions of gallons of water per year at the plant.

In addition, the plant trimmed its annual electricity use by 4.5 percent by upgrading equipment and by installing more efficient light fixtures in several areas of the facility.

## Park benches from recycled plastic

At our San Adrian facility in Spain, we found an innovative way to deal with plastic that can't be recycled through normal channels. Recyclable items are sent to a local firm that makes new

objects – such as park benches – from the melted plastic. The plant is donating benches like this one and garbage cans to local schools and parks.



## Albuquerque recycling program

A new recycling system was launched in June 2010 at our Albuquerque, N.M., plant to increase recycling, reduce the amount of trash and with it, reduce our environmental footprint.

The new recycling system was successful immediately. The plant reduced its trash output from 32 tons to 12 tons per month.



# Building on a strong environmental foundation

General Mills has strong, global environmental standards, which are frequently more stringent than what is required under local law.

We work to minimize any potential adverse impacts on the environment associated with our operations.

Our facilities are designed to address environmental requirements and standards, including: reduction of water and energy use; control of air emissions and wastewater discharges

from production operations; proper management of potentially hazardous materials; minimization of solid and hazardous waste generation; and the prevention of spills or releases.

General Mills develops internal standards and guidelines, consults on new capital projects to verify compliance

with environmental requirements, conducts periodic regulatory compliance audits, and regularly works to ensure proper management of ongoing environmental obligations.

Our use of raw materials, our manufacturing methods, our selection of packaging and the distribution of our

products are all focused on providing our customers and consumers the best quality products while working to sustain the environment. We are proud of our record and are committed to be environmental leaders in the food industry.

## Environmental management systems

We operate in an environmentally responsible way and are committed to supporting environmental sustainability. We have established and implemented environmental management systems designed to identify, track and report on key environmental parameters for each manufacturing location.

### European plants recognized for environmental systems

All of General Mills' European plants have now earned the environmental management "ISO 14001 certification," which means they have met an internationally recognized set of standards used by organizations to improve their environmental performance.

"ISO 14001 certification is recognized as one of the best environmental management systems," says Alain Zanetti, director of Innovation, Technology and Quality in our International division, who also leads Europe's sustainability efforts. "It's

a meaningful message to suppliers, customers and consumers to be able to claim that all of our European plants are ISO 14001 certified."

"This ensures our community, the public, suppliers, media, customers, consumers, organizations and stakeholders that our sites and brands go above and beyond regulations to protect the environment as much as possible," says Guy Lejeune, Europe's engineering, environment, health and safety director.

The standards were developed by the International Organization for Standardization.

The plants have worked on reducing their carbon footprint by using more efficient equipment, changing behaviors, and by adapting alternative energy sources. These efforts have resulted in significant cost savings.

In San Adrian, Spain, for example, the plant now receives 100 percent of its electricity from a provider that uses only renewable sources, such as wind energy. And it has trimmed its water usage rate by 58 percent and solid waste generate rate by 67 percent over the past five years.



This windmill is near our facility in San Adrian, Spain. The plant gets 100 percent of its electricity from renewable sources.

## Environmental audits

General Mills performs comprehensive environmental compliance audits on a regular basis at all of our facilities. All audit findings and recommendations are then tracked to resolution. We also

incorporate environmental management system assessments into our audits to provide environmental baselines and recommendations for improvement.

## Wastewater management

We manage wastewater effluent in a manner that does not adversely impact the soil, water or air. We do not allow the discharge of any untreated sanitary wastewater onto land or into surface waters at any of our locations, and we work with local authorities to comply with wastewater treatment requirements.

Our North American manufacturing facilities typically discharge wastewater to publicly owned treatment works

where it is treated prior to release to the environment. These plants are subject to permits or regulations that specify the quality parameters of the effluent. General Mills' international locations discharge wastewater in accordance with local and country standards that at a minimum meet, and sometimes are more stringent, than comparable requirements in the United States.

## Helping restore the Missouri River

Working with the Montana Fish, Wildlife and Parks Department, volunteers from our flour milling facility in Great Falls in 2010 launched a five-year restoration project along the Missouri River.

Our plant is less than a quarter mile from the historic river of Lewis and Clark fame.

General Mills purchased a lot of the supplies and plants for the project - including silver buffalo berries, chokecherries and snowberries.

"We planted a lot of native plants in the area to secure the soil so it doesn't erode or wash away," says Mark Zschoche, team leader and

daily mill operations manager at our Great Falls mill. "The plants also serve as wildlife habitat for local birds and other small mammals."

The project is expected to take five years to complete, and each year our team of volunteers stands ready to continue native planting.

The Great Falls volunteer project is one of several such environmental initiatives undertaken at our facilities around the world. Completing such an environmental community service project is one of the factors that is considered when General Mills evaluates its individual facilities every year.

## Air emissions

Our primary air emissions are related to energy use (carbon dioxide and other products of combustion), particulate emissions from food materials (cereal, flour, sugar, grain), and some ethanol from flavorings or the fermentation in dough products.

The greenhouse gas emissions are reported as carbon dioxide equivalents (see page 61). Our emissions of food

materials and ethanol are controlled to low levels and conform to the applicable permitted levels. In the United States, air emissions are regulated by various government agencies that set regulatory standards. Our plants adhere to local, state and federal emissions regulations.

Our facilities in other parts of the world are also governed by air pollution regulations, although the approach

may vary by country. Most facility air pollution permits are included within site operating licenses. These licenses can restrict the amount of particulate matter and combustion byproducts that can be emitted. In many areas, these permits also enforce site boundary standards for odor.

## Ozone-depleting substances

Some man-made chemicals used in refrigeration, air conditioning, fire suppression equipment and pest control can cause damage to the earth's protective ozone layer.

Currently, in our North American locations, approximately 90 percent of our refrigeration needs are met with ammonia, which does not impact the ozone layer.

Chemicals implicated as ozone depleting substances (ODS) include

halons, chlorofluorocarbons (CFCs), hydrochlorofluorocarbons (HCFCs) and methyl bromide. The company is not adding any new ODS-containing equipment or chemicals and is phasing out the existing ODS usages over time.

General Mills maintains internal guidelines and programs to reduce the release of ozone-depleting substances. Any existing systems that contain these chemicals are closely monitored. Our international plants have eliminated all

uses of CFCs and HCFCs. International refrigeration needs are met with a combination of ammonia, CO<sub>2</sub> and HFC (hydrofluorocarbons) systems.

Methyl bromide is used as a fumigant by General Mills, mainly in our flour mills. Over the years, the company has implemented processes and procedures such as heat treatment, improved cleaning procedures and non-ODS alternatives to reduce or replace methyl bromide.

## Managing hazardous materials

General Mills regularly reviews the need for hazardous materials, and their use is monitored and controlled. Hazardous materials can include cleaners and

sanitizers, refrigerants, pesticides and processing chemicals. Each General Mills facility that uses hazardous materials conducts reviews, develops

response plans, and implements training and communication programs for employees and their community in case of an accidental release.

# Setting a sustainable packaging goal

We've established a 2015 goal to reduce the environmental footprint of the packaging used to protect and sell our products.

Across the company, we're working to reduce our packaging to minimize our environmental footprint.

Our goal is that by 2015, 40 percent of our global product volume will be sold in packaging that has been improved over the base year of fiscal 2009.

Four key indicators will be used to assess improvement: packaging weight, recycled content, renewable content, and truck loading efficiency.



## Shrinking Nature Valley cartons

In January 2010, our Nature Valley granola bar cartons became smaller and thinner. We shrank the width of the cartons by half an inch and the depth by a quarter inch – while maintaining the same size of the granola bars.

In the process, we're saving an estimated 6.2 million pounds of paperboard per year. These cartons now use 13 percent less carton material than the earlier design.



## Lighter Pillsbury icing cups

In 2010, we began using a lighter plastic in the icing cups for our Pillsbury Grands! Sweet Rolls.

The switch will save an estimated 600,000 pounds of plastic per year.

## Consumer Goods Forum membership

General Mills is a member of the Consumer Goods Forum, a global food industry group made up of 36 companies that is a primary driver in efforts to develop more sustainable packaging.

In 2010, the forum, which includes companies such as Unilever, Kellogg, Campbell, Kraft, Wal-Mart, Tesco and Target, agreed to develop a common industry language for packaging and sustainability.

The goal of the forum is to address the packaging of consumer goods and find a common way to measure environmental and sustainability improvements leading to an accepted world standard.

The forum has also pledged to take action on a number of important global issues, including deforestation and sustainable refrigeration.

# Logistics and transportation

General Mills has set a North American transportation goal to reduce the fuel used to ship a pound of product by 35 percent by fiscal 2015 (using fiscal 2009 as a baseline).

Establishing this new goal will allow us to track the many ways we are working to reduce our environmental footprint.

In 2009, we rolled out a new computer-based transportation system that more efficiently consolidates, schedules and selects the best way to deliver General Mills products from our production lines to our distribution facilities.

Since the system was launched in 2009, we have saved approximately 10 million gallons of fuel through the end of fiscal 2010 – a 17 percent reduction over fiscal 2009.

In Europe, we're also becoming more efficient by shipping more of our products by sea than over land. In fiscal 2010, we increased our European sea

freight shipping by 3 percent, saving 300,000 road miles. That translates into a savings of 22,000 gallons (or 100,000 liters) of diesel fuel.

These gains are in addition to the 392,000 gallons (1.8 million liters) of diesel fuel saved in fiscal 2009 when we made the shift toward using more sea freight shipping.

We're also more efficiently consolidating truck loads in Europe, which is leading to further fuel and cost savings.

It's because of the progress we are making on so many fronts in streamlining our transportation systems that we set a North American goal of reducing our fuel consumption rate (to ship a pound of product) by 35 percent by 2015.



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We increased our European sea freight, saving 22,000 gallons of diesel fuel in fiscal 2010. These gains are in addition to the 392,000 gallons of diesel fuel saved in fiscal 2009.

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# A growing number of LEED-certified buildings

Our new distribution facility in Social Circle, Ga., opened its doors in June 2010, becoming the largest LEED Gold “Industrial” building in the U.S. and the second-largest in the world.

The distribution center, located near our Covington, Ga., plant, covers the equivalent of 28 football fields and is more than a mile around the perimeter. It is certified as “gold” under the LEED (Leadership in Energy and Environmental Design) standards.

LEED is an internationally recognized set of standards for environmentally sustainable construction.

The energy efficient and environmental features of our distribution facility include:

- A white roof and concrete paving to reflect sunlight and reduce urban warming.
- Energy-efficient lighting that shuts off when no one is present and a ventilation system that trims electricity use.
- Water from the white roof and paved areas is collected in retention ponds and used for irrigation.
- Low-flow plumbing fixtures that reduce water use by about 50 percent.



Social Circle, Ga., distribution center

## Bassett Creek building achieves ‘LEED’ certification

The Bassett Creek building got a “green” light from the U.S. Green Building Council in 2010. The Minneapolis facility – next door to our headquarters office – is another General Mills building to receive environmentally friendly Leadership in Energy and Environmental Design (LEED) certification, and the first of our buildings to receive it for an existing structure.

By creating several new programs to reduce energy and water use, cut commuting miles, trim solid waste and reduce the use of hazardous cleaning chemicals, the building was able to attain LEED certification.

Receiving certification for existing buildings is more difficult than designing a new building because existing processes and equipment often need to be retrofitted or replaced to reduce environmental impact.

The one-year green results at Bassett Creek have been significant. The building has:

- Reduced energy use by 30 percent compared to similar buildings by using more natural light and high-efficiency heating, cooling and ventilation equipment. The savings have been enough to power 50 average American households for a year.
- Trimmed water use by 194,000 gallons by using water-saving faucets and irrigation meter monitoring systems.
- Prevented 22 tons of solid waste from being dumped in landfills by deploying multiple recycling stations throughout the building and mounting a recycling education campaign.
- Prevented 100 gallons of hazardous cleaning chemicals from entering the waste stream by adopting more environmentally friendly cleaning practices.

## Swiss research facility earns LEED status

Our Cereal Partners Worldwide (CPW) joint venture with Nestlé opened a new “green” research center in Orbe, Switzerland, in 2010 to accelerate the company’s cereal development. The US\$48 million R&D facility was tentatively certified as “gold” under the LEED (Leadership in Energy and Environmental Design) standards and is being considered for platinum certification.

The center incorporates several sustainable features, including:

- Permeable paving on parking lots to minimize storm water runoff.
- Rain water collection for use in toilets and irrigation.
- Water-efficient plumbing and energy-efficient light fixtures.
- Extensive use of natural light to minimize electricity use.

“General Mills’ commitment to environmental sustainability is clearly evident in every aspect of the new CPW Innovation Centre,” says James Tonjes, the General Mills engineering director who worked on the project.

# Building on sustainable best practices

General Mills has a long history of working closely with farmers to promote sustainable agriculture – whether through our organic Cascadian Farm brand, Green Giant vegetables or the many growers who provide us with various grains to make other products.

## Being green is easy for Green Giant

Being green comes naturally if you are Green Giant, who has a century-long commitment to sustainability.

To commemorate the 40th anniversary of Earth Day in 2010, Green Giant contributed US\$200,000 to The Nature Conservancy, a global conservation organization that works to protect ecologically important lands and waters. The money is being used to improve agricultural practices along the Root River, an ecologically sensitive watershed in southeastern Minnesota.

The bluff country is home to some of the best trout streams in the Upper Midwest. Its unique geology – which features many sink holes that lead directly to underground aquifers – requires special care to help ensure that surface water does not contaminate the groundwater.

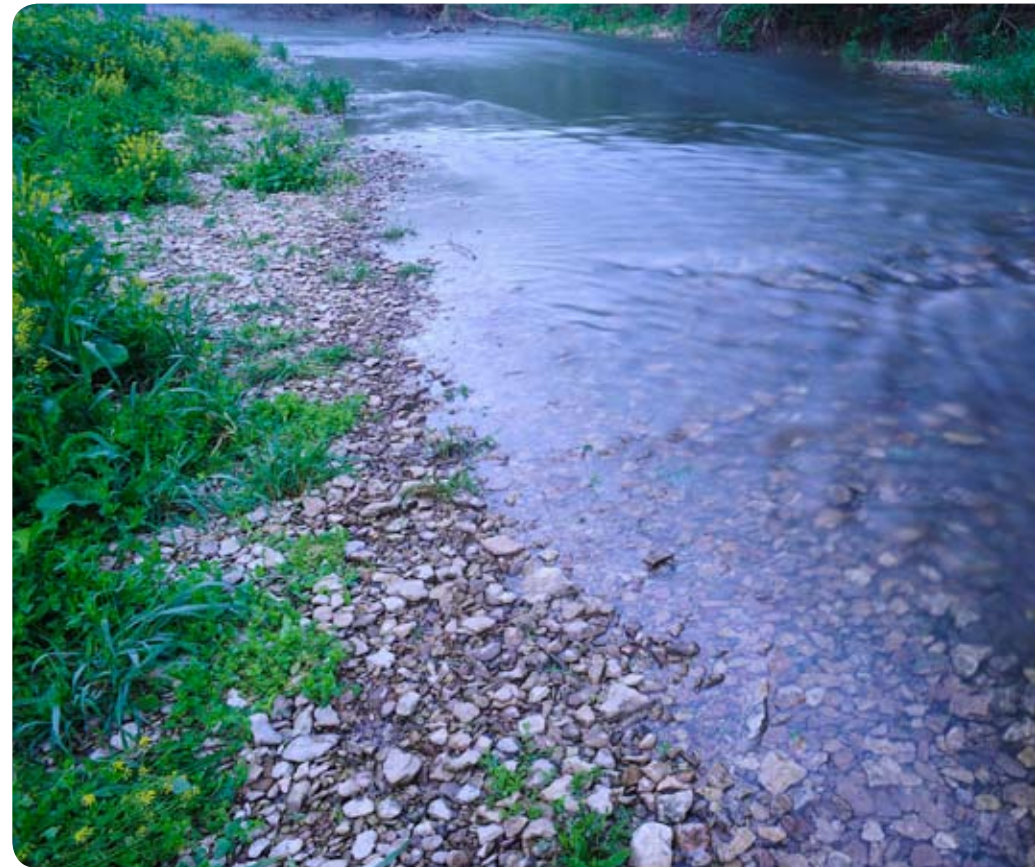
The Nature Conservancy is working with area farmers – including some who grow vegetables for Green Giant – to develop the best ways to mitigate agricultural runoff.

But Green Giant's green heritage runs far deeper than its ties to The Nature Conservancy. Throughout its century-long history, Green Giant has worked to reduce its environmental footprint through many measures, including:

- Packing vegetables in smaller, lighter cans, so it takes less fuel to deliver them to supermarket shelves.
- Using traditional seed breeding methods over the last 35 years to double the amount of sweet corn grown on an acre of land.
- Switching to more earth-friendly paperboard to package frozen vegetables, saving approximately 54,000 trees annually in the process.



WATCH VIDEO



## Irapuato drip irrigation

In 2008, our Agriculture Research department embarked on an ambitious strategy to cut in half the water used to grow broccoli and cauliflower in central Mexico. The strategy is important because agriculture consumes much of the world's fresh water.

Ever since then, our agriculture team has been working with local growers to encourage them to adopt drip irrigation, which uses about 50 percent less water than the more conventional furrow irrigation.

Drip irrigation allows water to drip slowly to the roots of plants, either onto the soil surface or directly onto the root zone through a network of valves, pipes and tubes. It also reduces the use of pesticides and improves yields.

To encourage farmers to adopt drip irrigation, we've been providing them with interest-free loans to buy the drip irrigation equipment. Each farmer can borrow up to US\$200,000 from our revolving loan fund. We hope to provide these loans for at least 10 years with a goal of expanding these drip irrigation acres by 5 percent per year.

For every 200 additional acres that use drip irrigation, an estimated 133 million gallons of water per year is saved.



Drip irrigation (left) uses about 50 percent less water than conventional furrow irrigation.

## Häagen-Dazs and local sourcing

Location was a top priority when the super-premium ice cream plant site was selected in Arras, France, about 20 years ago.

Located in bucolic northern France, our Häagen-Dazs plant is also in the heart of the country's dairy region and close to all the suppliers it needs to produce our premium ice cream.

The milk, cream, eggs, sugar and even packaging suppliers, are all local, which

results in fresher ingredients, reduced shipping costs and a smaller carbon footprint. Several of the plant's suppliers also use sustainable practices:

- Eighty percent of the fuel needed to power the boiler used by our supplier to produce milk and cream is from

otherwise discarded woodchips from the pruning of local forests.

- The leftover water from processing sugar beets (which are 80 percent water) flows into wildlife ponds around our sugar supplier's plant.

Watch video on  
Häagen-Dazs local sourcing



WATCH VIDEO

# Global sustainability efforts

## ‘Think Global, Volunteer Local’ united employees

Nearly 2,000 General Mills employees and retirees from around the world contributed their time in April 2010 as part of “Think Global, Volunteer Local,” a company-sponsored initiative celebrating the 40th anniversary of Earth Day and National Volunteer Week in the U.S.

During the weeklong volunteer event, employees took part in dozens of projects worldwide, including painting a Habitat for Humanity house in Minnesota, cleaning up tires from beaches in England, and promoting recycling in India.

A speed volunteering project at our Minneapolis headquarters office wrapped up the week. In three separate events, some 600 additional volunteers assembled more than 1,000 environmental learning kits to help children and parents learn about the environment together.

Think Global, Volunteer Local sent a strong signal that we all have a role to play in making the world a better place,” says Stéphanie Demay, International Consumer Relations manager, who coordinated the efforts of our European plants and offices. “The events touched everyone who participated, and we hope we can make next year’s effort even better.”



## ‘Summer of Sustainability’ encourages behavior changes

For the second year in a row, several General Mills locations participated in “Summer of Sustainability” initiatives – a summer-long series of events intended to drive awareness of General Mills’ efforts to create a more sustainable company.

Employees were encouraged to make small changes in their behavior – with the full support of General Mills leadership.

“Whether it’s drinking from reusable containers, to printing less, to biking, busing or carpooling to work, we’d like everyone to stick with their pledges for the entire summer,” said Judy Dudziak in a message to employees. Dudziak is a Sustainability Task Force member and is the research and development director for Small Planet Foods, our organic

foods division that markets **Cascadian Farm**, **Muir Glen** and **Lärabar** brands.

About 3,000 of our employees pledged to reduce their environmental impact.

## Cascadian Farm Earth Day message: ‘Live Green Together’

Earth Day and Cascadian Farm, a leading organic brand, are a hand-in-glove fit.

“Caring about the earth is something that is ingrained in our brand,” says Kwany Lui, associate marketing manager for **Cascadian Farm**. “‘Live Green Together’ has been our year-round message.”

Cascadian Farm donated \$1 to the Organic Farming Research Foundation for every person who pledged to follow a few of the eight eco-friendly tips posted on the Cascadian Farm Facebook page.

This resulted in a US\$20,000 donation to the Organic Farming Research Foundation.

The tips include installing a low-flow toilet to save water, unplugging electrical devices (such as cell phone chargers) when not using them to save electricity, and planning meals to save food (25 percent of prepared food is tossed out).

Cascadian Farm has a long-standing relationship with the Organic Farming Research Foundation, so supporting it for Earth Day was a natural fit for the brand.



## Nature Valley supports U.S. parks

Nature Valley donated about US\$380,000 to the National Parks Conservation Association, including money raised through wrappers donated from specially marked packages, a Facebook campaign and the movie website Fandago.com. The money raised through the “Nature Valley National Parks Project” funded initiatives at three national parks: Grand Canyon, Yellowstone and Biscayne in Florida.

The brand secured country music star Kenny Chesney to raise awareness about the environmental sustainability of the U.S. national parks.

“Teaming up with Nature Valley to raise awareness and funds is a great way to make sure the public realizes how special these parks are and that they can have a hand in keeping them available for generations to come,” Chesney said.

As a further demonstration of the brand’s commitment to environmental sustainability, Nature Valley reduced the size of its cartons in 2010. The smaller cartons resulted in a 13 percent reduction in carton material, which will save an estimated 6.2 million pounds of paperboard annually.



## Red-tailed hawks make headquarters office home

Who knows why a family of red-tailed hawks made their home atop a pine tree right next to our headquarters office.

It could be that the General Mills Nature Preserve – a 19-acre tract of land the company donated to the city of Golden Valley in 2007 that is right across the street – is providing better habitat than ever.

But whatever the reason, employees of our headquarters campus enjoyed the spring and early summer of 2010 by having the opportunity to watch a pair of hawks raise two chicks all within range of an unblinking security camera. The hawks were a pleasant sight as they swooped about their business in full view of employees and guests.

Since they were successful in their 2010 nest-building, chances are good that the birds of prey will return in 2011 to start a new family on our campus. If they do, we're considering installing a better video camera so images of the growing chicks could be shared broadly throughout the company.



WATCH VIDEO



General Mills works with a variety of stakeholders – both inside and outside our company – to develop our positions on several important topics. The following are among the topics that may be of interest to a more general audience.

## RESPONSIBLE PALM OIL SOURCING

General Mills is committed to sourcing palm oil in a socially and environmentally responsible way. We have publicly expressed our concern about the role of palm oil expansion in the deforestation of the world's rainforests and the release of greenhouse gases from drained peat lands.

Land use for palm cultivation has increased more than 40 percent in the last decade, and all too often this expansion and resulting deforestation have negatively impacted biodiversity, indigenous peoples and the global environment.

To help ensure our purchases are not in any way associated with deforestation of the world's rainforests – and to further reinforce the development of certified sustainable palm oil production practices – we released a [Statement on Responsible Palm Oil Sourcing](#). It formalizes and strengthens our long-held position on principled purchasing, and adds our commitment to “strive to source 100 percent of our palm oil from responsible and sustainable sources by 2015.”

Our statement lays out key elements of the company's commitment to responsible sourcing of palm oil. We

state our support for a moratorium on the destruction of high-conservation value forests and high-carbon value landscapes (i.e., peat lands) for expansion of palm oil production – and pledge to never knowingly source palm oil produced through such deforestation or destruction.

We also outline a process to remove suppliers that violate the Round Table on Sustainable Palm Oil Production's (RSPO) stated policies involving destruction of such vulnerable environments.

Hurdles remain in the palm industry, and adequate supplies of sustainable palm oil are not yet available. Still, this issue will only become more pressing as living standards – and therefore demand for palm oil – rise. Used in products ranging from lipstick to chips to biofuel, palm oil will soon overtake soy as the world's most consumed edible oil, with China being the biggest buyer.

The release of a comprehensive palm oil policy thrust General Mills to the “front of the pack when it comes to American companies addressing palm oil,” according to Rainforest Action Network. We hope that by taking a leadership position with peers and suppliers,

we can champion the production of palm oil in an environmentally and socially responsible way.

## BPA IN CAN LININGS

At General Mills, product safety is always our No. 1 concern. Bisphenol-A – or BPA – is an important component of protective coatings widely used in metal food packaging. It has long been used to help preserve food and maintain its nutritional value, wholesomeness and quality. Most canned food and beverage products on the market today use BPA in the can lining or can lid.

Scientific and governmental bodies worldwide have examined the science and concluded that the weight of evidence continues to support the safety of BPA, including comprehensive risk assessments in Japan and in the European Union.

In the fall of 2010, the European Food Safety Authority (EFSA) again said there was no new evidence to suggest the tolerable daily intake for BPA needs to be changed, echoing the U.S. Food and Drug Administration (FDA)'s statement in January 2010 that BPA was safe at current exposure levels.

The FDA recently announced another review of BPA. This study is expected to take 18 to 24 months, and Health Canada and the World Health Organization (WHO) will also participate.

Food safety regulators make clear that the safety of food canning processes remains paramount, and are not recommending to manufacturers any specific changes or actions in can lining applications in the interim, including those using BPA.

Can coatings used by General Mills comply fully with all applicable FDA requirements for safe use in food contact materials. However, we know that some consumers would like us to pursue alternatives – and we are working intensively with our can suppliers and can manufacturers to develop and test linings that do not use BPA.

While alternatives have not yet been identified for all types of foods, we did identify a safe, viable alternative for our processing of tomatoes – and we began transitioning our Muir Glen tomato products to cans that do not utilize BPA with the fall 2010 tomato harvest.

With other alternatives currently being tested, we are optimistic that new options



will be identified in time. When viable alternatives prove safe and effective for other products, we would expect can suppliers and the food industry – in response to consumer interest – to convert to alternative coatings.

### **MOVING TO CAGE-FREE EGGS IN EUROPE**

We support the humane treatment of animals, and we are watching this issue closely.

In the U.S., where more than 90 percent of eggs come from caged hens, General Mills does not purchase whole eggs. Egg ingredients used by the company are primarily purchased in dry form, and are pasteurized or heat-treated prior to receipt.

In Europe, where eggs from cage-free and free-range hens are becoming more available, Häagen Dazs has taken action.

By summer of 2011, Häagen-Dazs will source at least 50 percent of the egg yolks used in its super-premium ice cream from free-range hens – birds that have more space for natural behaviors, such as nesting, perching, and spreading their wings, and are free to go outside.

As we continue to develop additional local sources of egg ingredients, Häagen-Dazs will work toward using 100 percent of eggs from free-range hens in 2013.

### **FOOD SECURITY AND BIOTECHNOLOGY**

Today, 925 million people – or one in seven people globally – do not have enough to eat, making hunger and malnutrition the No. 1 risk to health worldwide, according to the World Food Programme. The imperative for global agriculture is to support and feed safely our increasingly hungry world, while sustaining the planet’s land, water and resources for future generations.

There are clearly inherent tensions in this challenge, but we continue to trust this mission can be met.

General Mills has long believed that biotechnology holds promise to alleviate chronic hunger, as well as enhance sustainability, nutrition and taste, and prevent disease. However, we also acknowledge that the success of this technology depends on its ability to achieve broad consumer acceptance and support around the world.

Ingredients improved through biotechnology have now been used for years with no evidence of ill-effects on human health – and recent developments suggest a moderating of global attitudes toward biotechnology.

We continue to agree that the already approved applications of biotechnology are

safe. The U.N. World Health Organization, the U.N. Food and Agriculture Organization, the U.S. Food and Drug Administration and Health Canada have uniformly and unanimously voiced the same view, determining that approved biotech crops are as safe and acceptable as their conventional counterparts.

Earlier this year, the European Union (EU) approved the planting of a genetically modified crop for the first time in a decade. The EU also drafted legislation allowing a trace amount of unapproved genetically modified material into imports of animal feed to avoid a repeat of last year’s disruption to animal feed supplies in Europe.

The drought in Eastern Europe that decimated this year’s Russian wheat crop underscores the need to consider the future of wheat – one of the world’s most important food crops. Wheat varieties could likely be developed to add resistance to drought, stress, pests and issues such as wheat rust. They could likely be bred to use less water and energy, and to produce higher yields as well.

However, unlike in corn and soybeans, such technology is not being used in wheat production. The industry view has been that, lacking broad consumer acceptance, the introduction

of biotechnology in this crop would complicate the world’s wheat supplies and undermine global wheat production.

It may be necessary for the food industry and General Mills to revisit that position. As a company that relies on wheat to produce many important consumer foods globally, we are increasingly concerned about the declines in acreage committed to wheat production around the world.

As a consumer-focused company, we feel very strongly about our mission of Nourishing Lives and about our role in safely and reliably feeding an increasingly hungry world.

We still view consumer acceptance as a prerequisite before any introduction of biotechnology in wheat. However, we strongly support greater planting and global production of wheat.

## Appendix: Company profile

Our brands are known around the world for quality, beginning with Gold Medal flour in 1880, which to this day remains the No. 1 selling retail flour in the United States. Several of our other brands also occupy the No. 1 or No. 2 market positions – from Pillsbury refrigerated dough to Green Giant frozen vegetables, and from Cheerios cereal to Betty Crocker dessert mixes.

We're the sixth-largest food company in the world, marketing in more than 100 countries on six continents. About half of our 33,000 employees work outside the United States.

In fiscal 2010, our global net sales were US\$16 billion (including our proportionate share of joint ventures). We categorize these sales into four business segments: U.S. Retail, International, Bakeries & Foodservice, and Joint Ventures.

Every day around the world, food made by General Mills is eaten for breakfast, lunch and dinner – and as a snack sometime during the day or evening.

It's a bowl of [Cheerios](#) or a cup of [Yoplait](#) yogurt for breakfast in the United States. Or a bowl of Fibre One cereal in Canada or [Pillsbury](#) frozen pancakes in Mexico.

It's a sandwich with bread made from Gold Medal flour or a bowl of [Progresso](#) soup for lunch in the United States.

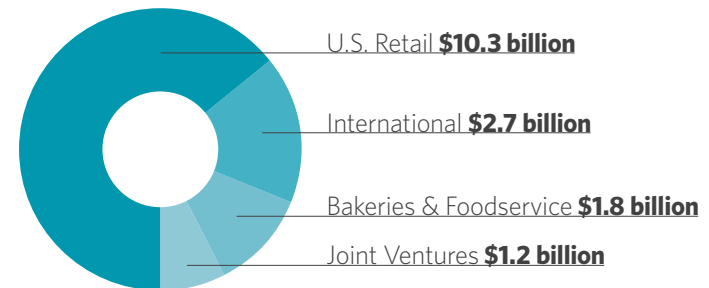
Or Wanchai Ferry products in China or the United Kingdom. Or a [Nature Valley](#) granola bar eaten on the run in Argentina or in about 60 other countries.

It's Hamburger Helper with a side of corn or green beans from [Green Giant](#) for dinner in the United States. Or an [Old El Paso](#) Mexican meal in Australia, Germany or Japan. And in many countries, a Pillsbury roll could be part of any meal.

For an after-dinner treat, it could be a [Betty Crocker](#) cake or cookie in the United States. Or [Häagen-Dazs](#) ice cream in any number of countries, including Chile, Greece, Indonesia, Morocco and Russia.

For more information on our company, see our [General Mills Overview](#) brochure or visit [GeneralMills.com](#).

### GLOBAL NET SALES US (US\$16 billion) Fiscal 2010



## Appendix: Company awards

### **100 Best Corporate Citizens**

*Corporate Responsibility* magazine, 2010- 2003

### **World's Most Ethical Companies**

The Ethisphere Institute, 2010, 2009, 2008

### **100 Best Companies to Work For**

*Fortune*, 2011, 2010, 2009, 2008, 2006, 2005, 2004

### **World's Most Admired Companies**

(formerly America's Most Admired Companies) *Fortune*, 2010, 2009, 2008, 2007, 2006, 2005, 2004

### **Top Workplaces**

Minneapolis Star Tribune, 2010

### **U.S. Reputation Pulse Study,**

The Reputation Institute, 2010

### **100 Best Companies to Work For**

*London Times* (United Kingdom), 2010, 2009, 2008

### **United Kingdom's 50 Best Workplaces**

*The Financial Times*, 2010, 2009, 2008

### **Best Places to Work in Canada**

The Great Place to Work Institute, 2010

### **Best Places to Work**

Glassdoor.com, 2010, 2009, 2008

### **Top 20 Companies for Leadership**

Bloomberg Businessweek.com, 2010

### **100 Top Companies for Training**

*Training* magazine, 2010 Hall of Fame, 2009-2004

### **Top 50 Companies for Diversity**

DiversityInc, 2010, 2009, 2008, 2007, 2005, 2004

### **Best in Leadership Development**

*Leadership Excellence* magazine, 2010

### **Top 10 in Annual Reputation Quotient Survey**

Harris Interactive, 2010-2002

### **100 Best Companies for Working Mothers**

*Working Mother* magazine, 2010 Hall of Fame, 2009 - 1996

### **40 Best Companies for Diversity**

*Black Enterprise* magazine, 2010, 2009, 2008, 2007

### **Best Companies for Multicultural Women**

*Working Mother* magazine, 2010- 2004

### **Best Places to Work for LGBT Equality**

Human Rights Campaign, 2010, 2007, 2005

### **Top Companies for Executive Women**

National Association for Female Executives, 2010-2004

### **50 Best Companies for Latinas**

*Latina Style* magazine, 2010, 2009, 2008, 2007, 2005, 2004, 2003, 2002, 2001

### **Annual Top Employers**

*Equal Opportunity* magazine, 2010

### **Top Companies of Diverse MBA's and Managers**

*Diversity MBA* magazine, 2010

### **100 Best Places to Work in IT**

*Computerworld* magazine, 2010- 2002

### **Best Employers for Healthy Lifestyles**

National Business Group on Health, 2010, 2009, 2008, 2007, 2006

### **Start! Fit-Friendly Company**

American Heart Association, 2010, 2009, 2008, 2007

### **United Way Summit Awards**

United Way of America, 2010, 2009, 2008, 2007, 2006, 2005, 2003, 2002

### **America's 100 Best Adoption-Friendly Workplaces**

The Dave Thomas Foundation for Adoption, 2010, 2009, 2008

# Appendix: Workplace Safety and Environmental Protection policy

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In the 1980s, General Mills first approved a comprehensive policy statement to provide a framework for our safety and environmental programs. This policy has evolved to reflect our businesses and the requirements that may affect them. This policy is published below.

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## **WORKPLACE SAFETY AND ENVIRONMENTAL PROTECTION CORPORATE POLICY**

General Mills will operate in a manner that promotes a safe workplace and protection of the environment. The responsibility and accountability for effective injury prevention and pollution prevention rests with each employee and each business unit manager.

1. Every business unit manager and each employee shall comply with all applicable laws, regulations and Company standards pertaining to workplace safety and environmental protection.
2. Our efforts are based on the following values:
  - Injuries and pollution are preventable.
  - Nothing we do is worth getting injured or damaging the environment.
  - Everyone is responsible for their own safety and protecting the environment.

Each business unit will implement a safety and environmental management system based on the following areas:

- Commitment of management and expectations for employees
- Involvement of all employees
- Goal setting and action planning
- Checking and corrective action
- Technical and regulatory programs
- Safe and environmentally sound practices
- Effective training for all employees
- Continuous improvement of our programs and standards

In the event of an incident, it must be thoroughly investigated to find the root causes and prevent recurrence. Business units need to manage injuries to ensure that employees receive appropriate care and return to useful employment as soon as medically able. They must also respond in a timely and effective manner to a spill or release to protect employees, the public and the environment.

3. Our Department of Health, Safety and Environment shall: (a) develop, implement and administer effective safety and environmental programs, (b) develop guidelines and programs to assist in complying with government regulations, (c) review and audit safety and environmental programs, (d) advise the Company on potential safety and environmental risks, including those involved with acquisitions and divestitures, and (e) lead efforts toward continuous improvement in safety and environmental protection; in consultation with the Law Department and other appropriate personnel.
4. Our Law Department shall work with the business units and the Department of Health, Safety and Environment to identify and manage risks associated with safety and environmental issues, and shall provide legal advice and guidance regarding safety and environmental laws.

# Appendix: Supplier Code of Conduct

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General Mills holds itself to high ethical standards, and it expects the same from its Suppliers (suppliers and vendors).

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Suppliers are expected to comply with all local and national laws, regulations, rules and requirements with respect to all products and services that they manufacture, distribute or otherwise provide to General Mills. If local or national law does not provide protections satisfactory to General Mills, we reserve the right to require Suppliers to meet higher standards. General Mills expects Suppliers will act ethically and in accordance with applicable laws in the following areas.

**Food Safety.** Food Supplier will supply food products or ingredients to General Mills that are safe for human consumption, pure, wholesome, unadulterated and in compliance with all applicable local and national laws.

**Forced Labor.** Supplier will not use forced or involuntary labor, whether bonded, prison, military, compulsory or indentured labor, including debt servitude.

**Child Labor.** Supplier will not employ child labor, consistent with the principles contained in the International Labour Organization's 1998 Declaration on Fundamental Principles and Rights at Work, in supplying products or services to General Mills.

**Abuse of Labor.** Supplier will not physically abuse employees.

**Freedom of Association and Collective Bargaining.** Supplier will respect the principles of freedom of association and collective bargaining.

**Discrimination and Harassment.** Supplier must not permit unlawful discrimination or harassment of its employees.

**Wages and Benefits.** Supplier will provide workers with pay and benefits as required by law, including compliance with minimum wage and overtime requirements and will pay employees in a timely fashion.

**Work Hours and Overtime.** Supplier will set work schedules and overtime policies consistent with local and national law. Suppliers will abide by maximum hour and workweek laws.

**Health and Safety.** Supplier will provide workers with a safe, clean and healthy work environment.

**Environment.** Supplier will comply with all applicable environmental laws.

**Anti-Corruption.** Supplier will comply with the United States Foreign Corrupt Practices Act and all applicable laws related to anti-corruption and bribery.

**Compliance.** Supplier must demonstrate compliance with this Code of Conduct upon General Mills' request.

This Code of Conduct is based in part on the principles outlined in the International Labour Organization's 1998 Declaration on Fundamental Principles and Rights at Work. We expect all suppliers to

develop and implement appropriate internal business processes to ensure compliance with this Code of Conduct.

General Mills utilizes independent third parties to assess Supplier compliance with this Code of Conduct. These assessments generally include confidential interviews with employees and on-site contract workers. Supplier agrees to permit such inspections and to make employees and contract workers available to third-party auditors and not to discriminate or retaliate against workers for their comments to the auditors.

If a Supplier fails to comply with any aspect of this Code of Conduct, it is expected to implement corrective actions. General Mills reserves the right to terminate any agreement with any Supplier that cannot demonstrate compliance with this Code of Conduct.

## Appendix: Acknowledgements

This report was produced with the help of both internal and external contributors.

Internal partners include the following groups: Applied Sustainability Team; Bell Institute of Health and Nutrition; Community Action; Corporate Communications; Diversity and Inclusion; Engineering; Global Health Services; Global Safety and Environment; Government Relations;

Grain; Investor Relations; Law; Packaging; Quality Control; R&D; Supply Chain Operations; and Worldwide Sourcing.

We would also like to recognize the valuable input provided through our membership with Ceres, a coalition of investors, environmental organizations and other public interest groups that work with companies to advance their environmental and social performance.