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To our stakeholders:



Ken Powell Chairman, Chief Executive Officer General Mills

For 150 years, General Mills has been making food people love while investing to make the world around us better. We believe that being successful in the marketplace and being a force for good go hand in hand.

This belief is more important than ever as our company navigates the enormous changes in our industry and the global economy. Consumer expectations for food companies have never been higher. Consumers are increasingly looking for food that reflects their values, from a company they trust.

We have responded by expanding our offerings, introducing new benefits and increasing transparency. We are growing our natural and organic business, removing artificial colors and flavors from many of our products and introducing new tools that provide consumers easy access to information about the food we make. We are also bringing innovation to our portfolio by building partnerships with emerging food brands. Through our venture capital arm 301 Inc, we are investing in start-up food businesses and leveraging our scale to diversify our portfolio.

At the same time, our planet also is changing. More than perhaps any other industry, ours relies on nature's bounty for the ingredients in our products. Our company's size, scale and global scope enable us to have a material impact on

environmental issues. We have taken bold actions to advance sustainability.

In order to feed a growing global population, we have to be good stewards of our earth - from farm to fork and beyond. We need a stable climate, clean water, healthy soil, strong ecosystems and thriving farming communities. We have set an ambitious goal to reduce greenhouse gas emissions by 28 percent across our value chain by 2025 and reach sustainable emissions levels by 2050. We also are making progress on our commitment to sustainably source 100 percent of our top 10 ingredients by 2020. We are ensuring farmers and communities have long-term plans to take care of key watersheds and have expanded our partnerships to support pollinators and soil health.

We need partners at every level to advance sustainable practices, and for us, it begins with farmers. When farmers can make a good living and take care of the environment around them, their lives are better, their communities are more stable and we're better able to make the food people love. That's why we're focusing efforts on helping farmers and their communities thrive. Collaboration with businesses. governments and nongovernmental organizations is also critical to making progress. We are signatories to a number of key global efforts, including the United Nations Global Compact, of

which we have been a member since 2008 and continue to endorse.

In this, our 47th year of reporting back to our communities and stakeholders. we provide updates across four key focus areas: Our Food, Our Planet, Our Workplace and Our Community. We have focused on providing transparency and insights into the topics that are important to our stakeholders and to our business. We are encouraged by the progress we're making and remain committed to doing even more.

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

KJ Powell

Sincerely.

INTRODUCTION



Our purpose

At General Mills, we serve the world by making food people love. We do this by embracing our five pursuits, which are at the heart of our company.

people

Put people first

Everything we do at General Mills starts and ends with people - our consumers, customers, employees, workers in our supply chain, and those who live in the communities where we operate.

GLOBAL RESPONSIBILITY FOCUS AREAS

Dur planet

Our workplac

Our communit

CREATING

Build a culture of creating

We collaborate inside and outside our company to create shared value for our consumers and the world.

ur food

Our planet

Dur communit

Passion

Make food with passion

For 150 years, we've been driven by our passion for making delicious, healthy, high-quality food and sharing it with people worldwide.

Our food

TRUST

Earn people's trust

We will never stop working to earn and maintain the trust of our stakeholders across the value chain, from our suppliers to our consumers.

itroduction

Our tood

Our workplace

our community

CARI

Treat the world with care

Our business depends on a healthy planet, so we are committed to treating the world, its resources and people with care.

Our planet
Our community

Company overview

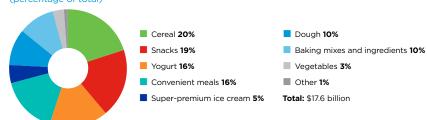
Net sales, fiscal 2016*

(dollars in billions)



Net sales by platform, fiscal 2016*

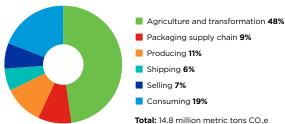
(percentage of total)



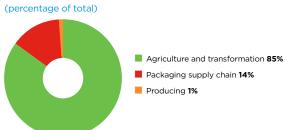
^{*} Non-GAAP measure. Includes \$16.6 billion consolidated net sales plus \$0.8 billion proportionate share of CPW (cereal) net sales plus \$0.2 billion proportionate share of HDJ (ice cream) net sales.

Carbon footprint

(percentage of total)



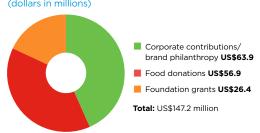
Water footprint*



*Water consumption data is from 2012. Data in the Shipping, Selling and Consuming phases was considered to be immaterial.

Total giving, fiscal 2016

(dollars in millions)



G4-4

General Mills produces and markets more than 100 consumer brands in more than 100 countries on six continents.





























































Global responsibility highlights

During the year, General Mills made substantial commitments and progress in numerous areas of global responsibility, underlying our commitment to treat the world with care.

100 percent of our facilities worldwide were audited and/or certified by third parties using globally recognized food safety criteria

Set a goal to **reduce absolute GHG emissions** across our full 28% value chain by 28 percent by 2025 (compared to 2010) and to achieve sustainable emission levels in line with scientific consensus by 2050

Announced a pollinator project with the USDA and the Xerces Society to protect and establish more than 100,000 acres of pollinator habitat through 2021







Second-largest U.S. producer of gluten-free products



Introduced a soil health roadmap in partnership with The Nature Conservancy to improve soil health on more than 50 percent of U.S. cropland by 2025

Launched our Policy on **Human Rights and Slavery** and Human Trafficking Statement



Inputs in fiscal 2016

Holistic value creation

We serve the world by making food people love.

Our food



- 100+ consumer brands
- 441 active patents (U.S.)
- \$222 million spending on R&D
- \$16 million food safety spending

Our planet



- 2.82 billion kWh energy usage in operations
- 17.3 million cubic meters water usage in operations
- Nearly \$6 billion global ingredient spend

Our workplace



- 39,000 employees
- 32 countries
- 59 production facilities

Our community



- \$147 million charitable giving
- 328.000+ volunteer hours
- 600+ nonprofit grantees

Our investors



- Total company net sales: \$16.563 million
- Cash flow from operations: \$2,630 million
- Core working capital: \$729 million

Our value chain

Upstream

General Mills

Making food people and environmental

Downstream

Continually enhance our products by expanding variety, and



increasing sustainability

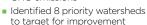
Outcomes in fiscal 2016

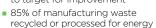
Our food

- 263 new product launches
- 28 new patents (U.S.)
- 80 new products introduced with strong nutrition profiles
- 100% of facilities worldwide audited and/or certified by independent third parties



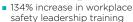


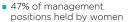




69% of our top 10 ingredients sustainably sourced

Our workplace





 87% of employees proud to work for General Mills

Our community

- 57 million meals enabled through food donations
- Improved well-being for 8,190 people in cocoa farming communities
- \$60 million earned by schools through Box Tops for Education



Our investors

- Net share repurchases: \$435 million
- Cash dividends per share*: \$1.92 (+8%)
- Total shareholder return: 15%

*F17 annualized rate





Materiality¹

The following table summarizes the issues that are most material to our global responsibility strategy, including several priority issues that were ranked highest by our stakeholders. This is based on a materiality assessment conducted in 2013 and updated in 2015. These assessments evaluated the impact each issue has on General Mills as well as the importance to external stakeholders for our company to address each one. We plan to periodically update this assessment to reflect our business and our stakeholders' expectations. We include information about our approach to and progress on these issues throughout the report and in the Global Reporting Initiative (GRI) index.

AGRICULTURE

(

SHIPPING

SELLING



		CIRCLE	S NOTE VAL	UE CHAIN PI	HASES FOR	WHICH EACH	I ISSUE IS RE	LEVANT
Climate change	Advance strategies to reduce GHG emissions and help mitigate the effects of climate change in agricultural and food production systems	•	•	•	•	•	•	•
Commodity availability	Maintain reliable access to key commodities and inputs through sustainable sourcing	•	•	•		:		:
Corporate governance and ethics	Operate with integrity and with the highest standards in oversight, ethics and compliance	•	•	•	•	•	•	•
Diverse consumer needs	Meet changing consumer needs and diversify our product offerings based on geography, culture, values and economic means	•	•	•	•	•	•	•
Food safety	Set and maintain high standards for food safety and quality	•	•	•	•	•	•	•
Health and nutrition wellness	Improve the health profile of products and engage in public discussions on healthy and nutritious lifestyles		•		•		•	•
Transparency	Communicate openly with key stakeholders on material issues, including through brands	•	•	•	•	•	•	•
Water stewardship	Manage water resources strategically throughout the value chain	•	•	•	•			
Animal welfare	Ensure the ethical treatment of animals raised by suppliers	•						
Biodiversity	Conserve biodiversity through sustainable sourcing practices	•						
Biotechnology	Work to educate the public on use of genetically modified organisms and meet consumer demands for increased information	•					•	•
Employee well-being	Help employees lead healthier lives through education and support			:	•	:		:
Energy use	Manage energy usage and costs throughout the value chain, including agriculture, production, transportation and distribution	•	•	•	•	•		
Food security	Improve access to healthy, affordable food for the world's growing population	•				:		•
Food waste	Address food waste and loss from field to table	•			•		•	•
Human rights	Respect the human rights of all workers	•	•	•	•	•	•	•
Packaging footprint	Reduce the environmental impact of packaging	•		•	•			•
Responsible marketing	Adhere to internal and industry guidelines regarding consumer communications						•	:
Smallholder farmers	Support smallholder farmers' capability and capacity to maintain viable operations	•						
Supply chain relationships	Build and strengthen supplier partnerships across the value chain	•	•	•	•		•	
Workforce management	Provide competitive benefits, foster a diverse and inclusive culture, and invest in training and development opportunities				•			
Workplace safety	Maintain a safe workplace for our employees, contractors and visitors, with a focus on zero accidents and injuries				•			

Priority issues: goals and performance

			Progress	
Issue	Commitment/Goal	2014	2015	2016
Food safety	Ensure all facilities worldwide are audited and/or certified by independent third parties using globally recognized food safety criteria (% of facilities)	88%	90%	100%
	Achieve Global Food Safety Initiative certification of all General Mills-owned facilities by 2020 (% of facilities)	63%	72%	80%
Health and nutrition	Continue to improve health profile of U.S. retail products* (%)	76%	77%	79%
wellness	Comply with global industry front-of-pack calorie labeling		ing (see p	
Diverse consumer	Continue to expand wellness offerings to meet consumer needs			
needs	■ Gluten-free retail products in the U.S. and Canada (number of products)	850	980	1,000+
	■ Protein-rich retail products in the U.S. (number of products)	190	225	230
	■ Lower-calorie retail products in the U.S. (number of products)	990	1,000	1,300
	Reach US\$1 billion in net sales from natural and organic products in the U.S. by 2019 (US\$ million)	\$348	\$700	\$750
Climate change Water stewardship	Reduce absolute GHG emissions across our full value chain by 28 percent by 2025 and 41-72 percent by 2050 (compared to 2010)** (% reduction)	NA	5% 🔺	3% 🔺
	Reduce energy use by 2 percent annually*** (% change)	0%	-2%	0%
	Reduce production solid waste generation by 3 percent annually*** (% change)	-3%	9%	17%
	Achieve zero waste to landfill at 30 percent of our owned production facilities by 2020 and 100 percent by 2025**** (%)	16%	17%	12%
	Champion the development of water stewardship plans for the company's most material and at-risk watersheds in its global value chain by 2025		Ongoing (see pages 50-5	
	Reduce water use by 1 percent annually*** (% change)	-2%	38%	12%
Commodity	Sustainably source 100 percent of our 10 priority ingredients by 2020***** (%)	NA	NA	69%
availability	Vanilla (%)	45%	45%	22%
	Cocoa (%)	10%	28%	46%
	Palm oil (%)	83%	100%	100%
	Sugarcane (%)	42%	59%	67%
	Oats (%)	35%	40%	50%
	U.S. wheat (%)	15%	24%	36%
	U.S. sugar beets (%)	34%	47%	68%
	U.S. corn (dry milled) (%)	6%	26%	33%
	U.S dairy (raw fluid milk) (%)	20%	20%	38%
	Fiber packaging (%)	99%	99%	99%

^{*} Represents percentage of U.S. retail products that have reduced calories, fat, saturated fat, trans fat, sugar or sodium by at least 10 percent per serving or increased beneficial nutrients (including vitamins, minerals and fiber) by at least 10 percent per serving, compared to fiscal 2005.

^{**} This contributes to the company's 2050 goal to reduce absolute GHG emissions across our full value chain by 41-72% by 2050 (compared to 2010), to achieve sustainable levels in line with scientific consensus.

^{***} Applies to all General Mills-owned production facilities. Normalized to production.

^{****} These facilities sent no waste to landfill or incineration without energy recovery. Data includes facilities that were operating at the end of each fiscal year.

^{*****} Represents 40 percent of our annual raw material purchases. Aggregate percentage is based on the percentages sustainably sourced for each ingredient, weighted by spend.

Oversight

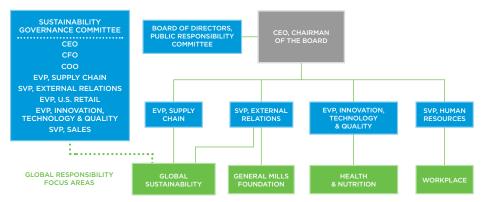
The General Mills leadership team has ultimate accountability for the company's global responsibility programs and performance. The team includes Ken Powell, Chairman and Chief Executive Officer; John Church, Executive Vice President of Supply Chain; Kim Nelson, Senior Vice President of External Relations and President of the General Mills Foundation; and Jerry Lynch, Chief Sustainability Officer. The team meets regularly and receives input from internal and external experts. During 2016, the main issues addressed included climate change, water stewardship, soil health, human rights and responsible sourcing. The Board of Directors

Public Responsibility Committee provides oversight and receives regular updates from the operating teams.

The Chief Executive Officer also convenes the Sustainability Governance Committee three times per year. The role of the Committee is to approve and monitor strategy, policy and key investments related to sustainability.

See GeneralMills.com/Investors to learn more about the company's broader corporate governance structures and processes.

G4-36, 42, 46, 47, 48



△ This graphic outlines governance and management of global responsibility focus areas at General Mills.

Stakeholder engagement

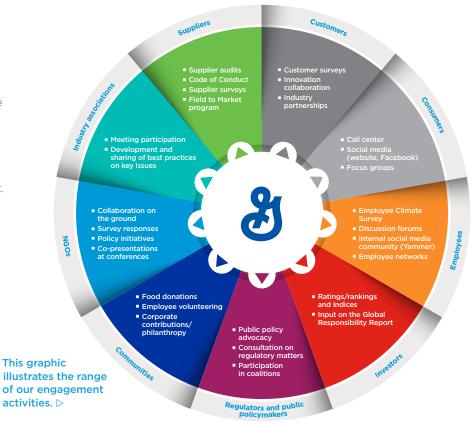
At General Mills, we engage with stakeholders to accelerate our progress on social and environmental initiatives. Our approach includes open dialogue, collaboration and transparent disclosure. This strengthens our ability to balance business interests with those of society; build robust relationships globally across sectors; and ultimately, identify innovative solutions that create shared, sustainable value.

The issues we are working to address are shared - such as food safety, health and nutrition wellness, diverse consumer needs, climate change and water stewardship - so collaboration is essential to achieving long-term, enduring progress. We work with other companies and organizations to shape standards across

the consumer packaged goods industry on a range of issues. This helps to elevate the performance of the sector overall.

We determine areas for engagement based on issues that are material to our global responsibility strategy and where we can have the greatest positive impact. When engaging with stakeholders, we consider their expertise and insights as well as their capacity, level of influence and willingness to collaborate.

G4-24, 25, 26, 27



Stakeholder engagement examples in 2016				
Issue	Engagement			
Climate change	To urge governments worldwide to take meaningful action at COP21, General Mills joined the We Mean Business coalition; Chairman and CEO Ken Powell and CEOs of nine other global food companies released a joint letter on the role of climate change in the food industry.			
E cosystems	In November 2016, we announced a pollinator project with the U.S. Department of Agriculture (USDA) and the Xerces Society for Invertebrate Conservation to protect and establish healthy pollinator habitats. The five-year, \$4 million commitment between General Mills and the USDA will help to plant more than 100,000 acres of pollinator habitat through 2021.			
Food safety	To share food safety knowledge and communicate expectations, we conduct "supplier schools" training events in classroom settings tailored to the needs of each market. In 2016, we expanded our program to China and Taiwan. Since 2011, more than 600 supplier employees have participated.			
Food security	The General Mills Foundation convened a Food Security Insights Summit in 2016 that brought together experts from nonprofit organizations such as Partners in Food Solutions, Share Our Strength, Appetite for Change and The Food Trust, to explore solutions in advancing food security, locally and globally.			
Transparency	We work to provide customers and consumers transparent information about the ingredients in our products. In 2016, we introduced AskGeneralMills.com, enrolled nearly 600 products in the Non-GMO Project and launched a SmartLabel pilot with our <i>Chex</i> and <i>Fiber One</i> cereals.			
Workforce managemen	To provide a safe and supportive workplace for our employees to discuss important issues, we expanded an initiative called Courageous Conversations and hosted an open forum to discuss race relations, adversity and discrimination. Approximately 250 employees attended the event at our headquarters, which was later replicated in other locations.			

Public policy

At General Mills, we engage in public policy issues that are important to our company and stakeholders. We conduct these activities in an accountable and transparent manner. Focus areas include the following:

Climate change and renewable energy: During 2016, General Mills continued to support the U.S. Clean Power Plan as well as state climate and energy policies in California,

Illinois, Michigan and Ohio. We also participate in several cross-industry initiatives to drive progress in this area. Ultimately, we believe that a comprehensive, national climate policy is needed to unleash the incredible innovation of the marketplace. Federal policies that provide proportionate and clear guidance are essential to support the large-scale investments required to address this challenge.

■ Packaging: General Mills promotes policies to effectively and efficiently increase packaging recycling rates and reduce waste. In the United States, we are a leader in the American Institute for Packaging and the Environment (AMERIPEN), which conducts research and advocates for policy changes to achieve these goals, including in California, Maine and Minnesota during 2016.



In 2016, the Center for Political Accountability rated General Mills in the top five of the CPA-Zicklin Index of Corporate Political Disclosure and Accountability.

- Health and nutrition wellness: As a member of the International Food and Beverage Alliance (IFBA) and other organizations, we support efforts to advance self-regulatory frameworks related to health and wellness. During 2016, General Mills engaged with the U.S. Food and Drug Administration as it implemented the newly revised nutrition facts panel.
- Food labeling and GMOs: In 2016, the U.S. Congress passed the National When implemented, it will require food companies to include information about GMOs on product labels or reference that information online. General Mills actively supported this regulation, which will provide consistent disclosure at a national level and avoid a patchwork of U.S. state labeling rules.

We comply with all lobbying regulations where applicable. General Mills is registered as a lobbying entity at the U.S. federal

level for the House of Representatives and Senate and in the states of Minnesota and California. We file regular reports on our lobbying activity (see links).

Political contributions and memberships

Our civic policy describes our approval process for corporate political contributions. The Public Responsibility Committee of our board of directors oversees the company's political activities, including our policy, disclosure of corporate political contributions, membership in major trade associations, and independent political expenditures (although the company has not made any).

During 2016, we made US\$80,500 in direct political contributions. For more details and historical information, see our 2005-2016 Civic involvement reports

The General Mills Political Action Committee (G-PAC) is run by employees and uses employee funds to make political contributions to federal and, in limited cases, state candidates. No corporate treasury funds are used for federal candidate contributions, but as allowed by law the company pays G-PAC administration costs. Information regarding G-PAC transactions is available on the Federal Election Commission website.

General Mills also advances its mission by partnering with trade associations and other independent organizations that share our goals, including:

- International organizations such as EuroGlaces and the Brazilian
- U.S. public policy-focused organizations such as the Grocery Manufacturers Association and the American Bakers Association

 State or provincial agencies, local chambers of commerce and manufacturing organizations, such as the Minnesota Chamber of Commerce and the California Manufacturers & Technology Association.

We report additional details about our largest U.S. trade association memberships annually. We do not belong to, or make payments to, any tax-exempt organizations in the United States that write and endorse model legislation.

Accountability: In 2016, the Center for Political Accountability rated General Mills in the top five of the CPA-Zicklin and Accountability. This ranking, which includes all companies in the Standard & Poor's 500 index, maintained our performance from 2015. Once again, we ranked first in the consumer staples sector.

G4-15, 16

Transparency and disclosure in reporting

Communicating openly about our social and environmental commitments. goals, programs, performance and challenges is essential to building and maintaining stakeholder trust. Analyzing and disclosing progress also motivates ongoing improvement.

Examples include the following:

■ Material issues: This year, we again published the full list of social and environmental issues that we determined to be material for the purpose of this report. We also identified several priority issues from that list for heightened focus. See the tables on pages 6 and 7 for details.

Carbon and water footprints:

We expanded disclosure on GHG emissions and continue to report on water consumption across the value chain, as well as numerous initiatives to improve performance. See the Our Planet section for details.

Sustainable ingredients: In this report, we describe progress toward our commitment for our priority 10 ingredients to be 100 percent sustainably sourced by 2020

(and palm oil by 2015). See the Our Planet section for details.

Ratings and rankings: We have participated in CDP (the Carbon Disclosure Project) every year since its inception in 2000. In 2016, we were named to the Climate A-List, Supplier Engagement Leader Board and Supplier Climate A-List, and received a score of B for water. See our past submissions. We also participate in other disclosures, such as the Dow Jones Sustainability Indices, FTSF4Good, Newsweek's

Climate A-list

In 2016. General Mills was recognized as a global climate leader and named to the CDP Climate A-List

Green Rankings (#29 of 500 largest publicly-traded U.S. companies by market capitalization) and the Global 100 Index of most sustainable corporations (#92 of all publicly traded companies with a market capitalization of at least US\$2 billion). We communicate about our programs and performance through other channels as well, such as responses to customer requests, blogs and social media, speaking engagements,

media interviews, and conferences and other events.

To promote comparability, we align our disclosure with external frameworks such as the Global Reporting Initiative (GRI) G4 Sustainability Reporting Guidelines, the United Nations (UN) Global Compact and the UN Sustainable Development Goals. See the external reporting standards content below for more details.

About this report

The General Mills Global Responsibility Report is an important part of a broader set of disclosures that provide stakeholders a multifaceted description of the company's performance. These documents also include the company's annual report, quarterly 10-Q filings and annual proxy statement.

Report scope

This report describes our commitments, goals, programs, performance and challenges across a broad range of global responsibility issues. The scope covers the company's global operations in fiscal 2016 (52 weeks ended May 29, 2016), except where noted otherwise. Environmental data are not included for production associated with the Green Giant brand, which General Mills sold to B&G Foods during fiscal 2016.

Report ownership

The General Mills leadership team (see page 8) has responsibility for the development of this report.

Stakeholder input on report

For the last several years, General Mills has engaged Ceres - a coalition of investors, environmental organizations

and other public interest groups working with companies to advance their environmental and social performance and disclosure - to provide input on our annual Global Responsibility Report. This year, nine stakeholders, including investors, NGO representatives, corporate executives and industry experts, provided feedback on a detailed report outline. We value this input and have incorporated much of this feedback into the report.

External reporting standards

Global Reporting Initiative

General Mills considered the GRI G4 in the development of this report.

including the Food Processing Sector Supplement. This document contains standard disclosures from that framework. See the GRI index for details

United Nations Global Compact

General Mills endorsed the principles of the UN Global Compact in 2008 and reaffirms that commitment annually. This report serves as the company's annual Communication on Progress in the areas of human rights, labor, environment and anti-corruption. See the UN Global Compact index for details

United Nations Sustainable Development Goals

At the beginning of 2016, the United Nations launched the Sustainable Development Goals, a set of 17 broad goals and 169 more specific targets to drive the 2030 Agenda for Sustainable Development globally. General Mills supports this effort. We focus on the goals that most closely align with the company's priority issues and areas of long-standing commitment, investment and progress (see below).

See the GRI index for details and links to related content throughout this report.

Feedback

We welcome your comments about this report. Please send any feedback to

G4-28, 31, 32, 33

UN Sustainable Development Goals: General Mills focus areas



End hunger, achieve food security and improved nutrition, and promote sustainable agriculture Learn more.



Ensure healthy lives and promote well-being for all at all ages Learn more.



Ensure availability and sustainable management of water and sanitation for all Learn more.



Take urgent action to combat climate change and its impacts

Learn more



Sustainably manage forests, combat desertification, halt and reverse land degradation, and halt biodiversity loss

Learn more.



Overview

Our goal is to provide people with nutritious, convenient food that can help them live healthier lives. We are committed to making food with passion and improving the variety and health profile of our products while adhering to high standards of food safety.

Performance dashboard (fiscal 2016)

Nutrition

U.S. Health Metric: In fiscal 2016, **79 percent** of U.S. retail sales volume was composed of products nutritionally improved since fiscal 2005. Learn more.



Food preferences

No. 4 natural and organic U.S. food producer; No. 2 gluten-free U.S. food provider. Learn more.



Food safety

100 percent of our facilities worldwide are audited and/or certified by third parties using globally recognized food safety criteria. Learn more.



Labeling & marketing

Compliance with global **industry** front-of-pack calorie labeling; commitment to responsible marketing. Learn more.



Transparency

Introduced AskGeneralMills.com; launched **SmartLabel**[™] pilot; 600 products Non-GMO Verified, Learn more.



"For 150 years, General Mills has focused on making nutritious food. We continue that tradition today by providing products that contribute to the overall health and wellness of millions of people around the world."

- Maha Tahiri, Ph.D., Vice President, General Mills Chief Health and Wellness Officer and leader of the Bell Institute of Health and Nutrition

Our approach: lead & innovate

Our focus on health and nutrition drives business growth

Investment in research: We invest in research and development (R&D) to continuously improve the health profiles of our products. Since 2004. we have increased R&D spending on health and wellness by 80 percent. Our nutrition science research helps us better understand the impact of food on health and wellness as we enhance our product portfolio.

Investment in new businesses:

Consumers are at the center of everything we do. We focus on expanding our

portfolio to meet diverse consumer needs and make healthy food more accessible. We've been reshaping our business through acquisitions. divestitures and expansion of our existing brands into new geographies.

Safety and quality: We are committed to the highest standards in food safety and quality. We integrate food safety into all our processes, beginning with R&D and extending across our supply chain.

Leadership and governance:

Operationally, responsibility for

product development and marketing lies within the R&D and marketing organizations. The Executive Vice President of Supply Chain and the Executive Vice President of Innovation, Technology and Quality are responsible for consumer health and safety, and product labeling. Responsibility for marketing communications is held by the Chief Marketing Officer. The Bell Institute of Health and Nutrition reports directly to the Executive Vice President of Innovation, Technology and Quality and regularly updates the

Public Responsibility Committee of the Board of Directors on the company's health and wellness strategy.

Since 1989, we have benefited from the guidance of our global Health and Wellness Advisory Council, a group of leading external health and nutrition experts who provide perspective from academia and research institutes. The council meets twice a year and challenges us to continually advance health and wellness strategies and practices.

Health and wellness impacts across our North American portfolio in fiscal 2016



Whole grain

100 percent of our Big G cereals deliver double-digit whole grains per serving; one **in five** of our products across North America delivers at least 8 grams of whole grain per serving.



Calories

Two-thirds of our North American retail products contain 150 calories or less per serving.



Dairy

3 billion 6-ounce (170-gram) low-fat and nonfat dairy servings shipped by U.S. and Canadian retail operations; 19,800+ servings of Yoplait* eaten every minute around the world.



25 percent of our U.S. retail products provide at least 10 percent daily value of fiber; 13 percent of Canadian products are a good source of fiber (4+ grams).



Fourth-largest U.S. natural and organic food producer**: one out of every 10 products in our North American portfolio is certified organic or made with organic ingredients.



Gluten-free

One in four of our North American products is labeled as gluten-free; second-largest U.S. producer of gluten-free products.*



No artificial ingredients

Approximately half of our U.S. retail products are labeled as containing no artificial flavors, colors from artificial sources or artificial preservatives.



Protein

12 percent of our U.S. retail products provide at least 10 percent daily value of protein per serving.

^{*}Nielsen, total of U.S. - all channels, 52 weeks ending Dec. 3, 2016.

^{**}Based on SPINS NOMC Dashboard data through June 12, 2016, SPINS Brand Positions: Natural Standards, Natural Perceived, Specialty Natural, Conventional Natural

Health and wellness

1A Nutrition

Global Bell Institute of Health and Nutrition

Approach: As General Mills' source for health, wellness and nutrition expertise, the global Bell Institute of Health and Nutrition focuses on health innovation and nutrition leadership. In partnership with our business teams, we continuously improve the nutrition of our products.

Expertise: The Bell Institute includes doctorate and master-level scientists and registered dietitians from varied backgrounds, including nutrition science, public health, food science and microbiology.

Impact: The Bell Institute influences General Mills' product development by advancing nutrition science research, providing insights about regional and global regulatory issues affecting the food industry, and delivering health communications for the benefit of our customers, consumers and nutrition communities.



Global scientific research

- Contributes to the advancement of scientific understanding on a variety of health topics
- Inspires product renovation and innovation based on nutrition science

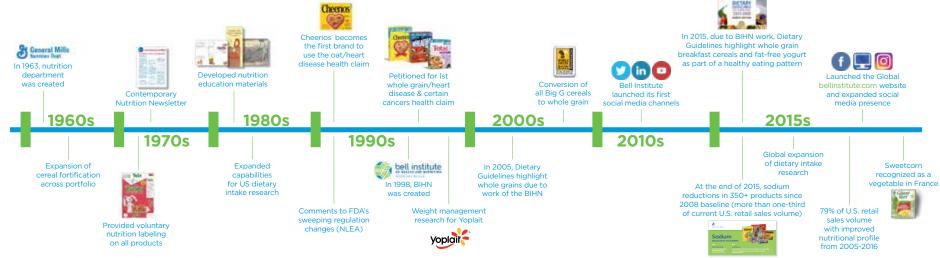
Global scientific & regulatory affairs

- Leads efforts to encourage multistakeholder dialogue on important nutrition and labeling topics
- Advances interaction on key health topics

Global health & wellness communications

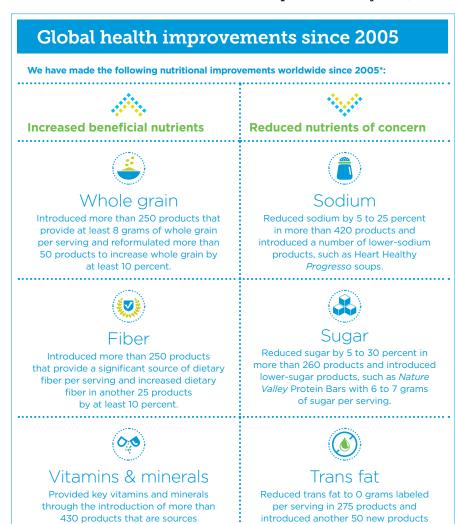
- Translates nutrition science and regulatory topics into compelling communications for health leaders and influencers
- Builds relationships with health influencers as part of General Mills nutrition leadership

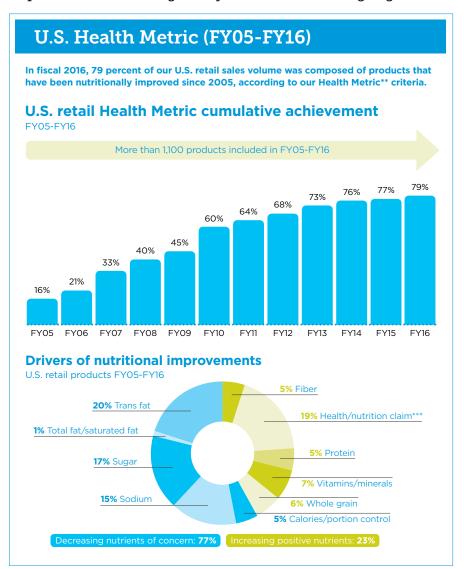
50+ years of nutrition innovation



Global health improvements

In 2005, General Mills began the journey toward improving the health and nutrition of our products with the implementation of our U.S. Health Metric. Within the past several years, we have expanded our efforts globally. Here are some highlights.





G4-PR1. FP6. FP7

of key vitamins and minerals, such

as vogurt and cereal.

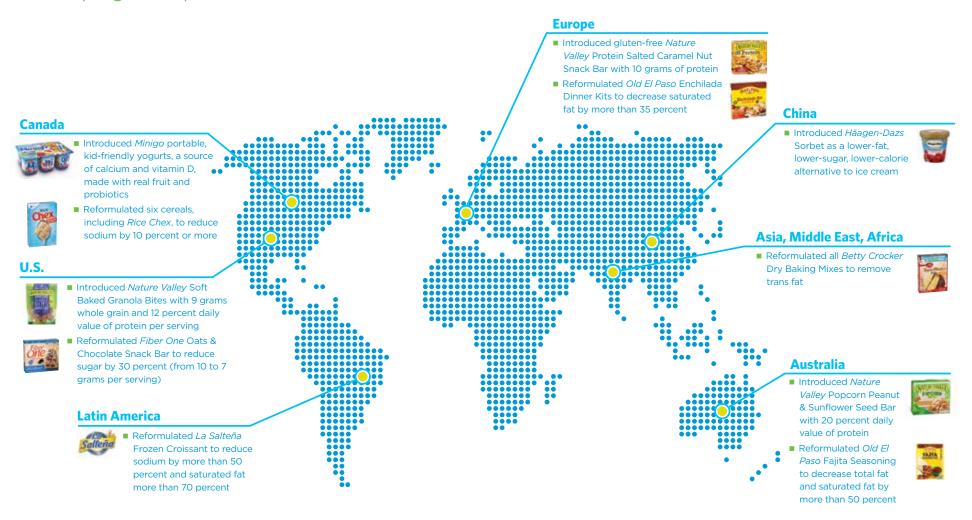
with 0 grams labeled trans fat

per serving.

^{**}U.S. Health Metric Criteria: Reducing calories, fat, saturated fat, trans fat, sugar or sodium by 5 percent or more; increasing beneficial nutrients - including vitamins, minerals and fiber - 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/reformulating products to meet specific internal requirements, including limiting calories, and meeting health or nutrition claim criteria as defined by the U.S. Food and Drug Administration (FDA).

Improvements in health profiles of existing products and introduction of nutritious new products

A sampling of the products we introduced or reformulated in fiscal 2016



Cereal Partners Worldwide nutritional

improvements: Our Cereal Partners Worldwide (CPW) joint venture with Nestlé makes and markets cereals such as Fitness, Cheerios, Chocapic and Nesquik

globally outside North America. CPW is the second-largest cereal provider in the world. As part of its Global Nutrition Commitment, CPW announced specific targets in October 2012 for nutritionally

improving about 5.3 billion portions of breakfast cereals popular with kids and teens in more than 130 markets by boosting the amount of whole grain, increasing calcium, and reducing sugar and sodium in its recipes. CPW has made significant progress against this commitment, with 93 percent of net sales of kids and teens brands worldwide achieving the commitment criteria in 2016

Evolution of snacking

Benefits of wholesome snacking***

- Wholesome snacks can be part of a nutritious eating pattern.
- Snacks can help people meet nutrient shortfalls.
- Snacks offer an opportunity to eat more vegetables, fruit, whole grain and low-fat/fat-free dairy.
- Snacks provide energy for growth and development for children and teens.

*American Dietetic Association Complete Food & Nutrition Guide 2012. **NHANES 2011-2012.

Increasing around the world

Over the last few decades, eating patterns have shifted away from the traditional

three square meals a day. Today, people are snacking more than ever. In 1978, approximately 40 percent of Americans did not snack. Today, about 90 percent of adults and children snack at least once per day, and more than 60 percent of people consume two or more snacks per day.* This is true outside of the U.S. as well. For example, in the U.K., 95 percent of adults snack, and in France, where snacking is less common, people still consume nearly 1.5 snacks per day.**

Satisfying demand

General Mills provides a variety of wholesome snacking options that help satisfy growing consumer demand for lower-calorie, nutrient-dense snacks as part of a healthful diet. Our yogurt offerings and whole grain snacks are two examples. Planful snacking can help promote better intake of key nutrients and food groups.*** The Dietary Guidelines for Americans 2015-2020 specifically recommend that high-calorie

snacks be replaced with nutrient-dense choices like vegetables, fruits, whole grain and yogurt as snacks.**** Choosing these types of wholesome snacks can help

both adults and children meet dietary recommendations for shortfall nutrients including calcium, vitamin D and fiber.

General Mills wholesome snacking examples

General Mills is filling the need for wholesome snacks to help consumers make good snacking choices a part of their busy lifestyles. Here are some examples.

Product	Geography	Nutrition details	Additional product details
Nature Valley Backpacker Oatmeal Bites For Kids	U.S.	16 grams of whole grain150 caloriesLess than 10 grams of sugar	 No artificial colors, flavors or sweeteners Developed with input from kids
Nature Valley Protein Bars	EU	20 percent of daily protein (10 grams)50 percent less sugar*****	 Gluten-free No artificial colors Made from carefully-selected ingredients, including peanuts
Extra – <i>Fiber One</i> Soft Baked Bars	EU	20 percent daily recommended amount of fiber	■ Convenient fiber source



△ Jeanine Bassett, vice president of Global Consumer Insights at General Mills, explains major shifts in consumer eating habits. Rather than counting calories, consumers seek foods with calories that count - delivering satiety through increased protein, for example. General Mills continues to introduce snacks that meet increasing consumer demand for harder working calories.

^{*}NHANES 2011-2012; USDA Snacking Patterns of US Adolescents, NHANES 2005-

^{2006;} USDA Snacking Patterns of US Adults, NHANES 2007-2008.

^{**}Mintel Report, Consumer Snacking, UK March 2016, New Nutrition Business, 10 Key Trends in Food, Nutrition & Health 2016.

^{***}NHANES 2009-2010; NHANES 2011-2012.

^{****}Dietary Guidelines for Americans 2015-2020.

^{*****}Contains 50 percent less sugar than the average adult cereal bars sold in the U.K. in 2014.

Whole grains: Laying a foundation for healthy eating

Guidelines: Since 2005, the Dietary Guidelines for Americans have recognized whole grains as part of a healthy eating pattern. The 2015 - 2020 Dietary Guidelines for Americans continue to encourage consumers to make half their grains whole grain, which for most people is at least 48 grams of whole grain per day.

Research: Choosing foods made with whole grains every day can help families live healthier lives. Just as our portfolio of whole grain products has grown, so has the nutrition science on whole grains. In 2016, four major studies were published demonstrating that higher whole grain intake is an important part of a healthy eating pattern.* Research findings include:

- Higher whole grain intake was associated with a lower risk of premature death from all causes, including heart disease.
- One full serving (16 grams) increase in whole grain intake resulted in a reduced risk of premature death by 7 percent. Higher whole grain intakes showed greater benefit. Fifty grams of whole grain compared to no whole grain intake was associated with a reduced risk of premature death by 20 percent.

■ Whole grain intakes in the U.S. and many countries globally fall below recommended intakes.

These findings reinforce the need for higher whole grain intake as part of healthy eating habits.

Bringing whole grain to the table - part of General Mills' heritage



1941









2016









General Mills introduced its first ready-to-eat cereal, Whole Wheat Flakes in 1921. It was renamed

Wheaties in 1924.

We launched Cheerioats whole grain oats cereal in 1941 It was renamed

Over the past two decades, we have been on a mission to increase whole grain in our products. We accelerated this journey in 2005 when we converted our entire line of cereals to include at least 8 grams of whole grain per serving. It was the single biggest health-driven product improvement in our history.

Today our portfolio of whole grain products has expanded to include whole wheat flour, granola bars made with whole grain, and meal kits with whole grain pasta and rice. Keeping with tradition, all of our Big G, Nature Valley and Annie's cereals deliver double-digit grams of whole grain per serving.

Whole grain impact

16+ billion whole grain servings*

150 products with at least 16 grams of whole grain per serving** requirements

98 percent of our cereals list whole grain as the first ingredient

*More than 16 billion 16-gram whole grain servings shipped by U.S. and Canadian retail operations in fiscal 2016.

**U.S. and Canadian retail products.

^{1.} Zong G, Gao A, Hu FB, Sun Q. Whole grain intake and mortality from all causes, cardiovascular disease, and cancer: A meta-analysis of prospective cohort studies. Circulation 2016; 133: 2370-2380.

^{2.} Aune D, Keum N, Giovannucci E, Fadnes LT, Boffetta P, Greenwood DC, Tonstad S, Vatten LJ, Riboli E, Norat T. Whole grain consumption and risk of cardiovascular disease, cancer, and all cause and cause specific mortality: systematic review and dose-response meta-analysis of prospective studies. BMJ 2016 Jun 14; 353:i2716.

^{3.} Chen GC, Tong X, Xu JY, Han SF, Wan ZX, Qin JB, Qin LQ. Whole-grain intake and total, cardiovascular, and cancer mortality: a systematic review and meta-analysis of prospective studies. American Journal of Clinical Nutrition 2016; 104: 164-172. 4. Li B, Zhang G, Tan M, Zhao L, Jin L, Tang X, Jiang G, Zhong K. Consumption of whole grains in relation to mortality from all causes, cardiovascular disease, and diabetes: Dose-response meta-analysis of prospective cohort studies. Medicine Aug 2016; 95(33).

1B Diverse consumer food values

Consumers around the world are increasingly focused on the role of food in their overall health and wellness. Definitions of wellness vary by consumer. For example, some seek foods that are gluten-free or rich in protein, while others want products that contain fewer ingredients or foods that are certified organic.

As a consumer-first company, General Mills offers a variety of products to meet diverse needs and preferences. The graphic below outlines the wide range of benefits across our portfolio. See page 14 for key health and wellness impact metrics across our business.

No artificial ingredients

Many of our brands have made commitments to remove artificial flavors and colors from artificial sources, including the products shown in the table at right that have met this goal.

In addition, 90 percent of General Mills cereals do not contain artificial flavors or colors from artificial sources. We also are working to remove these ingredients from Progresso soups. To date, 89 percent of Progresso soups do not contain artificial flavors and 55 percent do not use colors from artificial sources.



No artificial ingredients impact						
Approximately half of our U.S. retail products are labeled as containing no artificial flavors, colors from artificial sources or artificial preservatives. Below are a few examples:						
Brand	Products*	No artificial flavors	No colors from artificial sources	No artificial preservatives		
PINICS (D)	<i>Annie's</i> - all products	Ø	⊘	⊘		
Yoplair	<i>Yoplait</i> Original, Custard, Greek100, Greek100 Whips, Greek 2% Whips yogurt	⊘	⊘			
Mountain High	<i>Mountain High</i> yogurt	Ø	Ø	0 0 0 0 0		
Vondik Vondik V	<i>Go BIG, Go-Gurt</i> and <i>Kid</i> yogurts	⊘	❖			
Collabo	Fruit Snacks	⊘				
Betty Crocker	<i>Betty Crocker</i> Gluten Free Mixes		⊘	Ø		
IMMAGULATE.	<i>lmmaculate Baking</i> Mixes			⊘		
Pillsbury	Pillsbury Crescents		⊘			
NATURE VALLEY	<i>Nature Valley</i> Granola Bars	Ø	⊘			

*U.S. retail product SKUs



Natural and organic

Consumer interest in natural and organic foods has increased significantly and is expected to drive double-digit growth over the next five years. Since 2000, we have been steadily expanding our natural and organic business, including through brand acquisitions, to meet this demand. General Mills is now the fourth-largest U.S. natural and organic food producer. We offer a mix of certified organic cereals, vogurt, vegetables, fruit products, snacks, meals and baking products.

We have committed to growing our natural and organic food business to US\$1 billion in net sales by 2019, and reached US\$750 million in net sales from this category in fiscal 2016.

We are also taking steps across our supply chain to ensure a long-term supply of organic ingredients. Learn more about how we are building our organic capacity in the Our Planet section of this report.

Organic impact



General Mills is the fourth-largest U.S. natural and organic food producer.*



Commitment to reach \$1 billion in sales by 2019.



500+ organic product SKUs available throughout the U.S. and Canada.



One out of every 10 products in our North American portfolio is certified organic or made with organic ingredients.

*Based on SPINS NOMC Dashboard data through June 12, 2016, SPINS Brand Positions: Natural Standards, Natural Perceived, Specialty Natural, Conventional Natural,

Our natural and organic journey





Spotlight: Annie's

General Mills acquired Annie's in 2014 to significantly expand our portfolio of organic products.

Annie's believes creating foods that are produced in a way that's better for consumers, farmers, animals, communities and the environment is better for all, individually and collectively. Annie's joined General Mills with the goal of bringing more of Annie's great tasting, organic products to more stores and more people across the country, with zero compromise to Annie's company mission. Annie's dedication to having a positive impact on both people

and the planet is inspired by Annie's founder, Annie Withey, and President, John Foraker.

"Annie's has been my labor of love since 1998 - intent on leaving the world a better place than when I came into it, for my four kids and the planet we all share," said Foraker. Learn more.

From the farm where food is grown, to the building where employees work, to the packaging in which food is shipped, the Annie's team is committed to sustainability in every aspect of the business. Find out more at annies.com.



Annie's and organic

- 88 percent of Annie's sales are from organic products (Certified Organic or Made with Organic).
- In fiscal 2016, Annie's purchased 60 million pounds of organic ingredients -36 percent more than fiscal 2015 and double the amount since fiscal 2012.
- Annie's works with trusted suppliers to source only non-GMO ingredients.

Gluten-free

Many consumers are trying to cut back on the amount of gluten in their diets. For consumers with a sensitivity to gluten including nearly 3 million Americans with celiac disease who must avoid gluten finding affordable, gluten-free foods that taste good can be a challenge. General Mills offers gluten-free products across our portfolio, including baking, brownie, cake and cookie mixes, frostings, refrigerated baked goods, cereal, flour, granola, oatmeal, pasta, soups, snacks, vegetables and yogurt.



 \triangle A few of the more than 1,000 gluten-free products from General Mills.

Protein

More than 50 percent of U.S customers want more protein in their diets.* We offer foods that are a good source of protein across a variety of product segments. including cereals, snacks and yogurt.



 \triangle We offer many products that are a good source of protein.

Reduced calories

We continually look for ways to reduce calories in our products, and we offer a variety of foods that help consumers manage their caloric intake. Maintaining a healthy weight can help manage certain risk factors associated with chronic conditions.



 \triangle We offer many products with reduced calories.

Gluten-free impact

- 2nd largest: General Mills is the second-largest U.S. producer of gluten-free products.**
- **1,000+ products:** In 2016, we offered more than 1.000 gluten-free product SKUs in North America.

Protein impact

- **230 products (U.S.):** 230 U.S. retail products have at least 10 percent daily value of protein per serving
- **50 products (Canada):** 50+ Canadian products qualify as a good source of protein

Reduced-calorie impact

- Two-thirds: Two-thirds of our North American retail products are 150 calories or less per serving.
- **150 calories:** 1,300+ U.S. retail products have 150 calories or less per serving
- 100 calories: 600+ U.S. retail products have 100 calories or less per serving

Fewer ingredients

Consumers increasingly seek products with simpler ingredient lists. Our natural and organic portfolio includes a variety of foods containing a limited number of ingredients.



△ Many of our LÄRABAR products contain 10 ingredients or less.

Employee passion drives innovation

Our employees' passion for making food people love drives everything we do. The introduction of gluten-free Cheerios followed several years of hard work by hundreds of employees who dedicated thousands of hours to make it happen. Phil Zietlow, an engineer in our Research and Development group for 50 years, helped lead the charge. A family member with celiac disease inspired his crusade to bring gluten-free Cheerios to the market.

"The gluten-free project is the top thing I've ever done in my life," says Zietlow. "With gluten-free Cheerios, we're helping a lot of people who really are suffering."

Learn more on our Taste Blog.



△ Phil Zietlow championed glutenfree Cheerios.

G4-PR1, FP6, FP7

^{**}Nielsen, total of U.S. - all channels, 52 weeks ending Dec. 3, 2016.

Fueling growth through innovation

Plant-based protein: Good Natured Soup

In August 2016, we introduced vegan, non-GMO Good Natured Soup. The soups (three varieties) contain fewer, simpler ingredients, no preservatives from artificial sources and no colors from artificial sources. Each Good Natured Soup uses bean powder and vegetables for texture and flavor, giving the soup a creamy consistency without using cream. In October 2016, People for the Ethical Treatment of Animals (PETA) honored General Mills with a Great Taste Award for Good Natured Soup.





△ Good Natured Soup comes in a carton instead of a can, so the packaging is BPA-free.



Progresso 100 percent antibiotic-free chicken soup

All 36 varieties of *Progresso* chicken soups contain 100 percent antibiotic- and hormone-free chicken breasts as of September 2016. We know consumers are concerned about animal welfare and negative impacts of antibiotic use. Learn more in the Our Planet section of this report.



Progresso is the first large U.S. retail soup brand to use 100 percent antibiotic- and hormone-free chicken.



"When we talked to people about what they love about soup, we heard one thing over and over – the chicken makes the soup. So, we knew it was important to raise the bar on the chicken we put into every can of Progresso soup. We set a very ambitious goal to bring antibiotic and hormone-free chicken to market. It's exciting to see it on store shelves."

- Ray Joncas, Director of Marketing, Progresso

Investing through 301 Inc

Today's fast-changing food industry requires rapid innovation and a steady stream of new ideas. In October 2015, General Mills began to invest in small food start-up companies through 301 Inc, an emerging brand incubator. This team of entrepreneurs works with passionate food company founders who have demonstrated some success with a compelling product that is a strategic fit for General Mills.

301 Inc collaborates with selected emerging food brands to create breakthrough innovations and build successful businesses by harnessing General Mills' expertise in product development (ingredients, products and packaging), supply chain, marketing and channel development. 301 Inc provides technical support in areas ranging from recipe development to commercialization, labeling, food safety, regulatory compliance, sourcing, operations, brand development, promotion and merchandising. We aspire to be an indispensable partner by integrating direct equity investment with the skills and capabilities of General Mills.



Companies currently working with and receiving investment from 301 Inc include:















? Food safety

2A Global leadership



Impact

- US\$16 million food safety spending in 2016, a US\$3 million increase over 2015; 8 percent of essential capital investment in 2016 for projects related to food safety.
- 600+ trained quality professionals and 55+ certified quality engineers monitoring food safety worldwide.
- 100 percent of our facilities worldwide are audited and/or certified by third parties using globally recognized food safety criteria.
- 80 percent of our company-owned production facilities are Global Food Safety Initiative (GFSI) certified.

Priority: Safety is a priority focus area for our company leadership and part of our culture. Leading with safety both the safety of our employees in the workplace and the food they make - is one of the key operating principles that guides our work.

Building global capacity

Expectations: As General Mills' operations expand around the world. we carry with us our commitment to food safety and strict adherence to the processes and expectations we

have been developing for more than half a century. Our standards are the same in developed and developing countries, though the food safety challenges vary widely across locations. We tailor training accordingly, building the capacity to ensure globally harmonized food safety standards.

Collaboration: Our investment in food safety education around the world includes our suppliers, partners, industry peers and regulators. Food safety leadership is a differentiator for General Mills, but not an area of competition. We freely share our best practices. emerging areas of concern and regulatory activities to help raise standards industrywide. We work with industry consortiums, partners and government agencies to advance food safety:

■ In 2014, we partnered with the Grocery Manufacturer's Association (GMA) to launch and chair a Food Safety Training share group focused on best practices among all food manufacturers. In 2016, we participated in the transition of that group into the Food Safety Learning Alliance (FSLA), a consortium of 10 member companies focused on improving food safety training for practitioners across the food industry. Sponsored by the GMA Science & Education Foundation, FSLA is currently working on comprehensive training materials for sanitation.

metal detection and allergens.

In June 2015, members of General Mills' microbiology team helped organize a global workshop hosted by GMA and the Joint Institute for Food Safety and Applied Nutrition (JIFSAN) that focused on risk assessment and prevention of foodborne listeriosis. The outcome of the meeting included recommendations for prioritizing resources and additional research in support of controlling listeria monocytogenes. A report detailing the presentations and recommendations was drafted and submitted for publication.

Sanitation: Proper sanitation is a foundation of food safety and an area where General Mills has developed significant expertise. Our Global Sanitation Center of Excellence trains General Mills teams as well as our suppliers and co-producers. Sanitation is a key focus area for all stakeholders, so we also share our expertise with customers, regulators and others in the food industry. Our sanitation efforts extend from the proper design and construction of facilities and equipment for promoting thorough cleaning to the rigorous sanitation processes and validation procedures necessary for ensuring safe food. In fiscal 2016, we initiated a global sanitation community, which hosted monthly

Legacy of food safety leadership

1950s

Established raw material vendor management program

1970s

Developed food safety program for quality engineers at production facilities

1980

Established food safety regulatory affairs role

2006

Established internal food safety training academy

2013

Surveyed employees about global food safety culture

2016

Implemented preventive controls training (Food Safety **Modernization Act** compliance)

1960s

Established food safety, quality and regulatory policies and standards

......

Hazard Analysis and Critical Control (HACCP) process developed

1996

Pioneered food allergen labeling on all products

2008

Initiated global food safety supplier schools

2015

Began using risk grid metric to measure improvement





global sanitation webinars. Each session attracted more than 100 participants.

Global systems

Expertise: Our food safety systems focus on prevention, intervention and response. We apply this approach systematically on a global scale.

Planning and governance: We integrate food safety into all our processes, beginning with R&D and extending across our supply chain. Our R&D employees incorporate food safety considerations when planning for new products to evaluate and eliminate potential food safety risks. Our Food Safety Board includes senior leaders from across our supply chain, R&D, legal, and quality and regulatory organizations, as well as subject matter experts in areas ranging from microbiology to consumer product usage. This board provides guidance and risk management review to ensure that we design food safety into our products.

Surveillance and risk mitigation: We are committed to mitigating and eliminating potential food safety risks. We conduct internal risk-based surveillance and food safety testing at all General Mills facilities. Each facility is assessed using a ranking tool to identify and prioritize specific areas of risk. Risk reduction goals are set based on the 2015 baseline. Food safety is part of our Zero-Loss Culture strategy (see Our Workplace section) and food safety metrics are tracked along with workplace safety data as we focus on improving our performance.

Our Global Internal Audit team periodically audits the effectiveness and efficiency of Quality and Regulatory Operations' internal controls and

operating procedures. This risk assessment is reported to the company's Global Governance Council and Board of Directors. General Mills' rigorous internal review of food safety procedures exceeds standard industry practices.

External verification and certification:

All General Mills facilities are audited under globally recognized food safety schemes. All of our facilities worldwide - including our companyowned plants and co-production sites - are audited and/or certified by an independent third party.

The Global Food Safety Initiative (GFSI) certification of General Mills' facilities is an additional assurance that our existing food safety systems continue to improve. GFSI, managed by the Consumer Goods Forum, promotes a harmonized approach to food safety throughout the industry. Across General Mills, we have achieved GFSI certification at 80 percent of our company-owned production facilities. indicating they meet global standards for food safety management recognized in more than 150 countries. We will continue to pursue GFSI certification with a goal of certifying 100 percent of General Mills-owned facilities by 2020. Globally, nearly 80 percent of our co-production sites and 55 percent of our ingredient supplier sites also are GFSI certified.

Traceability: Our inventory control and supplier management systems include the ability to trace the sources of our ingredients, which is key to isolating risks in the event of food safety concerns. We evaluate our suppliers' systems to ensure they meet our traceability requirements. Our approach to selecting, auditing and training suppliers helps ensure the

safety of the raw materials we use to make our products. (See story 2B.)

Action: As a prevention step, we regularly conduct mock recalls at our warehouses, production facilities and co-production sites worldwide. Results are shared annually as part of a global report.

We conducted 10 voluntary recalls in fiscal 2016, including some of our Gluten-Free Cheerios, flour and cake mix products.

Consumer response: All General Mills products around the world contain. labeling with basic nutrition facts, and almost all branded products provide General Mills contact information, including phone numbers, websites and addresses. When consumers contact us with questions or concerns, that data is systematically collected and tracked, offering a powerful early warning system for any food safety risks. We work with regulatory agencies and local governments to take appropriate action when needed. We also use this consumer response system to help us deliver the products consumers want. We first identified interest in gluten-free products. for example, based on consumer inquiries.

Governance and auditing

Detailed policies: Governance of General Mills' food safety and regulatory matters begins with a corporate policy signed by our Chief Executive Officer. This corporate policy is further supported by an additional set of 16 detailed policies. developed by subject matter experts, with accompanying standards and guidance documents. Policies are signed by the senior leader(s) in the functions primarily

responsible for assuring compliance. These global policies cover a broad range of food safety areas, including regulatory compliance, trace and recall, labeling, claims, physical, chemical and biological hazards, transportation, and good manufacturing practices and sanitation.

These policies form the framework for internal audits conducted by our Global Internal Audit team. We set high standards and have one set of policies and standards across the globe. Our target is ensuring our food is defect-free and achieving 100 percent compliance. Verification is a key component as we audit against a single set of standards and strive to be fair and firm on ratings. Our metrics drive common standards and speak to the desired outcome.

Leadership: The Vice President of Quality and Regulatory Operations has direct accountability for food safety. The Global Internal Audit team periodically validates that our food safety processes and controls are in place and operating effectively. The company's Global Governance Council conducts a quarterly review of risk, which includes food safety.

People and processes

Expertise: Our food safety formula begins with people - our team of experienced food safety professionals supported with adequate resources and guided by clearly defined processes. From board certified toxicologists to quality engineers, our people have the expertise to make informed food safety decisions, from product design through consumer use.

Training: In fiscal 2016, we increased training to support compliance with the U.S. Food Safety Modernization Act (FSMA)'s Preventive Controls Rule, which became effective September 2015. General Mills played a key role in providing industry perspective during development of the FSMA - the most sweeping change to U.S. food safety regulations in 100 years. To prepare for the FSMA requirement that each food safety plan be reviewed by a Preventive Controls Qualified Individual (PCQI), 125 of our employees participated in PCQI training, four employees were trained as lead instructors and one person was certified to train the trainers, helping us to scale this knowledge across the organization.

We continually refine our training approach through our global centers of excellence focused on key food safety requirements, such as sanitation, quality engineering and auditing. We provide comprehensive, consistent instruction through our global online training academy with materials in English, French, Mandarin Chinese, Portuguese and Spanish. In fiscal

2016, we conducted Auditor Academy training sessions attended by 194 participants from 14 countries. These sessions help improve our ability to identify and fix issues, as well as prevent food safety problems from occurring.

G4-FP5, PR1, PR2

hands-on instruction in best-in-class auditing skills.



Auditor Academy impact in 2016:



2B Audits and suppliers



Impact

- 800+ supplier audits conducted in 2016.
- 40+ co-producer audits conducted in 2016.
- 50+ suppliers trained through supplier schools and webinars in 2016.

Audits: To help ensure the safety of the raw materials (ingredients and packaging) we use in our products, we continue to expand the number of supplier and co-producer audits we conduct globally.

The General Mills Quality and Regulatory Operations team performs direct audits and also encourages thirdparty audits and/or certification, such as through GFSI, as an additional preventive control measure.

Supplier training: Our products are only as safe as the ingredients in them, so we bring together our suppliers around the world to share food safety knowledge and communicate food safety expectations. We conduct supplier schools in classroom settings tailored to the needs of each market. In 2016, we held supplier schools in China and Taiwan, building on our success of schools held in Australia, Brazil, China,



 \triangle Ingredient suppliers attended a training session in China in November 2015.

India, Spain, Thailand and the U.S. in prior years. Those seminars addressed topics such as biological and physical hazard controls, allergen management and production facility sanitization. Since 2011, we have had more than 600 participants in our supplier schools.

G4-PR1. FP2. FP5

3 Consumer education and responsible marketing

3A Consumer education

General Mills provides useful, objective. fact-based information on packages to help consumers make easier comparisons and informed dietary choices. Our product packages display accurate nutrition labeling as prescribed by regulations in the country of sale.

As a member of the International Food and Beverage Alliance (IFBA), General Mills has made a commitment to adopt a common global approach to nutrition information on packaging that includes, at minimum, the labeling of calories on frontof-pack. This initiative was implemented globally during 2015 to inform consumers about specific product nutrition attributes.

Around the world, our product labeling meets local regulatory requirements while remaining consistent with our global approach. For example, we provide additional nutrient information on our packaging in markets such as Australia. Europe and the U.S.

Australia: To provide consumers with clear, fact-based nutrition information.



we are implementing the Australian Daily Intake Guide frontof-pack labeling scheme consistent

sell in Australia include front-of-pack labeling.

with IFBA requirements. In 2016, 98 percent of our products in Australia displayed nutrition intake reference information on the front of the package.

In July 2016, the Australian government introduced a new information standard for labeling the country of origin on food packaging. During the two-year transition period, food businesses will



begin applying easyto-understand labels to inform consumers at a alance where food is grown, produced, made or packed. The labels will also provide the percentage of ingredients that come from Australia.

 \triangle New labels will inform consumers about the percentage of ingredients sourced from Australia.

Brazil and Argentina: All General Mills package information complies with local regulations. We include the



energy icon on the front-of-pack for all our product packaging in Brazil and Argentina.

products have the energy (calories) icon printed on the front of packages.

Canada: All General Mills package information complies with Health Canada and Canadian Food Inspection Agency labeling requirements. In 2016, Health Canada introduced the Healthy Eating Strategy to help make it easier for Canadians to make healthier food choices. The strategy includes initiatives to improve healthy eating, protect vulnerable populations, strengthen labeling and claims, improve nutrition quality standards, and support increased access to and availability of nutritious foods. General Mills is working to comply with the new requirements related to front-of-pack labeling, sodium. marketing to kids, Nutrition Facts labeling and trans fat regulations.

Europe: All General Mills package information complies with European Food Information to Consumers Regulation. All General Mills consumer products in Europe include dietary reference intake information on the packaging. General Mills aims to provide the highest level of consistency and transparency possible working within packaging constraints. Where space on packages permits, the five-icon 'Reference Intake' format - including energy (calories), fat, saturated fat, sugar and salt - is displayed. We include the energy icon as a minimum on smaller packages.

U.S.: The majority of our U.S. products now feature front-of-package labeling.



△ Nutrition Keys are printed on the front of most of our U.S. retail product packages to make it easier for consumers to make informed choices.

G4-EC1, FP4, FP8, PR3



3B Responsible marketing



Commitment

Global: Commitment to International Food and Beverage Alliance pledge U.S.: Compliance with Children's Food and Beverage Advertising Initiative guidelines

Europe: Compliance with EU Pledge guidelines

Brazil: Compliance with enhanced Commitment to Responsible Advertising for Children pledge

Canada: Compliance with Canadian Children's Food and Beverage Advertising Initiative guidelines

Singapore: Compliance with Singapore Food and Beverage **Industry Responsible Advertising** to Children Initiative

Australia: Compliance with Responsible Child Marketing Initiative of the Australian Food and Grocery Council

Philosophy: We believe children should be encouraged to consume lower-calorie, nutrient-dense foods that support their growth and activity. Our marketing guidelines and commitments support this philosophy.

Guidelines: General Mills' marketing guidelines underscore our commitment to responsible marketing and advertising by stating that all marketing to children should respect three key steps to healthier living: balance, moderation and physical activity. We take particular care around advertising directed to children including prior review by the Better

Business Bureau's Child Advertising Review Unit in the United States. We. update our marketing policies annually to reflect current standards and practices.

Review: General Mills' marketing policies are reviewed and updated annually by our company's Responsible Marketing Council. These policies are reviewed annually with the company's Chief Executive Officer and the Chief Operating Officers of our U.S. and International operating units. We adhere to strict internal and industry guidelines - that in many cases are more demanding than local regulations - in producing and reviewing ads to ensure they are appropriate for the intended audience.

Global commitment: As charter members of the International Food and Beverage Alliance (IFBA), we

joined other leading food and nonalcoholic beverage companies in a public letter to the Director General of the U.N. World Health Organization in September 2014 communicating a set of enhanced global commitments that included responsible marketing and advertising initiatives. These standards encompassed commitments around product reformulation and innovation as well as a common global approach to providing nutrition information on packaging, at the point of sale and through other channels by the end of 2016. The enhanced commitments included an expansion of IFBA's global marketing policy, in place since 2009, which specified that members would only advertise products that meet better-forvou criteria or refrain from all product



 \triangle We have made commitments around the world supporting responsible marketing and advertising to children.



△ General Mills is a charter member of IFBA and supports its responsible marketing and advertising initiatives.



△ The Children's Food and Beverage Advertising Initiative (CFBAI) is a voluntary program of the Council of Better Business Bureaus.

••••••



 \triangle General Mills is a founding member of the EU Pledge covering advertising to kids under age 12. •••••



△ As a founding member of CFBAI. General Mills upholds its child advertising nutrition standards.



△ The Singapore Food and Beverage Industry Responsible Advertising to Children Initiative is a pledge promoted by Food Industry Asia. _____



△ The Responsible Child Marketing Initiative is a program of the Australian Food and Grocery Council.

The 2014 commitments strengthened that policy in three core areas: media, marketing and harmonized criteria. The policy covers virtually all media and certain marketing techniques directed at children under the age of 12. Members have committed to working toward harmonizing global nutrition criteria to ensure that better-for-you foods are based on robust common standards.

Compliance with IFBA commitments is monitored independently and publicly reported by Accenture annually. General Mills follows the Children's Food and Beverage Advertising Initiative (CFBAI) nutrition standards in markets where other regulatory or self-regulatory standards do not exist. We apply the CFBAI nutrition standards to products that we advertise to children under the age of 12.

U.S.: General Mills supports the CFBAI child advertising nutrition standards. Our company is a founding member of CFBAI and has been in full compliance with the CFBAI standards since their inception in 2006, including the Uniform Nutrition Standards that took effect in December 2013. These category-level guidelines apply rigorous nutrition standards for specific food groups, such as yogurt and cereal, consistently across the U.S. food and beverage industry.

Europe: As a founding member of the EU Pledge, a voluntary initiative by

leading food and beverage companies. General Mills agrees to advertise only products that meet specific nutrition criteria to kids under age 12. This pledge applies to all brands of our General Mills portfolio in Europe, including CPW and Yoplait. On January 1st 2017, the EU pledge members committed to extend the scope of the commitment to cover a number of additional media and to address the content of their marketing communications. The EU Pledge is officially recognized by EU institutions and is a commitment to the EU Platform for Action on Diet, Physical Activity and Health, owned by the World Federation of Advertisers (WFA).

Brazil: In December 2016, the IFBA launched an enhanced Commitment to in Brazil, building on the 2009 pledge. Effective January 2017, General Mills and other pledge participants commit to advertise to children under 12 years of age only products that meet common nutrition criteria based on reputable scientific evidence and/or national and international dietary guidelines.

Canada: In Canada, we participate in the Canadian Children's Food and Beverage Advertising Initiative (CAI), a voluntary initiative by 18 of Canada's leading food and beverage companies to promote and support healthy dietary choices and



 \triangle We believe children should be encouraged to consume low-calorie, nutrient-dense foods.

lifestyles to children under 12 years of age. General Mills played a leadership role in developing the new CAI nutrition criteria announced in October 2014 that established a single set of guidelines for advertising only better-for-you products in eight food and beverage categories. The criteria include maximum calories. nutrients to limit and other nutrients to encourage. The criteria went into full effect in December 2015; we have applied these guidelines to all of our new products since their announcement.

Singapore: As a signatory to the 2012 Initiative, General Mills supported and was involved in the development of industryled Food and Advertising Guidelines through a public-private consortium

(via the Committee on Guidelines for Food Advertising to Children). The new guidelines went into effect January 1, 2015, and build upon the industry pledge that requires all food and beverage products promoted in marketing communications targeted at children age 12 and younger to meet common nutrient criteria. The guidelines apply to all media platforms.

Australia: General Mills is a signatory of the Responsible Child Marketing Initiative of the Australian Food and Grocery Council. While our Australian brands do not specifically market to children, we nevertheless adhere to the terms of the code around non-advertising in media primarily directed to children.

G4-PR6. FP8



"General Mills is committed to the highest standards of responsible marketing." Through our leadership and participation in industry self-regulatory initiatives globally, we work to deliver that commitment."

Mary Catherine Toker, Vice President, Government Relations



4 Transparency

Consumers, regulators, investors and other stakeholders all seek more information about the food we make. Consumers want to know what's in their food, where it comes from and how it is prepared. They look for familiar ingredients on food labels and want to understand what purpose those ingredients serve. They also want assurance that the food has been grown and harvested in a responsible and sustainable manner that respects people, animals and the environment.

At General Mills, we are committed to increasing transparency about our food and our processes, and recently launched several new tools to further this effort Learn more about our environmental and social sustainability initiatives in the Our Planet section of this report.

AskGeneralMills.com

In March 2016, we launched askgeneralmills. com to provide consumers with answers to questions about our food. The site features the most frequently asked consumer questions through generalmills. com and our toll-free number, along with answers and links to other material, such as videos, photos, blogs and website content. As of December 2016, more than 116,000 users had visited the site to access information and submitted 5,400 questions on a variety of topics. including use of GMOs by product/ brand, the motivation behind gluten-free Cheerios, our animal welfare policy, food ingredients and much more. We continue to build the database of questions and answers and recently added definitions of nearly 100 ingredients for which consumers frequently request information.

Understanding consumers and building trust

In 2016, General Mills conducted extensive consumer research to better understand what they seek, how we can most effectively communicate with them to increase transparency and what it takes to earn their trust.

Here's what we heard:

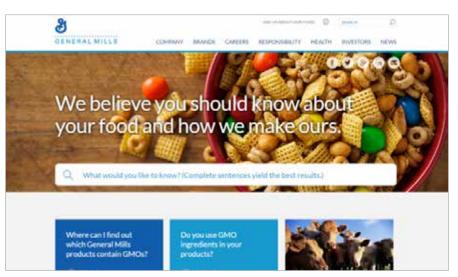
- Brands reflect people's values and people want brands that share their values.
- People want to know that information is available if they want it.
- Relationship is two-way. enabled by technology.

This research has been used by our consumer brand teams and corporate functions to build trust with consumers, employees and key stakeholders.

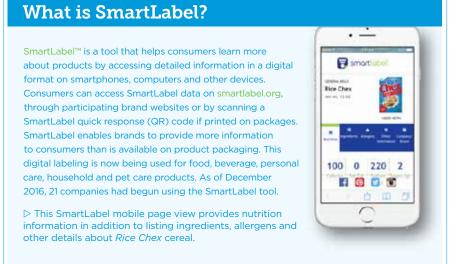
SmartLabel

When the SmartLabel™ pilot launched in December 2015. General Mills was one of the first companies to implement this tool in the market. Led by the Grocery Manufacturers Association (GMA), SmartLabel is a voluntary initiative that provides an organized, consistent way for consumers to access product information digitally.

In December 2015. General Mills launched a SmartLabel pilot, which included 17 U.S. retail cereal SKUs (a combination of *Chex* and *Fiber One* products). We plan to expand use of this tool to other brands and products in our U.S. portfolio, focusing on delivering information through brand websites and smartlabel.org.



 \triangle Consumers can find out more about their food on askgeneralmills.com.





Product recalls

When we learn about illnesses that may be linked to our products, we take quick action. We collaborate with health officials to investigate the situation, communicate with consumers and issue voluntary product recalls to remove affected products from store shelves, when appropriate, such as Gluten-Free Cheerios in October 2015. Learn more about our commitment to food safety in stories 2A and 2B in this section of the report and in this Taste of General Mills blog post.

Biotechnology and food

We agree with the UN World Health Organization (WHO) that the development of genetically modified organisms (GMOs) offers the potential for increased agricultural productivity and improved nutritional value that can enhance human health and development.

Safety: Safety is our highest priority, and we find broad global consensus among food and safety regulatory bodies that approved GMOs are safe. The following organizations have determined biotech crops to be as safe and acceptable as their conventional counterparts: WHO, Food and Agriculture Organization of the United Nations, European Food Safety Authority, U.S. Food and Drug Administration, U.S. Department of Agency and Health Canada. The National Academy of Sciences, American Medical Association and the British Royal Society also found no health risks associated with genetically modified (GM) ingredients.

Productivity: One in eight people in the world today - more than 900 million people worldwide - do not have enough to eat. And by 2040, the world's population is projected to increase to 9 billion people. Global experts project that to meet the growing needs of an increasingly hungry world,

we will need at least 50 percent more food, 45 percent more energy and 30 percent more water. Biotechnology shows promise to strengthen crops against drought and extreme temperature and deliver more nutritious food, even in poor soil conditions.

Benefits: Numerous studies have identified benefits related to global food security and the environment:

- Farmers planting GM crops tend to generate more stable, and sometimes higher, vields.
- GM crops generally need less insecticide and may enable the use of less harmful herbicides.
- GM crops often require less energy use by farmers and are associated with reduced GHG emissions, improved water quality, improved nitrogen retention, improved water filtration and erosion reduction in soil.

Responsible technology, marketing and usage: Incumbent with any technology

use is the need for supply chain actors to regularly review, identify and address issues associated with the technology, including pest and weed resistance.

Alternatives: We understand that consumers have different views on these topics, and we respect these consumer values. That's why we offer products that do not contain ingredients produced using biotechnology. We offer organic and non-GMO alternatives in most of our major categories in the U.S.

Transparency: In the spring of 2016, we launched AskGeneralMills.com to further enhance transparency around which of our products contained GMOs.

Read more about GMOs at Issues/on-biotechnology.

G4-EC1, EN12, EN13, EN27, PR6

Non-GMO Project

We've enrolled nearly 600 General Mills products - predominantly our natural and organic products - in the U.S. Non-GMO Project, a nonprofit organization that provides consumers with information about non-GMO products. The Non-GMO Project Product Verification Program is North America's only third-party verification for non-GMO food and products.





General Mills brands	Number of Non-GMO Project Verified product SKUs
Annie's	143
Cascadian Farm	138
Food Should Taste Good	103
Immaculate Baking	23
LÄRABAR	114
Muir Glen	74
Total	595

Our Planet

Our sustainability mission is to treat the world with care.

IN Climate change THIS SECTION

Sustainable sourcing

Wat stev

Water stewardship

Ecosystems

5 Human rights

Animal welfare

Overview

Our goal is to protect the resources upon which our business depends by promoting environmentally and socially responsible practices across our value chain. The areas of greatest environmental impact in our supply chain including more than two-thirds of GHG emissions and 99 percent of water use - occur outside General Mills' operations, primarily in agriculture. We are working to reduce those impacts through our climate ambition goals, water stewardship program, ecosystems commitments and sustainable sourcing initiatives. We advance responsible sourcing practices that respect human rights and protect animal welfare.

Sustainability goals					
*	Climate change	We are committed to combating climate change by working toward sustainable emissions levels by 2050 and reducing GHG emissions by 28 percent by 2025. Learn more.			
	Sustainable sourcing	We are committed to sustainably sourcing 100 percent of our 10 priority ingredients by 2020, representing more than 40 percent of our annual raw material purchases, and supporting the livelihoods of smallholder farmers who grow our ingredients. Learn more.			
	Water stewardship	We are advancing the sustainability of water use across our supply chain by ensuring farmers and communities have long-term plans to improve the health of key watersheds by 2025. Learn more.			
ace ace	Ecosystems	We are committed to improving the health of ecosystems in our supply chain through our work on soil health, pollinators, organic farmland and integrated pest management. Learn more.			
	Human rights	Respect for human rights is fundamental to our company's purpose and values. We are committed to conducting business with high ethical standards and expect our suppliers to do the same. Learn more.			
ANIMAL	Animal welfare	We support the humane treatment of animals in agriculture. Our animal welfare policy includes a commitment to use 100 percent cage-free eggs in our operations by 2025. Learn more.			

Leadership and governance:

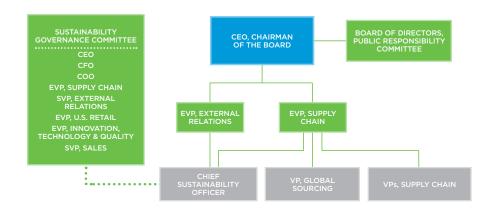
At General Mills, our Chairman and Chief Executive Officer has ultimate accountability for sustainability, which is included in his annual performance objectives and impacts his compensation. The Chairman and CEO convenes the Sustainability Governance Committee three times per year to review and approve strategies, programs and key investments.

Oversight of the company's sustainability work is provided by the General Mills Board of Directors' Public Responsibility Committee, which regularly reviews the company's sustainability objectives, strategies and performance.

The company's Vice President and Chief Sustainability Officer (CSO) stewards the company's sustainability

work, reporting to the Executive Vice President of External Relations and Executive Vice President of Supply Chain, and working closely with the Vice President of Sourcing and other key business leaders to develop, coordinate and execute programs to achieve companywide targets.

G4-15, 42



"As a global food company, we depend on nature's systems to make the food people love, so it's vital that we continue to make steady progress toward our ambitious climate, GHG and water commitments. We know that one company alone can't negate climate change, but working in cooperation toward aggressive goals is how we will start to see more meaningful results."

- Jerry Lynch, Vice President and Chief Sustainability Officer

1 Climate change

Climate change presents risks to humanity, our environment and our livelihoods. Changes in climate not only affect global food security but also impact General Mills' raw material supply. This influences our ability to deliver quality products to our consumers and value to our shareholders.

Approach

Our General Mills Policy on Climate, which focuses on mitigation, adaptation, disclosure and advocacy, establishes a framework to track and reduce greenhouse gas (GHG) emissions across our value chain.

Collaboration: We directly control only a small portion of our value chain, so driving transformation across the entire system requires new levels of leadership and collaboration with farmers, packaging producers, product transport providers, retailers and customers.

We drive progress through involvement in initiatives such as Field to Market:

The Alliance for Sustainable Agriculture and our work with The Nature Conservancy to develop a soil health roadmap. See Agriculture and transformation for more details.

Combating climate change also requires collective action across industries and our broader society. Through the BICEP

Energy Policy) coalition, we work with other businesses and policymakers to advocate for innovative and impactful climate and clean energy policies. We are also signatories to the New York Declaration on Forests and the UN Caring for Climate Declaration.



Goal: In 2015, we set a science-based goal to reduce absolute GHG emissions across our full value chain by 28 percent by 2025 (compared to 2010). Our longer-term goal is to achieve sustainable emission levels in line with scientific consensus by 2050.

Performance: In 2016, our GHG emissions footprint increased 3 percent compared to 2010, but fell 2 percent versus 2015. Net sales, which rose 12 percent since 2010 but decreased 6 percent year over year, played a key role.

We need to accelerate recent progress to reach our goals. As our target is to reduce absolute emissions, our

ongoing challenge is to decrease our footprint while growing our business.

For details on the risks and opportunities General Mills faces due to climate change, see our CDP submission online. Recognizing the company as a global climate leader, we were named to the CDP Climate A-List in 2016.

The sections on the following pages break down our footprint by value chain phase and describe our efforts to improve performance.

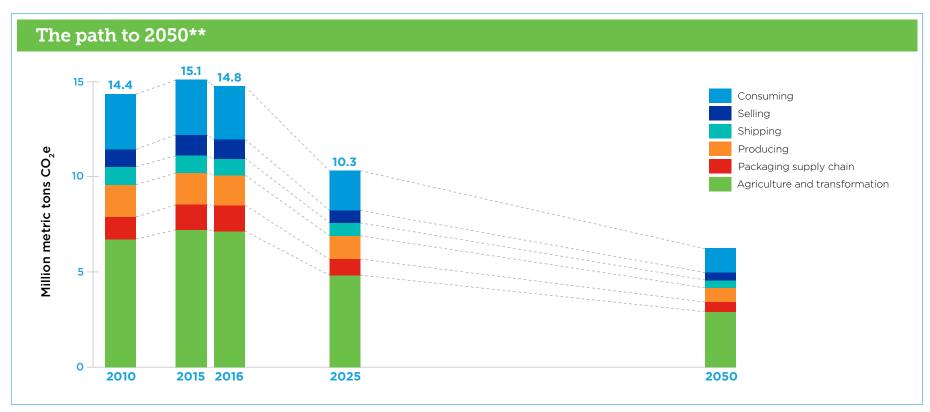
G4-16, EC2, EN15, EN16, EN17, EN18, EN19



2025 goal*: Reduce absolute GHG emissions across our full value chain by 28 percent



2050 goal*: Reduce absolute GHG emissions across our full value chain to sustainable levels in line with scientific consensus



^{*} Compared to 2010.

^{**} General Mills worked with Quantis, a sustainability and life-cycle assessment (LCA) consulting firm, to calculate our company's GHG emissions footprint. The calculation methodologies align with the Greenhouse Gas Protocol, developed by World Resources Institute (WRI) and World Business Council for Sustainable Development (WBCSD). Relative size of value chain segments for 2025 and 2050 are based on 2010 data.



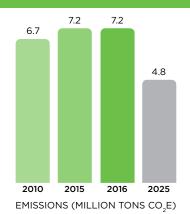




Agriculture and transformation (48% of total value chain GHG emissions)

Growing and transporting crops, and turning them into food ingredients

GENERAL MILLS' LEVEL OF INFLUENCE: **MEDIUM**



KEY DRIVERS (% OF EMISSIONS)



ROW CROPS*

29% 23%

DAIRY PRODUCTS





7%



Agriculture and transformation represents the largest source of GHG emissions across our value chain, so it is central to our reduction efforts.

Performance: Greenhouse gas emissions increased 7 percent in 2016 compared to our 2010 baseline. This was primarily due to a rise in net sales and

corresponding commodity purchases between 2010 and 2016, partially offset by a decrease in the GHG-emissions intensity of some of our ingredients.

Approach: Our efforts focus on:

- Soil health: Healthy soil has significant potential to sequester carbon. For
- a full discussion of our work in this area, see the Ecosystems section.
- Row crops: In the U.S., we partner with Field to Market and our suppliers to help growers of wheat, sugar beets and corn gather data on the impact of their farming practices. including GHG emissions.
- Dairy products: Dairy management contributes to GHG emissions due to feed production, methane emissions from digestive processes, manure, processing, transport of raw milk and other factors.

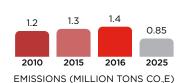
See the Sustainable sourcing section for more details on our row crop and dairy initiatives.



Packaging supply chain (9% of total value chain GHG emissions)

Producing packaging materials (making and transporting)

GENERAL MILLS' LEVEL OF INFLUENCE: HIGH



KEY DRIVERS (% OF EMISSIONS)



39%



37%



23%



We continually innovate to reduce the environmental impact of packaging through better design - by decreasing

materials use, switching to lower impact materials (including renewable) and improving truckload packing efficiencies.

Performance: Greenhouse gas emissions increased 15 percent in 2016 compared to our 2010 baseline. This

was due to an overall increase in packaging volume between 2010 and 2016 as well as expanded



use of higher impact materials. such as aluminum yogurt lids.

Sourcing: General Mills has a target to source 100 percent of our fiber packaging by 2020 from recycled material or from virgin wood fiber regions that do not contribute to deforestation. In 2016, 99 percent of the fiber packaging we purchased was sustainably sourced. See the Sustainable sourcing section for more details.

Recycled and recyclable materials:

We continue to increase our use of recycled and recyclable materials. In 2016, recycled content represented

about 42 percent of General Mills' product packaging weight in the U.S. Approximately 88 percent of our packaging in the U.S. was recyclable.1



 \triangle Two-thirds of our products with large enough packages now include How2Recycle labels, developed by the Sustainable Packaging Coalition.

Design innovation: In 2014, General Mills began an industry-leading program to replace the petroleumbased polyethylene (PE) plastic liner of Cascadian Farm cereal boxes with a bio-based PF. As of October 2016, the renewable material represents about 68 percent of liner material for the product. We're using about 270 metric tons of this material on an annual basis, which will reduce yearly GHG emissions by approximately 750 metric tons CO₂e. Through ongoing technical innovation, we're working to increase

G4-EN2, EC1

External collaboration: We partner with

industry and community organizations to improve recycling effectiveness and availability.







The Association of **Plastic Recyclers**

According to analysis conducted by General Mills in 2016. Packaging is considered recyclable if 60 percent or more of the U.S. population has access to recycling for the material.



Producing (11% of total value chain GHG emissions)

Making our products (mixing and cooking)

GENERAL MILLS' LEVEL OF INFLUENCE: HIGH



ELECTRICITY

EMISSIONS (MILLION TONS CO,E)

KEY DRIVERS (% OF EMISSIONS)

renewable content to 100 percent.



18% 42%



The amount and type of energy we use are the key drivers of GHG emissions from our operations.

Performance: Greenhouse gas emissions decreased 7 percent in 2016 compared to our 2010 baseline, primarily due to our ongoing progress in energy efficiency and reductions in the average GHG-emissions intensity of the electricity we purchase.

Five-Step Energy Reduction Process:

The 19 plants participating in this program represent 80 percent of our global energy use from manufacturing.

In fiscal 2016, we implemented more than 300 projects at these sites through the Five-Step process. These saved over 50 million kWh,

Five-Step Energy Reduction Process

STEP 1 Establish Energy Program

STEP 2 Conduct Energy **Analysis**

STEP 3 Develop Improvement Plan

STEP 4 Execute **Improvement** Plan

STEP 5 Validate Results

delivered US\$6 million in Holistic Margin Management (HMM) reduction and avoided nearly 45,000 metric tons CO₂e of GHG emissions. We expect this program to save General Mills about US\$10 million in energy use over the next several years.

Renewable energy: We have implemented numerous renewable energy initiatives at facilities worldwide that meet

²This data is greater than the sum of Scope 1 and Scope 2 data included in the Environmental Data Summary, because it also includes GHG emissions related to upstream fuel and energy generation as well as waste from manufacturing.



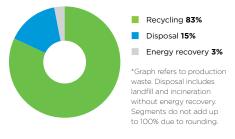
financial guidelines and support our environmental objectives. Overall, we generated more than 117 million kWh of renewable energy onsite in 2016, almost 4 percent of our total energy usage.

Waste reduction: We also work to decrease waste, which saves money and materials and decreases our overall GHG emissions.

Worldwide, at the end of fiscal 2016. seven General Mills production facilities (about 12 percent of the global total) met our zero-waste-to-landfill criteria.3 We continue working to meet our target to achieve zero waste to landfill at 30 percent of our owned production facilities by 2020 and 100 percent by 2025.

To view additional data about GHG emissions, energy usage in our directly controlled operations, and water and solid waste, see the

Solid waste by disposition* (% of 2016 global total)



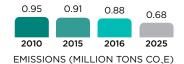
G4-EN2, EN3, EN5, EN6, EN19, EN23



Shipping (6% of total value chain GHG emissions)

Transporting ingredients to our facilities and our products on to stores

GENERAL MILLS' LEVEL OF INFLUENCE: HIGH



KEY DRIVERS (% OF EMISSIONS)





We work with our suppliers, co-packers, transportation providers and customers to reduce the environmental impact of shipping our products around the world.

Performance: Greenhouse gas emissions decreased 8 percent in 2016 compared to our 2010 baseline, due to shifts to more efficient transport modes and improvements in truck fuel efficiency.

Strategies:

- Optimizing transportation modes, including moving loads to modes with less impact, such as from truck to rail or ship.
- Using innovative technologies such as lightweight truck cabs and semitrailers powered by compressed natural gas.
- Collaborating with suppliers and customers to increase capacity utilization and providing customers incentives through our Direct Plant Ship program.
- Prioritizing shippers with strong environmental credentials. In North America, 80 percent of our spending on product transport providers is with SmartWay certified carriers.



Improving logistics planning by regionally sourcing products, filling trucks more completely and using load optimization software.

G4-EN19. EN30

³ These facilities sent no waste to landfill or incineration without energy recovery.

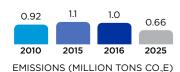




Selling (7% of total value chain GHG emissions)

Making food available for purchase and daily operations of our business (promoting and storing)

GENERAL MILLS' LEVEL OF INFLUENCE: LOW



KEY DRIVERS (% OF EMISSIONS)



86%

14%

We support the efforts of our customers who are working to reduce energy use and associated GHG emissions related to storing and refrigerating our products.

Performance: Greenhouse gas emissions increased 10 percent in 2016 compared to our 2010 baseline. largely due to changes in net sales.

Sales and marketing: This category also includes General Mills activities that support sales and marketing, such as business travel. We continue to reduce

impacts in this area through increased use of virtual meeting technologies and upgrades to more efficient fleet vehicles. From fiscal 2010 through fiscal 2016, we reduced the GHG emissions intensity of our U.S. sales fleet by 29 percent

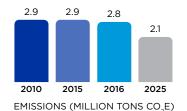
per mile driven. By the end of 2016, all of our U.S. sales fleet vehicles will be more efficient 2016 and 2017 models.



Consuming (19% of total value chain GHG emissions)

Enjoying food (shopping, preparing and eating) and disposing

GENERAL MILLS' LEVEL OF INFLUENCE: LOW



KEY DRIVERS (% OF EMISSIONS)



HOME COOKING

HOME STORAGE 21%

END OF LIFE

32%

13%

Product characteristics such as preparation and storage requirements determine the majority of emissions in this phase, followed by customer transportation to and from stores.

Performance: Greenhouse gas emissions decreased 4 percent in 2016 compared to our 2010 baseline. reflecting a shift in our portfolio to more products that do not require

cooking or refrigeration as well as less GHG-intensive consumer transport.

Food waste: General Mills supports several initiatives to combat food waste. In 2016, our grantees rescued more than 2.2 billion pounds of excess food to feed the hungry, rather than go to landfills. Learn more in story 1B in the Our Community section of this report.



Our approach: engage & transform

We focus on improving the environmental, social and economic impacts of raw material sourcing. We implement sustainable sourcing practices for a variety of reasons. First, we want to ensure supply chain resiliency and our ability to continue making food people love well into the future. And second, it is the right thing to do, which is one of our company's core values. We know consumers care about where our food comes from and how it is made.

We move our supply chain toward more sustainable solutions using three strategies: origin-direct investment, continuous improvement and verification.

Partners: We partner with a range of industry groups to advance sourcing sustainability, including Field to Market:

2010

Sustainable sourcing engagement strategies



2011

Origin-direct investment

We invest directly at the origin for crops like vanilla and cocoa to improve smallholder farmer livelihoods and ingredient quality.



We advance the sustainability of dairy and row crops by engaging with farmers to reduce the environmental impact of agriculture. We ensure sustainable sourcing of these commodities by documenting continuous improvement over time.



Verification

We increase the sustainability of palm oil, fiber packaging and sugarcane by working across the industry to improve practices. We verify progress by purchasing certified sustainable raw materials or completing independent verification in high-risk regions.

2015

Initiative (SVI) and Bonsucro, as well as nongovernmental organizations

(NGOs) like The Nature Conservancy (TNC) and the international humanitarian organization CARE.

Our sustainable sourcing journey

Began work with World Wildlife Fund (WWF) to integrate sustainability into General Mills' supply chain.

Completed comprehensive supply risk analysis* of all agricultural raw materials purchased worldwide with WWF.

Began water risk assessment of all plants and growing regions working with The Nature Conservancy (TNC).

Announced commitment to sustainably source 100% of palm oil by 2015.

2013

Completed water risk assessment with TNC.

Announced commitment to sustainably source 100% of 10 priority raw materials by 2020. Achieved target of 100% palm oil sustainably sourced.

*Each raw material was assessed against dozens of potential risk categories, including animal welfare, child and forced labor, worker health and safety, indigenous peoples' rights, deforestation, economic sustainability, fertilizer (nitrogen) use, GHG emissions, soil loss, water quality and water use.

2012

Performance dashboard: Sourcing

Commitment: Sustainably source 100 percent of our 10 priority ingredients



Progress: 69% of these raw materials

Raw material/ingredient	FY2016 progress** (% of volume sustainably sourced as of May 2016)	Primary focus***		Christian	Contacting to Ultimate Association
		Environmental	Social	Strategy	Sustainability definition
Cocoa	46%	•	P	Origin-direct investment	Direct investment at origin to improve smallholder farmer livelihoods and ingredient quality
Vanilla Vanilla	22%				
Oats	50%	•		Continuous improvement	Documented continuous improvement using industry-based environmental metric
U.S. wheat	36%	•			Documented continuous improvement using Field to Market framework or comparable metrics
U.S sugar beets	68%				
U.S. corn (dry milled)	33%	•			
U.S. dairy (raw fluid milk)	38%	•			Documented continuous improvement measured by Stewardship & Sustainability Framework (U.S.) or comparable metrics
Fiber packaging	99%	•		Verification	Recycled material or virgin wood fiber fror regions not contributing to deforestation
Sugarcane	67%	•			Sourced from independently verified low- risk regions, or compliance with Bonsucro of comparable standards in high-risk regions
Palm oil****	100%				RSPO mass balanced, segregated sustainable palm, or green palm certificate

^{*}Percentage adjusted from prior report due to changes in overall spend and commodity prices.



^{**}Progress numbers may vary from year to year due to changes in suppliers, market conditions or improvements in data tracking methodology. All numbers calculated based on volume except fiber packaging, which is based on percent of

^{***}Our efforts are focused on areas of significant challenge at the point of origin where we can have the greatest impact.

^{****}Palm oil target 100% by FY2015; baseline year FY2010 for palm oil (baseline FY2014 for all other ingredients).

2A Origin-direct investment

We rely on farmers and farming communities for our ingredients. We know that when farmers can earn a good living and take care of the environment around them, their lives are better, their communities are more stable, and we're better able to make the food people love. Our origin-direct strategy is to invest in smallholder farmers and their communities to improve livelihoods and the sustainability and quality of our ingredients.



Cocoa

Commitment: General Mills will source 100 percent of our cocoa by 2020 through programs that improve the livelihoods of smallholder farmers and the quality of the ingredients.

Status: 46 percent of the cocoa General Mills purchased was sustainably sourced in fiscal 2016.

Challenges include:

- Economic viability ensuring smallholder farmers earn enough from growing cocoa to feed their families
- Low productivity low yields, crop loss due to pests or disease. and degraded soil fertility
- Child labor helping families keep children in school
- **Deforestation** due to the expansion of cocoa plantations in some areas

Progress: In 2016, we expanded our work with key suppliers to provide direct support to cocoa-growing communities in West Africa. Learn more in the Our Community section of this report.

More than 70 percent of the cocoa we purchase is grown in West Africa.

In Côte d'Ivoire, we partner with cocoa suppliers Barry Callebaut and Cargill to help smallholder farmers. Our support of the Cargill Cocoa Promise program with CARE in Côte d'Ivoire benefits 10 communities. Our support of Barry Callebaut's Cocoa Horizons program helps farmers in 65 cocoa cooperatives improve productivity through training, support and financing.*



In **Ghana**, we are working with cocoa supplier Cargill and humanitarian NGO CARE in 20 communities to form village cooperatives and provide technical assistance and educational support for more than 2.200 smallholder farmers.

In Nigeria, we launched a new partnership with cocoa supplier Olam.

*Impact from General Mills funding and donations from other companies combined for maximum impact in the Cocoa Horizons program.

Beginning in January 2017, all of our powdered cocoa is now sustainably sourced. We have plans in place to transition an additional 25 percent of chocolate onto sustainable sourcing programs by the end of fiscal 2017.

Collaboration: We work directly with our suppliers to address systemic challenges and enforce our Supplier Code of Conduct, which prohibits forced and child labor. In addition, we are members of the World Cocoa Foundation (WCF), which works with the food industry to address social and environmental issues in the cocoa supply chain.



 \triangle In Ghana, nearly 37 percent of the participants who received training in 20 cocoa communities were female farmers.



Cocoa origin investment impact

Cocoa sustainablility scorecard*			
Location	Focus area	Impact	
Côte d'Ivoire, Ghana	Farmer training	39,700 farmers trained	
Côte d'Ivoire	Farmer training	29 demonstration plots established	
Ghana	Farming practices	83% adopted sustainable agronomic practices**	
Côte d'Ivoire, Ghana	Fertilizer and pest control	2,025 farmers using more efficient fertilizer application and pest control	
Ghana	Farmer incomes	193% increase in average farmer incomes (2015-2016)	
Ghana	Cocoa production	82% increase (2015-2016)	
Côte d'Ivoire	Cocoa trees	467,750 seedlings distributed	

^{*} Côte d'Ivoire data based on overall program results for Barry Callebaut Cocoa Horizons program; Ghana results specific to communities in Ghana benefiting from General Mills funding through program with Cargill and CARE.



 \triangle Cocoa farmers receive agronomic training in Côte d'Ivoire and Ghana.

"Today, following the good agricultural practices taught, the yield from my harvest is greater. Now I earn more money and am financially independent. I can also afford the school fees for the education of my children."



Vanilla

Commitment: General Mills will source 100 percent of our vanilla by 2020 through programs that improve the livelihoods of smallholder farmers and the quality of the ingredients.

Status: 22 percent of the vanilla General Mills purchased was sustainably sourced in fiscal 2016.

Primary challenge:

■ Economic - the ability of smallholder farmers to earn enough from the crop to feed their families



Progress: In 2016, we added a new NGO partner, Positive Planet, to help us scale our programs.



△ Cured vanilla beans sourced from smallholder farmers in Madagascar.

Our percentage of sustainably sourced vanilla decreased versus last year. Factors contributing to this decline include static supply, increasing demand and decreasing quality in a market with record-high vanilla prices.

At General Mills, we know that sustainability is a journey and that success isn't always linear. We are committed to finding the right solutions, not just the easy ones. We continue to search for opportunities to expand our reach and impact in Madagascar to produce enough sustainable vanilla to achieve our ambitious commitment

Collaboration: Our key partners include our supplier, Virgnia Dare, and industry group SVI.

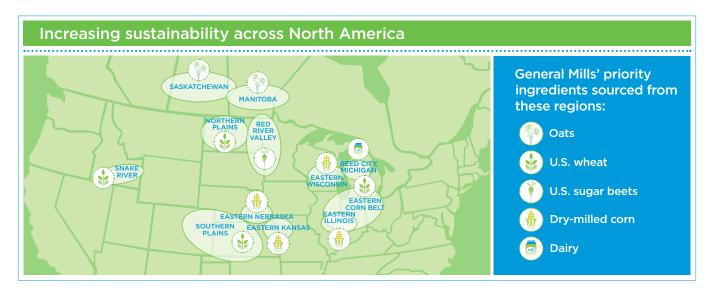
G4-EC7, EC8, EC9, LA15, HR5, HR6, HR11, SO1, FP4

^{**} Agronomic practices include fertilizer application, nursery management, shade management, pruning and removal of mistletoe, and business management.



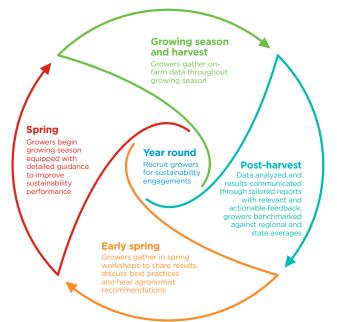
2B Continuous improvement

Our most significant environmental impact including nearly two-thirds of GHG emissions - occurs in our agricultural supply chains. Row crops and dairy are among the most resource intensive of our 10 priority ingredients. To ensure we are sourcing these raw materials sustainably, we focus on achieving continuous improvement by measuring year-on-year advances in resource efficiency with farmers in our supply chain. We are committed to minimizing the environmental impact of agriculture and promoting sustainable growing practices.



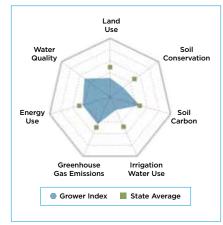
Annual grower engagement cycle

We achieve improvement through continuous feedback loops working directly with farmers.



Strategy: We partner with farmers in our key sourcing regions using the Field to Market and Innovation Center for U.S. Dairy frameworks in the U.S. and the Canadian Fieldprint initiative in Canada. These approaches enable data collection to establish a baseline level of resource use and environmental impact for each grower. Then, we hold workshops and work with local trusted agronomists to advance practical conservation practices, ideally while increasing yields for the farmer.

Progress: Since 2010, we have worked with more than 100 growers to collect data on over 280.000 acres through participation in Field to Market and Canadian Fieldprint initiatives led by General Mills.



△ This spidergram shows a sample Fieldprint® Score with seven environmental indicators.



Oats

Commitment: General Mills will source 100 percent of our oats by 2020 from growing regions that demonstrate continuous improvement using industry-based environmental metrics.

Status: 50 percent of the oats General Mills purchased was sustainably sourced in fiscal 2016.

Challenges include:

- Oat supply declining supply as a result of decreasing oat production
- Farmer profitability farmers earn greater profits growing other, more resource-intensive crops

Engagements:

- Suppliers North American Food Ingredients and Patterson Grain
- Western Canadian growers

Progress: 25 growers on 15,000 acres in Manitoba and Saskatchewan, Canada, engaged in the Canadian Fieldprint Initiative.

Research: In June 2016, General Mills and South Dakota State University announced the opening of a state-of-theart oats research laboratory to advance the sustainability and quality of oats.



Grower spotlight



Michael Ferguson

Willmar Farms Ltd., Saskatchewan

Michael and his wife, Regan, farm 2,500 acres with Michael's parents, Bill and Mary. They grow canola, oats, wheat, peas and barley on land their family has been farming since 1932.

"We chose to participate in the Canadian Fieldprint Initiative because of questions from the general public about how food is produced. By showing that we are treating our crops and land in a sustainable manner, we are able to educate consumers who have questions and ensure that future generations can trust where their food comes from."

Michael Ferguson



Wheat

Commitment: General Mills will source 100 percent of our U.S. wheat by 2020 from growing regions that demonstrate continuous improvement using the Field to Market framework or other comparable environmental metrics.

Status: 36 percent of the wheat General Mills purchased was sustainably sourced in fiscal 2016.

Challenges include:

- GHG emissions reduce emissions across the supply chain
- Water reduce water usage in irrigated wheat regions
- Soil improve soil health

Engagements:

- Supplier Thresher Artisan Wheat and Snake River region (Idaho) growers
- Supplier ADM and Northern Plains region (North Dakota) growers

Progress: 41 growers on 45,000 acres using the Field to Market Fieldprint Calculator.

2016 highlight:

■ In the Northern Plains region, growers used no-till practices on 92 percent of wheat fields in the engagement, helping protect fields from soil erosion and reducing fuel consumption, which lowers cultivation costs.



Grower spotlight



Jerry and Jeff Oberholtzer

North Dakota

Jeff and his dad, Jerry, grow sunflowers, corn, wheat, barley and soybeans on land their family has been farming since the 1920s. This is their third year participating in the Field to Market engagement.

"It was my dad's idea to get involved with the sustainability project. We know consumers are looking at labels and wanting to know more about where their food comes from and how it is grown. We want to explain how we are doing things sustainably on our farm, and show that we are taking care of our land."



Sugar beets

Commitment: General Mills will source 100 percent of our U.S. beet sugar by 2020 from growing regions that demonstrate continuous improvement using the Field to Market framework or comparable environmental metrics.

Status: 68 percent of the beet sugar General Mills purchased was sustainably sourced in fiscal 2016.

Challenges include:

- GHG emissions reduce emissions across the supply chain
- **Soil** improve soil health

Engagements:

- Supplier American Crystal Sugar
- Red River Valley region growers (Minnesota, North Dakota) - largest sugar beet growing region in the U.S.

Progress: 25 growers on 80,000 acres using the Field to Market Fieldprint Calculator.

2016 highlights:

- One-third of fields in the Red River Valley engagement are using cover crops, which help improve soil health and water quality. Most cover crops were planted on soils vulnerable to erosion.
- Results indicate that 18 percent of the sugar beet fields entered into the project utilized reduced tillage.



Grower spotlight



Daniel Olson

Red River Valley, North Dakota

Daniel started farming in 1999. He is a fifth-generation farmer whose family has been farming in the Red River Valley since 1877. He grows sugar beets, dry beans and wheat.

"Farming is always changing. We are constantly trying to improve our soils with new ideas. I am participating with the sustainability program to learn about the impact on the environment and find out how I can improve."



Corn

Commitment: General Mills will source 100 percent of our U.S. drymilled corn by 2020 from growing regions that demonstrate continuous improvement using the Field to Market framework or comparable environmental metrics.

Status: 33 percent of the U.S. drymilled corn General Mills purchased was sustainably sourced in fiscal 2016.

Challenges include:

- GHG emissions reduce emissions across the supply chain
- Nutrient use reduce nutrient utilization across the supply chain
- Soil improve soil health

Engagements:

- Supplier Didion Milling and Eastern Wisconsin region growers
- Supplier Bunge (Centerfield Initiative)

Progress:

- 10 growers on 2,800 acres through Wisconsin Field to Market engagement
- 150 growers on 250,000 acres engaging with Bunge, a key corn supplier, in support of its Centerfield initiative

2016 highlights:

- Half of corn fields in the Wisconsin engagement utilized no-till practices, which significantly reduce the risk of soil erosion and help keep healthy soil on the field.
- Forty percent of the fields under measurement implemented field borders, grass waterways and other conservation covers to address water quality.



Grower spotlight



Kevin and David Beske

Wisconsin

Kevin and David are third-generation farmers who grow corn, soybeans, wheat, peas and lima beans on 1,000 acres. They joined the Field to Market engagement in 2014. Learn more.

"The Fieldprint Calculator has been very valuable for us. It is like having another helpful tool in your tool box. It helps us get a look at the bigger picture of our sustainability efficiency and make better decisions on inputs like fertilizer and seed." - Kevin Beske



Dairy

Commitment: General Mills will purchase 100 percent of our U.S. directly sourced raw fluid milk by 2020 from producing regions that demonstrate continuous improvement as measured by the **Dairy Sustainability Framework** in the U.S. and other comparable environmental metrics.

Status: 38 percent of the U.S. directly sourced raw fluid milk General Mills purchased was sustainably sourced in fiscal 2016.

Challenges include:

- GHG emissions reduce emissions across the supply chain
- Water control water usage and improve water quality
- Animal welfare address animal well-being issues, such as dehorning

Engagements:

Innovation Center for U.S. Dairv's Sustainability Framework - pilot program in upper U.S. Midwest



region, including our Reed City, Michigan yogurt facility

■ Dairy Research Institute - life-cycle analysis of yogurt production

Progress: As part of the U.S. dairy sustainability pilot program:

- Milk producers are using Farm Smart 2.0 online software and General Mills is using the companion Plant Smart software to collect data and calculate the sustainability impact from farm to production facility.
- In 2016, use of the Farm Smart 2.0 tool became a requirement for all new and existing farms that supply raw



 \triangle We collaborate with milk producers and industry groups to improve the sustainability of the directly sourced raw fluid milk used in our products.

fluid milk to General Mills, supporting the U.S. Dairy Innovation Center's voluntary, industrywide goal to reduce the dairy carbon footprint by lowering GHG emissions for fluid milk production 25 percent by 2020.

 In 2016, we added a second engagement to the pilot program at our Reed City facility to help us move closer to achieving our sustainability commitments. Now we are documenting and analyzing agricultural inputs for all directly sourced raw fluid milk for our Reed City plant.

G4-EC2, EN19, EN27, FP1, FP12





△ Farm Smart 2.0 and Plant Smart software measure the carbon footprint, energy usage, water consumption from milk production and processing, and animal care.

"Sustainability is a collective responsibility. It begins on the farms of our member-owners and extends to our employees, plant towns, customers, trade associations and business partners. We share expertise and focus on creating innovative solutions that solve our sustainability challenges and grow our business and industry the right way. We are happy to support General Mills' sustainability commitments by supplying milk from farms pursuing continuous environmental improvement." – Michael Doyle, President and CEO, Foremost Farms USA, Baraboo, Wisconsin

2C Verification



We increase the sustainability of fiber packaging, sugarcane and palm oil by working across the industry to improve practices and verify progress by using independent verification or certification in high-risk regions.

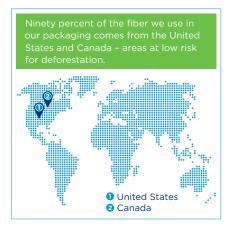


Fiber packaging

Commitment: General Mills will source 100 percent of our fiber packaging by 2020 from recycled material or from virgin wood fiber regions that are known to not be contributing to deforestation (any high-risk regions will be independently verified).

Status: 99 percent of the fiber packaging General Mills purchased was sustainably sourced in fiscal 2016.

Primary challenge:



Strategy: Using sustainable sourcing guidelines for fiber, pulp and paper production, we conducted an analysis of our fiber packaging supply chain.

This analysis revealed that 99 percent of our supply is considered at low risk for contributing to global deforestation because the packaging uses either recycled materials or virgin fiber that is sourced from regions where deforestation is not occurring.

The remaining 1 percent of our fiber packaging is sourced from countries considered at high risk for potentially contributing to deforestation, including China.

We follow pulp, paper and packaging sourcing guidelines developed by the Consumer Goods Forum

Progress: To increase transparency around the fiber we source from China we evaluated all of our Chinese packaging suppliers and mills in 2016 to identify those that were out of compliance. We are working with those mills to develop remediation strategies leading to certification. We will transition fiber purchases away from uncertified mills to sources that meet our sustainable sourcing criteria.

■ **Deforestation** in some parts of the supply chain caused by sourcing fiber for packaging

Sugarcane

Commitment: General Mills will source 100 percent of our sugarcane by 2020 from responsible and sustainable regions that are in compliance with Bonsucro or comparable standards (any high-risk countries will be independently verified).

Status: 70 percent of the sugarcane General Mills purchased was sustainably sourced in fiscal 2016.

Challenges include:

■ Labor rights - including child and



forced labor, and working conditions related to worker health, safety and hours ■ Visibility - lack of origin visibility for supply chain into the U.S.

Strategy: More than half of the sugarcane we purchase globally is grown in low-risk origin countries, such as the U.S. and Australia.

We continue to gain knowledge about the origins of the sugarcane we purchase through our membership in Bonsucro, an international organization focused on improving the environmental. social and economic sustainability of sugarcane production and processing, including certification using the Bonsucro Production Standard.

Progress: In September 2016, we began working with Proforest to map our supply chain to achieve greater transparency around sugarcane origin. We have communicated to all suppliers that sustainability is a priority and we need their participation to reach farmers at the point of origin. Together with Bonsucro, we encourage suppliers to conduct gap analyses as the first step toward certification.

Our major sugarcane suppliers include Cargill, American Sugar Refining, United and Imperial.



Palm oil

Commitment: General Mills will source 100 percent of our palm oil from responsible and sustainable sources by 2015.

Status: 100 percent* of the palm oil General Mills purchased was sustainably sourced in fiscal 2016; at the end of 2016, 96 percent of our palm oil volume was categorized as traceable to the extraction mill and responsibly sourced.

Challenges include:

- **Deforestation** palm plantation expansion damages rainforests, biodiversity, endangered species and the environment
- Indigenous rights irresponsible practices can threaten the rights of indigenous peoples

Strategy: Although General Mills is a relatively minor user of palm oil, we believe our purchasing practices can help move the industry forward on this issue. We are committed to sourcing palm oil in a socially and environmentally responsible manner.

Our initial commitment in 2010 included compliance with our Supplier Code of Conduct, as well as prevention and resolution of social and/or land conflicts consistent with the principle of free, prior and informed consent. As part of our concern about deforestation in palm growing regions, we updated our initial commitment with our 2014 palm oil statement.

Progress: In fiscal 2015, we met our commitment to source all palm oil



through sustainable purchases that meet RSPO standards. We also shifted more of our volume toward mass balance and segregated palm oil - accounting for 91 percent in 2016 - away from green palm certificates. We continue to limit use of certificates in favor of physical purchases.

*At the end of this reporting year (March 2016), one of our suppliers, IOI Loders Croklaan, had its RSPO certification suspended. You can see our statements about this supplier here. The specific sourcing area implicated in the RSPO suspension was not in production for General Mills; nonetheless we expect our suppliers to comply with our policy. As a result, we suspended purchase from IOI Group and shifted to other RSPO certified sources.

Traceability: General Mills is helping lead the industry toward greater sustainability by moving with our supplier base toward a more traceable supply. In 2016, we continued working with Proforest to trace our palm oil supply chain, identify sustainability risks and ensure responsible sourcing.** At the end of 2016, nearly 96 percent of

Purchasing of Roundtable on Sustainable Palm Oil (RSPO) certified volumes in 2016 (calendar year)				
Purchasing region and certificate use	Total General Mills palm purchased (MT)	Amount of mass balanced palm purchased (MT)	Amount of segregated palm purchased (MT)	
North America	56,139	52,170	0	
Brazil	11,860	574	9,366	
Europe	4,857	3,438	1,419	
Australia	1,067	303	764	
Other	1,198	485	0	
Subtotals		56,970	11,549	
Green palm certificates		6,6	02	
Totals	75,121	75,	121	

our palm oil volume was categorized as traceable to the extraction mill.

Hurdles remain in the palm supply chain. If an audit or other highly credible source reveals or confirms that a supplier is seriously violating the stated principles of our policy, and if that supplier does not acknowledge and immediately move to acceptably remediate the concern. General Mills will move to suspend or eliminate palm oil purchases from the supplier in question.

Our top three palm oil suppliers in fiscal 2016 were Agropalma, Bunge and IOI Loders Croklaan.

EN27, FP1, LA15, HR5, HR6, HR8, HR11, SO1, FP4

9/9

General Mills scored 9/9 on the World Wildlife Fund Palm Oil Scorecard 2016, which measures the sustainability of palm oil buyers.

** Responsible sourcing means the volumes purchased are covered by a responsible sourcing program that includes comprehensive policy commitments, a suitable risk assessment process and independent verification assessments. We will continue working with Proforest to ensure third-party verification of our palm oil supply.

3 Water stewardship

Agriculture uses 70 percent of global freshwater withdrawals. This underscores the leadership role that food companies including General Mills – must take to address water stewardship issues. We work to understand water usage from watershed to production, to identify opportunities to increase efficiency and conservation, and to continually improve performance.

Approach

We take a broad approach to water stewardship, looking beyond our company's walls to the phases of our value chain that drive overall use. This is essential, since 85 percent of our water footprint is from growing and transporting crops, and turning those crops into food ingredients (see page 36). The General Mills Water Policy provides a framework for engaging with stakeholders and improving the health of watersheds that are critical to our business.

These watersheds also support other companies, industries, municipalities and ecosystems. Improving watershed health requires extensive collaboration to protect water quality and supply that benefit our growers, communities and the environment.

Assessment: Water issues are local. so we take a risk-based approach that considers the specific challenges facing material geographies. In 2016, we updated a risk assessment of the watersheds that support our business globally. We assessed 15 key ingredients in 36 sourcing regions and 66 facilities



General Mills named AgWater Steward

In 2016. General Mills was named an AgWater Steward by Ceres and World Wildlife Fund (WWF) for having farreaching, ongoing water commitments and for showing action across all five categories of the group's AgWater

Challenge - including water risk assessments and setting reduction goals, reducing water risk in agricultural supply chains and supporting producers in addressing these issues.

(including 17 supplier partners), covering 41 watersheds globally. This process, which updated the analysis we conducted with The Nature Conservancy in 2013. included factors such as water quantity, water quality and baseline water stress. We used the WWF Water Risk Filter and the World Business Council for Sustainable Development (WBCSD) Global Water Tool as well as facility water consumption data and irrigation intensity data from the University of Minnesota.

Through this analysis, we identified eight priority watersheds to target across our worldwide operations (see map on next page), adding three locations compared to the prior assessment and removing two. We follow our fourphase approach (see next page) to develop and implement watershed health strategies in these locations.

Goal: In 2016, we set a goal to champion the development of water stewardship plans for the company's most material and at-risk watersheds in its global value chain by 2025.

Water use in operations: Although this category only represents about 1 percent of our water footprint, every General Mills production facility has a target to decrease water use by 1 percent annually, normalized to production. Water usage in 2016 related to our manufacturing processes equaled 17.4 million cubic meters, 10 percent more than in 2015 and a 12 percent increase per metric ton of product. This was primarily due to new production lines, existing production line changes and additional sanitation cycles. Decreased overall production also impacted the rate.

To view additional data about water usage in our directly controlled operations, including withdrawal by source, see the Environmental Data Summary.

G4-EN8, EN9, EN27, S01

General Mills' water footprint*

Agriculture and transformation (85%)

We focus on the highest-risk watersheds that we impact globally. See the map for details.



Packaging supply chain (14%)

Reducing materials use and using lower impact materials (such as recycled content) are the main strategies that positively impact water use related to packaging. See the Packaging supply chain section for more information.

Producing (1%)

Although this represents a small part of our footprint, we control this phase directly and are committed to continual improvement. See the Producing section for details.

*Water consumption data is from 2012. Data in the Shipping, Selling and Consuming phases was considered to be immaterial.

Four-phase approach to sustainable supply chain water use

PHASE 1

Assessment

A study of key operation and growing region watersheds, using external standards and building on work completed with The Nature Conservancy

PHASE 2

Analysis and action planning

Deep-dive analysis of at-risk growing areas, in conjunction with external experts

PHASE 3

Collaboration

Establish multi-stakeholder water stewardship plan to implement identified

PHASE 4

Transformation

Implement water stewardship program with public education and advocacy, funding, and monitoring and reporting

General Mills' priority watersheds

Snake IDAHO, U.S

Growing region (wheat, potatoes) RISK LEVEL: EXTREMELY HIGH

San Joaquin CALIFORNIA, U.S.

Growing region (dairy/nuts/ fruits/vegetables), facility RISK LEVEL: EXTREMELY HIGH PHASE 3

Rio Grande/ Rio Bravo NEW MEXICO, U.S.

Facility

RISK LEVEL: EXTREMELY HIGH PHASE 4

South Florida Basins FLORIDA, U.S.

Growing region (sugar cane) RISK LEVEL: HIGH PHASE 2

Yongding He

HEBEI/SANHE (BEIJING), CHINA

Growing region (dairy), facility RISK LEVEL: EXTREMELY HIGH PHASE 2

Huang He (Yellow)

SHANGDONG, CHINA

Growing region (dairy) RISK LEVEL: EXTREMELY HIGH

Yangtze (Chang Jiang) SHANGHAI, CHINA

RISK LEVEL: HIGH

PHASE 2

Ganges

MADHYA PRADESH, INDIA

Growing region (wheat) RISK LEVEL: EXTREMELY HIGH PHASE 2



4 Ecosystems

We are committed to improving the health of ecosystems in our supply chain, which benefits farmers, wildlife, the planet and the food we make.

Strengthening ecosystems



Soil health

Soil is a valuable natural resource that supports healthy crop productivity, carbon sequestration, water quality, drought resilience and landscape biodiversity.



Pollinators and biodiversity

Pollinators are responsible for pollinating one third of the food we eat. We plant pollinator habitats, encourage others to do the same and support research to improve bee health.



Integrated pest management

Weeds, pests and disease reduce crop yields. We support efforts to help farmers control them in the most ecologically sensitive manner with approaches tailored for each crop and local growing conditions.



We are increasing the long-term supply of organic ingredients by helping growers transition to organic farming. Our goal is to double the organic acreage from which we source ingredients.

4A Soil health

The world's rising global population places increasing demands on land to produce more food, fuel and fiber, making soil health a high priority. Healthy soil contains beneficial microorganisms, organic

matter and oxygen. Over time, common agricultural practices, such as tillage and monocropping, have broken soil down both mechanically and biologically. diminishing it of oxygen and nutrients.



 \triangle General Mills supports research to improve soil health and encourages practices that reduce GHG emissions, nutrient loss and erosion while protecting water quality.

Soil conservation practices, including planting cover crops, rotating crops and reducing tillage, can help improve soil health and reduce erosion. Enhancing soil health on a large scale requires systemic change - and delivers many benefits, including increasing productivity for farmers, improving water quality and biodiversity, and addressing climate change. We work with farmers, NGOs and industry partners across our supply chain to make progress toward healthier soil and more sustainable agriculture.

Soil health roadmap

General Mills and The Nature Conservancy unveiled ReThink Soil: A Roadmap to Soil Health in November 2016. The roadmap makes the case for soil health

Benefits of improved soil health through implementation of the roadmap include:



Increasing economic gains for farmers



Mitigating greenhouse



Reducing nutrient loss to the environment



Eliminating soil erosion



Creating water capacity in cropland soils



△ General Mills supports The Nature Conservancy's approach to achieving soil health.

management practices as the primary theory of change to achieve conservation outcomes on U.S. working lands in the agricultural supply chain. The roadmap emphasizes productivity, nutrient loss reduction and a range of co-benefits. including CO₂ sequestration, water use efficiency and reduced erosion. The roadmap outlines 10 key steps spanning scientific, economic and policy priorities to achieve widespread adoption of adaptive soil health systems on more than 50 percent of U.S. cropland by 2025.

Row crop sustainability

Field to Market: General Mills has been working with Field to Market, our suppliers and growers since 2010 to expand use of the Fieldprint Calculator in order to capture data about soil conservation, soil carbon and other sustainability impact metrics within agriculture. Field to Market seeks to engage 20 percent of U.S. commodity crop production acres in its Supply Chain Sustainability Program by

2020. To date, farmers managing more than 2.3 million acres of crop production are participating in Field to Market's program. Learn how growers in the General Mills supply chain are using the Fieldprint Calculator and the resulting insights from this data to implement sustainability improvements in story 2B.

Midwest Row Crop Collaborative:

We participate in the Midwest Row Crop Collaborative, a multi-stakeholder engagement to enhance soil health and protect air and water quality in North

"Improving soil provides an unexpected level of contribution to our most pressing environmental challenges. Our collaboration with General Mills has allowed The Nature Conservancy to better understand the opportunity with soil health. Together, we are working to make this change happen and unlock a large environmental dividend for future generations."

 Michael Doane, Director of Working Lands. The Nature Conservancy

\$50 billion

Adopting soil health practices on all U.S. corn, soy and wheat croplands could deliver nearly \$50 billion in social and environmental benefits annually, according to The Nature Conservancy.

America. Facilitated by the Keystone Policy Center, the effort includes businesses and NGOs focused on accelerating use of environmentally preferable agricultural practices across the Upper Midwest, including cover cropping, low or no tillage and extended rotation to improve soil health.



4B Pollinators and biodiversity

Challenge: Agriculture depends on honeybees and native pollinators. Thirtyfive percent of crop production around the world relies on pollinators to produce fruits and seeds. Each year, bees pollinate more than 100 types of U.S. agricultural crops, valued at nearly US\$15 billion. Unfortunately, honeybees, wild bees and other native pollinators are at risk. An average of 30 percent of honeybee

colonies have been dying every winter since 2006 and a number of critically important wild bee species are now at risk of extinction. Declines in bee populations are caused by multiple factors, including habitat loss, diseases and pesticides.

Strategy: Many of our products contain honey, fruits, nuts, vegetables and other ingredients that require pollination, so

healthy and abundant bee populations are a priority for General Mills. We collaborate with leading researchers and conservationists to improve the health and quantity of pollinators. We fund research to better understand the decline of honeybees, invest to conserve and expand bee habitats, and work with our suppliers to improve the health and effectiveness of bees as pollinators.

\$6 million

General Mills has invested more than US\$6 million since 2011 to support pollinator and biodiversity efforts.

General Mills pollinator projects

2011 2012 2013 2014 2015 2016 Launched 4-year **Established Muir** Invested in conservation Launched Cascadian Planted Cascadian Launched Annie's Le Sueur pollinator Glen pollinator easements for pollinators Farm Bee-Friendlier Farm home farm pollinator-themed "Mac research project with habitat with tomato through Minnesota wildflower planting pollinator habitat & Bees" macaroni & University of Minnesota processing partner **Conservation Marketplace** campaign cheese to raise awareness Increased funding and Xerces Society among consumers Donated funds for Launched pollinator **Funded Nourishing Bees** for Xerces Society University of Minnesota hedgerow project and Mite Not research pollinator projects Announced Cascadian Bee Lab research facility Farm, Muir Glen and with almond supplier projects (University and Xerces Society

> Supported Whole Foods Market's Share the Buzz campaign to raise awareness about issues facing pollinators - and how to help

Introduced Cascadian Farm Buzz Crunch Honey Almond cereal pollinator habitat campaign

of Minnesota)

Funded Xerces Society Bee Better farming and pollinator habitat projects

Planted 5 miles of pollinator habitat at ranch supplying almonds to LÄRABAR Cheerios business launched pollinator habitat program with oat growers

Annie's funded pollinator habitat demonstration site at organic dairy supplier, planted by Xerces Society

Conducted blueberry assessment project

Extended Conservation Marketplace habitat project

Honey Nut Cheerios 5-year pollinator habitat commitments

Announced Pollinator Project with USDA NRCS and Xerces Society, including funding from Annie's and General Mills Foundation

Honey Nut Cheerios Canada launched marketing campaign to educate consumers about pollinator decline issues

Partnership for pollinators

In November 2016, we announced a pollinator project with the U.S. and the Xerces Society for Invertebrate Conservation to protect and establish healthy pollinator habitats. General Mills

is donating US\$400,000 for each of the next five years, which will be matched by the Natural Resources Conservation Service (NRCS) division of the USDA for a total of US\$4 million to benefit pollinators. General Mills funding includes US\$750,000 from Annie's and \$US1.25 million in corporate contributions. Learn more in the Our Community section.

Public-private partnership			
External partners	General Mills	Funding	
XERCES SOCIETY for invertibilities Conservation	GENERAL MILLS	US\$2 million over 5 years (US\$750,000 from Annie's and US\$1.25	
USDA	PHOMEOROUM CO	million in General Mills corporate contributions) matched by USDA	

Increasing pollinator habitats in 2016*			
Brands	Commitment	Funding	
Cascadian Farm	8,000 acres of pollinator habitat on 100,000 acres of organic supplier farmland by 2020	US\$2.8 million over 5 years	
Cheerios	3,300 acres of pollinator habitat on 60,000 acres of supplier farms by 2020		
LÄRABAR	5 miles of hedgerow and wildflower strips on supplier's 2,500-acre almond ranch	US\$400,000 over 3 years	
LINEGOUNG (A)	20 acres of habitat in year one on 500 acres of land owned by two organic dairy suppliers	US\$15,000 for habitat (in addition to the USDA commitment)	

Pollinator habitat commitments

In addition to our commitment with the USDA, we are scaling up our efforts to expand pollinator habitats throughout our supply chains. In April 2016, we made significant commitments to implement large-scale habitat projects on farms supplying ingredients to Cascadian Farm, Muir Glen and Honey Nut Cheerios, in addition to existing projects with suppliers for LÄRABAR and Annie's.

Bee cell research

In December 2016, General Mills approved \$100,000 in funding to support groundbreaking research by the University of Minnesota Bee Lab, which we have supported for four years. The Bee Lab has developed a highly reproducible method for growing honey bee cells in culture, which for the first time allows researchers around the world to address bee health issues at the cell level.



Cascadian Farm efforts. such as a "bee-friendlier" package donation code on Buzz Crunch cereal have led to contributions by the business of more than \$200,000 over the past two years to the Xerces Society and University of Minnesota Bee Lab.

Neonicotinoid impact: In May 2015, the U.S. Interagency Presidential Pollinator Health Task Force issued a national strategy to provide a comprehensive approach for tackling and reducing the impact of multiple stressors on pollinator health. It outlined the current understanding and complexity of pollinator decline:

"Researchers studying Colony Collapse Disorder (CCD) and other losses attributed to poor colony health have been unable to identify a single cause, and have concluded that losses of honey bee colonies are the result of a complex set of interacting stressors. In May 2013, the USDA and the EPA released a comprehensive scientific report on honey bee health (USDA 2013). The report synthesized the current state of knowledge regarding the primary factors that scientists believe have the greatest impact on honey bee health. including exposure to pesticides and other environmental toxins, poor nutrition due in part to decreased availability of high-quality/diverse forage, exposure to pests (e.g., Varroa mites) and disease (viral, bacterial, and fungal), as well as bee biology, genetics, and breeding. The report's findings are similar to those of the report on the Status of Pollinators in North America (NRC 2007), which examined wild (both native and introduced species) pollinators as well as honey bees."**

"General Mills' supply chain projects in pollinator conservation represent the largest private sector investment of its kind in the world"

- Eric Lee-Mäder, Pollinator Program Co-Director, the Xerces Society for Invertebrate Conservation

^{*}Based on calendar year 2016 commitments.

^{**}Page 5, National Strategy to Promote the Health of Honey Bees and Other Pollinators, Pollinator Health Task Force, May 19, 2015, The White House

General Mills fully supports the Pollinator Health Task Force's strategy, which calls for additional research as outlined in the Pollinator Research Action Plan, public education and outreach, public-private partnerships, improved and expanded pollinator habitat, and pollinator protection from pesticide exposure.

General Mills recognizes the concern about the unique role of neonicotinoid pesticides in pollinator health decline and supports further study of this important issue as outlined in our action plan. Consistent with our historic commitment to Integrated Pest Management, we advocate for the responsible use of neonicotinoids

in our supply chain and expedited U.S. Environmental Protection Agency review.

General Mills is extending our partnership with the Xerces Society and working with them to consolidate and disseminate guidance to growers of key commodities, such as corn and soy, on how to minimize the impact of neonicotinoids and other pesticides on pollinators. Learn more about this effort in the following content about integrated pest management research.

4C Integrated pest management

At General Mills, our approach to sustainable agriculture includes reducing environmental impacts and improving supply chains for the ingredients and commodity crops we use most in our products. Integrated pest management (IPM) is one component of our work. General Mills has been a leader in supporting IPM practices for decades. We fund IPM research, share results and work with our suppliers and conservation organizations to promote IPM strategies - such as cover cropping, no-till farming, and field monitoring - to minimize the threat of pests and the need to use pesticides on crops.

Research

We worked with the Xerces Society, Iowa State University and the USDA NRCS on a project launched in June 2015 to improve integrated pest management practices for corn and soy.

Field support

In addition to protecting pollinators, our partnership with the USDA NRCS will expand use of IPM practices. Together, our contributions will support six



△ Many oats in our supply chain are grown using IPM practices and very low usage of pesticides.

additional field biologist positions to assist farmers in accelerating IPM on their fields. Conservationists from the Xerces Society work with growers to ensure they have good IPM practices in place before planting pollinator habitats in order to protect pollinators from pesticides.

Supply chain evaluation

General Mills contracted with the IPM Institute to assess the scope of IPM

adoption and pesticide use throughout our North American supply chain by evaluating five major crops: corn, oats, soybeans, sugar beets and wheat. Institute staff reviewed academic and industry resources, interviewed experts, collected pesticide use data, estimated risks and compiled best practice details. In September 2016, the Institute presented key findings and recommendations for increasing IPM adoption for these five major crops.

Results: The study revealed that current levels of IPM adoption in our supply chain are low in corn, slightly higher in soybeans and much higher in sugar beets. Oats and wheat benefit from low pest pressure and broad adoption of key IPM tactics, including use of resistant varieties and crop rotation. Reliance on pesticides ranges from very high in corn, which has multiple pests, to very low in oats. The study also examined the number and severity of pesticide risks to people (including farm workers and consumers), beneficial insects and water quality when various pesticides are used on specific crops.

Next steps: We are using this report to help inform our approach for increasing IPM adoption across our supply chain and connecting these insights with existing initiatives, including Field to Market. Through our Field to Market engagements, we help growers capture information about pesticide use, including energy used in the application of pesticides and GHGs (embedded in the manufacturing of pesticides), and apply those findings to improve sustainability. Learn more in story 2B about continuous improvement in sustainable sourcing.



4D Organic farmland



Commitment

General Mills is committed to increasing the capability of our natural and organic business and the long-term supply of ingredients. We have committed to more than doubling our organic acreage from 120,000 acres to 250,000 acres between 2015 and 2019.

Since 2000, General Mills has steadily grown our natural and organic business with brand acquisitions, including Cascadian Farm. Muir Glen. LÄRABAR. Food Should Taste Good. Immaculate Baking, Liberté, Mountain High, Annie's, EPIC Provisions and Good Natured Soup.

Challenge: Increasing demand for natural and organic products is outpacing the supply of organic ingredients, especially

General Mills natural and organic brands





















in North America. This rapid growth has made sourcing certified organic ingredients increasingly difficult.

Strategy: To support double-digit growth in our natural and organic products and ensure the long-term supply of organic ingredients, we are developing capabilities and processes that connect us to our ingredients' point of origin, building the

supply chain to increase capacity and promoting organic farming practices.

Organic Center of Excellence: We are working to expand the pipeline of organic growers. To help generate double-digit growth for organic and natural brands, our Organic Center of Excellence is building sourcing relationships directly with farmers for our products. Our

supply chain focus includes working with growers to optimize production and quality, adopt standard practices and accelerate supply. These processes will help us meet our 2019 goal to more than double the organic acreage from which we buy ingredients for organic brands.

Scaling up our natural and organic business



General Mills is now the fourth-largest U.S. natural and organic food producer.*



General Mills is now among the **top five** organic ingredient purchasers - and the secondlargest buyer of organic fruits and vegetables - in the North American packaged foods sector.



We are doubling the size of our natural and organic business:

2 x sales - Double our natural and organic sales to \$1 billion by 2019.

2 x acreage - Double the organic acreage from which we source by 2019.



We have increased the number of acres from which we source organic ingredients by 160 percent since 2009.



General Mills' natural and organic ingredients represented 11 percent of our U.S. retail business ingredients as of November 2016.

^{*}Based on SPINS NOMC Dashboard data through June 12, 2016, SPINS Brand Positions: Natural Standards, Natural Perceived, Specialty Natural, Conventional Natural,



Expanding organic farming

Leadership: We are helping to increase organic acreage in the U.S. through promotion of organic farming. In December 2016, we announced plans to launch the Organic & Regenerative Agriculture Transition Council, which will bring together sustainable agricultural leaders, farmers and industry stakeholders with the mission of advancing organic and regenerative agriculture practices. The council will hold its first meeting in the spring of 2017.

Collaboration: General Mills is working with other organic companies in a precompetitive effort to increase the supply of organic grain. We participate in the US Organic Grain Collaboration, an industry effort led by the Organic Trade Association (OTA) and the Sustainable Food Lab. This industry forum began in 2014 and was formally established within the OTA in 2015 to address issues surrounding the supply of organic grain, oilseeds and pulses. The group promotes increased organic grain production. including supply chain analysis to identify challenges and opportunities, policy advocacy to promote organic farming and direct farmer engagement in pilot regions throughout the U.S. This effort evolved from work Annie's initiated in 2011 to start establishing closer relationships with farmers. Learn more about Annie's sustainability work.

As part of our focus on increasing organic farming acreage in North America, we contributed an additional US\$50,000 in 2016 to support the Canada-based Prairie Organic Grain Initiative (POGI), a multi-year program aimed at building resiliency and stability in the organic field



Organic acreage is less than 1 percent of U.S. cropland.

crop sector with the goal of increasing the quantity and quality of organic field crops in Canada. POGI is addressing the shortage of organic grain growers by helping conventional growers make the transition to organic farming. In the U.S., where acreage devoted to organic agriculture is less than 1 percent of total cropland, we are partnering with advisors who work directly with farmers to help them transition from conventional farming methods to organic practices.

Research: We support the Organic efforts to encourage widespread adoption of organic farming practices through research, advocacy and education. Cascadian Farm is the leading funder of OFRF's National Organic Research Agenda (NORA) project, which will inform where research can accelerate use of organic practices across the wide variety of crops we source. Through Annie's, we also have a long-standing relationship with the Midwest Organic and Sustainable Education Service (MOSES) to support resources and education for farmers to help them adopt and improve their organic practices. Annie's also supports projects undertaken by The Organic Center to provide evidence-based research on the environmental and human health impacts of organic food and farming.



Transitioning conventional dairy farms to certified organic



We announced in June 2016 a strategic sourcing partnership with Organic Valley, the largest organic

cooperative in the U.S., to help 20 dairy farms add 3,000 acres to organic dairy production over the next three years. The alignment with Organic Valley supports our commitment to drive more acres in the U.S. into the organic certification process and helps build General Mills' relationships with the organic farmers who support our yogurt business in the U.S., including Yoplait, Annie's, Liberté and Mountain High. Learn more about the partnership with Organic Valley and read about our efforts to improve sustainability of our dairy supply chain in story 2B of the sustainable sourcing section.



△ The partnership with Organic Valley will help dairy farmers like Becky and Tucker Gretebeck of Cashton, Wisconsin. transition to organic farming.



 In January 2016, we

 introduced the Annie's brand to our U.S. yogurt category with a new line of certified organic whole milk yogurt.



 ✓ We transitioned our U.S. *Liberté* yogurt brand to USDA certified organic in June 2016.

"We're happy to partner with General Mills to grow the organic marketplace and bring more organic farmers into our cooperative. We're committed to helping family farms thrive and this partnership is part of getting more organic products to the waiting consumer. We've been impressed with General Mills' approach to keeping organic's full integrity and look forward to a long-term partnership. It's a strong partnership,"

- George Siemon, Chief Executive Officer, Organic Valley

5 Human rights

5A Responsible sourcing



Commitment

General Mills is committed to conducting business with high ethical standards and we expect our suppliers to do the same.

Approach: We know that the protection of human rights through responsible sourcing is critical to our business. Our Policy on Human Rights and Slavery and Human Trafficking Statement describe our beliefs and approach. As part of our commitment to respecting human rights throughout our supply chain, we are members of AIM-PROGRESS, a forum of consumer goods manufacturers with the shared goal of positively impacting people's lives through robust responsible sourcing practices. We are also signatories to the United Nations Global Compact (UNGC) and are guided by the International Labour Organization's (II O) 1998 Declaration on Fundamental Principles and Rights at Work.

Guided by that declaration, General Mills respects the principles of collective bargaining and freedom of association. and prohibition of discrimination, abuse, child labor and forced labor - including that associated with human trafficking.

Expectations: General Mills defines responsible sourcing in our Supplier

Code of Conduct. We hold ourselves. and our suppliers to the same level of compliance expectations focused around four pillars: human rights, health and safety, environment and business integrity. Our Workplace Standards and Ethical Sourcing Policy, along with our Supplier Code of Conduct, set standards for our company, suppliers and other business partners regarding the protection of human rights. These standards are based in part on the ILO 1998 Declaration on Fundamental Principles and Rights at Work.

Clarifications by the U.S. Securities and Exchange Commission state that food packaging is not included in the scope of the Dodd-Frank Act (Section 1502) as it relates to reporting on the geographic source of certain "conflict minerals."

Progress: In fiscal 2016, all sourcing employees around the world were required to complete an eLearning module about our updated Supplier Code of Conduct and Workplace Standards and Ethical Sourcing Policy. This module is also mandatory for all new hires in sourcing. Additionally, responsible sourcing program training sessions were held for global sourcing employees and those with key roles in our legal, marketing partnerships and innovation, technology and quality functions. Our cross-functional Responsible Sourcing Forum meets quarterly to



△ This heat map shows country risk based on environment, social and governance indicators. It was developed using a third-party segmentation exercise in 2013 and is being updated in 2017 so that our global sourcing team can make informed buying decisions and develop risk mitigation plans.

discuss key priorities and progress. To supplement prior communications to suppliers, we began to integrate the Supplier Code into existing sourcing processes, supplier management tools and eSourcing activities. In addition to hosting AIM-PROGRESS in June, we participated in a project team that evaluated supply chain mapping approaches, services and technologies.

Assessment: Building on a third-party risk assessment of global raw material suppliers, we created a country risk heat map within our buyer visibility dashboard. Global sourcing employees use this heat map to understand our highest risk categories and supplier locations while they develop strategies, make buying decisions and form risk mitigation plans. We connected with more than

400 suppliers in the Supplier Ethical Data Exchange (SEDEX) and analyzed their profiles and self-assessment questionnaires to inform next steps. In the first quarter, we partnered with buvers and benchmarked with peers to analyze potential risks in indirectspend categories, such as warehousing, transportation and professional services.

Audits: Third-party auditing firms conduct independent audits using our proprietary protocol or SMETA (Sedex Members Ethical Trade Audit) protocol. In 2012, we completed our first audit cycle of finished goods producers, including our own facilities and co-packers. The second audit cycle began in fiscal 2013. In fiscal 2016, we completed 73 audits globally and our scope was expanded to include joint ventures. In fiscal 2017,



we plan to conduct almost 70 audits. Based on the country risk heat map and SEDEX review, we identified 20 high-risk raw materials suppliers in categories such as fruits, nuts and dairy. Whether we conducted new audits or reviewed prior audits for mutual recognition - an objective of AIM-PROGRESS - we worked with all suppliers on remediation of noncompliance and completion of agreed-upon corrective action plans.

Finally, our Responsible Sourcing Forum developed a process to document. escalate and remediate a facility's critical findings. A Critical Finding Alert email is issued to key General Mills stakeholders, including regional leadership, division counsel and subject matter experts. This group gathers to review the relationship with the facility. discuss the findings and determine next steps. A check-in meeting occurs

to review the progress the facility has made until the issue is resolved.

Next steps: Early in fiscal 2017, we signed an agreement with an international monitoring firm to accelerate our responsible sourcing program and reinforce our commitment to protecting human rights. Together, we will run a global risk assessment of all spend categories and execute our supplier

engagement model, including desktop assessments, audits and remediation of findings. Furthermore, all General Mills buyers will include a responsible sourcing review in their category strategies using a standard template of required information and follow an enhanced supplier due-diligence process to evaluate the risk of prospective suppliers.

G4-HR4, HR5, HR6, HR10, FP1

5B Supplier diversity



Commitment: General Mills is committed to establishing and growing relationships with qualified, diverse suppliers.*

Impact: US\$535 million spending with diverse suppliers in fiscal 2016; US\$5+ billion during the past 10 years.

*Organizations owned by minorities, women, veterans and lesbian, gay, bisexual and transgender business owners.

Long-standing commitment: Since the 1960s General Mills has been committed to working with diverse suppliers. Pursuing a diverse supplier base is imperative for sustainable business growth and the success of our company. In addition to delivering innovation, agility, market insights and cost savings, diverse suppliers are an extension of our values, creating jobs and fostering economic development in the communities in which we operate.



Prystup Packaging Products: Commitment to social responsibility

Since 1995. General Mills has been purchasing paperboard from Prystup Packaging Products, a certified Native American Minority and Women Business Enterprise with more than 150 employees.

"General Mills has directly contributed to our company's growth by consistently supporting our continuous improvement initiatives. For years, we have collaborated with the GMI Procurement and Engineering teams to build the infrastructure and technology platform to compete in a global market. As a partner, General Mills has always challenged us to improve: and thanks to their open communication and honest feedback. we continue to achieve business growth," said Mike Closson, Prystup Vice President, Marketing and Business Development.

Community prosperity: Located in Livingston, Alabama, Prystup strives to provide a challenging and rewarding work environment in an area of high

unemployment and poverty. The company provides competitive pay and seeks to set an example through community involvement.

Sustainability initiatives: In keeping with Native American philosophy, Prystup focuses on environmental stewardship and sustainability. More than 90 percent of the paper used in Prystup's manufacturing processes is recycled and all production waste is collected, separated, bundled and sent to local converters/recyclers. In 2013, the company earned the Chain of Custody Certification with the Forest Stewardship Council® (FSC). Prystup also offers the use of the Green-e® Energy logo through the purchase of Renewable Energy Certificates (RECs) for a variety of energy generation resources, such as wind and solar power. Green-e® is a voluntary certification program that sets buyer protection and environmental standards for renewable electricity products.

Developing tomorrow's leaders: The company's commitment to workforce development includes an internship program that provides hands-on manufacturing management experience.



△ Prystup provides extensive coaching and mentoring for employees and promotes almost exclusively from an in-house training program.



Approach: We pursue internal and external engagement strategies to ensure suppliers represent our increasingly diverse consumer base. The Supplier Diversity team builds partnerships across the company to match diverse suppliers with business needs and opportunities. We are active participants in the community through membership in national and regional

advocacy organizations, such as National Minority Supplier Development Council (NMSDC), North Central Minority Supplier Development Council (NCMSDC). Council (WBENC), Women's Business Development Center (WBDC), and Commerce (NGLCC). Through these organizations and other industry

groups, we are able to benchmark, share best practices and network with prospective diverse suppliers.

Progress: In fiscal 2016, we moved the management of our Supplier Diversity program into our global sourcing team. This alignment allows us to optimize program efficiency and further embed supplier diversity into

the fabric of the company through purchasing standards, policies and tools. Integration with sourcing also enables us to introduce prospective diverse suppliers to decision-makers earlier in the buying process. Learn more about diversity and inclusion at General Mills in the Workplace section of this report.

G4-EC1, EC9

Animal welfare



Commitment

General Mills supports the humane treatment of animals in agriculture and will enforce our animal welfare policy throughout our supply chain.

Our Animal Welfare Policy includes our support for the widely recognized "five freedoms" for all animals globally across our supply chain, and a commitment to source cage-free eggs by 2025. We continue to work with suppliers to make progress toward our cage-free egg commitment. We also are progressing in our understanding of the welfare issues and options for each species of animal in our supply chain. We strive to create sustainable practices using the most humane animal treatment practices. which we believe will deliver greater business success by aligning closer to consumer expectations.

Egg production: Eggs are an important ingredient in many of our products,



Five freedoms

Animals in the food supply chain should be free from:

- Hunger, thirst and malnutrition
- Discomfort
- Pain, injury and disease
- Fear and distress
- And they should have the freedom to engage in normal patterns of animal behavior

and we strive to ensure that the hens laying these eggs are treated humanely. In February 2017, we updated our commitment to work toward purchasing only cage-free or free-range eggs for our operations globally by 2025. In 2015, we committed to work toward this goal for our U.S. and Canadian operations. And we are proud that Häagen-Dazs - General Mills' largest international business - already sources only 100 percent free-range eggs for all its ice cream produced in Europe. Together, these regions represent the vast majority of our global egg purchases.

Dairy production: We're working to understand the issues of pain relief for dairy cows, including dehorning, tail docking and castration. General Mills supports the use of polled genetics breeding programs to promote naturally hornless cattle, thereby eliminating the need for dehorning. This approach has demonstrated success in the beef industry and we support a similar approach in the dairy industry. General Mills encourages all suppliers in our dairy supply chain to support industrywide efforts that promote the humane treatment of cattle, including responsible polled breeding practices. Until dehorning is eliminated, General Mills supports the adoption of best management practices, including procedure timing and use of analgesics and/or anesthetics. Currently, 98 percent of the U.S. milk supply comes from farms that participate in the National Milk program covering animal care. environmental and antibiotic stewardship.



General Mills receives Great Taste Award from PETA

In October 2016, People for the Ethical Treatment of Animals (PETA) honored General Mills with a Great Taste Award for our new line of vegan Good Natured Soups from Progresso. As consumer tastes change, we continue to look for opportunities to add more plant-based foods to our product portfolio. Learn more in the Our Food section of this report.

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

G4-EC1. EC9

Our Workplace



THIS

SECTION

General Mills is committed to putting people first, every day.

Workplace safety

Workplace culture

Ethics, compliance and labor practices

Employee development

Overview

Our goal is to foster a safe, inclusive and rewarding workplace where all employees can thrive. We put our people first by focusing on best-in-class workplace safety, creating a diverse and inclusive culture, and investing in our talent. By creating an agile and advantaged organization, we enable our company to succeed.

Performance dashboard (fiscal 2016)



Workplace safety

We reduced our global total injury rate to 1.20 injuries per 100 employees in fiscal 2016, down from 1.22 in 2015. Our ultimate goal is zero injuries and illnesses.





Workplace culture

75 percent of employees said General Mills is a great place to work.*

*Data from General Mills Employee Engagement Survey of global salaried employees conducted January-February 2016.





Diversity and inclusion

Our Board of Directors includes 36 percent female directors and **36 percent** who are ethnically diverse. Our U.S.-based workforce includes 39 percent women and 20 percent people who are ethnically diverse.*

*Board and employee stats based on year-end calendar 2016. Workforce data includes all US-based employees.





"At General Mills, diversity is both a value and a business strategy. Embracing diversity and inclusion helps us attract and retain top talent while driving innovation and employee engagement around the world."





Governance: Governance for our labor practices lies primarily within our Human Resources, Law and Supply Chain organizations. At an operational level, the Human Resources organization leads key employee initiatives in partnership with company business leaders at multiple levels. Reflecting the importance of people to our business, General Mills employs a Vice President of Global Inclusion and Staffing: a Vice President of Global Health Services and Chief Wellness Officer; and a Vice President of Engineering, Global Safety and Environment. At the board level, the Public Responsibility Committee maintains responsibility for issues related to labor practices.

2016 awards, honors and accolades

General Mills received numerous awards in 2016. Listed below is some of the recognition, illustrating our commitment to being an employer of choice for all employees.

- Corporate Responsibility Magazine's "Best Corporate Citizens" list -No. 25 out of 100
- Fortune's "World's Most Admired" list -No. 6 out of 12 in consumer food products industry
- Best Places to Work for LGBT Equality, **Human Rights Campaign Foundation**
- Green Rankings, Newsweek -29th of 500
- 100 Best Companies, Working Mother Magazine
- Top Company for Diversity, Black Enterprise
- Military Friendly Employer, Military Friendly organization
- Global 100 Most Sustainable Corporations. Corporate Knights
- Best Companies for Multicultural Women, Working Mother Magazine
- Top Companies for Executive Women, National Association of Female Executives
- Harris Poll corporate reputation list No. 13 out of 100 "Most Visible Companies" in 2017

Workplace safety



Continuous improvement

Goal: Provide injury-free workplaces for our employees, contractors and visitors.

Reduction: Global total injury rate of 1.20 injuries per 100 employees in 2016, down from 1.22 in 2015. Global lost-time injury frequency rate of .51 per 100 employees in 2016, down from .67 in 2015.

Expansion: Starting in 2016, global incident data includes Yoki and Yoplait International, Häagen-Dazs shops and global offices.

Baseline: Future safety performance will be measured against the new baseline established in 2016.

Zero-loss culture

Our focus on achieving a zero-loss culture - driving out all losses from our business, including safety incidents has resulted in fewer injuries.



 \triangle Our global standards include detailed guidance about safe practices at our production facilities.

Performance: In 2016, we continued on our path toward our goal of zero injuries and illnesses. We gathered safety data from 231 locations, 67 of which are production facilities and Innovation. Technology and Quality centers. Those 67 locations are the main focus of our safety improvement work. Safety highlights from those locations in fiscal 2016 include:

- **Eight** locations operated injury-free.
- 19 locations had a total injury rate (TIR) below 1.0.
- **23** locations had zero lost-time accidents due to injuries.

Global standards

We established companywide foundational safety standards in 2015. In 2016, we built upon that foundation with detailed global safety standards that provide guidance on specific safety requirements, such as personal protective equipment and risk assessment at our production facilities. We continue to expand and optimize these standards to ensure uniform compliance across the company. Our Global Safety Governance Board (GSGB), composed of regional operating vice presidents, is responsible for the pace of global standards development. In fiscal 2016, our GSGB conducted regional impact assessments of detailed safety standards, aligned with enterprise-wide leading indicators of safety performance, and initiated the sharing of lessons learned from safety incidents across the global supply chain.





Safety principles

Our Lead with Safety initiative raises awareness about preventing employee and food safety incidents by reinforcing General Mills safety principles:

- We lead with safety.
- Every incident is preventable.
- We are all accountable.

Learn more about our commitment to food safety in the Our Food section of this report.

Safety management systems

Historically, General Mills has a strong safety record when compared with peer food group companies. We continue to improve by using clear safety management systems. In fiscal 2016, our global supply chain locations began the process of phasing in a single, standardized Environmental and Safety Management System (ESMS) as part of our global zeroloss strategy. One global system will provide process uniformity and expand our safety and environmental management capabilities globally.

Tracking progress: Our Global Safety Tracking and Environmental Management System, called GSTEMS, is the tool we use to track safety data at all worldwide production facilities, including Yoki and Yoplait International sites as of fiscal 2016. GSTEMS allows us to track all workplace incidents - even near-misses that did not result in an injury - and



POLICY What we expect

STANDARD What to do. required actions, risk control minimums

PROCEDURE How to meet standards at each location

GUIDELINE Recognized best practices, no matter where we operate

△ General Mills safety management process

document necessary actions to reduce future risks and communicate progress. Now we are configuring GSTEMS to record metrics that track compliance with local regulations and our own safety standards. We expect to be able to report compliance assurance on foundational safety standards by fiscal 2018.

Leading indicators: We have established a clear strategy to measure our progress. In fiscal 2016, we expanded our safety metrics to include leading indicators (leadership training, standards implementation and safety observation rates) to complement our historical. year-over-year injury reduction targets. These specific metrics will ensure sustainable improvements over time.

Safety observation standard: In addition to our near-miss reporting and

response process, our safety observation standard provides real-time coaching and support to help employees work safely. Our safety observation contact rate, or the percentage of employees whose safety behaviors are observed in a given time period, is now a leading indicator of safety performance at

General Mills. Data has shown that contact rates above 1.0 typically yield lower injury incident rates over time.

Safety leadership

Leadership training: In fiscal 2016. we continued our commitment to demonstrating and teaching leaders how to lead in a zero-loss culture. Completion of Lead with Safety training with senior leadership marked the next step in our journey to zero loss. We increased Lead with Safety training by 134 percent - from 500 global leaders in 2015 to 1,172 in 2016.

Global structure: In 2016 the newly established Central Safety Committees



△ We reinforce our culture of safety at our facilities around the world.

(CSCs) at our locations assumed primary accountability for leading and monitoring safety improvements. Communication within these committees focuses on leading metrics, process rigor and measuring implementation of foundational safety standards. The CSCs inform the GSGB using newly established safety metrics, providing visibility of process improvements globally.

Responsibility and auditing

Responsibility: Workplace health and safety is the responsibility of line management and each individual employee. All employees are expected to work safely by following policies, procedures and training. Senior-level responsibility for workplace safety lies with the Director of Global Safety and Environment, who reports to the Vice President of Engineering, Global Safety and Environment. Our Corporate Safety Council is led by our Chairman and Chief Executive Officer, who is responsible for General Mills' policy and safety culture. The council, which includes key members of the company's leadership team, meets quarterly to review safety progress and key initiatives.

Auditing: In fiscal 2016, General Mills enhanced our global audit strategy by integrating new region-specific, regulatory audit protocols globally. Assessment against these protocols is now required annually. In addition, verification of compliance with General Mills' internal Safety and Environmental Standards is a key component of our zero-loss strategy across our global supply chain.

G4-LA5. LA6. PR1



2 Ethics, compliance and labor practices



Commitment

General Mills is committed to conducting business in an ethical manner that upholds best practices, complies with regulations, demonstrates integrity, provides equal opportunity and supports fair labor practices.

Our comprehensive Code of Conduct and Ethics & Compliance program promote ethical behavior in all aspects of our employees' work.

Conduct

Our Code of Conduct describes the principles that govern our business conduct, and points employees to policies and other resources to answer their questions. Topics include maintaining corporate integrity; communicating appropriately; competing fairly and legally; preventing bribery; ensuring personal safety; using company resources appropriately; and protecting consumer privacy.

Annually, our company leaders - from managers upward, nearly 7,000 employees - must attest to compliance with our Code of Conduct and business conduct policies. This certification is evidence of our high expectations for ethical conduct in every aspect of our business. In 2016, we were ranked No. 25 on Corporate Responsibility Magazine's "Best Corporate Citizens" list.

Ethics

Resources: Our Ethics & Compliance program motto is "Every Decision, Every Action, Every Day." With over 150 years of doing business with integrity, we know that **knowing** what's right is easy, but **doing** the right thing - all the time - can be hard. To help employees understand, our program includes extensive online resources and self-directed courses. These include real examples of employee decisions that illustrate integrity, as well as ethical lapses that highlight the impact of misconduct on our company and employees. Our Ethics & Compliance website provides access to program resources - available in 10 languages - and all policies from our Global Policy Center.



Progress

- 7,000 company leaders must attest to compliance with our Code of Conduct each year.
- 13,000 employees worldwide are enrolled in our online Ethics & Compliance training courses.

Our Ethics Line allows employees to raise questions or concerns confidentially and anonymously, where allowed by law. It is accessible globally by a toll-free phone call or on the Web at

Program: We continue to strengthen our anti-corruption program. We assess risks in this evolving area, review program enhancements and apply best practices. including addressing third-party risks. For example, our Supplier Code of Conduct (found on our General Mills website) outlines our ethical expectations and is included in our contracts with business partners. Internally, we ask detailed questions related to corruption risk during each routine, in-depth business unit audit conducted by our Global Internal Audit team. Along with our anti-corruption assessments, we continually assess regulatory requirements, enforcement trends and industry best practices to update our Ethics & Compliance program.

Training: Using both in-person and online program modules, we train employees extensively on corruption risks and other business concerns, including conflicts of interest, competition law and confidential information protection. More than 13,000 employees worldwide are enrolled in our online training courses. In addition, we supplement online training with face-toface anti-corruption training in markets where there is a higher risk of corruption.

Action: All allegations of employee misconduct, including bribery and corruption, are promptly and thoroughly investigated in accordance with our ethics and compliance procedures and corporate policies. The Audit Committee of our Board of Directors reviews the investigation and resolution of these allegations. Upon completion of the investigation, our Ethics & Compliance group oversees appropriate disciplinary

actions (including termination of thirdparty relationships), remediation steps and internal/external reporting.

Equal opportunity

We believe every General Mills employee has the right to be treated fairly and deserves the opportunity to stretch and grow throughout their career.

Policy: To provide a comfortable and safe working environment for all employees, General Mills prohibits discrimination based on age, race, color, religion, sex, national origin, marital status, disability, citizenship, sexual orientation, gender identity or expression, military service, or other characteristics protected by law. This equal employment opportunity policy applies to all employment practices and procedures, including compensation.

Practices: Everyone has the right to work without fear or intimidation. General Mills does not accept abusive conduct or harassment - a policy made clear from an employee's first day of orientation. Employees are expected to report situations that compromise their ability to do their jobs. Formal channels are available for employees who seek advice or a solution, and our policies strictly prohibit retaliation against employees who express concerns. We manage our business operations so that employees feel they are being treated fairly and respectfully.



Labor-management relations

Globally, General Mills is committed to providing workplaces that are among the safest production facilities in the world for all our union and nonunion production employees. In addition, we work to achieve full employee

engagement as the foundation of our mutual success; strive to create a culture that champions respect and inclusion; and offer competitive rewards. Our clear health and safety practices include joint management-employee health and safety teams and committees; worker and/or worker representative participation in health and safety inspections, audits and

accident investigations; and personal protective equipment use, training and periodic inspections. We maintain good relationships with our unions, and our labor contracts are typically settled on time and without work disruption.

Measurement: General Mills has established key metrics and measurement approaches to

understand our performance as it relates to labor relations and a decent work environment. Examples include a refined performance management process, annual employee surveys and a clearly articulated Code of Conduct.

G4-56, 57, 58, SO3, SO4, LA2, LA5, LA8

3 Workplace culture

3A Diversity and inclusion



Impact

- 20 percent of our U.S.-based employees are people of color.
- 39 percent of our U.S.-based employees are women.

Goal: Our goal is to build a culture of inclusion and engagement that allows all our employees to thrive. Ensuring diversity of input and perspectives is core to our business strategy.

Culture

We actively cultivate a culture that acknowledges, respects and values all dimensions of diversity - including gender, race, sexual orientation, cultural values, perspectives and beliefs.



Support for veterans

General Mills recognizes the value of employing men and women who have served as enlisted members or commissioned officers of the U.S. Armed Forces. Their training, experience and organizational skills are assets in the workplace. In the U.S., veterans represent 4 percent of our workforce; more than 620 U.S. veterans are employed at General Mills. In fiscal 2016, 8 percent of the new hires at General Mills were veterans - more than double the 3.5 percent of veteran new hires in fiscal 2014. We support veterans through our Veterans Network; specific recruiting, mentoring and supplier diversity initiatives; and our human resources (HR) guide that helps veterans transition from military service to their roles at General Mills.

In 2016, General Mills was recognized as a Military Friendly Employer by the Military Friendly organization.

U.S. Army before joining General Mills in 2012.



"The skills that the military instilled in me (strong leadership, drive and determination, navigating ambiguity, problem solving, persistence), combined with the amazingly collaborative culture here, positioned me to succeed." – Karly White, Marketing Manager



Leadership: Our Executive Diversity Council includes nine senior leaders who oversee policies and regularly review programs and results related to diversity and inclusion. Our Chief Executive Officer personally reviews our diversity and inclusion progress quarterly and sets the tone for accountability throughout the company. Our senior leaders reinforce diversity and inclusion throughout the company by advising employee networks, recruiting and mentoring women and employees who are ethnically diverse, and ensuring that women and ethnically diverse employees are carefully considered in all succession planning and leadership development.

Among the 14 members of our Board of Directors, five are women and five are ethnically diverse.

Results: Over the past 10 years, the number of minority and female officers at General Mills in the U.S. has increased dramatically. Between December 2006 and 2016, female officers increased from 33 percent to 37 percent and minority

Between December 2006 and 2016, female officers increased from 33 percent to 37 percent and minority officers increased from 10 percent to 19 percent.

officers increased from 10 percent to 19 percent. Similar results are seen at all levels in the organization. Women now hold 47 percent of management positions and comprise 53 percent of all salaried positions in the U.S.

Employee networks

Members of our seven employee networks support each other and reinforce our culture of diversity, inclusion and engagement. General Mills also has more than 30 employee clubs and more than 600 Yammer groups - online social networks that enable employees to foster relationships, discuss shared interests and collaborate. Together, these networks, clubs and groups help employees create more personal and

professional connections within our global work environment. The ability to find others who are focused on similar topics allows for more transparent communication between all employees. including participating leaders.

G4-LA12



Employee network development events

Each year, our employee networks bring members together for development and leadership events to strengthen connections:

Asian Leadership Conference: More than 240 members of the Asian Heritage Network and South Asian Network met in October 2016 for networking, speaker presentations, professional development and socializing.

The Black Champions Network Martin Luther King Leadership Summit and Development Day in January 2017 brought together Black Champions Network members from across the company for networking opportunities and development sessions.

Hispanic Leadership Development Summit (HLDS): More than 200 General Mills employees attended the HLDS in October 2016. This three-day event features a mix

△ Hispanic Network members met in October 2016

of speakers, development sessions, team building and socializing. The event theme was "La Diferencia: The Remarkable You" and focused on embracing differences, including aspects of culture, values and experiences, to lead and inspire others.

Women in Leadership Forum: More than 240 Women in Leadership members from across the company met in December 2016 to concentrate on how they can "Be the Change." The day focused and prepared these leaders to be champions and drivers of change across the organization and their communities.

Veterans Network: The Veteran's Network gathered in November 2016 to celebrate Veteran's Day and share opportunities for



△ Black Champions Network members connected at the Martin Luther King Leadership Summit.



 \triangle Women in Leadership members at the December 2016 forum.

using their experiences in the U.S. military including a bias for action and purposeful leadership - to inspire their teams and help guide the company's future success.



△ Members of the Veteran's Network gathered in November 2016.

3B Employee engagement



Impact

75 percent of employees said General Mills is a great place to work.

87 percent of employees feel pride in working for General Mills.

84 percent of employees feel pride in our products.

Data from General Mills Employee Engagement Survey conducted January-February 2016.

Focus: We are working to build a more agile organization of engaged employees who are inspired, connected, supported, energized and proud to work for General Mills

Culture Council: Our Culture Council formed in 2015 and led by senior leaders

with representation from supply chain, human resources, sales and other areas - helps to ensure General Mills is viewed as an employer of choice. Culture Council strategies include:

- Encouraging candid dialogue (see Courageous Conversations story)
- Developing inspirational leaders and managers
- Creating a more inclusive and engaging environment

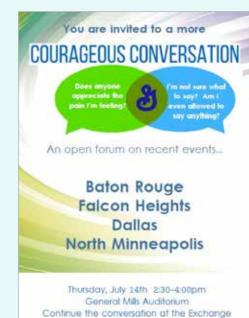
Engagement Council: Our Engagement Council is a cross-functional team that builds on the efforts of the Culture Council by creating an engaging workplace; cultivating pride in our products, purpose and values; inspiring trust in leadership; and capturing



△ Drivers of General Mills employee engagement



Courageous Conversations - connecting, listening, sharing and learning



In 2016, we expanded our **Courageous Conversations** initiative to give employees a safe and supportive place to have candid discussions about important issues affecting our work and our lives. In July 2016 - following painful events in Falcon Heights and Minneapolis, Minnesota, Baton Rouge, Louisiana, and Dallas, Texas - we hosted an open forum to discuss race relations, adversity and discrimination. The meeting featured speakers in a Town Hall format with open mic time so employees could ask candid questions, share experiences, learn and grow. Approximately 250 employees attended the event at our headquarters

facility, which was later replicated by employees in other locations. Additional Courageous Conversations have addressed topics ranging from Islamophobia to bringing your authentic self to work.

"Courageous Conversations was one of the most authentic moments I've experienced at General Mills. It was a forum where people could be vulnerable, compassionate, and empathetic for each other. It was a reminder that the greatest asset that General Mills will ever have are its people."

- Courtney Schroeder, Senior Associate Marketing Manager, New Products, General Mills



△ In June 2016, we launched weekly Exchange social hours onsite at our headquarters location. These gatherings provide employees with a convenient opportunity to strengthen team connections at the end of the workday in a casual setting. The employees pictured here participated in an Exchange event in November 2016.

employee input. The Engagement Council is identifying ways to create a fun and engaging workplace for employees around the world.

Assessment: General Mills regularly surveys our employees to gather feedback. Our annual Employee Engagement Survey is an in-depth review of a wide range of topics. We use employee feedback to improve our processes and strengthen our culture. In 2016, 75 percent of employees said General Mills is a great place to work - up 13 points from the previous year's survey.

We helped boost engagement by providing managers with individualized reports about their teams so they could take meaningful action to address survey findings. Managers responded positively:

- 90 percent shared results with employees.
- **85 percent** created action plans based on survey results.
- 85 percent felt those plans drove change within their teams.

We also encouraged our employees to post feedback about General Mills on Glassdoor.com to promote transparency about careers at General Mills and help us understand more about their perspectives so we can continue to improve.

G4-56, 57, 58, SO3, SO4





Involving employees in sustainability

General Mills was featured along with other leading global food companies in a Just Food case study in September 2016 about engaging employees in sustainability. The story highlighted two General Mills initiatives: the habitat for butterflies, bees and other pollinators that employees created at our headquarters facility with the Xerces Society; and the interactive training developed by our sustainability team to involve employees in helping to meet our goal of reducing greenhouse gas (GHG) emissions by 28 percent by 2025. Both



examples demonstrate our employees' commitment to improving sustainability and protecting the environment.

"Our culture is what makes us special. It has been an essential element to our success for 150 years. As the world around us and the needs of our consumers change, we have to be intentional about keeping the best parts of our culture while evolving the parts that could limit our ability to reach our full potential." - James Momon, Director, Culture and Inclusion

150 years of General Mills

In 2016, we celebrated the company's 150th anniversary. From picnics to speakers, employees around the world found ways to honor this milestone. More than 350 employees entered our anniversary recipe contest, for example, demonstrating our ongoing passion for sharing good food.

To learn more about our 150th anniversary, go to the Taste of General Mills blog for stories, videos and pictures.







 \triangle Employees in the U.K. commemorate the 150th milestone.



 \triangle Employees celebrating the company's

150th birthday in Brazil.

△ Lucky the leprechaun joined the celebration in Chanhassen, Minnesota.



△ General Mills retirees celebrated at the company's Minneapolis headquarters.



 \triangle Gold Medal Flour was recognized at the International Millers' Exhibition In 1880. The award-winning flour is still the industry leader today.



employees gathered to celebrate near the banks of the Mississippi River in Minneapolis, site of the first Washburn flour mill.



△ Betty Crocker began answering homemakers' questions in 1921, sharing insights from a team of experts.



△ Major General Cadwallader Washburn built his first flour mill in 1866 and began the Washburn Crosby Company that would become General Mills.



 \triangle Employees in China gather to celebrate the company's 150th anniversary.



4 Employee development

4A Well-being

We focus on putting people first. We believe that providing wellness opportunities for our employees and their families is crucial to upholding our company values. Our network of Wellness Champions - employees who are passionate about wellness - plans and implements local programs for employees around the world with support from our Global Health team. The map on the next page highlights some of the many employee well-being initiatives in 2016.

Our holistic approach supports many aspects of employee well-being:



Physical

We encourage good nutrition, offer employees healthy dining choices at our facilities and provide opportunities to increase physical activity.



Emotional

Our LifeWorks Employee Assistance program helps build resiliency through counseling, emotional support and referrals for U.S. employees and their families. Many locations also offer stress and resilience programs.



Financial

We support the financial well-being of our employees by providing them with competitive programs, resources, salaries and benefits. Read more in story 4B.



Career

We support our employee's career development with numerous opportunities for personal and professional growth, as well as resources to promote work/life balance. Learn more in story 4B.



Social/community

We help connect employees with community-based programs where they can volunteer, receive support and strengthen connections. Learn more in the Our Community section.



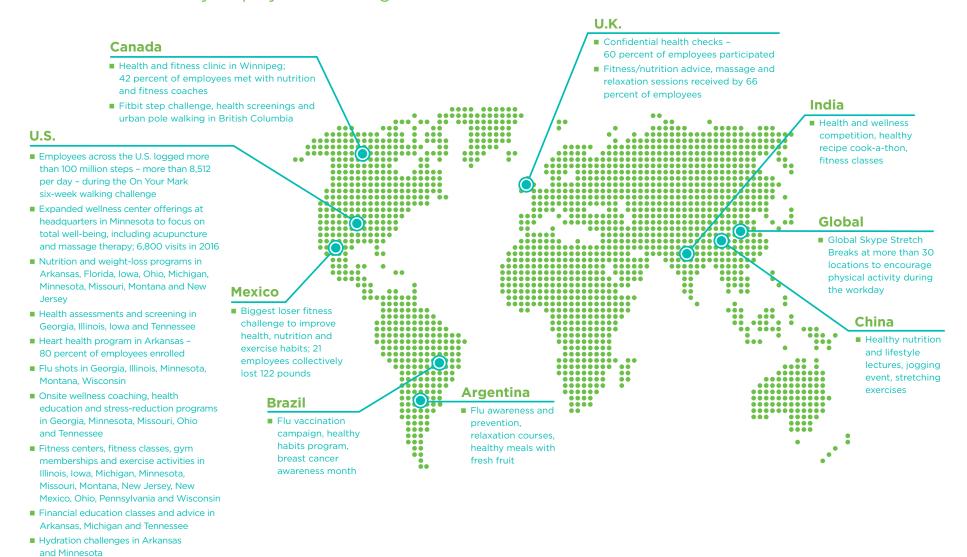
"In successful 21st century companies, fostering a culture of health is essential. It starts with the health of employees, then businesses, brands, consumers and, ultimately, the earth itself"

- Dr. Julia Halberg, Chief Wellness Officer, Vice President, Global Health Services

Enhancing employee well-being around the world

Smoking cessation program in Ohio

It's important that we make it easy for our employees to stay active, eat healthy and be well. Highlighted here are some of the many employee well-being initiatives in 2016.



4B Training and benefits



Impact

- 86 percent of General Mills officers have been promoted from within the company.
- 86 percent of our directors have been promoted from within the company.
- 80 percent of our managers globally have been promoted from within the company.

Development and training

Focus: We respect, develop and invest in our people. We have a long history of making employee development a key priority for the company and established the General Mills Institute

more than 20 years ago to provide learning opportunities. We know that engaged employees create value and drive business performance. In order to attract and retain competitively superior talent, we develop all employees and work to have a depth of leadership prepared to take on new responsibilities when necessary.

Development plans: General Mills employees have the opportunity to create Individual Development Plans (IDPs) professional development plans with the assistance of their supervisors. Managers and employees discuss career goals, strengths and development needs, and then use this information to identify action items. IDP completion rates are tracked to monitor employee advancement in career planning.

 \triangle We provide learning opportunities to meet the demands of our increasingly mobile and global workforce.

Training: We offer numerous live courses, virtual offerings and resources through the General Mills Institute to support employees new to General Mills and our employees' ongoing professional development. We leverage our robust offering of eLearning courses and other technology solutions to meet the demands of an increasingly mobile and global workforce.

20+ years of the



Manager training: Great managers are key to retaining and motivating employees. We support managers with the training they need to deliver results for their teams. In 2015, we updated our manager training to include centralized global classroom offerings, timely communications, interactive live virtual sessions and on-demand support through our global learning website. In 2016, we put these tools to use as we relied on managers to communicate our updated performance and rewards program in the U.S. and Canada. Focus areas included:



Frequent feedback: Managers now provide feedback regularly during the year, rather than waiting for the mid-year and year-end performance discussions. This allows

Manager and employee feedback

Managers: Managers responded positively to the live, centralized training using virtual technology to prepare them for communicating about performance and rewards program changes.

"Loved the Check-Progress Training! Thought it was educational and engaging."

"That was exceptionally valuable time spent - I feel prepared for my discussions and picked up some great tips on how to deliver messages. Great use of technology as well. Very engaging."

"The training was very beneficial and really communicated the change in mindset we should all have when helping our teams set their priorities."

Employees: Nearly 3,700 employees provided feedback in July 2016:

- 99 percent said their managers explained compensation changes.
- 90 percent said they met with managers to discuss individual priorities for fiscal 2017.
- Clarity: Employees gave managers a rating of 4.3 out of 5.0 when asked if they had a clear understanding of their 3-5 most important priorities for fiscal 2017.





- Setting priorities: In the past, employees worked with their managers to establish a list of objectives for their development. In 2014, we began implementing a shift to setting a smaller number of focused priorities and going through the process earlier in the year so employees have more time to achieve them.
- Communicating impact: We provided extensive training to help managers communicate with employees about changes designed to more accurately reward employees for desired performance. Changes included adjustments to performance evaluation, pay and job classifications. We trained 1,340 people - 88 percent of managers in the U.S. and Canada in 2016.



Compensation and benefits

We make food people love. We also provide a choice of benefits that our employees love. Our benefits program, Total Rewards, includes comprehensive and competitive offerings that work together to enhance employees' overall well-being - at work and in life.

G4-LA10, LA11



Flexible work arrangements

We offer telecommuting, flextime and part-time arrangements where business conditions allow. Through our FUSE (Flexible Use Shared Environment) program, employees create workspaces that improve collaboration and efficiency.

Parenting benefits

General Mills offers maternity leave benefits to birth mothers and also offers benefits to new fathers and adoptive parents.

Credit Union

Employees and their families are eligible for complete banking and financial services from the

General Mills Federal Credit Union, established in 1935.

*Benefits may vary for employees by location and other factors.

Our Community

Our aim is to build strong, resilient and sustainable communities.

IN THIS SECTION Food security

5 Hometown communities

Sustainable agriculture



Overview

Strong people, flourishing communities, a thriving planet: Our philanthropic work is an extension of the company's purpose and ties closely to our core business and food systems knowledge. We work in innovative ways with partners locally and around the world to harness our collective impact in key areas, while engaging employees through volunteerism.

	2020 Goal	2016 Progress & highlights
Increasing	Enable 200 million meals globally to food- insecure individuals through General Mills food donations and rescue	 57 million meals enabled through General Mills food donations globally during 2016; more than 201 million meals enabled through General Mills food donations globally since 2010 More than 2.2 billion pounds of excess food rescued in 2016 by our grantees to feed the hungry, rather than go to landfills
food security	Strengthen 1,500+ food companies in the most vulnerable and food-insecure regions	 Training and technical support provided through Partners in Food Solutions to more than 900 small and growing food businesses in eight African countries since 2008
	Improve the well-being of 20,000 people in smallholder farming communities from which General Mills sources key ingredients	 CARE programs in West Africa funded by General Mills focused on youth education, farmer business training and community food security have reached more than 8,190 people in cocoa farming communities since 2010
Advancing sustainable agriculture	Increase charitable investments in natural resource conservation and sustainability to 30 percent of corporate contributions*	 Partnered with USDA's Natural Resources Conservation Service to leverage US\$2 million in federal investment into Xerces Society for pollinator habitat & health, matching General Mills' US\$2 million charitable commitment Charitable investments in conservation and sustainability were 23 percent of total corporate contributions* in 2016, an increase of 75 percent from 2015
	Achieve employee volunteerism rate of 80 percent worldwide	 83 percent of employees worldwide reported volunteering in their communities during 2016; more than 328,440 hours of community volunteerism performed by employees
Strengthening	Exceed US\$2.5 billion in cumulative corporate charitable giving	 Contributed more than \$147 million in corporate giving worldwide in 2016 More than US\$2.1 billion in cumulative corporate giving contributed by General Mills and its Foundation since 1954**
hometown communities	Provide more than US\$1 billion to schools through Box Tops for Education™ cause marketing program	 During the 2015-2016 school year, U.S. schools earned more than US\$60 million through Box Top for Education™ Schools have earned more than US\$800 million through Box Tops for Education™ since the program began in 1996

^{*}Of total corporate charitable contributions that are managed by the General Mills Foundation.

^{**}Since 1954, General Mills, Inc. and the General Mills Foundation have contributed US\$2,116,823,102. This figure includes Foundation grants, Box Tops for Education giving, corporate contributions and the company's global food donations.



Our approach

Global focus areas



Leadership and governance

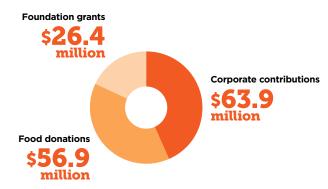
General Mills' community engagement and Foundation programs are led by the Executive Director of the Foundation with support from program officers at our headquarters. In addition. employee councils located across our key global operating communities assist with grant-making by helping to

identify and recommend local nonprofit organizations eligible to receive funds. The Foundation is governed by a Board of Trustees that includes the Senior Vice President of External Relations. who is responsible for overseeing the company's philanthropic initiatives, and leaders from the company's finance, supply chain, marketing, legal, human resources and sales functions.

Fiscal 2016 corporate giving

\$147.2 million

The amount we gave to charitable causes in fiscal 2016





"Now, more than ever, our company's philanthropy is aligned with our business goals." This means we can leverage the global reach and know-how of General Mills to make a positive impact in communities worldwide."

- Mary Jane Melendez, Executive Director, General Mills Foundation



Increasing food security

General Mills' work with leading partners at the global, national and local levels is enabling us to increase food availability, variety and quality. In a world where one in every nine people does not have enough food to lead a healthy and active life, we are committed to removing barriers to community food security around the globe. Through strategic initiatives, grant-making, food donations and knowledge sharing, we are working to ensure all members of our communities have access to safe, nutritious and sufficient food.



Impact

US\$56.9 million in food donations provided globally during 2016, enabling 57 million meals.

We engage with partners and invest to strengthen food systems around the world. In fiscal 2016, General Mills provided food donations to food banks around the world, enabling 57 million meals. Our lead partners include the Global FoodBanking Network and Feeding America.



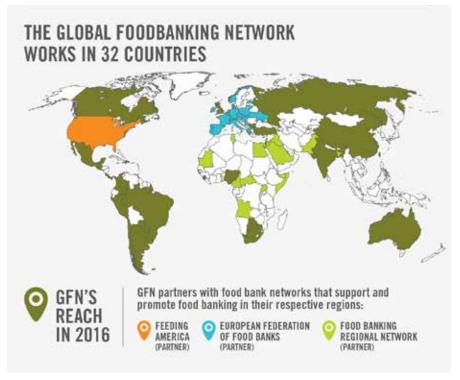
△ General Mills donations help feed hungry people around the world.

The Global **FoodBanking Network**

In 2016, General Mills provided food donations, in addition to Foundation grants, to help The Global FoodBanking Network (GFN) create and strengthen food banks around the world. GFN served 6.8 million people in 2016. In 10 years, GFN has dramatically expanded its reach and impact to help food banks serve more hungry people by rescuing food that would otherwise go to waste.



Global FoodBanking Network impact



Source: Global FoodBanking Network



Feeding America

For more than 35 years, our contributions of expertise, food and philanthropic funds have helped Feeding America fill empty plates and kitchen cupboards for people through Feeding America's 200 foodbanks across the U.S.



"Partners like General Mills help fill empty plates and kitchen cupboards for people nationwide. For more than 35 years, General Mills' generous contributions of expertise, food and funds have helped the Feeding America network serve millions of people."

- Diana Aviv, Chief Executive Officer, Feeding America





Impact

2.2+ billion pounds of food rescued by our grantees to feed the hungry, rather than go to landfills, in 2016.

We support the innovative work of our partners to rescue and recover food worldwide. In the U.S. alone. 40 percent of food is wasted each year while one in six Americans don't know where their next meal will come from.

FareShare

In 2016, the General Mills Foundation continued its support for FareShare. the U.K.'s largest food bank, to expand its food rescue program in partnership with grocery retailers like Tesco. Through FareShare, nourishing foods throughout the U.K. food industry are saved from destruction and donated to hunger relief agencies serving more than 25.8 million meals every year.





 \triangle FareShare volunteers transport boxes of *Nature Valley* snacks for hunger-relief agencies.

Campus **Kitchens Project**

partners with high schools, colleges and universities throughout the United States to share on-campus kitchen space, recover food from cafeterias and engage students as volunteers who prepare and deliver finished meals to the community. Since 2001, General Mills has supported CKP with more than US\$1 million, including a grant of US\$75,000 in fiscal 2016. In 2016, CKP reached a milestone: serving more than 3 million healthy, balanced meals to families in need. By empowering the next generation of leaders to implement

innovative models for combating hunger, CKP is strengthening food systems and helping communities help themselves.



1.2 million

In 2016, the Campus Kitchens Project network recovered 1,282,904 pounds of food.

Second Harvest Heartland

In 2016, General Mills continued its longstanding support of Minnesota-based Second Harvest Heartland with fresh produce capacity expansion grants. in addition to operating support. This investment helped Second Harvest Heartland achieve 53 percent fresh food distribution, with produce comprising nearly 32 percent of food distributions. Through support from General Mills, Second Harvest Heartland is playing a lead role to strategically coordinate the sharing of excess fresh produce between states. The goal is to capture the greatest amount of available, unharvested produce, provide a consistent, yearround supply and increase the variety of produce for clients, food shelves and community feeding agencies in need.



80 million

Second Harvest Heartland's impact in 2016 includes providing enough food for 80 million meals distributed to nearly 1,000 food shelves, pantries and other partner programs.



△ Campus Kitchens Project student volunteers serve meals.



△ Second Harvest Heartland helps expand the amount of fresh produce available at food distribution sites.

"The Campus Kitchens Project is honored to partner with General Mills to support the expansion of our innovative program to more campuses nationwide. Over the past few years, we have nearly doubled the size of our network, and thanks to partnerships like this we are empowering students across the country to create sustainable solutions to hunger and food waste."



1C School meal programs

We work to improve and expand access to school meal programs around the world. In the U.S., Canada and U.K., our school meals work is focused on reducing childhood food insecurity by helping schools launch or expand school breakfast programs thereby increasing food access and eliminating missing meal gaps. In India, China and Brazil, our work is focused on strengthening the existing feeding programs that are offered by NGOs and governments through projects that improve capabilities of central school kitchens and the nutritional quality of school meals.

No Kid Hungry Campaign

Together with No Kid Hungry, General Mills is supporting a three-year effort that began in 2016 to provide thousands of low-income children with nourishing school breakfasts by helping schools expand breakfast availability in targeted communities in Florida, Michigan, Nevada, Texas, Washington and Wisconsin. This support builds on our previous work between 2011-2015 with No Kid Hungry to expand access to school breakfast throughout the state of Minnesota, home to General Mills' headquarters.



△ Kids learn more and perform better in school when they've had a nutritious breakfast.



General Mills is supporting a multi-year expansion of the No Kid Hungry campaign led by the nonprofit, Share Our Strength. Leveraging private-sector contributions and a U.S. government Social Innovation Fund (SIF) grant, the impact of our work with No Kid Hungry in 2016 included:

290 schools

Helped 290 schools implement programs to reach and nourish more kids each and every day.

Top 10 districts

Worked with four of the 10 largest school districts in the country to reduce childhood hunger.

35,000 kids

Helped nearly 35,000 additional kids have breakfast during the 2015-2016 school year alone.



KIDS WHO EAT SCHOOL BREAKFAST...

MISS LESS SCHOOL



1.5 more days per year

DO BETTER IN MATH

 $\infty \approx \div \leq \neq +$

17.5% higher math test scores

MORE ATTENDANCE (+) HIGHER MATH SCORES =



20% more likely to graduate high school







Source: No Kid Hungry Campaign **G4-EC1, FP4**



2 Advancing sustainable agriculture

We are committed to advancing the sustainability of agriculture and conserving natural resources around the globe. We invest in NGO-led programs that strengthen the livelihoods of food growers from whom we source ingredients, such as cocoa or vanilla. We also protect and expand the habitats of food pollinators and contribute to initiatives that restore the earth's watersheds and soil. We believe these actions have a sustaining benefit to society and the environment, while helping to ensure food producers will be able to feed a growing world.

2A Soil health and water stewardship

We collaborate to advance soil health and invest in initiatives to restore high-risk watersheds.

General Mills has multi-year partnerships with The Nature Conservancy in the vital areas of soil health and water stewardship. During 2016, important advancements were made in both of these areas.

Restore soil health

Healthy soil is crucial for growing food and is a powerful and natural lever to reduce the impact of climate change. Recognizing the critical importance of healthy soil to feed mankind, maintain and restore healthy ecosystems and provide inputs for food companies, General Mills is playing a leading corporate role to support and advance the Soil Health Roadmap developed by the Conservancy. In addition to contributing US\$250,000 in charitable funding in 2016 to support the planning and development phase of the Soil Health Roadmap, General Mills is also using



△ General Mills supports research and encourages practices that improve soil health.

the key findings and recommendations to guide the company's actions and further investments to advance soil health. Learn more in story 4A in the Our Planet section of this report.

Improve water stewardship

General Mills shares the Conservancy's belief that integrating source water protection, implementing agricultural management best practices, and creating collective funding and governance mechanisms to manage water use can effectively improve water quality and availability for people, businesses and nature. By working across sectors, we can positively change how all stakeholders in a given region plan, manage and protect water as a vital shared resource. Our 2016 charitable contributions included investments to advance watershed restoration in some of our sourcing regions, including the San Joaquin Valley of California, the Snake River Basin in Idaho and the Rio Grande in New Mexico, General Mills funding also supports the Conservancy's North America Water Program. Learn more about how we are advancing water stewardship in our supply chain in story 3 in the Our Planet section of this report.



12,000 acres

treated in total by leveraging Water Fund investments



△ Rio Grande Water Fund investments from General Mills in 2016 contributed to the treatment of 12.000 acres. Treatment efforts include thinning overgrown forests, managing fire, restoring streams, and rehabilitating areas that flood after wildfires.

G4-EC1, EN9, EN27



2B Pollinator habitats

Pollinators are not only essential to the environment, they also provide a vital service to two-thirds of all food crops used to feed the world. General Mills, the Xerces Society for Invertebrate Conservation and



the U.S. Department of Agriculture are partnering to restore and protect pollinator habitats across hundreds of thousands of acres of farmland in North America Announced in November 2016, the fivevear. US\$4 million financial commitment between General Mills and USDA's Natural Resources Conservation Service (NRCS) will support farmers across the U.S. by providing technical assistance for planting

and protecting pollinator habitats, such as native wildflower field edges and flowering hedgerows. This partnership will result in an increasingly secure supply of key ingredients through a conservation investment that aligns with General Mills' core values. Learn more about our support for pollinators and biodiversity in story 4B in the Our Planet section of this report.



△ Agriculture depends on bees and other pollinators. Flowering habitats help improve pollinator health.

We help improve the well-being and livelihoods of smallholder farmers in our supply chain.



Impact

- **3,300** smallholder cocoa farmers and their family members benefited from expanded access to education. training and food security programs.
- 30 cocoa communities supported in the formation of cooperatives.
- 293 percent increase in average gross income of participating cocoa farmers in Ghana.

Cocoa-growing communities in Africa:

We invest in philanthropic programs led by the global humanitarian organization, CARE, in cocoa-growing communities of West Africa - including communities in Ghana and Côte d'Ivoire - from which our suppliers source cocoa for General

Mills products. CARE's programs foster prosperous.



sustainable and resilient cocoa farming communities by engaging with them in planning and resource investments aimed at increasing cocoa farmer livelihoods, eradicating child labor, increasing household food and nutrition security, and promoting education for all children. Learn more about our support for cocoa growers and their communities in story 2A of the Our Planet section of this report.



△ Women in Côte d'Ivoire access funding through their VSLA, helping improve livelihoods.



Why sustainably sourcing cocoa improves lives

Elizabeth Yao and her family live in a cocoa-growing community in Côte d'Ivoire - one of many remote communities with little access to basic services. Yao and other cocoa farmers participating in CARE programs, funded by General Mills, are benefiting from improved living conditions thanks to new incomegenerating activities, the creation of Village Savings and Loan Associations (VSLA), and nutrition programs that help improve food and nutrition security. Increasing incomes also make it possible for more families to send their children to school.

Yao is head of her community's VSLA. Thanks to her leadership there are now four different VSLA groups in the community with 104 women as members. Yao uses



savings from her VSLA to manage a cassava plantation and a small business. Learn more in this Taste of General Mills story.

 \triangle Elizabeth Yao learned to read and write through a women's literacy program supported by General Mills and CARE. She now runs her own business.

"Before this program I couldn't read, neither could I write. But now I can write my name and also calculate math. I also now earn my own income."

- Elizabeth Yao, cocoa farmer, Côte d'Ivoire

3 Strengthening hometown communities

Just as we care about the communities where our ingredients are grown, we care about the communities our employees call home. Around the world, we make a meaningful impact through employee volunteerism and community giving. Our employees are General Mills' greatest asset, and they are often leaders in their communities. Supporting local issues or causes they are passionate about fosters a sense of unity and pride and invigorates their neighborhoods.



Impact

- US\$1.4 million in surprise grants distributed during 2016.
- Supported 70 nonprofit organizations serving communities around the world.

In celebration of General Mills' 150th anniversary, we awarded 70 surprise grants in 2016, each worth US\$20,000, to nonprofit organizations around the world. Our employees nominated deserving local groups that make a big impact. In all, we donated \$1.4 million, reaching nearly 50 communities across six continents, involving thousands of employees and touching countless lives.



△ Employees in Hannibal, Missouri, presented a check to Kids in Motion, a program that teaches youth about work ethic and responsibility.



△ In Shanghai, China, employees awarded several surprise grants, including this one to the Shanghai Rende Foundation.



△ Watch as employees delivered surprise grants and learn more about the program in this story.

"Our employees are the heartbeat of our company. They connect us to our communities, help uncover key challenges and drive innovative solutions inviting us to share in the remarkable work that so many organizations are doing around the world. For this reason, strengthening our hometown communities continues to be a critical part of our work."

- Mary Jane Melendez, Executive Director, General Mills Foundation



3B Box Tops for Education



Impact

- US\$800 million provided since 1996.
- US\$60 million earned during the 2015-2016 school year.
- **33 million** households participating.
- 80,000+ U.S. schools benefiting from the program.

In 2016, General Mills celebrated the 20th anniversary of its iconic Box Tops for Education™ program, which has

provided schools in the U.S. with more than US\$800 million in funding over the last two decades, including \$60 million in the 2015-2016 school year.

"The program has grown tremendously since it was founded in 1996," said Audra Carson, who leads the Box Tops program at General Mills. "With school funding on the decline across the nation, Box Tops have become increasingly important. There is no easier way to help schools get what they need."



△ Building on the 20th anniversary momentum, General Mills launched the Box Tops Bonus App in 2016 as a way to enlist the next generation of Box Tops participants with exclusive bonus offers available only to app users.

Child's wish yields **\$10,000** donation



△ General Mills employees delivered 100,000 Box Tops worth US\$10,000 to St. John's Lutheran school in Hannibal, Missouri (fulfilling a Christmas wish of a first grade boy) to complete a playground renovation. Learn more.



Employee engagement impact

- 50+ communities worldwide benefited from employee engagement in fiscal 2016.
- 328,446 hours volunteered by employees.
- 83 percent of employees globally volunteered last year in our communities.

Our employees apply the skills they develop in their jobs to help community organizations. Featured here are some of the organizations benefiting from the involvement of General Mills employees.

Employee volunteerism in India

General Mills employees in India partner with TATA Trusts to strengthen the



△ General Mills employees in India volunteered to improve nutrition awareness among students at local schools. Many students benefit from programming and services provided through the TATA Trusts.

capacity of central school kitchens, benefiting students in the local community. Tata Trusts are among India's oldest, non-sectarian philanthropic organizations working in several areas of community development.



Skills-based volunteerism

General Mills employees engage in skills-based volunteerism through our GoodWorks program. Marketing employees in Minnesota, for example, give back to the local community by leveraging their skills to help non-profit organizations with marketing challenges. Since the program's inception in 2009, more than 200 volunteers have completed 45 projects with rave reviews from the organizations benefiting from their work.

G4-FP4





Partners in Food Solutions: Improving the food value chain across Africa



Partners in Food Solutions (PFS) and its partner companies are committed to improving food security, nutrition and economic development in Africa. Founded by General Mills in 2008 and now an independent NGO, PFS links the technical and business expertise of volunteer employees from General Mills and other food companies with dynamic and prospering food processors and millers across eight African countries.

Goal: By 2019, PFS hopes to recruit and engage 1,500 volunteers, help more than 1,000 African businesses through training and custom projects, generate 1,000 new jobs, and create and sustain viable markets for more than 1 million farmers and their 6 million family members.

Partners: The work of PFS is supported by six corporate partners: General Mills, Cargill, DSM, Bühler, The Hershey Company and Ardent Mills. Collectively, these companies have nearly 700 years of food know-how and tens of thousands of employees whose expertise and wisdom can help advance



△ Pauline Kamau, owner and managing director of Sopa Supplies, a maize milling company in Kenya, has achieved significant business growth since working with PFS.

the African food landscape. Through a new initiative with the Gates Foundation and TechnoServe, PFS will expand the availability of nutritious foods in Nigeria, Kenya and Tanzania by helping nearly 300 additional food processors and mills produce and sell fortified foods for local markets.



△ Sany Industries, a wheat miller in Ethiopia, received help from PFS volunteers to create a business plan, which is essential for accessing bank financing.

Impact

PFS results since 2008:

- 78,000 hours contributed by 900+ corporate volunteers
- 900 early-stage food companies in eight countries received support to improve food safety, packaging, processing and marketing

Learn more

Volunteer spotlight

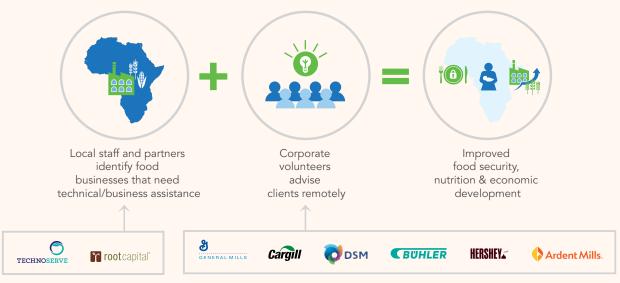
More than 420 General Mills employees and retirees have volunteered with PFS. One of those employees is Scott Myers, General Mills Senior Principal Engineer, who used his skills to help a food producer in Zambia.

"Volunteering with PFS challenges us," said Myers. "As an engineer, it's easy to just throw money at a problem. But these are problems we couldn't throw money at, yet we still had to come up with good solutions - and that is a great skill to hone. We are making a pretty significant mark on the viability of this business and ultimately its impact on farmers, workers and people consuming its products."



worked with a food company in Zambia, helping it take production to the next level and develop the local economy.

How PFS connects expertise with opportunity



APPENDIX

In thousands, except rate data	2010	2011	2012	2013	2014	2015	2016
Energy usage rate (kWh/metric ton of product) EN5	534	533	528	524	523	519	517
Energy usage (kWh) EN3	2,656,939	2,601,972	2,465,263	2,926,949	2,923,925	2,877,289	2,812,218
Direct energy usage by primary source (kWh)	1,509,856	1,462,563	1,358,819	1,641,653	1,660,881	1,635,893	1,575,645
Fuel oil (kWh)	23,556	22,055	22,413	23,326	14,323	9,023	9,596
Natural gas (kWh)	1,382,944	1,350,699	1,266,571	1,385,563	1,411,983	1,408,853	1,374,294
LP gas (kWh)	17,085	4,171	2,747	29,042	27,091	14,687	23,728
Solar panels (kWh)	NA :	82	121	119	121	118	131
Cogeneration electric (kWh)	27,221	25,234	17,763	17,871	20,314	16,345	18,043
Cogeneration steam (kWh)	56,698	52,330	30,646	39,348	44,675	44,875	32,412
Biomass (kWh)	2,352	7,993	18,559	146,383	142,375	141,990	117,438
Indirect energy consumption (electricity) (kWh)	1,147,082	1,139,408	1,106,444	1,285,296	1,263,044	1,241,396	1,236,572
International (kWh)	138,470	140,497	149,890	326,841	305,661	293,722	292,321
North America (kWh)	1,008,612	998,911	956,554	958,455	957,382	947,673	944,251
Energy usage, by region				· · · · · · · · · · · · · · · · · · ·	:	· · · · · · · · · · · · · · · · · · ·	
International (kWh)	262,493	268,289	284,020	718,621	693,911	668,495	661,715
North America (kWh)	2,394,446	2,333,683	2,181,243	2,206,894	2,226,512	2,208,794	2,150,502
GHG emissions rate (metric tons CO ₂ e/metric tons of product) EN18	0.204	0.206	0.206	0.181	0.173	0.171	0.162
GHG emissions (Scopes 1 and 2)** (metric tons CO ₂ e)	1,017	1,006	961	1,013	965	945	882
Scope 1 (metric tons CO ₂ e) EN15	285	273	251	281	284	277	265
Fuel oil (metric tons CO ₂ e)	5 ;	5 :	5 :	5 :	4	2	2
Natural gas (metric tons CO ₂ e)	277	267	246	270	274	271	258
LP gas (metric tons CO ₂ e)	4 :	1 :	1 :	6 :	6 :	3 :	5
Scope 2 (metric tons CO ₂ e) EN16	732	733	710	732	681	668	616
GHG emissions from renewables (not in Scope 1 or 2)	0 :	1 ;	3 ;	44	48	48 ;	40
GHG emissions, by region						· · · · · · · · · · · · · · · · · · ·	
International (metric tons CO ₂ e)	87	91	95	143	132	127	124
North America (metric tons CO ₂ e)	930	915	866	870	833	818	757
Water usage rate (cubic meters/metric ton of product)	2.186	2.112	2.135	2.902	2.794	2.858	3.209
Water withdrawal (cubic meters) EN8	10,800	10,300	10,000	16,200	15,800	15,800	17,400
Groundwater (cubic meters)	NA :	2,000	1,800	7,800	7,100	7,200	6,400
Municipal (cubic meters)	NA :	8,300	8,200	8,400	8,700	8,600	11,000
Solid waste generation rate (metric tons/metric ton of product)	0.037	0.037	0.034	0.034	0.033	0.035	0.041
Solid waste (metric tons) EN23	183	178	159	190	186	193	221
Percentage of owned production facilities that achieved zero waste to landfill*** (%)	NA	NA	NA	12%	16%	17%	12%

^{*} Data in this table is reported on a May-April basis (through April of the year noted). Energy, GHG emissions, water, and solid waste generation absolute and rate data are from wholly owned or controlled production facilities globally and reflect our footprint in that fiscal year. Past fiscal years have not been adjusted for acquisitions or divestitures. Solid waste data in this table is from production and excludes waste associated with construction as well as non-production activities such as new product trials. Some segments do not add up to total, due to rounding. Some data are restated compared to reporting in prior years to reflect improvements in data gathering and tracking methodologies. Beginning in 2013, data reflects the acquisition of Yoplait and Yoki. Yoplait solid waste data for 2013 and 2014 and all Yoki data for 2013 and 2014 were estimated. Data does not reflect the acquisition of our Carolina site, located in Brazil, in December 2015. ** Scope 1 and Scope 2 GHG emissions data were calculated using the location-based method. These data were externally verified for 2010, 2015 and 2016.

^{***} These facilities sent no waste to landfill or incineration without energy recovery. Data includes facilities that were operating at the end of the relevant fiscal year. For years prior to 2013, General Mills did not report this data.

Greenhouse gas emissions

GHG emissions across the value chain by scope, 2016* (metric tons CO ₂ e)				
Value chain phase	Scope 1	Scope 2	Scope 3	Total
Agriculture and transformation	0	0	7,200,000	7,200,000
Packaging supply chain	0	0	1,400,000	1,400,000
Producing	265,000	616,000**	720,000	1,600,000
Shipping	0	0	880,000	880,000
Selling	30,000	60,000	910,000	1,000,000
Consuming	0	0	2,800,000	2,800,000
Total	295,000	676,000	13,900,000	14,800,000

95,000 676,000 13,900,000 14,800,000	Total
ounding.	*Segments do not add up to total due to rounding.

^{*}Some segments do not add up to total due to rounding.

To view details about our programs and performance, see Climate change. For a breakdown of General Mills' GHG emissions by Scope and other data, see our CDP submission online.

Value chain phase

Producing

Shipping Selling

Consuming

Packaging supply chain

Agriculture and transformation

Global workforce data summary 64-10

Total workforce by region and	Total workforce by region and gender					
	Grand total	Female	Male			
Africa	22	15	7			
Asia Pacific	2,131	716	1,415			
Australia/New Zealand	465	224	241			
Canada	677	378	299			
Europe	2,877	1,240	1,637			
Greater China	3,672	2,061	1,611			
Latin America	1,786	778	1,008			
Middle East	44	19	25			
USA	15,185	6,062	9,123			
Total	26,859	11,493	15,366			

Total number of em	ployees by emplo	oyment contract and g	gender
Employment Type	Headcount	Female Headcount	% Female
Full Time	25,734	10,708	41.6%
Part Time	509	419	82.3%
NonScheduled	132	114 :	86.4%
Short Time	20	11 :	55.0%
Temporary/Casual	430	253	58.8%
Seasonal	140	56 :	40.0%
Total	26,965	11,561	42.9%

Composition of governance body 64-LA12

GHG emissions across the value chain (metric tons CO,e)

2010

6,700,000

1,200,000

1,700,000

950,000

920,000

2,900,000

14,400,000

2015

7,200,000

1,300,000

1,700,000

910,000

1,100,000

2,900,000

15,100,000

2016

7,200,000

1,400,000

1,600,000

880,000

1,000,000

2,800,000

14,800,000*

Board of Directors diversity (% o	f total)
Male	64.3%
Female	35.7%
Black	38.6%
Asian	0%
Hispanic	7.1%
Native American/American Indian	0%
Age 50+	92.1%

^{**}This data is calculated using the location-based method.

Disclosure #	Disclosure text	Location/comments	UN SDGs*
Strategy and		Location/comments	ON SDGS
	:	CEO latter 2016 Appual Depart	
G4-1	Statement from the most senior decision-maker of the organization.	CEO letter, 2016 Annual Report	•
G4-2	Description of key impacts, risks, and opportunities.	2016 10-K	
Organizationa	:		
G4-3	Name of the organization.	2016 10-K	
G4-4	Primary brands, products, and services.	Introduction, 2016 10-K	
G4-5	Location of the organization's headquarters.	2016 10-K	•
G4-6	Number of countries where the organization operates, and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report.	GeneralMills.com/ Company/Countries	
G4-7	Nature of ownership and legal form.	2016 10-K	•
G4-8	Markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries).	GeneralMills.com/ Company/Countries	•
G4-9	Scale of the organization.	2016 Annual Report	
G4-10	Total workforce by employment type, employment contract, and region, broken down by gender.	Appendix	8
G4-11	Percentage of total employees covered by collective bargaining agreements.	Approximately 41% of U.S. production employees are covered by CBAs.	8
G4-12	Describe the organization's supply chain.	Introduction, Our Planet	
G4-13	Any significant changes during the reporting period regarding the organization's size, structure, ownership or its supply chain	2016 Annual Report	• • • • • • • • • • • • • • • • • • •
G4-14	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	GeneralMills.com/Responsibility	
G4-15	Externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses.	CEO letter, Introduction, Our Planet	•
G4-16	Memberships of associations (such as industry associations) and national or international advocacy organizations.	Introduction, Our Food, Our Planet, Our Community	
Identified Mat	erial Aspects and Boundaries	•••••	
G4-17	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	2016 Annual Report	
G4-18	Process for defining the report content and the Aspect Boundaries; how the organization has implemented the Reporting Principles for Defining Report Content.	Materiality section of Introduction	
G4-19	Material Aspects identified in the process for defining report content.	GRI Index	
G4-20	For each material Aspect, report the Aspect Boundary within the organization.	Materiality section of Introduction	
G4-21	For each material Aspect, report the Aspect Boundary outside the organization.	Materiality section of Introduction	
	i	Appendix - Environmental	

Disclosure #	Disclosure text	Location/comments	UN SDGs
Identified Mat	erial Aspects and Boundaries (con't)	•	
G4-23	Significant changes from previous reporting periods in the Scope and Aspect Boundaries.	General Mills continues to refer to the Global Reporting Initiative G4 Sustainability Reporting Guidelines.	
Stakeholder E	ngagement	······································	
G4-24	List of stakeholder groups engaged by the organization.	Introduction, Our Food, Our Planet, Our Community	
G4-25	Basis for identification and selection of stakeholders with whom to engage.	Introduction, Our Food, Our Planet, Our Community	
G4-26	Organization's approach to stakeholder engagement.	Introduction, Our Food, Our Planet, Our Community	
G4-27	Key topics and concerns that have been raised through stakeholder engagement.	Introduction, Our Food, Our Planet, Our Community	
Report Profile			
G4-28	Reporting period (such as fiscal or calendar year) for information provided.	Introduction	<u>:</u>
G4-29	Date of most recent previous report (if any).	April 2016	:
G4-30	Reporting cycle (such as annual, biennial).	Annual	:
G4-31	Contact point for questions regarding the report or its contents.	Introduction	:
G4-32	Report the 'in accordance' option the organization has chosen; report the GRI Content Index for the chosen option.	Introduction, Appendix - GRI Index	:
G4-33	Policy and current practice with regard to seeking external assurance for the report.	Introduction	:
Governance			
G4-34	Governance structure of the organization, including committees of the highest governance body.	GeneralMills.com/Investors	
G4-35	Process for delegating authority for economic, environmental and social topics from the highest governance body to senior executives and other employees.	Introduction	
G4-36	Whether the organization has appointed an executive-level position or positions with responsibility for economic, environmental and social topics.	Introduction	
G4-37	Processes for consultation between stakeholders and the highest governance body on economic, environmental and social topics.	GeneralMills.com/Investors	16
G4-38	Composition of the highest governance body and its committees.	GeneralMills.com/Investors	5, 16
G4-39	Whether the Chair of the highest governance body is also an executive officer.	GeneralMills.com/Investors	16
G4-40	Nomination and selection processes for the highest governance body and its committees, and the criteria used for nominating and selecting highest governance body members.	GeneralMills.com/Investors	5, 16
G4-41	Processes for the highest governance body to ensure conflicts of interest are avoided and managed.	GeneralMills.com/Investors	16
G4-42	Highest governance body's and senior executives' roles in the development, approval, and updating of the organization's purpose, value or mission statements, strategies,	Introduction, Our Planet	

Disclosure #	Disclosure text	Location/comments	UN SDGs
Governance (con't)		
G4-44	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	GeneralMills.com/Investors	•
G4-45	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	GeneralMills.com/ Investors, Introduction	16
G4-46	Report the highest governance body's role in reviewing the effectiveness of the organization's risk management processes for economic, environmental and social topics.	GeneralMills.com/ Investors, Introduction	•
G4-47	Frequency of the highest governance body's review of economic, environmental and social impacts, risks, and opportunities.	GeneralMills.com/ Investors, Introduction	
G4-48	Highest committee or position that formally reviews and approves the organization's sustainability report and ensures that all material aspects are covered.	Introduction, Our Planet	
G4-49	Process for communicating critical concerns to the highest governance body.	GeneralMills.com/Investors	
G4-50	Nature and total number of critical concerns that were communicated to the highest governance body and the mechanism(s) used to address and resolve them.	2016 Proxy Statement	*
G4-51	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).	2016 Proxy Statement	
G4-52	Process for determining remuneration.	2016 Proxy Statement	
G4-53	How stakeholders' views are sought and taken into account regarding remuneration, including the results of votes on remuneration policies and proposals, if applicable.	GeneralMills.com/Investors	16
G4-56	Organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics.	GeneralMills.com/Company, GeneralMills.com/Responsibility, Our Workplace	16
G4-57	Internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to organizational integrity.	Our Workplace	16
G4-58	Internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity.	Our Workplace	16

Disclosure #	Disclosure text	Location/comments	UN SDGs
ECONOMIC		Location, comments	
Economic Pe			
ECOHOLING PE			
G4-EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	Our Food, Our Community, Our Planet, 2016 Annual Report, 2016 Proxy Statement	2, 5, 7, 8, 9
G4-EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	Introduction, Our Planet, Carbon Disclosure Project	13
G4-EC3	Coverage of the organization's defined benefit plan obligations.	2016 10-K	
	omic Impacts e: Smallholder farmers		• • • • • • • • • • • • • • • • • • • •
G4-EC7	Development and impact of infrastructure investments and services supported.	Our Planet, Our Community	2, 5, 7, 9, 11
G4-EC8	Significant indirect economic impacts, including the extent of impacts.	Our Planet, Our Community	1, 2, 3, 8, 10, 1
Procurement		. Car Flarice, Car Community	
	e: Smallholder farmers		
G4-EC9	Proportion of spending on local suppliers at significant locations of operations.	Our Planet	12
ENVIRON	1ENTAL	•	
Materials Materials iss	ıe: Packaging footprint		
G4-EN2	Percentage of recycled input materials used to manufacture the organization's primary products and services.	Our Planet	8, 12
Energy Material issu	e: Energy use		
G4-EN3	Energy consumption within the organization.	Our Planet, Appendix - Environmental Data Summary	7, 8, 12, 13
G4-EN4	Energy consumption outside of the organization.	Carbon Disclosure Project	7, 8, 12, 13
G4-EN5	Energy intensity.	Our Planet, Appendix - Environmental Data Summary	7, 8, 12, 13
G4-EN6	Reduction of energy consumption.	Our Planet	7, 8, 12, 13
Water Material issu	e: Water stewardship		
G4-EN8	Total water withdrawal by source.	Our Planet, Appendix - Environmental Data Summary	6
G4-EN9	Water sources significantly affected by withdrawal of water.	Our Planet	6

Disclosure #	Disclosure text	Location/comments	UN SDGs
ENVIRONM	ENTAL (CON'T)		• • • • • • • • • • • • • • • • • • • •
Biodiversity Material issue	: Biodiversity		
G4-EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity	Our Planet	6, 14, 15
G4-EN13	Habitats protected or restored.	Our Planet	6, 14, 15
Emissions Material issue	: Climate change		
G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1).	Our Planet, Appendix - Environmental Data Summary	3, 12, 13, 14, 15
G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2).	Our Planet, Appendix - Environmental Data Summary	3, 12, 13, 14, 15
G4-EN17	Other indirect greenhouse gas (GHG) emissions (Scope 3).	Our Planet, Carbon Disclosure Project	3, 12, 13, 14, 15
G4-EN18	Greenhouse gas (GHG) emissions intensity.	Our Planet, Environmental Data Summary	13, 14, 15
G4-EN19	Reduction of greenhouse gas (GHG) emissions.	Our Planet	13, 14, 15
G4-EN2O	Emissions of ozone-depleting substances (ODS).	Ozone-depleting substances (ODS) are most commonly used in small quantities for closed- loop refrigeration systems and occasional fumigation activities. ODS emissions are strictly regulated.	3, 20
G4-EN21	NOx, SOx, and other significant air emissions by type and weight.	Air emissions primarily include particulate matter and organic compounds from ingredient handling, cooking and drying, as well as emissions associated with fuel combustion. Our production facilities are governed by applicable regulations as well as our compliance management program.	3, 12, 14, 15

Disclosure #	Disclosure text	Location/comments	UN SDGs
ENVIRONM	ENTAL (CON'T)		
Effluents and Material issue			•••••
G4-EN22	Total water discharge by quality and destination.	We do not discharge untreated sanitary wastewater to land or surface waters at any of our locations. Wastewater discharges primarily consist of organic matter from ingredient handling, food production and cleaning processes. Our production facilities are governed by applicable regulations as well as our compliance management program.	3, 6, 12, 14
G4-EN23	Total weight of waste by type and disposal method.	Our Planet	3, 6, 12
G4-EN24	Total number and volume of significant spills.	There were no significant spills at our manufacturing locations during the reporting period.	3, 6, 12, 14, 15
G4-EN25	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	The quantity of hazardous waste produced and shipped is insignificant relative to the amount of solid waste generated at General Mills. Hazardous waste shipping and disposal is restricted by government regulations.	3, 12
G4-EN26	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.	No water bodies are significantly affected by company discharges. Our production facilities are governed by applicable regulations as well as our compliance management program.	6, 14, 15
Products and Material issue	Services : Packaging footprint		•
G4-EN27	Extent of impact mitigation of environmental impacts of products and services	Our Planet	6, 8, 12, 13, 14, 1
G4-EN28	Percentage of products sold and their packaging materials that are reclaimed by category.	Our Planet	8, 12
Compliance			
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	General Mills received no significant fines or regulatory sanctions during the reporting period.	16

Disclosure #	Disclosure text	Location/comments	UN SDGs
ENVIRONM	ENTAL (CON'T)		
Transport Material issue	e: Climate change		
G4-EN30	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	Our Planet	11, 12, 13
• •	ronmental Assessment :: Supply chain relationships		
G4-EN32	Percentage of new suppliers that were screened using environmental criteria.	Compliance with our Supplier Code of Conduct is a term in our standard purchase orders and standard purchase contracts.	
LABOR PR	ACTICES AND DECENT WORK		
Employment Material issue	: Workforce management		
G4-LA1	Total number and rate of new employee hires and employee turnover by age group, gender, and region.	Throughout fiscal 2016 and fiscal 2016, General Mills conducted several multi-year restructuring projects designed to accelerate long-term growth through increased organizational effectiveness, reduced overhead expense and streamlined operations. Details can be found in our 8-K filings.	5,8
34-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	Our Workplace	8
	ement Relations : Workplace safety	<u>i</u>	··········
G4-LA5	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	Our Workplace	8
G4-LA6	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and by gender.	Our Workplace	3, 8
G4-LA8	Health and safety topics covered in formal agreements with trade unions.	Our Workplace	8
Training and I Material issue	Education : Workforce management		
34-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	Our Workplace	8
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender.	Our Workplace	5.8

Disclosure #	Disclosure text	Location/comments	UN SDGs
LABOR PR	ACTICES AND DECENT WORK (CON'T)		
•	d Equal Opportunity e: Workforce management		•
G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	Our Workplace, Appendix, GeneralMills.com/Investors	5, 8
	essment for Labor Practices e: Supply chain relationships		
G4-LA14	Percentage of new suppliers that were screened using labor practices criteria.	Compliance with our Supplier Code of Conduct is a term in our standard purchase orders and standard purchase contracts.	5, 8, 16
G4-LA15	Significant actual and potential negative impacts for labor practices in the supply chain and actions taken.	Our Planet	5, 8, 16
HUMAN R	GHTS		
Investment			
G4-HR1	Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Compliance with our Supplier Code of Conduct is a term in our standard purchase orders and standard purchase contracts.	16
	Association and Collective Bargaining e: Human rights		•••
G4-HR4	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights.	Our Planet	8
Child Labor Material issu	e: Human rights		
G4-HR5	Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.	Our Planet	8, 16
	ompulsory Labor e: Human rights		
		* * * * * * * * * * * * * * * * * * * *	
Material issu	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.	Our Planet	8
		Our Planet	8

Disclosure #	Disclosure text	Location/comments	UN SDGs
HUMAN RIC	HTS (CON'T)	<u>:</u>	······································
	an Rights Assessment s: Human rights, supply chain relationships		
G4-HR10	Percentage of new suppliers that were screened using human rights criteria.	Compliance with our Supplier Code of Conduct is a term in our standard purchase orders and standard purchase contracts.	
_	Grievance Mechanisms s: Human rights, supply chain relationships		
G4-HR11	Significant actual and potential negative human rights impacts in the supply chain and actions taken.	Our Planet	•
SOCIETY		••••••	****************
Local Commu	nities		
G4-SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	Our Planet, Our Community	
Anticorruptio	n	•	
G4-SO3	Percentage and total number of business units analyzed for risks related to corruption.	Our Workplace	16
G4-SO4	Communication and training on anti-corruption policies and procedures.	Our Workplace	16
Public Policy			
G4-SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	GeneralMills.com/CivicInvolvement	16
	ssment for Impacts on Society : Supply chain relationships		
G4-SO9	Percentage of new suppliers that were screened using criteria for impacts on society.	Compliance with our Supplier Code of Conduct is a term in our standard purchase orders and standard purchase contracts.	
G4-SO10	Significant actual and potential negative impacts on society in the supply chain and actions taken.	Our Planet	•
PRODUCT I	RESPONSIBILITY	•	
Customer Hea Material issue	ilth and Safety : Food safety		•••••••
G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement.	Our Food, Our Workplace	
G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning	Our Food	16

Disclosure #	Disclosure text	Location/comments	UN SDGs
SOCIETY ((CON'T)		
Product and	Service Labeling		• • • • • • • • • • • • • • • • • • • •
G4-PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	Our Food	12
G4-PR5	Results of surveys measuring customer satisfaction.	In fiscal 2016, our U.S. consumer satisfaction rate was 97%. Globally, we invest in measurement and monitor satisfaction on an ongoing basis.	
_	ommunications e: Responsible marketing		
G4-PR6	Sale of products that are the subject of stakeholder questions or public debate.	Introduction, Our Planet	
FOOD PRO	DCESSING SECTOR SUPPLEMENT		
	spects of Sourcing e: Supply chain relationships		
FP1	Percentage of purchased volume from suppliers compliant with company's sourcing policy.	Our Planet General Mills adheres to a strict supplier code of conduct and utilizes independent third parties to assess supplier compliance with this code.	
FP2	Percentage of purchased volume which is verified as being in accordance with credible, internationally recognized responsible production standards, broken down by standard.	Our Planet	2, 12, 14,
-	Affordable Food es: Food security, health and nutrition wellness		
FP4	Nature, scope and effectiveness of any programs and practices (in-kind contributions, volunteer initiatives, knowledge transfer, partnerships and product development) that promote access to healthy lifestyles; the prevention of chronic disease; access to healthy, nutritious and affordable food; and improved welfare for communities in need.	Our Food, Our Planet, Our Workplace, Our Community	2, 3
	ealth and Safety es: Food safety, health and nutrition wellness		
FP5	Percentage of production volume manufactured in sites certified by an independent third party according to internationally recognized food safety management system standards.	Our Food	2
FP6	Percentage of total sales volume of consumer products, by product category, that are lowered in saturated fat, trans fats, sodium and added sugars.	Our Food	2
FP7	Percentage of total sales volume of consumer products, by product category, that contain increased nutritious ingredients like fiber, vitamins, minerals, phytochemicals or functional food additives.	Our Food	2

Disclosure #	Disclosure text	Location/comments	UN SDGs
FOOD PRO	CESSING SECTOR SUPPLEMENT (CON'T)		•
Product and S	Service Labeling		
FP8	Policies and practices on communication to consumers about ingredients and nutritional information beyond legal requirements.	Our Food Generalmills.com/Bell Institute of Health and Nutrition AskGeneralMills.com SmartLabel.org	2
Breeding and Material Issue	Genetics : Animal welfare		•
FP9	Percentage and total of animals raised and/or processed, by species and breed type.	General Mills does not raise or process animals in its production operations. Meat that is used in our products is processed by our suppliers. For information on our approach to animal welfare, see our policy.	2, 15
Animal Husba Material Issue	ndry : Animal welfare		
FP10	Policies and practices, by species and breed type, related to physical alterations and the use of anaesthetic.	General Mills does not physically alter animals or use anaesthetics. For informationon our approach to animal welfare, see our policy.	
FP11	Percentage and total of animals raised and/or processed, by species and breed type, per housing type.	Our Planet General Mills does not raise or process animals. For information on our approach to animal welfare, see our policy.	
FP12	Percentage and total of animals raised and/or processed, by species and breed type, per housing type. Policies and practices on antibiotic, anti-inflammatory, hormone, and/or growth promotion treatments, by species and breed type.	Our Planet Animal welfare policy	2
-	n, Handling, and Slaughter : Animal welfare		
FP13	Total number of incidents of non-compliance with laws and regulations, and adherence with voluntary standards related to transportation, handling, and slaughter practices for live terrestrial and aquatic animals.	General Mills does not transport, handle or slaughter live or aquatic animals.	

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Principle	Information in report
Human rights	
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and	Ethics, compliance and labor practices
	Human rights
	: Code of Conduct
Principle 2: make sure that they are not complicit in human rights abuses.	Ethics, compliance and labor practices
	Human rights
Labor	
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to	Human rights
collective bargaining;	
	Supplier Code of Conduct
Principle 4: the elimination of all forms of forced and compulsory labor	Human rights
	Supplier Code of Conduct
Principle 5: the effective abolition of child labor; and	Human rights
	Supplier Code of Conduct
Principle 6: the elimination of discrimination in respect of employment and occupation.	Ethics, compliance and labor practices
	Diversity and inclusion
	Supplier Code of Conduct
Environment	
Principle 7: Businesses should support a precautionary approach to environmental challenges;	Climate change approach
	Sourcing approach
Principle 8: undertake initiatives to promote greater environmental responsibility; and	Climate change performance
	Sourcing performance
	Producing
	: Water stewardship
Principle 9: encourage the development and diffusion of environmentally friendly technologies.	: Climate change performance
	: Sourcing performance
	Producing
	Water stewardship
Anti-corruption	
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	Supplier Code of Conduct
	Code of Conduct