



# Global RESPONSIBILITY 2018



Our Food



Our Planet



Our Workplace



Our Community

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COVER PHOTO: Cheerios sources high quality oats from Canada, one of the world's largest producers of oats and a significant source of oats for our products. The cover photo was taken in Manitoba at Patterson Grain, a valued supplier of General Mills. Photo courtesy of Joe Dickie.

## To our stakeholders:



Jeffrey L. Harmening  
Chairman, Chief  
Executive Officer  
General Mills

For 150 years, General Mills has been making food people love and making the world around us better. I am humbled to take on the role of Chairman of the Board and CEO, and remain committed to General Mills being one of the world's most responsible food companies.

We're facing unprecedented change in our industry and on our planet, and expectations of food companies have never been higher. This requires transformation at every level, from how we source ingredients to how we make our products to how we engage with our consumers. While transformation brings with it many challenges, we also see opportunities for leadership, innovation and growth.

First and foremost, we must understand our consumers' needs and deliver what they want. Consumers increasingly demand food that reflects their values, from a company they trust. We have greatly expanded our offerings in recent years, becoming the second-largest organic food producer and third-largest gluten-

free producer in the U.S. We are introducing new products like *Oui* yogurt and *EPIC* meat snacks, and investing in innovation partnerships through our venture capital arm, 301 INC. To build trust with our consumers, we continue to increase transparency about our ingredients, where they come from and how our food is made.

We know that feeding a growing global population depends on a healthy planet, so we are committed to treating the world with care. We have taken bold actions to advance sustainability, including driving progress toward our ambitious goals to reduce greenhouse gas emissions by 28 percent across our value chain by 2025 and sustainably source our top 10 ingredients by 2020. We embrace our responsibility to help achieve a stable climate, clean water, healthy soil, strong ecosystems and thriving farming communities.

Of course, we can't do this alone. Transforming our global food systems requires collaboration and transparency across our supply chain, and with businesses, governments and

nongovernmental organizations. We support key global efforts to advance the sustainability agenda, including the United Nations Global Compact, which we joined in 2008 and continue to endorse.

This report describes General Mills' strategies and performance across four key areas: Our Food, Our Planet, Our Workplace and Our Community. We have focused on the topics that are most important to our stakeholders and to our business. While we're encouraged by the progress we've made, we know there is much more to be done and are excited about the opportunities that lie ahead.

Thank you for your interest in our programs and performance. As always, we welcome your questions and comments.

Sincerely,

Jeff



Donal L. Mulligan  
Executive Vice President,  
Chief Financial Officer  
General Mills

General Mills has long recognized that strong returns for our shareholders are built on successfully serving all our stakeholders – our consumers, customers, employees and communities. Throughout our history, we've prioritized financial, environmental and social performance as important measures of value and values.

The initiatives described in this report are not just for purpose, but also for profit. Given the transformation in our industry and consumer behavior, the success of our business depends on our ability to drive value in new ways, such as:

- Delivering healthy products that meet diverse consumer needs creates market opportunities.

We reached \$1 billion in net sales from natural and organic products in the U.S. in fiscal 2017, up almost 50 percent in the last two years.

- Sustainably sourcing ingredients, protecting at-risk watersheds and enhancing soil health increases the supply longevity of key product inputs. This helps to ensure we can make the food people love far into the future.
- Reducing our natural resource usage saves money while decreasing our environmental footprint. Since 2005, we have saved more than \$200 million through proactive sustainability initiatives, such as energy efficiency, transportation efficiency and packaging reductions.

- Building a more sustainable business helps attract and retain the best employees, and supports the communities in which we do business.

General Mills has been a public company for almost 90 years, and our shareholders rely on us to provide strong, stable returns. Transforming our business model to be even more financially, environmentally, and socially sustainable is one of the ways we are doing that and will help us continue to deliver value for years to come.

Sincerely,

Don

# Company overview

## 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.

Put  
**people**  
first

BUILD A CULTURE OF  
**CREATING**

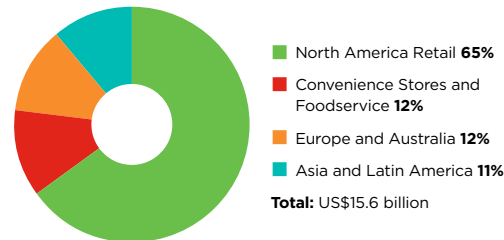
MAKE FOOD WITH  
**PASSION**

EARN people's  
**TRUST**

treat THE WORLD WITH  
**CARE**

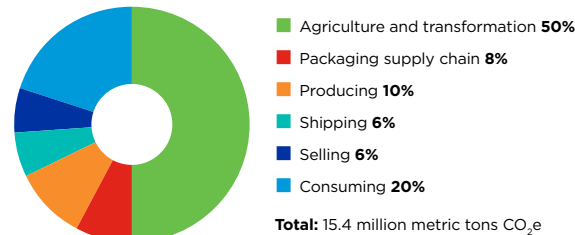
## Key metrics

**Net sales by segment, fiscal 2017\***  
(percentage of total)

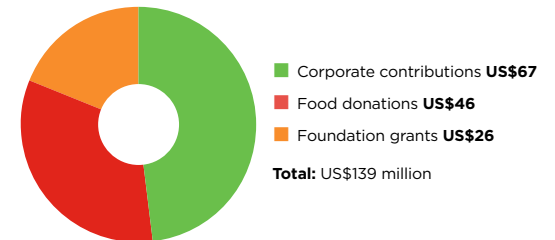


\*Does not include US\$1 billion of net sales from joint ventures.

**Carbon footprint, fiscal 2017**  
(percentage of total)



**Total giving, fiscal 2017**  
(dollars in millions)



## Our brands

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















# Highlights in 2017

At General Mills, we work to create holistic value throughout our supply chain, from agriculture to operations to our consumers. Below are some highlights of our progress in fiscal 2017.



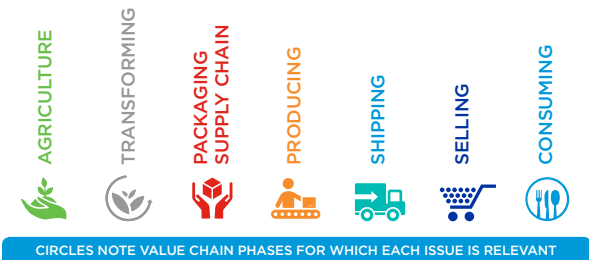
## 2017 highlights

 <p><b>76 percent</b> of our 10 priority ingredients were sustainably sourced</p>	 <p><b>100 percent</b> of facilities worldwide audited and/or certified for food safety by independent third parties</p>	 <p><b>80 percent</b> of our U.S. retail sales volume nutritionally improved since 2005</p>
 <p>Increased the number of acres from which we source organic ingredients by <b>225 percent</b> since 2009</p>	 <p>Signed a 15-year, <b>100-megawatt</b> virtual power purchase agreement for wind energy</p>	 <p><b>2nd largest</b> U.S. organic food producer</p>
 <p>Invested over <b>US\$3.25 million</b> in soil health initiatives through 2017</p>	 <p><b>47 percent</b> of management positions in the U.S. held by women</p>	 <p><b>3rd largest</b> U.S. producer of gluten-free products</p>
 <p>Planted nearly <b>4,000 acres</b> of pollinator habitat</p>	 <p><b>US\$139 million</b> in corporate giving worldwide</p>	 <p><b>30 million</b> meals enabled through food donations around the world</p>

Across our value chain, our greenhouse gas emissions footprint decreased **11 percent** in 2017 compared to 2010

# Materiality\*

This table summarizes the issues that are most material to our global responsibility strategy, including several priority issues 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. This report also includes information about several other issues that we believe have recently increased in importance, such as soil health, pollinators and biodiversity, and organic farming. We plan to update this assessment as needed to reflect our business and our stakeholders' evolving 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	TRANSFORMING	PACKAGING SUPPLY CHAIN	PRODUCING	SHIPPING	SELLING	CONSUMING
PRIORITY ISSUES	<b>Climate change</b>	●	●	●	●	●	●	●
	<b>Commodity availability</b>	●	●	●				
	<b>Corporate governance and ethics</b>	●	●	●	●	●	●	●
	<b>Diverse consumer needs</b>	●	●	●	●	●	●	●
	<b>Food safety</b>	●	●	●	●	●	●	●
	<b>Health and nutrition wellness</b>		●		●		●	●
	<b>Transparency</b>	●	●	●	●	●	●	●
	<b>Water stewardship</b>	●	●	●	●			
OTHER MATERIAL ISSUES	<b>Animal welfare</b>	●						
	<b>Biodiversity</b>	●						
	<b>Biotechnology</b>	●					●	●
	<b>Employee well-being</b>				●			
	<b>Energy use</b>	●	●	●	●	●		
	<b>Food security</b>	●			●			●
	<b>Food waste</b>	●			●		●	●
	<b>Human rights</b>	●	●	●	●	●	●	●
	<b>Packaging footprint</b>	●		●	●			●
	<b>Responsible marketing</b>						●	
	<b>Smallholder farmers</b>	●						
	<b>Supply chain relationships</b>	●	●	●	●	●	●	
	<b>Workforce management</b>				●			
	<b>Workplace safety</b>				●			

\*In this report, the terms "material" and "materiality" refer to topics that reflect General Mills' significant environmental and social impacts or that substantially influence our global responsibility strategy. We are not using these terms as they have been defined by securities laws in the United States or in the context of financial statements and financial reporting.

# Priority issues: goals and performance

	Issue	Commitment/Goal	Progress		
			2015	2016	2017
Our food	Food safety	Ensure all facilities worldwide are audited and/or certified by independent third parties using globally recognized food safety criteria (% of facilities)	90%	100%	100%
		Achieve Global Food Safety Initiative certification of all General Mills-owned facilities by 2020 (% of facilities)	72%	80%	82%
	Health and nutrition wellness	Continue to improve health profile of U.S. retail products* (%)	77%	79%	80%
		Comply with global industry front-of-pack calorie labeling	Ongoing (see page 14)		
	Diverse consumer needs	Continue to expand wellness offerings to meet consumer needs			
		■ Gluten-free retail products in North America (number of products)	980	1,000	920
■ Protein-rich retail products in the U.S. (number of products)		225	230	250	
	■ Lower-calorie retail products in North America (number of products)	1,000	1,300	1,300	
	Reach US\$1 billion in net sales from natural and organic products in the U.S. by 2019 (US\$ million)	\$700	\$750	\$1,045	
Our planet	Climate change	Reduce absolute GHG emissions across our full value chain by 28 percent by 2025 and 41-72 percent by 2050 (compared to 2010)** (% change compared to 2010)	NA	-5%	-11%
		Reduce energy use by 2 percent annually*** (% change)	-1%	0%	3%
		Reduce production solid waste generation by 3 percent annually*** (% change)	6%	21%	11%
		Achieve zero waste to landfill at 30 percent of our owned production facilities by 2020 and 100 percent by 2025**** (%)	17%	12%	14%
	Water stewardship	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 23-24)		
		Reduce water use by 1 percent annually*** (% change)	3%	10%	-5%
	Commodity availability	Sustainably source 100 percent of our 10 priority ingredients by 2020***** (%)	NA	69%	76%
		Cocoa (%)	28%	46%	59%
		Vanilla (%)	45%	22%	22%
		Oats (%)	40%	50%	61%
		U.S. wheat (%)	24%	36%	61%
		U.S. sugar beets (%)	47%	68%	81%
		U.S. corn (dry milled) (%)	26%	33%	67%
		U.S. dairy (raw fluid milk) (%)	20%	38%	83%
Fiber packaging (%)		99%	99%	99%	
Sugarcane (%)		59%	67%	58%	
Palm oil (%)	100%	100%	100%		

\* Represents percentage of U.S. retail sales volume that has reduced calories, fat, saturated fat, trans fat, sugar or sodium by at least 5 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.

# United Nations Sustainable Development Goals

At the beginning of 2016, the United Nations launched the [Sustainable Development Goals \(SDGs\)](#), 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.

<div style="background-color: #c85130; color: white; padding: 10px; text-align: center;"> <b>2</b> ZERO HUNGER   </div> <div style="background-color: #c85130; color: white; padding: 5px; font-size: 8px; writing-mode: vertical-rl; transform: rotate(180deg);">MATERIAL ISSUES</div> <ul style="list-style-type: none"> <li>■ Food security</li> <li>■ Food waste</li> <li>■ Health and nutrition wellness</li> </ul> <p><a href="#">Learn more.</a></p>	<div style="background-color: #2e8b57; color: white; padding: 10px; text-align: center;"> <b>3</b> GOOD HEALTH AND WELL-BEING   </div> <ul style="list-style-type: none"> <li>■ Diverse consumer needs</li> <li>■ Food safety</li> <li>■ Health and nutrition wellness</li> </ul> <p><a href="#">Learn more.</a></p>	<div style="background-color: #00a0e3; color: white; padding: 10px; text-align: center;"> <b>6</b> CLEAN WATER AND SANITATION   </div> <ul style="list-style-type: none"> <li>■ Water stewardship</li> </ul> <p><a href="#">Learn more.</a></p>	<div style="background-color: #2e8b57; color: white; padding: 10px; text-align: center;"> <b>13</b> CLIMATE ACTION   </div> <ul style="list-style-type: none"> <li>■ Climate change</li> <li>■ Commodity availability</li> <li>■ Energy use</li> <li>■ Packaging footprint</li> </ul> <p><a href="#">Learn more.</a></p>	<div style="background-color: #2e8b57; color: white; padding: 10px; text-align: center;"> <b>15</b> LIFE ON LAND   </div> <ul style="list-style-type: none"> <li>■ Biodiversity</li> <li>■ Deforestation</li> <li>■ Soil health</li> </ul> <p><a href="#">Learn more.</a></p>
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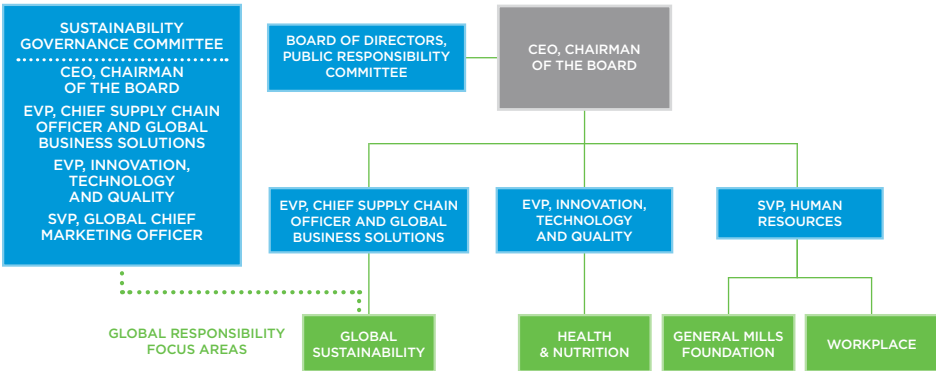
Also refer to our [GRI index](#) for a mapping to SDGs.

## Oversight

The General Mills leadership team has ultimate accountability for the company's global responsibility programs and performance. The team includes Jeff Harmening, Chairman and Chief Executive Officer; John Church, Executive Vice President, Chief Supply Chain Officer and Global Business Solutions; Peter Erickson, Executive Vice President, Innovation, Technology and Quality; and Jacqueline Williams-Roll, Senior Vice President, Chief Human Resources Officer. The team meets regularly and receives input from internal and external experts. 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. Additional details about leadership and governance related to specific global responsibility issues are included in relevant sections of this report. See [GeneralMills.com/Investors](http://GeneralMills.com/Investors) to learn more about the company's broader corporate governance structures and processes.

**GRI 102-19, 20, 26, 32**



△ 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 progress on social and environmental initiatives. Our approach includes open dialogue, collaboration and transparent disclosure. This strengthens our ability to balance business and societal interests; build robust relationships globally across sectors; and ultimately, identify innovative solutions that create shared, sustainable value.

We are working to address shared issues – such as health and nutrition wellness, 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, which elevates overall sector performance.

We engage on issues that are material to our global responsibility strategy and where we can have a substantial positive impact. When engaging with stakeholders, we assess potential alignment on objectives, organizational expertise, capacity, influence and willingness to collaborate.

**GRI 102-40, 42, 43, 44**



This graphic illustrates the range of issues on which we engage with stakeholders. ▶

# 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:** 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 supporting the large-scale investments required to address this challenge. During 2017, General Mills continued

to support the Paris Accord; a national climate and energy policy in the U.S.; and state climate and energy policies, including in California and Minnesota.

- **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, Connecticut and Michigan during 2017.

- **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. In 2017, General Mills engaged with the U.S. Food and Drug Administration as it continued to implement the revised nutrition facts panel.

- **Food labeling and GMOs:** General Mills actively supports the [National Bioengineered Food Disclosure Law](#). This will require food companies to include information about GMOs on product labels or reference

that information online, a practice that we have already adopted. In 2017, we engaged with the U.S. Department of Agriculture to ensure that the implementation of this new law will establish consistent transparency nationwide.

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).

**GRI 102-12, 13, 44**

# Political contributions and memberships

Our [civic policy](#) describes our approval process for corporate political contributions. The [Public Responsibility Committee](#) of the 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 2017, we made US\$1,000 in direct political contributions. For more details and historical information, see our [2005-2017 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 Association of Food Industries](#).
- 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 in our Civic involvement reports. 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 2017, the Center for Political Accountability rated General Mills in the top five of the [CPA-Zicklin Index of Corporate Political Disclosure and Accountability](#), and the top food company. This ranking, which includes all companies in the Standard & Poor's 500 index, maintained our performance from past years.

**GRI 415-1**

## About this report

The General Mills Global Responsibility Report describes our commitments, goals, programs and performance across a broad range of issues. The company's Global Sustainability Team has responsibility for the development of the report. Ultimate accountability lies with the General Mills leadership team ([see page 6](#)).

This year, to further increase the usefulness of the report, we restructured the document to more closely and explicitly align with the company's material global responsibility issues.

The Global Responsibility Report is an important part of a broader set of disclosures that provide stakeholders a multifaceted description of General Mills' performance, including the company's [annual report](#), [SEC filings](#) and [annual proxy statement](#).

## Report scope

- The scope covers the company's global operations in fiscal 2017 (52 weeks ended May 28, 2017), except where noted otherwise.
- Environmental data related to General Mills' production facilities presented in this report and in the [Environmental Data Summary](#) is reported on a May-April basis (through April of the year noted).
- Our Scope 1, Scope 2 and a portion of our Scope 3 greenhouse gas emissions have been verified by Bureau Veritas.
- Unless otherwise noted, data in this report is not externally verified and may occasionally be restated due to improvements in data collection methodology and/or accuracy.

## Stakeholder input

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 practitioners and industry experts, provided feedback on a detailed report outline. We value this input and have incorporated much of their feedback into the report.

## Reporting standards

- This report references the [GRI 2016 Sustainability Reporting Standards](#),

as well as the Food Processing Sector Supplement. See the [GRI index](#) for details.

- General Mills endorsed the principles of the [UN Global Compact](#) in 2008. This report serves as the company's annual Communication on Progress. See the [UN Global Compact index](#) for details.

## Feedback

We welcome your comments about this report. Please send any feedback to [Corporate.Response@genmills.com](mailto:Corporate.Response@genmills.com).

**GRI 102-49, 50, 53, 54, 56**

# Our Food



At General Mills, our purpose is to serve the world by making food people love.

## IN THIS SECTION

- ❖ Health and wellness
- ❖ Food safety
- ❖ Consumer education and marketing
- ❖ Transparency
- ❖ Biotechnology



**80%**

In fiscal 2017, 80 percent of U.S. retail sales volume met our Health Metric nutritional criteria.

**100%**

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

**2<sup>nd</sup>**

General Mills is now the second-largest U.S. organic food producer.



# Health and wellness

## Nutrition ▶ Material issue | GRI 416-1, FP4, 6, 7

### Our approach

**Our goal:** 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 putting people first by improving the variety and health profile of our products while adhering to high standards of food safety.

**Investment in research:** We invest in research and development (R&D) to continuously improve the health

**75%**  
Since 2004, we have increased R&D spending on health and wellness by 75 percent.

profile of our products and help us better understand the impact of food on health and wellness.



#### Bell Institute of Health, Nutrition and Food Safety:

General Mills' global Bell Institute of Health, Nutrition and Food Safety is the company's source for scientific health, nutrition and food safety expertise that creates value and growth for General Mills. The Bell Institute influences General Mills' product development through:

- Nutrition science research.
- Insights on regulatory issues.
- Collaboration to advance food safety.

- Health communications to customers, nutrition communities and consumers.

Learn more on the Bell Institute [website](#) and in the [food safety](#) content later in this report.

#### 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, Nutrition and Food Safety reports directly to the Vice President of the Integrated Global Center of

Expertise within Innovation, Technology and Quality and regularly updates the Public Responsibility Committee of the Board of Directors on the company's health and wellness strategy.

#### Health and Wellness Advisory Council:

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 impacts across our North American portfolio



### Whole grain

- **100 percent** of our Big G cereals deliver 10 or more grams of whole grain per serving.
- **One in seven** of our products across North America delivers at least 8 grams of whole grain per serving.



### Fiber

- **19 percent** of our North American products contain at least 10 percent of the recommended daily value of fiber per serving.



### Protein

- **14 percent** of our U.S. retail product SKUs (more than 250 products) provide at least 10 percent daily value of protein per serving.
- **60** Canadian retail products are a source of protein.



### Calories

- **63 percent** of North American product SKUs (more than 1,300 products) have 150 calories or less per serving.
- **30 percent** of North American product SKUs (more than 650 products) have 100 calories or less per serving.



## 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. Over the past several years, we have expanded our efforts, applying similar criteria to encourage health improvements globally. Here are some highlights of nutritional improvements worldwide since 2005 (fiscal 2005-2017 results).

We increased these beneficial nutrients:

- **Whole grain** - We introduced more than 280 products that provide at least 8 grams of whole grain per serving and reformulated more than 50 products to increase whole grain by at least 10 percent (key categories include cereal and snacks).
- **Fiber** - We introduced more than 290 products that provide a significant source of dietary fiber per serving and increased dietary fiber in another 30 products by at least 10 percent (key categories include cereal and snacks).
- **Vitamins and minerals** - We introduced more than 550 products that are sources of key vitamins and minerals, such as yogurt, cereal and snacks.

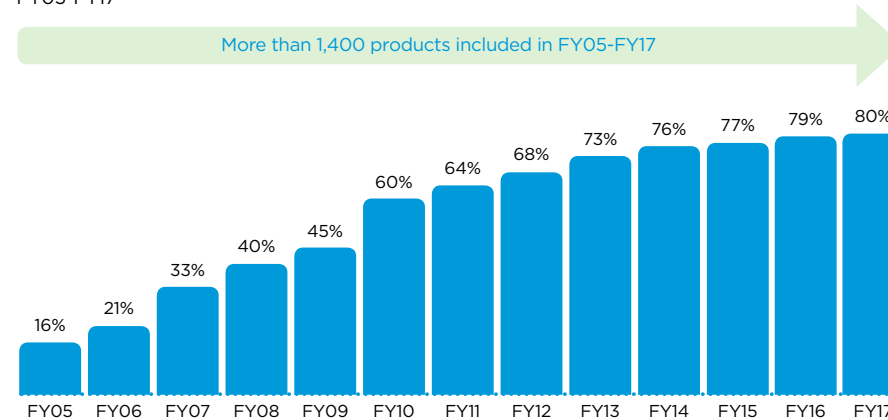
We reduced these nutrients of concern:

- **Sodium** - We reduced sodium by 5 to 25 percent in more than 450 products, including soups, dry dinners, canned tomatoes, *Chex Mix* and cereal.
- **Sugar** - We reduced sugar by 5 to 30 percent in more than 300 products, including yogurt, snacks and cereal.
- **Trans fat** - We reduced trans fat to 0 grams labeled per serving in 270 products, including baking mixes, refrigerated dough and pizza products.

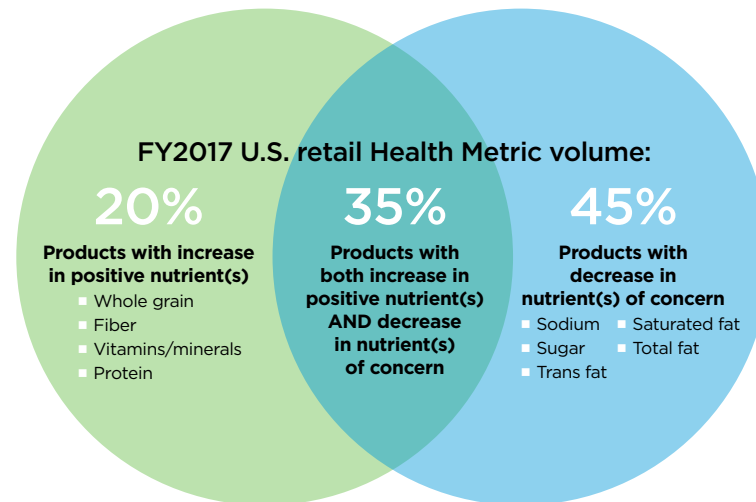
## U.S. Health Metric

In fiscal 2017, 80 percent of our U.S. retail sales volume was composed of products that had met Health Metric\* criteria since its inception in 2005.

### U.S. retail Health Metric achievement FY05-FY17



### Drivers of nutritional improvements U.S. retail sales volume FY05-FY17\*\*



\*U.S. Health Metric criteria: Reducing calories, fat, saturated fat, trans fat, sugar or sodium by 5 percent or more per serving; increasing beneficial nutrients - including vitamins, minerals and fiber - by 10 percent or more per serving; formulating products to include 8 grams of whole grain or at least a half-serving of 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).

\*\*The information on this diagram shows the type of efforts we have made to improve the nutrition profile of our products over the 13 years we have implemented our U.S. Health Metric. Divested products are not included.

## Cereal Partners Worldwide

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.

**Goal:** As part of its Global Nutrition Commitment, CPW announced specific targets in October 2012 for nutritionally improving about 6 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. These cereal reformulation targets included:

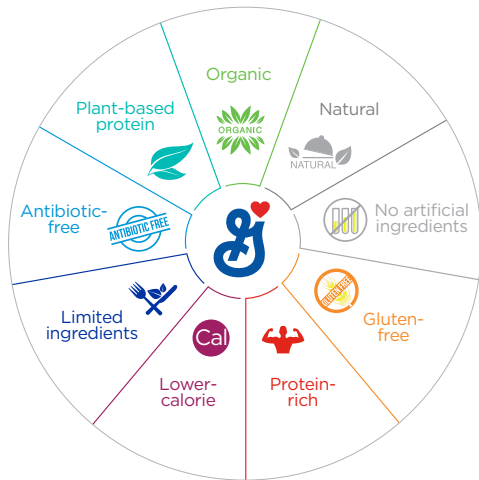
- More whole grain than any other ingredient.
- 9 grams of total sugars or less per serving.
- 135 milligrams of sodium or less per serving.
- At least 15 percent of the recommended daily allowance of calcium per serving.

**Progress:** 85 percent of net sales of kids and teens brands worldwide achieved the commitment in 2017, and more than 90 percent of recipes in the scope of this commitment have whole grain as the first ingredient.

# Diverse consumer needs ▶ Material issue

## Our approach

General Mills offers a variety of products to meet the diverse needs and preferences of consumers around the world, who are increasingly focused on the role of food in their overall health and wellness. The graphic below outlines the wide range of benefits across our portfolio.



## Natural and organic

Since 2000, we have steadily expanded our natural and organic business, including through brand acquisitions, to meet growing consumer demand. We offer a mix of certified organic cereals, yogurt, vegetables, fruit products, snacks, meals and baking products.

### Our progress:

- **Scale** – General Mills is now the second-largest U.S. organic food producer.\*
- **Products** – One out of every 10 products in our North American portfolio is certified organic or made with organic ingredients; nearly 550 organic product SKUs are available throughout the U.S. and Canada.
- **Growth** – We committed to growing our natural and organic food business to US\$1 billion in net sales by 2019, and reached US\$1.045 billion in fiscal 2017.

**Sustainable supply:** 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.

## Gluten-free

We offer 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.

### Our progress:

- **Third-largest** – General Mills is the third-largest producer of gluten-free products in the U.S.\*\*
- **One in four** of our North American products is labeled as gluten-free. In 2017, we offered more than 900 gluten-free product SKUs in North America.

## No artificial ingredients

As we continue to innovate and modify our products to meet consumer preferences, many of our brands have removed artificial flavors and colors from artificial sources.

For example, in November 2017, our Foodservice business introduced a portfolio of baking products with no artificial flavors or colors from artificial sources, under the *Gold Medal* and *Pillsbury™* brands. These products help bakeries, restaurants and foodservice operators meet consumer demand for items made with simpler ingredients.

### Our progress:

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

## Our natural and organic brands



\*Based on SPINS NOMC Dashboard data through June 18, 2017.

\*\*Nielsen, total of U.S. – all channels, 52 weeks ending Dec. 2, 2017.



## Investing in new food innovations

**Our approach:** 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-ups through 301 INC, the company's business development and venture capital unit. The 301 INC team helps expand the vision of entrepreneurs with promising early-



stage brands to make their food products accessible to more people. By combining the vision and passion of these entrepreneurs with General Mills' extensive capabilities in areas such as product development, supply chain, marketing, operations and channel development, we believe we can meet consumer needs faster than ever.

**Our progress:** We grew our portfolio by 50 percent in fiscal 2017.

**Partners:** As of early 2018, we have eight partners:



# Food safety ▶ Material issue | GRI 416-1, 2, FP5

## Our approach

Safety is a priority for our company and central to our culture. Leading with safety – both in the workplace and the food we make – is one of the key operating principles that guides our work.

**Investment:** We invested US\$15.2 million in food safety in fiscal 2017; 8.5 percent of essential capital investment in 2017 was for projects related to food safety.

**Collaboration:** 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 collaborate with industry peers and regulators to help raise standards industrywide.

**Systems:** Our global food safety systems focus on prevention, intervention and response:

- Processes – Food safety is integrated into all our processes, beginning with R&D and extending across our supply chain.
- Risk mitigation – We conduct internal risk-based surveillance and food safety testing at all General Mills facilities to identify and prioritize specific areas of risk.
- Audits – Our Global Internal Audit team periodically audits the effectiveness and efficiency of food safety controls and operating procedures. Results are reported to the company's Global Governance Council and Board of Directors.
- 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.

**Training:** We provide food safety training to employees through our global centers of excellence and online training academy. In fiscal 2017:

- Our food safety team included more than 2,000 trained quality professionals.
- We conducted Auditor Academy training sessions attended by 14 participants from three countries. These sessions help improve our ability to identify and fix issues, as well as prevent food safety problems from occurring.

**Governance:**

- Detailed policies – Governance of General Mills' food safety and regulatory matters begins with a corporate Food Safety and Regulatory

Policy signed by our Chief Executive Officer. This corporate policy is supported by 16 detailed policies with accompanying standards and guidance documents. 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.

- Leadership – The Senior Director of Food Safety and Quality has direct responsibility for food safety. The Global Internal Audit team periodically validates that our food safety processes and controls are operating effectively. The company's Global Governance Council conducts a quarterly review of risk, which includes food safety.



## Performance

### Our goals:

- 100 percent of General Mills facilities third-party audited and/or certified.
- 100 percent [Global Food Safety Initiative \(GFSI\)](#) certification of all General-Mills owned facilities by 2020.

**Our progress:** External verification and certification of our facilities includes:

- 100 percent of our facilities worldwide are audited and/or certified by independent third parties using globally recognized food safety criteria.
- 82 percent of our company-owned production facilities are GFSI certified, indicating they meet global standards for food safety management recognized in more than 150 countries.

**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. We conducted nine voluntary product recalls globally in fiscal 2017 (compared to 10 in fiscal 2016), including three related to [flour](#) as well as recalls of snack bars, onion cream soup, paprika, pancake and baking mix, yogurt and vegetarian curry frozen entrees.

## Suppliers

### Our approach:

- 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. We perform direct audits and also encourage third-party audits and/or certification, such as through GFSI, as an additional preventive control measure.

- Supplier training – We bring together our suppliers around the world to share food safety knowledge and communicate food safety expectations. We conduct supplier training in classroom settings tailored to the needs of each market. The seminars address topics such as biological and physical hazard controls, allergen management and production facility sanitization.

### Our progress:

- 912 supplier audits were conducted in 2017.

- 62 co-producer audits were conducted in 2017.
- 60 percent of our global co-production sites and 91 percent of our North American ingredient vendor sites are GFSI certified.
- 500+ suppliers were trained through supplier schools and webinars in 2017.
- 650+ supplier representatives participated in training sessions in Australia, Brazil, China, India, Spain, Taiwan, Thailand and the U.S. since 2011.

# Consumer education and marketing

## Consumer education GRI 417-1, FP4, 8

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

**Our commitment:** 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 front-of-pack. This initiative was implemented globally during 2015 to inform consumers about specific product nutrition attributes.

**Our progress:** Around the world, our product labeling meets local regulatory requirements while remaining consistent with our global approach. Examples of our compliance with local and regional guidelines include:

- Argentina and Brazil – All General Mills package information complies

with local regulations and includes the energy icon on the front of packaging.

- Australia – The majority of our products displayed nutrition intake information on front-of-pack labeling in fiscal 2017, consistent with the [Australian Daily Intake Guide](#) and IFBA requirements.
- Canada – All General Mills package information complies with Health Canada and [Canadian Food Inspection Agency](#) labeling requirements.

- Europe – All General Mills package information complies with [European Food Information to Consumers Regulation](#).
- U.S. – The majority of our U.S. products now feature front-of-package labeling. Learn about date labeling changes to reduce food waste through clearer guidance for consumers about food shelf-life in the [Our Community](#) section of this report.



# Responsible marketing ▶ Material issue | GRI 417-1, FP8

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

**Policies:** General Mills' marketing policies ensure that our child-directed advertising promotes only lower-calorie, nutrient-dense products and respects three key steps to healthier living: balance, moderation and physical activity. We take particular care around the content and nature of advertising directed to children – including pre-screening of our ads by the Better Business Bureau's Children's Advertising Review Unit in the United States. We update our marketing policies annually to reflect current standards and practices.

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 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-for-you criteria or refrain from all product marketing to children under 12 years old.

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.

In addition to our global commitment to comply with the IFBA pledge, 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. Additional regional and local commitments include compliance with the following initiatives and guidelines:

- Australia – [Responsible Child Marketing Initiative of the Australian Food and Grocery Council](#)
- Brazil – Enhanced Commitment to Responsible Advertising to Children pledge
- Canada – [Canadian Children's Food and Beverage Advertising Initiative](#) guidelines
- Europe – [EU Pledge](#) guidelines
- Singapore – [Singapore Food and Beverage Industry Responsible Advertising to Children Initiative](#)
- U.S. – [CFBAI guidelines](#)



△ 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.



△ 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.



# Transparency

► Material issue | GRI 417-1, FP8

**Our approach:** At General Mills, we are committed to increasing transparency about our food. We recognize that consumers, regulators, investors and other stakeholders seek information about our products and processes. Consumers want to know what's in their food, where it comes from and how it is prepared. They also want assurance that food has been grown and harvested in a responsible and sustainable manner that respects people, animals and the environment.

As we continue our journey to increase transparency, our focus is on providing information to key stakeholders when and where they need it. For example, to help consumers learn more about what is in their food, we provide information in multiple ways – on packages, through

our company and brand websites, on our brands' social media channels and on third-party sites, such as e-commerce and transparency platforms.

**Our progress:** Some examples of our current transparency initiatives are outlined below.

- On social channels, *Cheerios* and *Nature Valley* are leading the digital way to show how General Mills is working with suppliers and farmers to sustainably grow oats used in our products. [Learn more.](#) Many of our natural and organic brands use social media to share information about practices to expand organic farming and improve pollinator health, including *Liberté*, *Cascadian Farm* and *Muir Glen*.

- Annie's shares stories about its contributions to a better food system through its website (including the [Farm-to-Yum](#) framework and [Why Organic](#), [Ingredients](#) and [Soil Matters](#) pages), [published media pieces](#) and [social channels](#).
- We provide consumers with answers to questions about our food at [askgeneralmills.com](#), including frequently asked questions, videos, blogs and other content. The site includes 545 topics ranging from food ingredients to gluten-free products and use of GMOs. More than 41,000 users visited the site during the 12-month period ending November 2017.

- In the U.S., we provide product details through [SmartLabel™](#), an industry initiative that seeks to share digital product information with consumers. As of January 2018, we have over 100 products listed on [smartlabel.org](#) and we will continue to add more. This information also can be accessed by downloading the SmartLabel App and scanning a participating UPC or SmartLabel QR code (if available on packaging).

**Responsible sourcing:** Details about our ingredients, how they are sourced and how we engage with farmers are included in [Responsible sourcing content in the Our Planet](#) section of this report.

# Biotechnology

► Material issue | GRI FP8

**Safety:** Safety is our highest priority, and we find broad global consensus among food and safety regulatory bodies that approved GMOs are safe. [Learn more.](#)

**Our approach:** 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. Incumbent with any technology use is the need for supply chain stakeholders to regularly review, identify and address issues associated with the technology, including pest and weed resistance. [Learn more.](#)

**Alternatives:** We respect consumers' varying views on the use of biotechnology. We offer organic and non-GMO alternatives in most

of our major product categories in the U.S. [Learn more.](#)

In the spirit of transparency, we've enrolled 500 products – especially our organic products – in the U.S. [Non-GMO Project](#), a nonprofit organization that provides information to consumers and third-party verification for non-GMO food and products.

We're [pleased](#) that we now have a national standard for GMO disclosure in the U.S., and we look forward to reviewing the U.S. Department of Agriculture (USDA) regulations once they are proposed.

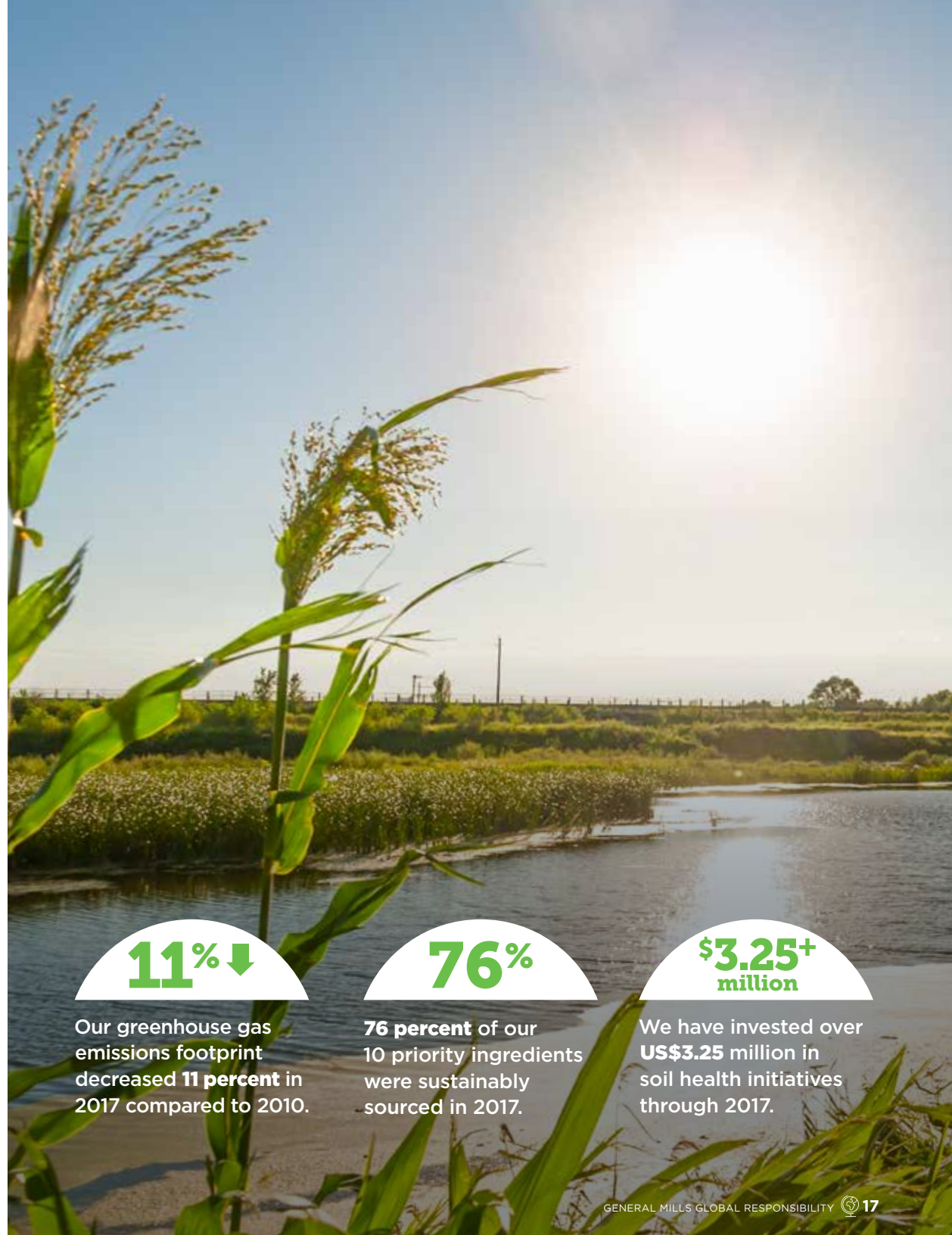
# Our Planet



Our sustainability mission is to treat the world with care.

## IN THIS SECTION

- Climate change
- Water stewardship
- Ecosystems
- Human rights
- Responsible sourcing



**11%↓**

Our greenhouse gas emissions footprint decreased **11 percent** in 2017 compared to 2010.

**76%**

**76 percent** of our 10 priority ingredients were sustainably sourced in 2017.

**\$3.25+**  
million

We have invested over **US\$3.25 million** in soil health initiatives through 2017.



## Our approach

We promote environmentally and socially responsible practices across our value chain to protect the resources and people upon which our business depends. 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 work 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, expand economic opportunities and protect animal welfare.

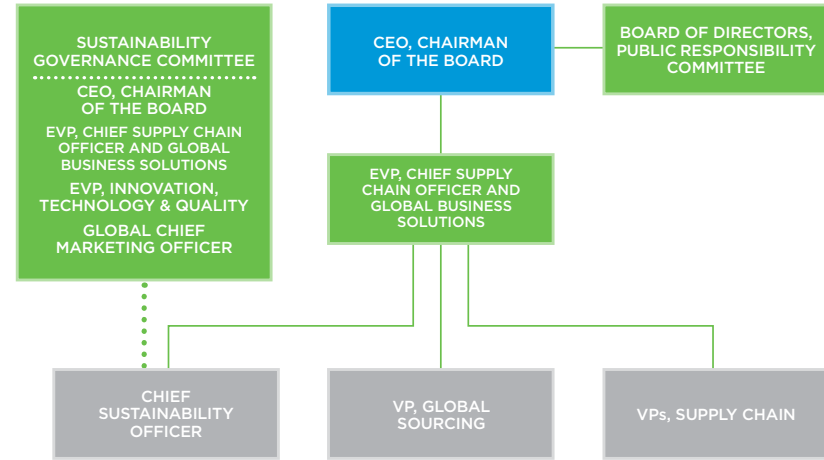
**Leadership and governance:** At General Mills, our Chairman and Chief Executive Officer has ultimate accountability for sustainability, which is included in his

annual performance objectives and impacts his compensation. The Chairman and CEO convenes the Sustainability Governance Committee three times each 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, Chief Supply Chain Officer, and working closely with the Vice President of Sourcing and other key business leaders to develop, coordinate and execute programs to achieve companywide targets.

**GRI 102-9, 26**



### Ratings and rankings in 2017

- CDP Climate: A-
- CDP Water: B
- Corporate Human Rights Benchmark: No. 8 of 35 in industry
- Corporate Responsibility magazine's 100 Best Corporate Citizens: No. 19
- FTSE4Good Index: member
- JUST Capital: No. 3 of 34 in industry
- MSCI: AA rating
- Newsweek Green Rankings: No. 34

# Climate change

► Material issues: Climate change; energy use; packaging footprint | GRI 301 2-3, 302 1-4, 305 1-5, 306-2

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.

**Policy:** 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 leadership and collaboration with suppliers, farmers, packaging producers, product transport

providers, retailers and consumers. We drive progress through partnerships and key initiatives, such as our work with [The Nature Conservancy \(TNC\)](#) to develop a soil health roadmap or with [Field to Market: The Alliance for Sustainable Agriculture](#). See [Agriculture and transformation](#) for more details.

Combating climate change also requires collective action across

industries and our broader society. We participate in the following initiatives:

- Science Based Targets initiative (SBTI)
- Business for Innovative Climate & Energy Policy (BICEP) coalition
- We Mean Business
- New York Declaration on Forests
- UN Caring for Climate Declaration



**Science-based goal:** 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 2017, our GHG emissions footprint decreased 11 percent compared to 2010, while net sales rose 6 percent. This reflects sales of lower GHG emissions intensity products, as well as improved efficiency in manufacturing and logistics. Our GHG emissions fell 6 percent versus 2016, while net sales decreased 6 percent.

We plan to accelerate recent progress to reach our emissions-reduction goals. Our ongoing challenge is to decrease our footprint while growing our business.

See the [Appendix](#) for details on our GHG emissions calculation methodology. For information on the risks and opportunities General Mills faces due to climate change, see our [CDP submission online](#).

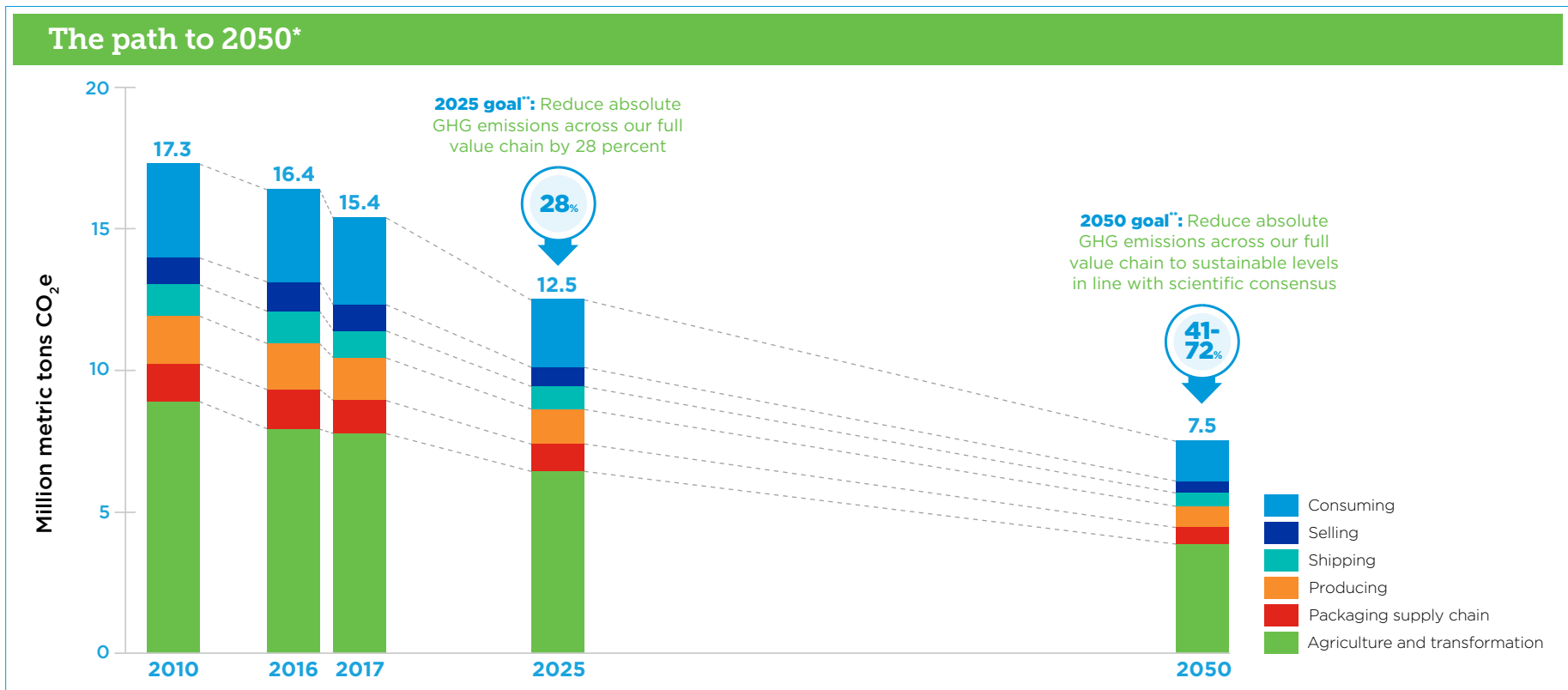
**Product environmental footprint**

**evaluation:** Considering environmental impacts in product design and development is essential to improving our carbon footprint and overall environmental performance. At specific

“gates” during this process, we have started to assess a product’s environmental characteristics, including through life-cycle assessment. We launched this initiative late in fiscal 2016 in our *Yoplait* brand in Europe, and added the *Häagen-Dazs* brand during fiscal 2017. Through the end of the fiscal year, we assessed 91 projects to determine the GHG emissions impact of various product changes, beyond the effect on typical attributes such as cost and quality. Twenty-four of these projects demonstrated opportunities for improvement. We have implemented 15 so far, saving 3,000 metric tons CO<sub>2</sub>e on an annual basis.

We are also building and integrating simpler, more user-friendly eco-design tools, which will enable non-specialists to make environmental footprinting a mainstream part of product development. We began implementing these tools into packaging design in the U.S. in 2015.

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



\* 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. Differences compared to the data reported last year are due to updates to the underlying ecoinvent database and enhancements to calculation methodologies and accuracy.

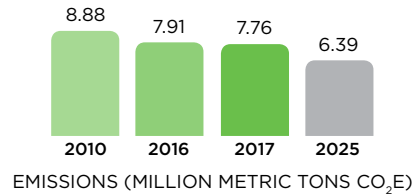
\*\* Compared to 2010.



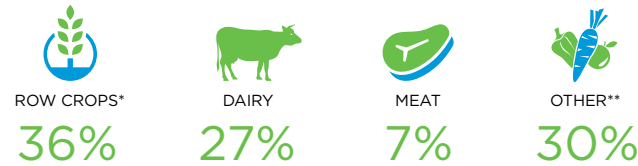
**Agriculture and transformation (50% of total value chain GHG emissions)**

**Growing and transporting crops, and turning them into food ingredients**

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



**KEY DRIVERS (% OF PHASE IN FY17)**



\* Wheat, dry corn, oats  
 \*\* Cocoa, soybean oil and sugarcane represent about one-third of this amount

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 in this category decreased 13 percent in 2017 compared to our 2010 baseline. This was primarily due to a reduction in purchasing of several ingredients such as sugar, wheat and fats/oils. Emissions fell by 2 percent from 2016 to 2017.

**Our approach:**

- **Soil health** – Healthy soil has significant potential to sequester carbon. For a 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. We engage

in similar ways with oats growers through the Canadian Fieldprint Initiative. We then hold workshops and collaborate with local, trusted agronomists to identify and implement continuous improvement practices.

- **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 details on our row crop and dairy initiatives.

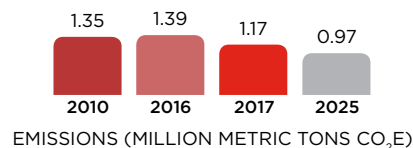
- **Deforestation** – Healthy forests play a critical role in storing carbon, so we are working to address deforestation in our fiber, cocoa and palm oil supply chains. See the [Sustainable sourcing](#) section for more details.



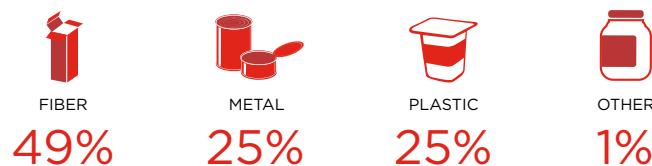
**Packaging supply chain (8% of total value chain GHG emissions)**

**Producing and transporting packaging materials**

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



**KEY DRIVERS (% OF PHASE IN FY17)**



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 in this category decreased 13 percent in 2017 compared to our 2010 baseline. This was due to design improvements and a shift toward products with lower impact

packaging. A 16 percent decrease from 2016 to 2017 was due largely to declining sales in our soup business, which uses a substantial amount of steel packaging, a material that is GHG emissions intensive.

**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, and we achieved greater

than 99 percent in 2017. See the [Sustainable sourcing](#) section for more details.

**Recycled and recyclable materials:** We continue to increase our use of recycled and recyclable materials. In 2017, recycled content represented about 43 percent of General Mills' product packaging weight in the U.S. Approximately 88 percent of our packaging in the U.S. was recyclable.\*

**External collaboration:** We partner with industry and community organizations such as the Sustainable Packaging Coalition (SPC) and The Association of Plastic Recyclers to improve recycling effectiveness and availability. To promote recycling, two-thirds of our products with large enough packages now include How2Recycle labels, developed by the SPC.

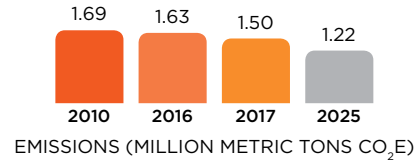
\*According to analysis conducted by General Mills in 2017. Packaging is considered recyclable if 60 percent or more of the U.S. population has access to recycling for the material.



**Producing (10% of total value chain GHG emissions)**

**Making our products (mixing and cooking)**

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



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

**Performance:** Greenhouse gas emissions in this category decreased 11 percent in 2017 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.

**Energy use:** In addition to our GHG emissions reduction goal, each General Mills production facility has a target to reduce energy use by 2 percent annually, normalized to production. During fiscal 2017, this rate increased by 3 percent compared to the prior year, largely due to the movement of production lines between facilities. However, absolute energy use decreased by 5 percent.

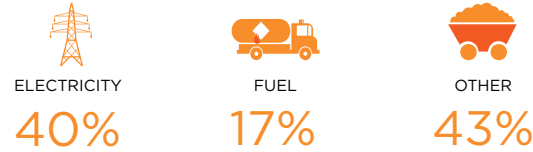
We identify and implement improvements through our Five-

Step Energy Reduction Process, by working with our manufacturing plants to establish energy programs, conduct energy analyses, develop and execute improvement plans, and validate results. This process historically focused on facilities with significant spending on energy. We have recently evolved it to include all General Mills manufacturing facilities, by focusing improvement efforts on common systems such as compressed air, lighting and steam/hot water.

In fiscal 2017, we completed more than 76 energy efficiency and reduction projects across the company. These saved over 21 million kWh, delivered US\$2 million in cost savings and avoided nearly 15,000 metric tons CO<sub>2</sub>e of GHG emissions.

**Renewable energy:** We have implemented numerous renewable energy initiatives at facilities worldwide that meet financial guidelines and

**KEY DRIVERS (% OF PHASE IN FY17)**



support our environmental objectives. Examples include anaerobic digestion (which captures and uses methane to generate electricity), burning oat hulls and other bio mass, and solar arrays. In June 2017, General Mills signed a 15-year virtual power purchase agreement with Renewable Energy Systems (RES) for 100 megawatts of the Cactus Flats wind project in Concho County, Texas. This will generate renewable energy credits that we will apply to our U.S. electricity footprint to drive progress toward our GHG emissions reduction goal.

**Waste reduction:** We also work to decrease waste, which saves money and materials and decreases our overall GHG emissions. Each General Mills production facility has a target to reduce production solid waste generation by 3 percent annually, normalized to production. In fiscal 2017, this rate increased by 11 percent, while absolute waste rose by 2

percent. Main factors included waste-intensive changes in operations, moving production lines between facilities and overall decreases in production. During the year, 84 percent of our production solid waste globally was recycled, 13 percent was disposed\* and 3 percent was processed for energy recovery.

Worldwide, at the end of fiscal 2017, seven General Mills production facilities (14 percent of the global total) met our zero-waste-to-landfill criteria.\*\* 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 [Environmental Data Summary](#).

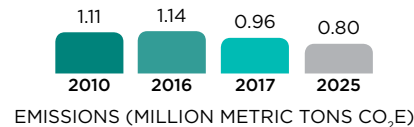
\*Disposal includes landfill and incineration without energy recovery.  
\*\*These facilities sent no waste to landfill or incineration without energy recovery.



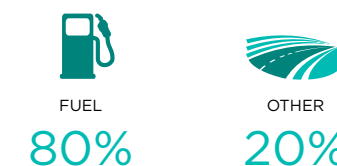
**Shipping (6% of total value chain GHG emissions)**

**Transporting ingredients to our facilities and our products on to stores**

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



**KEY DRIVERS (% OF PHASE IN FY17)**





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 in this category decreased 14 percent in 2017 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.
- Using innovative technologies such as lightweight truck cabs.

- Collaborating with suppliers and customers to increase capacity utilization and providing customers incentives to use our Direct Plant Ship program.
- Prioritizing shippers with strong environmental credentials. In North America, 85 percent of

our transportation spend is with **SmartWay** certified carriers.

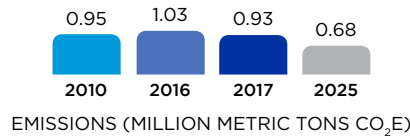
- Improving logistics planning, regionally sourcing products, filling trucks more completely and using load optimization software.



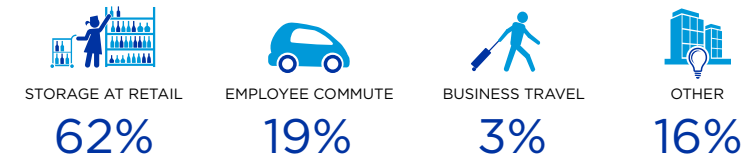
**Selling (6% of total value chain GHG emissions)**

**Making food available for purchase and daily operations of our business**

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



**KEY DRIVERS (% OF PHASE IN FY17)**



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 in this category decreased 2 percent

in 2017 compared to our 2010 baseline, largely due to a decrease in the volume of products that require cold storage.

**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 2017, we reduced the CO<sub>2</sub> emissions intensity of

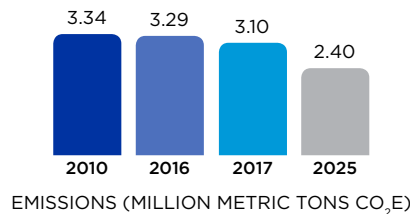
our U.S. sales fleet by 28 percent per mile driven. By the end of 2016, all of our U.S. sales fleet vehicles were upgraded to more efficient 2016 and 2017 models.



**Consuming (20% of total value chain GHG emissions)**

**Enjoying food (shopping, preparing and eating) and disposing**

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



**KEY DRIVERS (% OF PHASE IN FY17)**



Consumer transportation to and from stores determines the largest part of emissions in this phase, followed by product characteristics such as preparation and storage requirements.

**Performance:** Greenhouse gas emissions in this category decreased 7 percent in 2017 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 2017, we enabled 30 million meals for food-insecure people around the world through food donations. Learn more in the **Our Community** section of this report.





# Water stewardship

► Material issue | GRI 303-1, 2, 3

Water is essential for life – for drinking and sanitation, and to grow food, generate power, support commerce and nurture ecosystems. Agriculture uses 70 percent of global freshwater withdrawals, and the food sector faces increasing risks related to water quality and availability. This underscores the leadership role that General Mills and other food companies must take to address water stewardship issues. We focus on water usage from watershed to production, identify opportunities to increase efficiency and conservation, and continually improve performance and enhance resiliency.

**Policy:** The [General Mills Water Policy](#) provides a framework for engaging with stakeholders and improving the health of watersheds that are critical to our business. Improving watershed

health requires extensive collaboration to protect the water quality and supply that benefit our growers, communities and the environment.

**Our goal:** Champion the development of water stewardship plans for the company's most material and at-risk watersheds in its global value chain by 2025.

**Risk-based approach:** Water issues are local, so we take a risk-based approach to address the specific challenges facing targeted geographies. We follow our four-phase approach to develop and implement watershed health strategies in eight priority watersheds across our worldwide operations (see watersheds map on the next page). Five of those watersheds are in phase 2 (analysis and action planning), two are

## Feeding Ourselves Thirsty

In the 2017 update of its [Feeding Ourselves Thirsty](#) analysis, Ceres ranked General Mills No. 4 of 21 packaged food companies (and No. 5 of 42 food sector companies overall). The study assessed

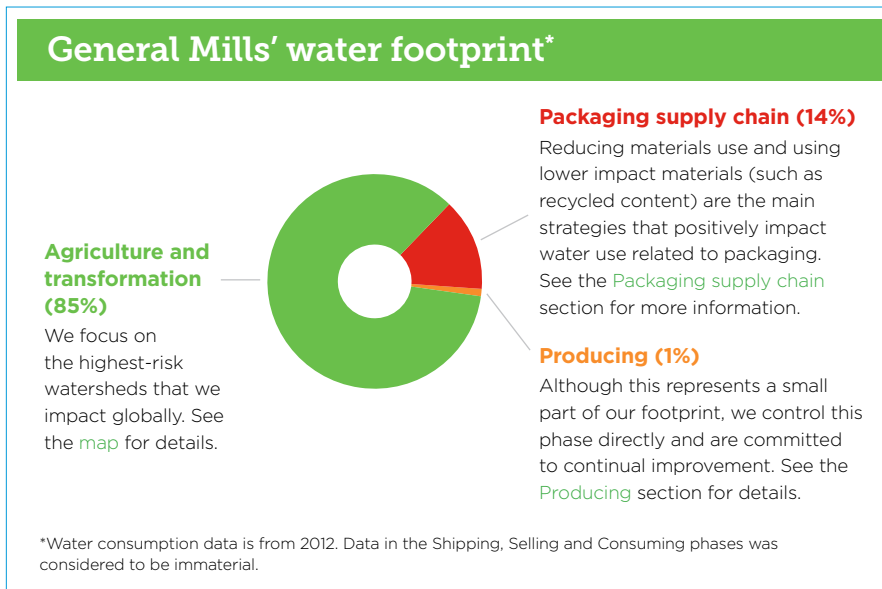
how companies are responding to water risks in governance and management, direct operations, manufacturing supply chain, and agricultural supply chain.

in phase 3 (collaboration) and one has advanced to phase 4 (transformation). To determine locations, 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 (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 World Wildlife Fund (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.

2017, absolute water usage related to our manufacturing processes equaled 14.4 million cubic meters, 17 percent less than in fiscal 2016. Main factors included reductions in the number of facilities and overall production.

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

**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. In fiscal 2017, this rate decreased by 5 percent, due mostly to elevated levels the prior year associated with facility closures. In fiscal





## 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 improvements

### 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**

**PHASE 3**

We support TNC to help farmers implement water management and soil health practices that reduce groundwater withdrawals and address declining water levels and watershed health in this area. In 2017, the Natural Resources Conservation Service (NRCS) allocated \$5.2 million to promote and implement irrigation and water saving projects through its Regional Conservation Partnership Program. TNC also received a grant from the NRCS to help develop the business case for farmers to reduce water use. [Learn more.](#) Also see [Field to Market: The Alliance for Sustainable Agriculture](#) and the [TNC soil health roadmap](#).

### San Joaquin

CALIFORNIA, U.S.

*Growing region (dairy, nuts, fruits and vegetables), facility*

**RISK LEVEL: EXTREMELY HIGH**

**PHASE 3**

General Mills is supporting TNC to develop risk-mapping frameworks, leading management practices and tools to help ensure that groundwater dependent ecosystems and streams in California are included in sustainable groundwater management. Through the [California Water Action Collaborative](#), we share resources and information with other food and beverage companies, suppliers and conservation organizations to improve water security in the San Joaquin watershed. General Mills also is funding research conducted by [Sustainable Conservation](#), an NGO supporting farmers in California's Central Valley, to enable groundwater recharge on active farm fields.

### Rio Grande/ Rio Bravo

NEW MEXICO, U.S.

*Facility*

**RISK LEVEL: EXTREMELY HIGH**

**PHASE 4**

We contribute to the [Rio Grande Water Fund's](#) work to help advance water conservation and education efforts in the Albuquerque community, including restoring forests to reduce catastrophic wildfires that threaten the area's water supply.

### South Florida Basins

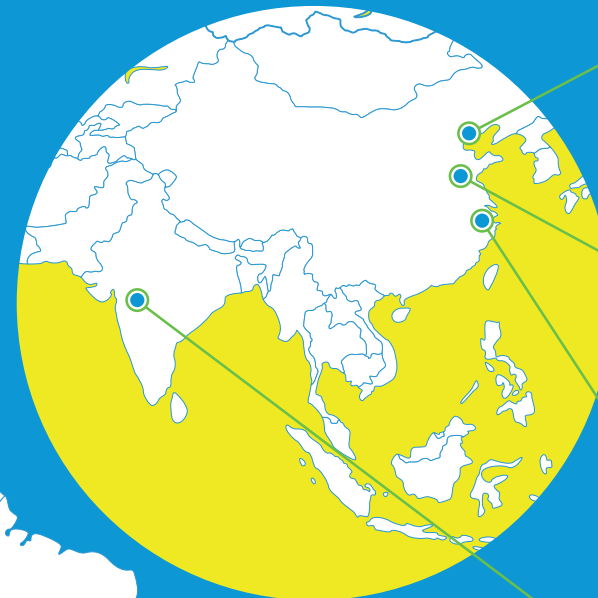
FLORIDA, U.S.

*Growing region (sugarcane)*

**RISK LEVEL: HIGH**

**PHASE 2**

General Mills is tracking The [Central Everglades Planning Project \(CEPP\)](#) that is currently being implemented according to the [Integrated Delivery Schedule](#), a collaboration created with multi-stakeholder input.



### Yongding He

HEBEI/SANHE (BEIJING), CHINA

*Growing region (dairy), facility*

**RISK LEVEL: EXTREMELY HIGH**

**PHASE 2**

We are in the process of implementing the [Alliance for Water Stewardship \(AWS\)](#) standard at our facility and the surrounding catchment.

### Huang He (Yellow)

SHANGDONG, CHINA

*Growing region (dairy)*

**RISK LEVEL: EXTREMELY HIGH**

**PHASE 2**

Added in October 2016. This watershed is in the analysis phase.

### Yangtze (Chang Jiang)

SHANGHAI, CHINA

*Facilities*

**RISK LEVEL: HIGH**

**PHASE 2**

We are in the process of implementing the [Alliance for Water Stewardship \(AWS\)](#) standard at our facilities and the surrounding catchments.

### Ganges

MADHYA PRADESH, INDIA

*Growing region (wheat)*

**RISK LEVEL: EXTREMELY HIGH**

**PHASE 2**

General Mills is supporting TNC to complete a deep-dive assessment into the watershed, farming practices and the opportunities for improvement.



# Ecosystems

► Material issues: Biodiversity; climate change | GRI 102-12, 13, 201-1, 304-2, 3

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

the food we make. Our efforts are multifaceted. We collaborate to improve soil health; plant pollinator habitats and support bee research

to advance biodiversity; strive to address deforestation in our supply chain; work to more than double the organic acreage from which we source

ingredients; and support efforts to help farmers control weeds in the most ecologically sensitive manner.

## Soil health

The world's rising population places increasing demands on land to produce more food. Soil conservation practices, including planting cover crops, rotating crops and reducing tillage, can improve soil health and reduce erosion. This increases productivity for farmers, improves water quality and biodiversity, and helps to address climate change. According to The Nature Conservancy, adopting soil health practices on all U.S. corn, soy and wheat croplands could deliver nearly US\$50 billion in social and environmental benefits annually. We work with farmers, NGOs and industry partners across our supply chain to make progress toward healthier soil and more sustainable agriculture. Through 2017, General Mills has invested more than US\$3.25 million in soil health initiatives.

### Supplier and grower partnerships

**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 to capture data about soil conservation, soil carbon and other sustainability impact metrics. Learn more in [Sustainable sourcing](#).

**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 America. The initiative works to accelerate use of environmentally preferable agricultural practices across the Upper

Midwest, including cover cropping, low or no tillage and extended rotation.

### Research investment

**Soil health roadmap:** General Mills and TNC unveiled [ReThink Soil: A Roadmap to Soil Health](#) in November 2016. The document makes the case for soil health management practices as the primary way to achieve conservation outcomes on U.S. working lands in the agricultural supply chain. 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. Download the [executive summary](#) or the [full paper](#).

### Perennial crop investments

**Advancing organic Kernza:** In 2017, Cascadian Farm, a pioneer in the organic food movement, and parent company General Mills launched a project with The Land Institute (TLI) to help commercialize organic Kernza, a perennial grain with deep roots (and a wild relative of annual wheat), that shows promise to increase soil health, carbon sequestration, water retention and surrounding wildlife habitat enhancement. General Mills also approved a US\$500,000 charitable contribution to the Forever Green Initiative at the University of Minnesota, in partnership with TLI, to support related efforts. [Learn more](#).

## Pollinators and biodiversity

Thirty-five percent of crop production around the world relies on honey bees and other 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.

Diverse native populations of bees and other insects are a sign of healthy and productive ecosystems. Maintaining diverse insect populations can benefit farmers financially through additional yield and reduced need for

pesticides, and have other environmental benefits as well. Hedgerows planted for pollinators contribute to healthier soil by preventing erosion and drought, while helping address climate change by sequestering carbon.

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 work with our suppliers and leading



conservationists to conserve and expand bee habitats and fund research to better support the recovery of honey bees.

Since 2011, General Mills and our brands have invested US\$6 million to support pollinator and research efforts.

**Partnerships for pollinators:** In fiscal 2017, we launched a five-year project with the U.S. Department of Agriculture (USDA) and the Xerces Society for Invertebrate Conservation to protect and establish healthy pollinator habitats. General Mills is donating US\$400,000 each of these years, matched by the Natural Resources Conservation Service (NRCS) division of the USDA for a total of US\$4 million. General Mills funding includes US\$1.25 million in corporate contributions and US\$750,000 from Annie's. This commitment will help to plant more than 100,000 acres of pollinator habitat through 2021.

In addition to our commitment with the USDA, we are scaling up our

efforts to expand pollinator habitats throughout our supply chains. For example, our Yoplait business in France has a strategic partnership with OFA (Observatoire Français d'Apidologie) to protect pollinators.

**Research:** During fiscal 2017, the General Mills Foundation provided a US\$100,000 grant to the University of Minnesota Bee Lab, to support cell culture research on honey bees. This approach, which involves growing honey bee cells in a

laboratory setting, enables scientists to address issues that impact bee health—such as pathogens, pesticides and nutritional deficiencies—at the cell level. Our support included funding for five researchers from Argentina, Australia, China, the U.K. and the U.S. to attend a two-day workshop in Minnesota to learn the latest techniques in this area.

**Neonicotinoid pesticides:** 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 the Pollinator Research Action Plan. Consistent with our historic commitment to integrated pest management (see below), we advocate for the responsible use of neonicotinoids in our supply chain and expedited U.S. Environmental Protection Agency review.

See page 54 of the General Mills 2017 Global Responsibility Report for a timeline of our historical pollinator projects.

Brand commitments to pollinator habitats in 2017*			
Brands	Funding	Commitment	Progress
	US\$2.8 million over 5 years	8,000 acres of pollinator habitat on 100,000 acres of organic supplier farmland by 2020	Achieved 2,200 acres
	US\$400,000 over 3 years	3,300 acres of pollinator habitat on 60,000 acres of supplier farms by 2020	Achieved 1,700 acres
	US\$15,000 for habitat (in addition to the USDA commitment)	20 acres of habitat in year one on 500 acres of land owned by two organic dairy suppliers	Complete

\*Based on calendar year 2017 progress.

## Integrated pest management

Integrated pest management (IPM) strategies – such as biological control, changing farmer behavior, and the use of resistant varieties – minimize the threat of pests and the need to use pesticides on crops. 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 drive progress.

We collaborated with the Xerces Society, Iowa State University and the USDA

Natural Resources Conservation Service on a project launched in June 2015 to improve IPM practices for corn and soy. In fiscal 2017, the initiative concluded with publication of the report “Making Decisions About Neonicotinoid Seed Treatment Use in Iowa.” This document provides guidance about which corn and soybean pests may be targeted effectively with neonicotinoid seed treatments, when scouting should occur to inform related decisions and how to scout for these early season pests.

In fiscal 2017, we received results from an analysis we commissioned by the IPM Institute of North America to assess the scope of IPM adoption and pesticide use throughout our North American supply chains for five major crops: corn, oats, soybeans, sugar beets and wheat. The study determined that current levels of IPM adoption are low in corn, slightly higher in soybeans and much higher in sugar beets, oats and wheat. Reliance on pesticides ranges

from very high in corn, which has multiple pests, to very low in oats.

These results inform our approach for IPM adoption across our supply chain. Through our Field to Market engagements, we help growers capture information about pesticide use, including energy used in the application of pesticides and embedded GHG emissions, and apply those findings to improve sustainability.



# Organic farming

General Mills is dedicated to increasing the capacity of our organic supply chain 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, and achieved 200,000 acres through 2017. These efforts align with our growth objectives while meeting consumer demand and benefit the environment in areas such as soil health, biodiversity and carbon sequestration.

Since 2000, General Mills has steadily grown our organic business with new products, such as *Progresso Organic*

*Soup*, and brand acquisitions, including *Cascadian Farm*, *Muir Glen* and *Annie's*.

### Organic Center of Excellence:

To support rapid growth, we are developing capabilities and processes that connect us to our ingredients' points of origin, building the supply chain to increase capacity and promoting organic farming practices. Our Organic Center of Excellence continues to develop sourcing relationships for our products directly with farmers, and we are working with growers to optimize production and quality, adopt sustainable farming practices and accelerate supply.

**Collaboration:** In 2017, we launched and hosted two meetings of the Organic & Regenerative Agriculture Transition Council, which brings together sustainable agricultural leaders, farmers and industry stakeholders to advance organic and regenerative agriculture practices.

We work with other organic companies 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*. We financially support the *Prairie Organic Grain Initiative*, aimed at building resiliency and stability in the

organic field crop sector in Canada, while increasing quantity and quality.

**Research:** We support the *Organic Farming Research Foundation's* efforts to encourage widespread adoption of organic farming practices through research, advocacy and education. Through *Annie's*, we also have long-standing relationships with the *Midwest Organic and Sustainable Education Service*, which helps farmers adopt and improve organic practices, and *The Organic Center*, which provides evidence-based research on the environmental and human health impacts of organic food and farming.

## Scaling up our organic business



General Mills is now the **second-largest** U.S. organic food producer.\*



General Mills is among the **top five** organic ingredient purchasers in the North American packaged foods sector.



We have increased the number of acres from which we source organic ingredients by **225 percent** since 2009.



General Mills' organic ingredients represent **10 percent** of our U.S. retail business ingredients by volume as of November 2017.



We are working with Gunsmoke Farms LLC to convert **34,000 acres** of conventional farmland to organic acreage by 2020.

\*Based on SPINS NOMC Dashboard data through June 18, 2017.

## General Mills supports organic acreage transition of 34,000 acres in South Dakota

In fiscal 2018, General Mills and Gunsmoke Farms LLC signed an agreement to convert 34,000 acres of conventional farmland to organic acreage by 2020. The purchase agreement will secure the long-term supply of organic wheat that General Mills plans to use for its *Annie's* pastas.

Our investment will help fund the transition of conventional acreage in Pierre, South Dakota, previously used to grow conventional wheat, corn and beans, to organic farmland. Gunsmoke Farms will be certified organic and will employ continuous improvement through advanced organic and regenerative practices such as cover cropping, crop

rotation and rotational livestock grazing. These practices build resilient landscapes, create vibrant farming communities and help reverse the impacts of climate change.

As part of this agreement, General Mills has partnered with Midwestern Bio Ag (MBA) to provide on-farm mentorship to

the farm operators on leading practices in soil management that will help sequester carbon and regenerate the land. In addition, upwards of 3,000 acres of pollinator habitat will be planted throughout the farm in cooperation with the Xerces Society.



## Deforestation

We are concerned about the deforestation of the world's rainforests and the resulting impact on biodiversity, endangered species and the broader environment. Deforestation is a major contributor to global climate change, accounting for an estimated 15 percent of global greenhouse gas emissions. We are working to address deforestation in our fiber, cocoa and palm oil supply chains.

**Fiber:** 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 and achieved greater than 99 percent in 2017.

**Cocoa:** In March 2017, General Mills was one of 35 companies that signed

a letter of intent to join the World Cocoa Foundation's new Cocoa and Forest Initiative (CFI), involving suppliers plus leading cocoa and chocolate companies, to address deforestation in cocoa supply chains.

**Palm oil:** To help ensure our palm oil purchases do not contribute to deforestation of the world's rainforests or

negatively impact the communities that depend on them, we have sourced 100 percent of our palm oil from responsible and sustainable sources since fiscal 2015.

See the [Sustainable sourcing](#) section for more details about our efforts in each of these areas.

## Human rights ► Material issue | GRI 407-1, 408-1, 409-1

Societies, economies and businesses thrive when human rights are protected and respected. In addition to our efforts within our own workforce, we are striving to achieve measurable improvement in the protection of human rights through supply chains where our company can have a significant impact. This aligns with our company

purpose and values, and helps us meet customer and other stakeholder expectations while addressing possible risks and protecting our reputation.

The following commitments underpin our approach to human rights:

- General Mills [Policy on Human Rights, Slavery and Human Trafficking Statement](#), Workplace Standards

and Ethical Sourcing Policy, and [Supplier Code of Conduct](#)

- Endorsement of the [United Nations \(UN\) Global Compact](#)
- Signatory to the [UN Women's Empowerment Principles](#)
- Membership in [AIM-PROGRESS](#), a forum of consumer goods

manufacturers focused on responsible sourcing

- Support of the Consumer Goods Forum's [Forced Labour Resolution](#) and [Priority Industry Principles](#)

See Responsible sourcing below and [Our Workplace](#) for details about our policies and programs related to human rights in each area.

## Responsible sourcing

► Material issues: [Animal welfare](#); [commodity availability](#); [human rights](#); [smallholder farmers](#); [supply chain relationships](#) | GRI 102 12-13, 40, 42-44

General Mills is committed to making our products with high ethical standards and respect for workers and the environment. Our responsible sourcing efforts include four key areas of focus:

- Our new [supplier responsibility program](#) segments our supplier

base by risk and uses audits to confirm compliance with our [Supplier Code of Conduct](#).

- Through [sustainable sourcing](#), we work to improve the environmental, social and economic impacts of raw material sourcing, with a focus on

our top 10 ingredients, while reducing supply chain GHG emissions.

- Working with [diverse suppliers](#) benefits our business, provides underrepresented firms economic opportunities and achieves a supplier base that better mirrors our customers.

- Through our [Animal Welfare Policy and programs](#), we advance the humane treatment of animals associated with ingredients in our food.



# Supplier responsibility program ► Material issues: Human rights; supply chain relationships | GRI 412-1, 3

Our supplier base is large, complex and global, so we pursue a multipronged approach to addressing responsible sourcing issues. This includes General Mills' owned locations and co-packers, and an expanded approach for first-tier suppliers launched in June 2017.

**Owned locations and co-packers:**

Since 2009, third-party firms have conducted independent audits of our owned locations and co-packers, which cover health and safety, business integrity, human rights and environmental responsibility. (These are separate from [food safety audits](#).) We require corrective action plans and resolution for any identified non-compliances. In fiscal 2017, 62 of our owned locations and co-packers were audited, representing

about 25 percent of the total, compared to 73 locations the prior year. Frequency of assessment is based on each site's performance in past audits.

When significant issues arise in audits, a Critical Finding Alert email is issued to key General Mills team members, 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 regular check-in meeting occurs to review progress the facility has made until the issue is resolved.

**First-tier suppliers:** During fiscal 2017, we worked with Bureau Veritas (BV) to expand and elevate our responsible sourcing program in our first-tier supplier base. After conducting a high-level

risk assessment and segmentation of 2,300 first-tier direct supplier\* facilities worldwide, we identified about 1,200 facilities that have inherent risk, based on analysis of environmental, social and governance factors. We also assessed suppliers that provide raw materials or ingredients covered by our sustainable sourcing goals, as well as natural and organic products. During fiscal 2018, we plan to assess additional direct suppliers and also include indirect suppliers.

Beginning in fiscal 2018, we will require facilities identified to have inherent risk to complete a self-assessment and provide supporting documentation on policies, procedures and previous audits (when available), to provide further visibility regarding potential risk exposure. Depending on the results, some facilities will also be required to undergo an onsite third-party audit, based on the [Sedex Members Ethical Trade Audit \(SMETA\) protocol](#), covering health and safety, business integrity, human rights and environmental responsibility. Those facilities will

develop corrective action plans to address identified non-compliances.

**Governance and integration:** Our supply chain and sourcing executive leadership teams have accountability for our responsible sourcing programs. These teams meet at least twice a year to review progress.

To ensure alignment across the function, all sourcing employees complete online learning on our [Supplier Code of Conduct](#).

We are integrating supplier responsibility into our global sourcing standards and processes. As of fiscal 2018, all General Mills buyers:

- Include a standardized supplier responsibility review in their category strategies.
- Evaluate the risk of prospective suppliers, using due diligence guidance.
- Include language in contracts related to social and environmental performance, if appropriate.
- Assess suppliers' success in meeting expectations and provide ongoing feedback.

Audit results in fiscal 2017				
Type of location	Number of audits	Number of non-compliances	% resolved	% in process
Owned locations	16 (7 North America, 9 international)	12	91%	9%
Co-packers	46 (31 North America, 15 international)	31	71%	29%

# Sustainable sourcing ► Material issues: Commodity availability; human rights; smallholder farmers; supply chain relationships | GRI 102-12, 13, 203-1, 2, 204-1, FP4

We focus on improving the environmental, social and economic impacts of raw material sourcing. This helps ensure availability of the ingredients we need to make our products and aligns with our core values. It also helps us meet our customers' growing desire to understand

the link between the food they purchase and its origin. Using limited resources and natural systems more efficiently is essential to feeding a growing population.

We continue to make progress toward our goal to sustainably source 100 percent of our 10 priority ingredients by 2020. In

fiscal 2017, we achieved 76 percent, up from 69 percent the prior year. We move our supply chain toward sustainable sourcing through origin-direct investment, continuous improvement and verification efforts with farmers and supplier partners, connected data partners and NGOs.

To drive progress toward our 2025 goal to reduce absolute GHG emissions across our full value chain by 28 percent (compared to 2010), we are increasingly looking at our full global raw materials purchasing through a climate lens.

\*Direct suppliers provide ingredients or commodities used in our food products or packaging. Indirect suppliers provide products or services such as office supplies, telecommunications, and travel that support our business more generally.



## Performance dashboard: Sustainable sourcing

**Commitment:** Sustainably source 100 percent of our 10 priority ingredients by 2020, representing 40 percent of our annual raw material purchases.



**Progress: 76** percent of these raw materials were sustainably sourced in fiscal 2017.

Raw material/ingredient	Progress* (% of volume sustainably sourced as of May of the year noted)				Primary focus**		Strategy	Sustainability definition
	FY14	FY15	FY16	FY17	Environmental	Social		
Cocoa	10%	28%	46%	59%			 <b>Origin-direct investment</b>	Direct investment at origin to improve smallholder farmer livelihoods and ingredient quality
Vanilla	45%	45%	22%	22%				
Oats	35%	40%	50%	61%			 <b>Continuous improvement</b>	Documented continuous improvement using industry-based environmental metrics with at least 25 percent of acres under measurement***
U.S. wheat	15%	24%	36%	61%				
U.S. sugar beets	34%	47%	68%	81%				
U.S. corn (dry milled)	6%	26%	33%	67%				
U.S. dairy (raw fluid milk)	20%	20%	38%	83%				Documented continuous improvement as outlined in the ICUSD's Stewardship and Sustainability Framework for U.S. Dairy****
Fiber packaging	99%	99%	99%	99%			 <b>Verification</b>	Recycled material or virgin wood fiber from regions not contributing to deforestation
Sugarcane	42%	59%	67%	58%				Sourced from independently verified low-risk regions, or compliance with Bonsucro or comparable standards in high-risk regions
Palm oil*****	83%	100%	100%	100%				RSPO mass balanced, segregated sustainable palm, or PalmTrace Credits

\*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 spend sustainably sourced. Aggregate percentage is based on the percentages sustainably sourced for each ingredient, weighted by spend.

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

\*\*\*Compared to 10 percent for Field to Market requirements.

\*\*\*\*Measured using the NMPF's Farmers Assuring Responsible Management (FARM) Environmental Stewardship module (formerly called FarmSmart).

\*\*\*\*\*Palm oil target 100 percent by fiscal 2015.





## Origin-direct investment



We rely on farmers and farming communities for our ingredients. When farmers can earn a good living and take care of the local environment, their lives are better and their communities are more stable. We invest in smallholder farmers and their communities to improve livelihoods and the sustainability and quality of our ingredients.



### Cocoa

**Status:** 59 percent of the cocoa General Mills purchased in fiscal 2017 was sustainably sourced.\*

#### Challenges:

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

**Progress:** In 2017, we expanded our work with key suppliers to provide direct support to cocoa-growing communities in West Africa.

Since January 2017, 100 percent of our powdered cocoa has been sustainably sourced. During fiscal 2017, we also transitioned an additional 25 percent of the chocolate we purchased into sustainable sourcing programs. We brought our three main chocolate suppliers into sustainability programs globally and added sustainable sourcing as a requirement for cocoa in all contracts.

**Collaboration:** We work directly with our suppliers to address systemic challenges and enforce our [Supplier Code](#)

More than 90 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 to more than 2,300 smallholder farmers.

In **Nigeria**, participating farmer communities will be provided with a comprehensive support package reflecting our vision and the Olam Livelihood Charter principles of finance, improved yields, labor practices, market access, quality, traceability, social investment and reduced environmental impact.

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

of Conduct, which prohibits forced and child labor. In addition, we are a member of the [World Cocoa Foundation \(WCF\)](#), which works with the food industry to address social and environmental issues in the cocoa supply chain. In March 2017, General Mills was one of 35 companies that signed a letter of intent to join the WCF's new Cocoa and Forest Initiative (CFI), involving suppliers plus leading cocoa and chocolate companies, to address deforestation in cocoa supply chains. During November 2017, the CFI collaboration was officially launched and General Mills joined 22 other companies in endorsing Frameworks for Action for Côte d'Ivoire and Ghana, developed through an extensive, multi-stakeholder process. As a part of this commitment, we will develop a company specific action plan by the end of calendar 2018. This initiative will also drive progress toward our [2025 GHG emissions reduction goal](#).

Cocoa sustainability scorecard		
Location	Focus area	Impact
Côte d'Ivoire	Farmer incomes*	52,600 registered farmers in 628 villages
	Farmer training*	24,700 farmers trained in Good Agricultural Practices (GAP)
	Traceability*	43,800 metric tons of Cocoa Horizons beans traced from the farm to our supplier
	Women's empowerment**	1,500 people educated (70 percent women) on gender issues
	Children's education**	700 school kits and backpacks provided to vulnerable children
	Nutrition**	1,200 people educated on essential nutrition
	Ghana	Farmer training*
Traceability*		100 percent of cocoa beans traced from the farm to our supplier
Women's empowerment**		Women's Empowerment Index increased 17.2 percent
Children's education**		Primary school enrollment rate increased from 95.6 to 99 percent
Nutrition**		25 percent decrease in average months of household food insecurity
Nigeria	Farmer incomes*	Solar dryers installed in 17 cocoa growing communities
	Farmer training*	6,700 farmers received harvest training; 630 farmers attended Farmer Business School

\*Côte d'Ivoire data based on overall results for Barry Callebaut Cocoa Horizons program, Sept. 2016 – Mar. 2017. Ghana data based on collaboration with Cargill, fiscal 2017. Nigeria data based on collaboration with Olam Cocoa, fiscal 2017. \*\*Results specific to communities benefiting from General Mills philanthropic funding of CARE programs. Côte d'Ivoire data are Dec. 2016 – May 2017 (first item) and calendar 2017. Ghana data are Sept. 2014 – Aug. 2017.

\*Cocoa includes chocolate as well as cocoa powder, converted into cocoa bean equivalents. See the definition of sustainably sourced for this ingredient on page 30.



## Vanilla

**Status:** 22 percent of the vanilla General Mills purchased in fiscal 2017 was sustainably sourced.\*

### Challenges:

- Economic viability – the ability of smallholder farmers to earn enough from the crop to support their families.

**Progress:** During fiscal 2017, our progress was flat. This was due to a combination of pressures from a peak vanilla market and a Category 4 tropical cyclone that wiped out a substantial amount of available volume.

We continue working on innovative opportunities in Madagascar to produce enough sustainable vanilla to achieve our commitment. During fiscal 2017, we worked with *Virginia Dare*, one of

our key vanilla suppliers, to bring on a new NGO partner, *Positive Planet*, to help us scale our programs.

**Collaboration:** Our key partners include our supplier *Virginia Dare* and industry group *Sustainable Vanilla Initiative*.

The majority of the vanilla we purchase is grown and cured in Madagascar's Sava region.



## Continuous improvement



Row crops and dairy are among the most resource intensive of our 10 priority ingredients. To source these raw materials sustainably, we measure year-on-year progress in field-level resource efficiency and drive continuous improvement over time with farmers in our supply chain.

**Strategy:** We partner with farmers in our key sourcing regions using frameworks developed by *Field to Market* and the *Innovation Center for U.S. Dairy* in the U.S. and the *Canadian Fieldprint* initiative in Canada. For U.S. row crops, we collaborate with third parties such as *Agriball* and *Syngenta*, that integrate *Field To Market* environmental indicators into their farm management software platforms to streamline data collection. For U.S. raw fluid milk, our dairy partners deploy the *National Milk Producers Federation's Farmers Assuring Responsible Management (FARM) Environmental Stewardship* module (formerly called *FarmSmart*) to measure and track farm sustainability. The data is evaluated against key environmental indicators to establish a natural resource efficiency baseline for each grower. We then hold workshops and collaborate with local, trusted agronomists to identify and

### Increasing sustainability across North America

**General Mills' priority ingredients sourced from these regions:**

- Oats
- U.S. wheat
- U.S. sugar beets
- Dry-milled corn
- Dairy

implement continuous improvement practices. See page 44 of the *General Mills 2017 Global Responsibility Report* for a graphic illustrating our annual grower engagement cycle.

**Progress:** During fiscal 2017, we continued to elevate sustainability as central to our sourcing strategy. We launched engagements in new regions and brought on additional

suppliers and data partners to advance our progress.

Since 2010, we have worked with more than 200 growers to collect data on a cumulative total of over 756,000 acres.

\*See the definition of sustainably sourced for this ingredient on page 30.



## Oats

**Status:** 61 percent of the oats General Mills purchased in fiscal 2017 was sustainably sourced.\*

### Challenges:

- Climate change – Reduce GHG emissions across the supply chain.
- Soil quality – improve soil health.

- Water quality – address water quality issues related to agriculture.
- Oat supply – decreased oat production.

### Grower engagements with:

- Paterson Grain in Manitoba
- Cargill in Manitoba and Saskatchewan
- Agri-Trend in Saskatchewan

### Progress:

- Through fiscal 2017, we have collected data on a cumulative

total of over 47,000 acres in Manitoba and Saskatchewan, Canada, using on-the-ground sustainability programs to measure environmental efficiency indicators.

In fiscal 2017:

- In collaboration with our suppliers and data partners, we brought together 50 farmers to review environmental footprints and identify continuous improvement opportunities.

- We brought on a new supplier partner and made farm software technology available for participants in Saskatchewan.
- General Mills and South Dakota State University announced the opening of a state-of-the-art [oats research laboratory](#). We are conducting agronomic research to support our sustainable sourcing needs, help oat growers increase profitability and create a resilient supply chain.



## Wheat

**Status:** 61 percent of the U.S. wheat General Mills purchased in fiscal 2017 was sustainably sourced.\*

### Challenges:

- Climate change – reduce GHG emissions across the supply chain.
- Soil quality – improve soil health.

- Water quality – address water quality issues related to agriculture.

### Grower engagements with:

- Thresher Artisan Wheat in the Snake River region
- ADM in the Northern Plains, Southern Plains and Eastern Corn Belt regions

### Progress:

- Through fiscal 2017, we have collected data on a cumulative total of over 519,000 acres using on-the-ground

sustainability programs to measure environmental efficiency indicators.

In fiscal 2017:

- In collaboration with our suppliers and data partners, we brought together 137 farmers to review environmental footprints and identify continuous improvement opportunities.
- In the Northern Plains region, growers used no-till practices on 95 percent of spring wheat fields in the engagement, decreasing fuel consumption and

reducing soil erosion by 72 percent compared to the district benchmark.

- In the Snake River region, spring wheat grower scorecards improved by 2 percent year over year for nitrogen use, energy consumption and GHG emissions.
- In the Southern Plains region, participation increased from zero to more than 194,000 acres during the year.



## Sugar beets

**Status:** 81 percent of the U.S. beet sugar General Mills purchased in fiscal 2017 was sustainably sourced.\*

### Challenges:

- Climate change – reduce GHG emissions across the supply chain.
- Soil quality – improve soil health.

- Water quality – address water quality issues related to agriculture.

### Grower engagement with:

- American Crystal Sugar in the Red River Valley region

### Progress:

- Through fiscal 2017, we have collected data on a cumulative total of over 119,000 acres using on-the-ground sustainability programs to measure environmental efficiency indicators.

In fiscal 2017:

- In collaboration with our suppliers and data partners, we brought together 26 farmers to review environmental footprints and identify continuous improvement opportunities.
- We expanded work with Red River Valley region growers and are seeking to engage all sugar beet suppliers by the end of fiscal 2018.

- 79 percent of sugar beet fields in the Red River Valley engagement implemented some combination of conservation practices, such as cover crops, grass water ways, field borders, filter strips, and contour strip cropping.
- Growers participating in the Red River Valley engagement demonstrated an 8 percent root yield advantage compared to the regional benchmark.

\*See the definition of sustainably sourced for this ingredient on page 30.



## Corn

**Status:** 67 percent of the U.S. dry milled corn General Mills purchased in fiscal 2017 was sustainably sourced.\*

### Challenges:

- Climate change – Reduce GHG emissions across the supply chain.
- Soil quality – improve soil health.

- Water quality – address water quality issues related to agriculture.

### Grower engagements with:

- Didion in the South Central Wisconsin region
- Bunge in Illinois, Kansas and Nebraska

### Progress:

- Through fiscal 2017, we have collected data on a cumulative total of over

71,000 acres using on-the-ground sustainability programs to measure environmental efficiency indicators.

In fiscal 2017:

- In collaboration with our suppliers and data partners, we brought together 15 farmers to review environmental footprints and identify continuous improvement opportunities.

- 46 percent of corn fields in the Wisconsin engagement used conservation tillage practices and demonstrated an 87 percent reduction in erosion compared to the district benchmark.
- More than 9,200 acres benefited from a combination of conservation practices such as grass waterways, field borders, and conservation cover.



## Dairy

**Status:** 83 percent of the raw fluid milk General Mills purchased in the U.S. in fiscal 2017 was sustainably sourced.\*

### Challenges:

- Climate change – reduce GHG emissions across the supply chain.
- Water quality – address water quality issues related to agriculture.

- Animal welfare – address animal well-being issues, such as dehorning.

### Producer engagements with:

- Multiple suppliers to our Reed City, Michigan, yogurt facility are using the FARM Environmental Stewardship module

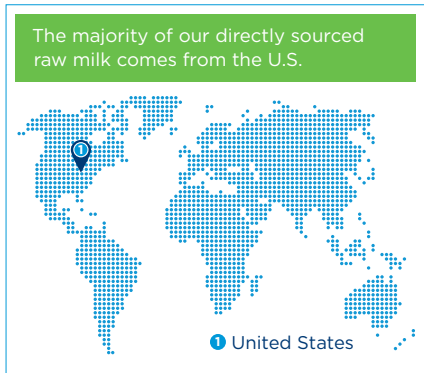
### Progress:

- Through fiscal 2017, U.S. milk producers have used the FARM Environmental Stewardship module to collect data

and calculate sustainability impact from farm to production facility of all directly sourced raw fluid milk for our facility in Reed City, Michigan.

In fiscal 2017:

- In collaboration with our co-op suppliers and participating dairies, we reviewed environmental footprints and discussed continuous improvement opportunities.



## Verification



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



## Fiber packaging

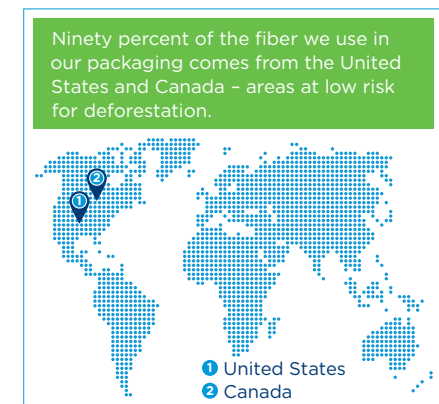
**Status:** Greater than 99 percent of the fiber packaging General Mills purchased in fiscal 2017 was sustainably sourced.\*

### Challenges:

- Deforestation – in some parts of the supply chain caused by sourcing fiber for packaging.

**Strategy:** Ninety-nine percent of our fiber packaging 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 is sourced from countries considered at high risk, including China. We follow [pulp, paper and packaging sourcing guidelines](#) developed by the Consumer Goods Forum.

**Progress:** In fiscal 2017, we determined that FSC Mix fiber packaging, which our China fiber supply chain largely complies with, meets our sustainable sourcing criteria. This has further increased progress toward our 2020 goal. We are working with our one remaining supplier in that country that does not yet meet that standard, to help them gain certification.



\*See the definition of sustainably sourced for this ingredient on page 30.



## Sugarcane

**Status:** 58 percent of the sugarcane General Mills purchased in fiscal 2017 was sustainably sourced.\*

### Challenges:

- Labor rights – including child and forced labor, and working conditions related to worker health, safety and hours.
- Visibility – lack of visibility to origin on purchased sugarcane.
- Water quality – address water quality issues related to agriculture.

**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 leverage our **Bonsucro** membership and the organization’s Production Standard plus related credits to help farmers and mills in our supply chain measure and increase productivity while reducing key environmental and social impacts.

**Progress:** Our percentage of sustainably sourced sugarcane decreased from 67 percent in fiscal 2016 to 58 percent in fiscal 2017. This was due partly to reduced purchases of U.S. sugarcane, related to an increase in procurement of U.S.

sugar beets. The 2017 data also reflects improved tracking of the sources of our sugarcane volumes globally, resulting from the launch of our Global Sourcing Center and expanded capability tools.

In fiscal 2017, we began working with **Proforest** to map our supply chain to achieve greater transparency around sugarcane origin. We have communicated the importance of sustainability to all suppliers and that we need their participation to reach farmers at the point of origin. As part of our work with Bonsucro, we encourage suppliers to conduct benchmarking and gap analyses as the first step toward

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

The majority of the sugarcane we purchase comes from refineries in North America.



## Palm oil

**Status:** 100 percent of the palm oil General Mills purchased in fiscal 2017 was sustainably sourced.\*

### Challenges:

- Deforestation – palm plantation expansion harms 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, our purchasing practices can help move the industry forward. We are dedicated 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 statement on responsible palm oil sourcing**.

**Progress:** In fiscal 2015, we met our commitment to source all palm oil through sustainable purchases that meet RSPO standards, and we have maintained that performance through fiscal 2017. We have continued to shift toward mass balance and segregated palm oil – accounting for 96 percent of our purchases in 2017 – and away from certificates. In cases where certificates are needed, we are aligned with and using the industry standard of **PalmTrace**.

**Traceability:** In 2017, we continued working with Proforest to trace our palm oil supply chain, identify sustainability risks and ensure responsible sourcing. At the end of 2017, 99 percent of our palm oil volume was categorized as traceable to the extraction mill – among the best in our industry.

Click [here](#) for a list of our current global direct palm oil suppliers. The most recent list of mills supplying our direct suppliers can be found [here](#) and [here](#) and will be updated periodically. We are very supportive of those suppliers who have been publicly transparent about their upstream supply and it is now an expectation for all our palm oil suppliers.

Hurdles remain in the palm oil 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

Most of the palm oil we purchase comes from Malaysia and Brazil.



remediate the concern, General Mills will move to suspend or eliminate palm oil purchases from the supplier in question.

### Purchasing of RSPO certified volumes (metric tons)

	CY2016*	CY2017
Mass balanced volume	56,970	76,000
Segregated volume	11,550	6,140
RSPO PalmTrace Credits**	6,600	3,740
<b>Total</b>	<b>75,120</b>	<b>85,880</b>

\*Calendar year

\*\*Formerly known as Green Palm Credits

\*See the definition of sustainably sourced for this ingredient on page 30.



## Supplier diversity ► Material issue: Supply chain relationships

General Mills is committed to establishing and growing relationships with qualified, diverse suppliers.\* This provides opportunity to underrepresented groups of business owners, while supporting our company by delivering innovation, agility, cost savings and market insights about our increasingly diverse consumers. Through these relationships, we support job creation and foster economic development in the communities where we operate. The Supplier Diversity team, which is embedded in our global sourcing organization, builds partnerships

across the company to match diverse suppliers with business needs and opportunities. The team also provides training to sourcing buyers. In North America, product category managers incorporate diversity into their strategic plans to drive progress and share the results with sourcing leadership. We also participate in national and regional advocacy organizations, such as the [National Minority Supplier Development Council \(NMSDC\)](#), [North Central Minority Supplier Development Council \(NCMSDC\)](#), [Women's Business Enterprise National Council \(WBENC\)](#), [Women's Business Development](#)

[Center \(WBDC\)](#), and the [National LGBT Chamber of Commerce \(NGLCC\)](#). Through these organizations and

other industry groups, we benchmark, share best practices and network with prospective diverse suppliers.

General Mills spending with diverse suppliers in North America (US\$ million)			
	Fiscal 2015	Fiscal 2016	Fiscal 2017
Minority-owned businesses	\$421.7	\$359.6	\$313.0
Women-owned businesses	\$131.7	\$162.8	\$89.7
Veteran-owned businesses	\$13.7	\$12.0	\$11.5
LGBTQ-owned businesses	\$0.5	\$0.3	\$0.0
<b>Total</b>	<b>\$567.6</b>	<b>\$534.7</b>	<b>\$414.2</b>
<b>Total (% of spending with suppliers in North America)</b>	<b>5.9%</b>	<b>6.1%</b>	<b>4.9%</b>

## Animal welfare ► Material issues: Animal welfare; supply chain relationships | GRI FP11, 12

General Mills is primarily a plant-based food company, with large businesses such as Cheerios and Nature Valley. We also use some animal-derived products and have long worked to support the humane treatment of animals in agriculture. Our [Animal Welfare Policy](#) includes our support for the “five freedoms” for all animals globally across our supply chain. These efforts and commitments demonstrate our values and align closer to consumer expectations.

**Chickens:** Eggs are an important ingredient in many of our products

(such as ice cream, baked goods and doughs), and we strive to ensure that the hens laying them are treated humanely. Our commitment is to purchase only 100 percent cage free eggs for our operations globally by 2025. General Mills will work to transition 100 percent of the broiler chickens we buy in the U.S. to meet a [higher standard](#) of animal welfare by 2024. Also by that year, we will use only breeds accepted by [Global Animal Partnership](#) or the [Royal Society for the Prevention of Cruelty to Animals](#) and processed using multi-step, controlled atmospheric

stunning. We will ask suppliers to demonstrate compliance through certification or third-party auditing.

**Cows:** General Mills encourages all suppliers in our dairy supply chain to support industrywide efforts that promote the humane treatment of cattle, including by addressing issues of pain relief due to dehorning, tail docking and castration. We support polled genetics breeding programs to promote naturally hornless cattle, an approach that has worked in the beef industry. Until dehorning is eliminated, we support best management practices

such as procedure timing and use of analgesics and/or anesthetics.

**Pigs:** General Mills supports the humane treatment of pigs in our supply chain. This includes the development and implementation of pregnant sow housing alternatives, which we recognize will take the industry time to achieve. In the meantime, we will favor suppliers that provide plans to create traceability and to end use of gestation crates within the U.S. pork supply chain. We're also working to understand and address the issue of pain relief and potential elimination of castration and tail docking.

\*Businesses owned by minorities, women, veterans and lesbian, gay, bisexual and transgender individuals.

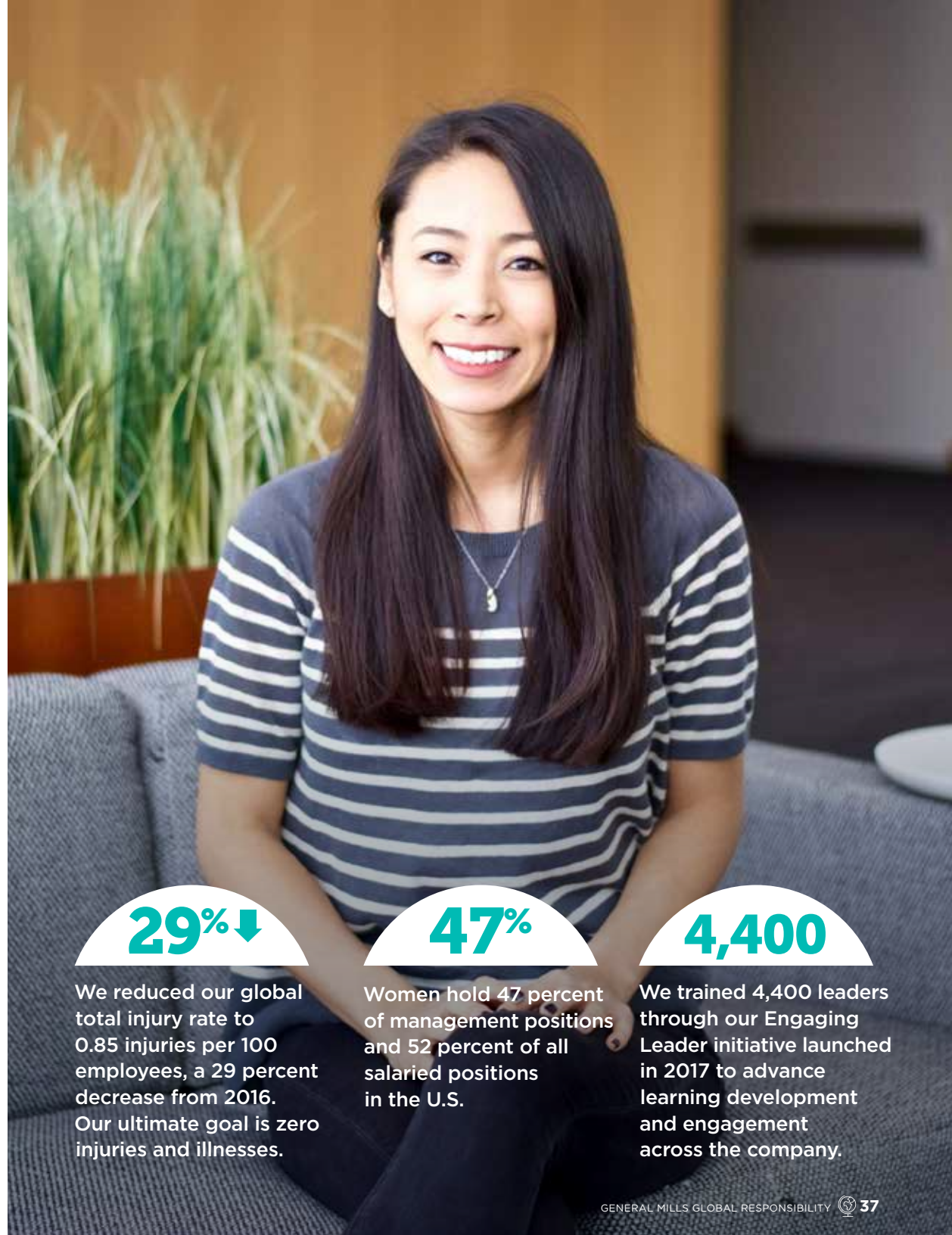
# Our Workplace



Our goal is to foster a safe, inclusive and rewarding workplace where all employees can thrive.

## IN THIS SECTION

- Workplace safety
- Ethics and compliance
- Diversity and inclusion
- Employee development



**29%↓**

We reduced our global total injury rate to 0.85 injuries per 100 employees, a 29 percent decrease from 2016. Our ultimate goal is zero injuries and illnesses.

**47%**

Women hold 47 percent of management positions and 52 percent of all salaried positions in the U.S.

**4,400**

We trained 4,400 leaders through our Engaging Leader initiative launched in 2017 to advance learning development and engagement across the company.



## Our approach

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.

**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 Director of Diversity and Inclusion; a Director of Global Health Services; 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.



### Awards

General Mills received numerous awards in 2017. Listed below is some of the recognition, illustrating our commitment to being an employer of choice for all employees.

- 100 Best Corporate Citizens (No. 19), *Corporate Responsibility*
- America's Most Reputable Companies (No. 69), *Forbes*
- 100 Most Visible Companies (No. 13), Harris Poll for U.S. Corporate Reputation
- World's Most Admired Companies, (No. 4 - Consumer Food Products Industry), *FORTUNE*
- 100 Best Companies, Working Mother Media
- Top Companies for Executive Women: National Association of Female Executives, Working Mother Media
- 2017 Best Companies for Multicultural Women, Working Mother Media
- A 2020 Women on Boards Winning Company
- 50 Best Companies for Diversity, Black Enterprise
- LGBTQ Business Equality Excellence, BEQ Pride
- Military Friendly Employer, Victory Media
- Great Place to Work Institute - General Mills U.K. (No. 55)
- Top Foreign Corporate Citizens, Corporate Knights, Canada
- Hunger Hero: Volunteering, Second Harvest Heartland

# Workplace safety

► Material issue | GRI 403-1, 2, 4

## Our approach

General Mills is committed to creating a Zero-Loss Culture in all our locations by continually mitigating workplace hazards and reducing environmental impacts.

**Our goal:** Our goal is to provide incident-free workplaces for our employees, contractors and visitors. Our actions are guided by three safety principles:

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

## Our progress

Historically, General Mills has a strong record of safety leadership. We continue to improve the safety of our operations\*:

- We reduced our global total injury rate to 0.85 injuries per 100 employees in fiscal 2017, down from 1.20 in 2016. Our ultimate goal is zero injuries and illnesses.
- Our global lost-time injury frequency rate was 0.29 per 100 employees in fiscal 2017, down from 0.51 in 2016.

Results were due to increased engagement and rigor around our foundational safety processes.

We gathered safety data from 213 tracked locations in fiscal 2017, 65 of which are production facilities and Innovation, Technology and Quality centers. Those 65 locations were the main focus of our safety improvement work. Safety highlights from those locations in fiscal 2017 include:

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

We continued reinforcing our safety systems, training and auditing programs in fiscal 2017:

- Standards - We developed and published additional advanced safety standards to support our global Environmental and Safety Management System (ESMS).
- Measurement - We fully configured our Global Safety Tracking and Environmental Management System (GSTEMS) system so it is now capable of sharing enterprise-wide

information across all regions.

- Training - We completed safety leadership training across all our global supply chain manufacturing locations.
- Auditing - We continued expansion of our enterprise-wide auditing capabilities for safety and environment under our Zero-Loss Culture strategy.

## Systems

We communicate safety information and measure progress using the following systems:

- We continue the process of phasing in a single, standardized ESMS at our supply chain locations. Our focus includes further expansion of global safety standards to obtain

\*Global incident data includes all General Mills' owned/operated facilities, including Yoki and Yoplait International, Häagen-Dazs shops and global offices.





uniform compliance and reduce risk worldwide.

- Through our GSTEMS, we track safety data at all production facilities worldwide, document necessary actions to reduce future risks and communicate progress. Using GSTEMS, we monitor key measures such as:
  - ▷ Leading safety indicators, including compliance with internal standards, regulatory compliance and our safety observation contact rate – the percentage of employees whose

safety behaviors are observed in a given time period so managers can provide coaching to help employees work safely; and

- ▷ Advanced mitigations, which are critical to eliminating hazards and permanently mitigating risks across the company.

## Leadership and responsibility

- Our Global Safety Governance Board (GSGB), composed of

regional operating vice presidents, is responsible for the pace of global standards development. The GSGB oversees safety leadership, structure, processes and actions.

- 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, reviews safety progress and key initiatives.

- 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.

# Ethics and compliance ▶ Material issue | GRI 102-16, 17, 205-1, 2

## Our approach

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. Our Code of Conduct describes the principles that govern our business conduct, and points employees to policies and other resources to answer their questions.

Annually, our company leaders – from managers upward, nearly 8,000 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.

## Program

**Ethics and compliance:** Our Ethics & Compliance program supports our value of doing the right thing all the time; employees are encouraged to speak up if something doesn't seem right or if they have questions about doing the right thing. 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 employee policies are available in our Global Policy Center.

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 online at [generalmillsethics.ethicspoint.com](http://generalmillsethics.ethicspoint.com).

**Anti-corruption:** 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, protecting confidential information and maintaining a respectful workplace. More than 13,000 employees worldwide have enrolled in our online training courses. In addition, we supplement online training with face-to-face 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

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### Corporate citizen

In 2017, we were ranked No. 19 on *Corporate Responsibility* magazine's "100 Best Corporate Citizens" list.



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

## 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; offer competitive rewards; and implement clear health and safety practices. 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.

# Diversity and inclusion ▶ Material issue: Workforce management | GRI 405-1

## Our approach

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

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

## Our progress

- 20 percent of U.S.-based employees are people of color.\*
- 39 percent of U.S.-based employees are women.\*
- Women hold 47 percent of management positions and

52 percent of all salaried positions in the U.S.

- Among the 14 members of our Board of Directors, five are women (36 percent) and five are ethnically diverse (36 percent).\*\*

## Leadership

Our Executive Diversity Council includes seven U.S.-based 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 sponsoring employee networks, recruiting and mentoring diverse

employees, and ensuring diverse talent is represented in our leadership pipeline.

## Employee networks

Members of our six employee networks support each other and

reinforce our culture of inclusion. Our employee networks include:

- Women in Leadership
- Asian Leaders Network
- Betty’s Family Network

## Courageous Conversations



In 2017, we further 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. Employees learned from experts and participated in open forums, each focused on a specific topic, such as islamophobia, transgender inclusion and unconscious bias. In the unconscious bias session, for example, 325 employees learned how to recognize their own unconscious, implicit bias and take action to address it – both within and outside the workplace.

\*Includes all U.S. full-time and part-time employees.  
\*\*Represents board composition as of May 28, 2017.



- Veterans Network
- Black Champions Network
- Hispanic Network

In fiscal 2017, we began a review of the employee networks and councils that

help support our diversity and inclusion strategies. The review incorporated feedback obtained through surveys, focus groups and external benchmarking. The results have enabled our networks and councils to clarify their roles

and purpose, adapt to our global structure and ensure they meet the needs of our current employee base.

These networks help employees create more personal and professional connections within our global work

environment. The ability to connect with others who are focused on similar topics allows for more transparent communication between all employees, including participating leaders.

# Employee development ▶ Material issues: Workforce management; employee wellness | GRI 404-2, 3, FP4

## Development and training

### Our approach

We respect, develop and invest in our people. We have a long history of making employee development a key priority for the company.

In order to attract and retain competitively superior talent, we develop all employees. General Mills provides a range of development opportunities throughout employees' careers through:

- Individual Development Plans (IDPs) created by employees in partnership with their managers.
- Hands-on experiences, including challenging work assignments and robust job rotations.
- Guidance from others, including feedback from managers, mentors, sponsors and peers.
- Real-time learning resources for leaders and all employees.
- Structured courses offered in person and online, including onboarding for new employees, leadership training and professional development.

### Our progress

In 2017, we launched the Engaging Leader initiative to advance leader learning development and

engagement across the company (see story below for more details).

We also invested in an accelerated development program for key

leaders that included in-person learning sessions, executive coaching and mentor reinforcement.



### Engaging Leader transformation

#### Impact

- **4,400 leaders (more than 90 percent of all leaders) participated in 147 in-person development sessions over 35 days across 22 countries in eight languages.**
- **Nine out of 10 leaders agreed the sessions helped them become better leaders and positively affected business results.**
- **38,000 employees have been affected by changes in leader behavior.**

In July 2017, we launched "Engaging Leader," an initiative to transform the

way our leaders support employees and consistently live our values to drive performance and engagement.

We began by leveraging our internal "consumer first" process to build empathy with our leader population and better understand employees' needs. We formed a global cross-functional team of leaders to conduct in-depth studies and design solutions. The result: A comprehensive interactive leadership development day to engage leaders around the world and set clear expectations of leadership behavior going forward.

Managers received in-person training about specific skills and behaviors for increasing employee engagement and driving growth. These interactive development sessions focused on helping leaders:

- Develop awareness of the impact of their leadership on culture, engagement and results.
- Internalize and commit to new behaviors.
- Be inspired to lead differently and create focused, personalized action plans.
- Drive business outcomes and engagement through their teams.

In addition to the development sessions, managers receive ongoing Engaging Leader support, including reinforcement from senior leaders, reminder messages and on-demand learning.





# Employee engagement

## Our approach

We know that engaged employees create value and drive business performance. We are working to build a more agile, engaged organization by listening to employees, taking action and measuring progress to ensure employees are:

- Proud of their company.
- Inspired by their leaders.



△ Drivers of General Mills employee engagement

- Connected to their team.
  - Supported by their manager.
  - Energized by their work.
- Examples of our engagement initiatives include:
- Leadership development – See Engaging Leader story for details.
  - Listening – Senior leaders host monthly lunch sessions to hear from employees at our headquarters facility.
  - 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.
  - Engagement Council – This cross-functional team helps ensure

- collaboration across the company to help create an engaging workplace; cultivate pride in our products, purpose and values; inspire trust in leadership; and capture employee input.
- Exchange social hours – These weekly events onsite at our headquarters locations provide employees with a convenient opportunity to strengthen team connections at the end of the workday in a casual setting.
- Clubs and groups – More than 25 employee clubs and more than 600 Yammer groups (online social networks) enable employees to foster relationships, discuss shared interests and collaborate.
- Feedback – We encourage 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.

## Our progress

- In 2017, we surveyed hourly employees worldwide. Seventy-four percent would recommend General Mills as a great place to work.
- This feedback builds on our 2016 survey of salaried employees in which 75 percent of employees said General Mills is a great place to work – up 13 points from the previous year’s survey.

# Employee 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.

Our holistic approach supports many aspects of employee well-being. A sampling of our programs includes:

- 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. [Learn more.](#)
- 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.](#)
- Social/community – We help connect employees with community-based programs where they can volunteer, receive support and strengthen connections. [Learn more about our community engagement programs in the \*\*Our Community\*\* section of this report.](#)

# Our Community



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

## IN THIS SECTION

- ❖ Food security and hunger
- ❖ Sustainable agriculture
- ❖ Hometown communities



**\$139**  
million

We gave US\$139 million to charitable causes in fiscal 2017, including General Mills Foundation grants, corporate contributions and food donations.

**30**  
million

Our food donations enabled 30 million meals globally in 2017 for food-insecure children and families.

**24,760**

Our investments in NGO programs helped improve the livelihoods of 24,760 people in smallholder cocoa and vanilla farming communities in Africa.

## Our approach

Our philanthropic work is aimed at supporting flourishing communities and a thriving planet and ties closely to our company's purpose, core business and food systems knowledge. We work in innovative ways with partners to harness our collective impact in key areas, while engaging employees through volunteerism.

### Global focus areas:

-  **Increasing food security** – expanding food access for families, ending hunger in communities.
-  **Advancing sustainable agriculture** – empowering growers, protecting habitat and conserving natural resources.
-  **Strengthening hometown communities** – making a meaningful impact in the communities where our employees live and work.



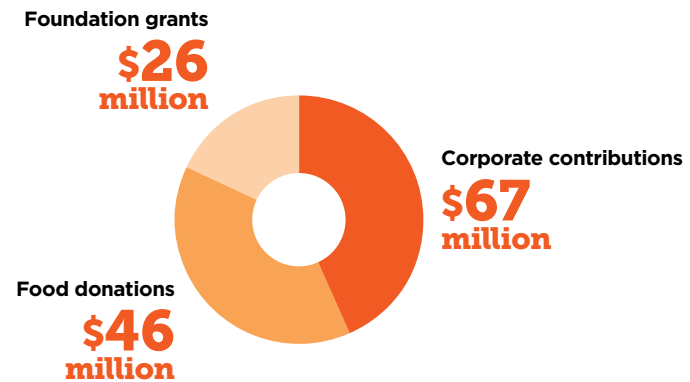
◁ General Mills' philanthropy is strongly aligned with United Nations Sustainable Development Goal 2: Zero Hunger – End hunger, achieve food security and improved nutrition, and promote sustainable agriculture.

**Leadership and governance:** General Mills' global philanthropy and community engagement programs are led by the Executive Director of the General Mills Foundation with support from program officers at our headquarters. The Foundation staff includes experienced specialists who lead and steward the company's philanthropy in the areas of food security and hunger relief, sustainable agriculture, employee volunteerism and community giving. In addition, employee councils located

## Fiscal 2017 corporate giving

# \$139 million

The amount we gave to charitable causes in fiscal 2017



GRI 201-1

across our key global operating communities assist with local grant-making by helping to identify and recommend nonprofit organizations to be considered for grants. The Foundation

is governed by a Board of Trustees and Corporate Contributions Committee that includes the company's CEO and leaders from human resources, finance, supply chain, legal and sales functions.

# Increasing food security ▶ Material issues: Food security; food waste | GRI 102-13, 40, 42-44, FP4

## Community food systems

**Our approach:** We strengthen community food systems by:

- Expanding food access – Together with our nonprofit partners, we are taking aim at food deserts in and around our hometown communities to help ensure that all members of the community have physical, social and economic access to a wide range of foods that meet their needs.
  - Supporting food banks – We provide food donations, General Mills Foundation grants and employee expertise to support food banks in more than 30 countries.
  - Support initiatives that eliminate food deserts and increase food access in at least four General Mills communities by 2020.
  - Invest to expand the capacity of existing food banks and support the creation of three new food banks in developing countries by 2020.
- Community food systems grant programs were implemented in two hometown communities – Minneapolis, Minnesota, and Buffalo, New York – to increase food access and food equity.
- Food banks in more than 32 countries were supported and strengthened by General Mills grants. Our primary food bank network partners include the Global Foodbanking Network and Feeding America.
- 2017 grants included support to establish new food banks in two more countries: China and India.

For example, in Minneapolis we are working with the Greater Twin Cities United Way on a grants program that provides support to nonprofit programs focused on increasing food accessibility, variety, availability and affordability in the city's Northside neighborhoods,



## What is a food-secure community?

When all community members have physical, social and economic access at all times to a wide range of foods that meet their nutritional, cultural and economic needs.

and increasing individuals' food knowledge and skills. This program will issue more than US\$1 million in grants over a three-year period to expand food access and food equity. As of December 2017, our community food systems grants in North Minneapolis have supported 14 projects spanning 11 nonprofit organizations, including:

- The opening of a new full-service grocery store that offers health services and food education.
- The expansion of a mobile grocery store to enable fresh food access for community members lacking mobility or transportation.
- The creation of a food business incubator to help individuals launch and grow new food businesses to serve Northside residents.
- The expansion of a farmers market and food hub to enable local food growers to clean, prepare and sell fresh foods in the community year-round.
- The makeover of an urban corner store to provide a wider array of foods.

Using the Minneapolis program as a model for adaptation, we worked with the Greater Twin Cities United Way as well as the United Way of Buffalo and Erie County to create a

similar program tailored with and for the Buffalo, New York community.

## School meal programs

**Our approach:** Knowing that schools can be one of the most powerful levers for increasing food and nutrition security among children, 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 helping schools (predominantly serving children from low-income households) launch or expand breakfast programs to eliminate “missing meals.” In India, China and Brazil, our work is focused on strengthening school feeding programs through projects that improve the capabilities of central school kitchens and/or increase the nourishment potential of school meals.

### Our goals:

- Enable or improve 100 million school meals for youth living in poverty by 2020.
- Empower 150 schools serving at-risk children in General Mills operating communities to add a daily school breakfast by 2020.

**Our progress:** Through expanded investments during fiscal 2017, our philanthropy is connecting more children than ever before with access to the school meals that can ensure each child is nourished and ready to learn. Our philanthropy has helped to launch school breakfast programs in 95 schools serving low-income children in General Mills operating communities. Examples include:



△ U.K. students participating in the Gregg's Foundation's school breakfast club program, supported by a grant from General Mills.

- In the Indian states of Uttar Pradesh and Odisha, a grant to the **World Food Programme** from General Mills is enabling school and government officials to nutritionally fortify school meals served to 325,000 students daily (65 million meals per school year).



△ @WFP/Isheetta Sumra. The World Food Programme enables fortified school meals for students in India.

- In the U.S., through our partnership with the **Food Research & Action Center (FRAC)**, we provide school breakfast start-up grants to schools in General Mills' manufacturing and sales communities that serve children from low-income households. Working in partnership with local school district leaders, principals, parent groups, anti-hunger advocacy groups and

state child nutrition agencies, FRAC used funding from General Mills in 2017 to help school districts add or expand school breakfast programs:

- California – Breakfast programs are being expanded to nine Compton schools.
- Missouri – Breakfast programs have been implemented across the Webb City school district. School breakfast participation increased 200 percent, and the number of meals served increased 183 percent from 2016 to 2017.
- New York – Breakfast programs are being implemented at three Buffalo high schools.

Over the next two years, FRAC expects to use its grant from General Mills to provide additional grants for school breakfast programs to approximately 200 more schools, increasing school breakfast participation by a total of 15,000 students from low-income households.



- **No Kid Hungry** is using a grant from General Mills to continue advancing a multi-year child hunger campaign focused on expanding school breakfast programs in Florida, Michigan, Nevada, Texas, Washington and Wisconsin. To date, this effort has helped to launch school breakfast programs that are connecting more than 61,000 children from low-income households to daily school breakfasts.



## Food rescue and recovery

**Our approach:** We catalyze innovative programs that expand food rescue and recovery.

**Our goals:**

- Empower 25,000 food retailers to participate in food rescue.
- Enable the rescue of 1 billion pounds of food from retailers in the U.K. and U.S. by 2020.
- Enable 200 million meals for food-insecure people through General Mills food donations by 2020.

**Our partners:** General Mills provides philanthropic support to leading nonprofits that make it possible for grocers, restaurants, businesses and other organizations to donate surplus food so it can be distributed to people in need.

One of those partners is **Feeding America**, a leading hunger relief organization in the U.S. with more than 200 member food banks nationwide. Backed by a US\$1 million grant from General Mills, Feeding America created the **MealConnect** technology platform to give food donors like grocery stores, restaurants and cafes a convenient, free and systematic way to reduce waste and transform

their surplus food into nourishing meals for food-insecure neighbors.

In the U.K., General Mills continues to provide philanthropic support to **FareShare**, which pioneered and manages a retail food rescue digital platform called FareShareGO.

**Our progress:**

- Empowered 19,328 retailers to participate in food rescue efforts through MealConnect in the U.S. and FareShareGo in the U.K. since inception.
- Through MealConnect, recovered and distributed more than 575 million pounds of surplus food in partnership with 90 food banks, facilitated more

than 1.2 million food pickups and supported more than 4,200 nonprofit hunger relief organizations since 2014.

- Enabled 30 million meals for food-insecure people across the world in 2017 through General Mills food donations.



WATCH VIDEO



△ Learn more about General Mills' support for Meal Connect.

## Reducing food waste

### Our actions

In addition to the food rescue and recovery programs outlined above that are funded through philanthropy, General Mills works across many fronts to reduce food waste:

**Policy:**

- General Mills advocates for food product labels that provide clearer guidance for consumers about food safety and quality and we have begun updating date labels on our products. As of December 2017, over 25 percent of our U.S. packages have been updated and we will continue transitioning the remainder of our U.S. packaging.

**Industry:**

- We actively participate in industry, nonprofit and government groups focused on food waste reduction as well as surplus food recovery, including the Food Waste Reduction Alliance, ReFED Advisory Council, Foundation for Food and Agriculture Research, Grocery Manufacturers Association and AMERIPEN.

### Food waste impact\*



1/3

Every year, one-third of the food grown worldwide is wasted.



1/4

Wasted food consumes a quarter of all water used by agriculture.



7%

Wasted food is responsible for 7 percent of global GHG emissions.



1 trillion

Global food loss/waste represents nearly US\$1 trillion.

\*Source: U.N. Food and Agriculture Organization (FAO).

**Supply chain:**

- We closely monitor our manufacturing processes to keep surplus food out of the waste stream. In fiscal 2017, 6 percent of our production waste was food waste. We also are working to meet zero-waste-to-landfill targets at General Mills production facilities (see details in the Our Planet section in this report). In fiscal 2017, seven facilities (14 percent of the global total) met our zero-waste-to-landfill criteria.

- We also work to reduce food waste in our office buildings. For example, by composting organic material and consolidating recycling into a single stream collection at our headquarters, we achieved the following results during June-November 2017\*: Reduced landfill waste by 32 tons (25 percent); increased compost collection by 12 tons (40 percent); and decreased overall waste (amount sent to landfills, composted or recycled) by 8.5 percent.

**Consumers:**

- We're working to raise consumer awareness about food waste through brand messaging such as *Mountain High's* successful Pinterest campaign to Finish the Tub. The campaign focused on recipes using yogurt that might have otherwise gone to waste.
- Our yogurt plant in Murfreesboro, Tennessee was featured in *Wasted! The Story of Food Waste*, a documentary about food waste and innovative ways it is being addressed throughout the world.



WATCH VIDEO



△ Learn more about what General Mills, influential chefs and others are doing to reduce food waste and redirect surplus food for donation.

\*Compared with the same period in 2016.



# Advancing sustainable agriculture

► **Material issues: Smallholder farmers; biodiversity; water stewardship | GRI 203-1, 2, FP4**

**Our approach:** We leverage philanthropy to advance the sustainability of agriculture and support the conservation of natural resources around the world. Aligned with our company's broader sustainability goals and commitments, we invest in NGO-led programs that strengthen the livelihoods of smallholder farmers from whom we source key ingredients. We protect and expand pollinator habitats within our supply chain 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.

Learn more in the [Our Planet](#) section of this report.

**Our goals:** Our philanthropic goals within sustainable agriculture include:

- Improving the well-being of 20,000 people in smallholder farming communities from which General Mills sources [cocoa](#) and [vanilla](#).
- Supporting [water stewardship](#) coalitions in General Mills' top priority at-risk watersheds.
- Investing in collaborations to expand adoption of [soil health](#) best practices by farmers.
- Contributing to the planting of 100,000 acres of [pollinator-friendly habitat](#) in North America by 2021.

**Our progress:**

- We provided support to NGO partners in Côte d'Ivoire, Ghana and Madagascar who reached 24,760 people in smallholder farming communities through programs to improve farming practices, empower female farmers, establish farmer cooperatives, improve food and nutrition security and youth education, and prevent child labor.
- During 2017, our philanthropic contributions supported water stewardship collaborations in four out of eight priority watershed regions.
- We issued US\$750,000 in corporate contributions during 2017 to the [Soil Health Partnership](#), [Soil Health](#)

[Institute](#), [The Nature Conservancy](#) and grower associations to promote soil health practices as part of a broader \$3.25 million multi-year investment by General Mills in soil health.

- We continued to support research on bee health through our US\$100,000 grant to the [University of Minnesota Bee Lab](#) and pollinator habitats through our five-year US\$2 million project (\$1.25 million from the General Mills Foundation and \$750,000 from Annie's) with the [Xerces Society for Invertebrate Conservation](#) and [USDA Natural Resources Conservation Service](#).

# Strengthening hometown communities

**GRI 413-1, FP4**

**Our approach:** 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 in our hometown communities through employee volunteerism and local community giving. Our employees are General Mills' greatest asset, and they are often leaders in their communities. Supporting local causes they are passionate about invigorates our employees and their communities.

**Our goal** is to strengthen hometown communities by:

- Maintaining an employee volunteerism rate of 80 percent worldwide.
- Exceeding US\$2.5 billion in cumulative corporate charitable giving by 2020 to strengthen communities.

**Our progress:**

- 83 percent of our employees worldwide reported volunteering in their communities during 2017, sharing

their time and talent in ways that serve both people and the planet.

- We contributed more than US\$139 million in corporate giving worldwide in 2017.
- General Mills and our Foundation have provided more than US\$2.25 billion in cumulative giving to strengthen communities since our Foundation was established in 1954.\*



△ Employees volunteered at an event to raise money for the [Second Harvest Heartland food bank](#) in Minnesota.

\*Since 1954, General Mills, Inc. and the General Mills Foundation have contributed US\$2.25 billion. This figure includes Foundation grants, Box Tops for Education™ giving, corporate contributions and the company's global food donations.

## Employee volunteerism

**Our approach:** Empower our employees to apply their skills, expertise and passion to help their community.

**Our progress:** General Mills employees are volunteering their time and talents in more ways than ever:

- **Nourishing students in Canada** – Employees in Ontario prepare and serve breakfast to approximately 100 students every day of the school year at a public school in Mississauga. More than 40 employees participate – each person volunteers one hour every three weeks in groups of two or three people. In 2017, they served more than 16,400 breakfasts to hungry students, providing a nutritious start to the school day.
- **Skills-based volunteerism** – General Mills employees across our marketing and consumer insights functions engage in skills-based volunteerism

through our GoodWorks program. These employees give back to the community by leveraging their skills to help nonprofit organizations with marketing challenges. Since the program's inception in 2009, more than 230 volunteers have completed 51 pro bono projects through GoodWorks with rave reviews from the nonprofit organizations benefiting from their work.

- **Partners in Food Solutions** – Nearly 600 General Mills employees have served as volunteers for this international NGO that is strengthening food security across Africa (see story below).

## Disaster relief

**Our approach:** When disaster strikes in the communities where we operate, General Mills is ready to contribute in ways that provide relief and help these communities recover. Through financial grants and General Mills food

donations, we help to ensure that our disaster relief partners are resourced and equipped to help communities during their most urgent times of need.

**Our progress:** In 2017 we provided more than US\$250,000 to the American Red Cross, CARE and Feeding America and donated nearly 500,000 pounds of food to support emergency

relief and community recovery in the aftermath of hurricanes Harvey, Irma and Maria, cyclone Enawo, the California wildfires and earthquakes in Mexico. General Mills' cash and food donations during these times help to ensure that our NGO partners are ready to help affected communities.



## Box Tops for Education

**Our approach:** Box Tops for Education™ is a program operated by General Mills' marketing teams that provides funding for participating U.S. schools, which can be used for supplies and other priorities.

Our goal is to provide more than US\$1 billion to schools

through the Box Tops for Education program.

**Our progress:**

- US\$840 million provided through Box Tops for Education since the program began in 1996.
- US\$53 million earned by U.S. schools during the 2016-2017 school year.

- 27 million households participating.
- 76,000 U.S. schools benefiting from the program.



## Partners in Food Solutions

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



processors and millers across nine African countries.

**Partners:** The work of PFS is now 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 the African food landscape. PFS also works with TechnoServe, funded by the Bill & Melinda Gates Foundation, to support African food processors and mills, along with collaborating partners USAID, Root Capital and Grassroots Business Fund.

### Impact:

PFS results since 2008:

- Nearly 1,000 early-stage food companies received support to improve food safety, packaging, processing and marketing.
- Expanded to nine countries – now serving Côte d'Ivoire, Ethiopia, Ghana, Kenya, Malawi, Nigeria, Tanzania, Uganda and Zambia.
- 27 percent of PFS client businesses are owned and/or managed by women.
- 89,000 hours contributed by nearly 1,300 volunteers from six companies.



△ PFS works with Praise Experts, a food processor in Ghana, to improve its facility and production processes.

# APPENDIX

## Environmental data summary (wholly owned or controlled production facilities globally)\*

<i>In thousands, except rate data</i>	2010	2011	2012	2013	2014	2015	2016	2017
Energy usage rate (kWh/metric ton of product) <b>GRI 302-3</b>	534	533	528	524	523	519	517	531
Energy usage (kWh) <b>GRI 302-1</b>	2,656,939	2,601,972	2,465,263	2,926,949	2,923,925	2,877,289	2,812,218	2,675,612
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	1,509,819
Fuel oil (kWh)	23,556	22,055	22,413	23,326	14,323	9,023	9,596	18,864
Natural gas (kWh)	1,382,944	1,350,699	1,266,571	1,385,563	1,411,983	1,408,853	1,374,294	1,302,272
LP gas (kWh)	17,085	4,171	2,747	29,042	27,091	14,687	23,728	27,460
Solar panels (kWh)	NA	82	121	119	121	118	131	14
Cogeneration electric (kWh)	27,221	25,234	17,763	17,871	20,314	16,345	18,043	5,256
Cogeneration steam (kWh)	56,698	52,330	30,646	39,348	44,675	44,875	32,412	30,706
Biomass (kWh)	2,352	7,993	18,559	146,383	142,375	141,990	117,438	125,247
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	1,165,793
International (kWh)	138,470	140,497	149,890	326,841	305,661	293,722	292,321	257,796
North America (kWh)	1,008,612	998,911	956,554	958,455	957,382	947,673	944,251	907,997
Energy usage, by region								
International (kWh)	262,493	268,289	284,020	718,621	693,911	668,495	661,715	617,081
North America (kWh)	2,394,446	2,333,683	2,181,243	2,206,894	2,226,512	2,208,794	2,150,502	2,058,531
GHG emissions rate (metric tons CO <sub>2</sub> e/metric tons of product) <b>GRI 305-4</b>	0.204	0.206	0.206	0.181	0.173	0.171	0.162	0.167
GHG emissions (Scopes 1 and 2)** (metric tons CO <sub>2</sub> e)	1,017	1,006	961	1,013	965	945	882	843
Scope 1 (metric tons CO <sub>2</sub> e) <b>GRI 305-1</b>	285	273	251	281	284	277	265	253
Fuel oil (metric tons CO <sub>2</sub> e)	5	5	5	5	4	2	2	5
Natural gas (metric tons CO <sub>2</sub> e)	277	267	246	270	274	271	258	243
LP gas (metric tons CO <sub>2</sub> e)	4	1	1	6	6	3	5	6
Scope 2 (metric tons CO <sub>2</sub> e) <b>GRI 305-2</b>	732	733	710	732	681	668	616	590
GHG emissions from renewables (not in Scope 1 or 2)	0	1	3	44	48	48	40	43
GHG emissions, by region								
International (metric tons CO <sub>2</sub> e)	87	91	95	143	132	127	124	121
North America (metric tons CO <sub>2</sub> e)	930	915	866	870	833	818	757	722
Water usage rate (cubic meters/metric ton of product)	2.19	2.11	2.14	2.90	2.79	2.86	3.16	3.01
Water withdrawal (cubic meters) <b>GRI 303-1</b>	10,800	10,300	10,000	16,200	15,800	15,800	17,400	14,400
Groundwater (cubic meters)	NA	2,000	1,800	7,800	7,100	7,200	6,400	6,400
Municipal (cubic meters)	NA	8,300	8,200	8,400	8,700	8,600	11,000	8,000
Solid waste generation rate (metric tons/metric ton of product)	0.037	0.037	0.034	0.034	0.033	0.035	0.0425	0.0473
Solid waste (metric tons)	183	178	159	190	186	193	233	238
Percentage of owned production facilities that achieved zero waste to landfill*** (%)	NA	NA	NA	12%	16%	17%	12%	14%

\* 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. Beginning in 2017, data reflects the acquisition of Carolina.

\*\* Scope 1 and Scope 2 GHG emissions data were calculated using the location-based method. These data were externally verified for 2010, 2015, 2016 and 2017.

\*\*\* 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 GRI 305-1, 2, 3

GHG emissions across the value chain by scope* (metric tons CO <sub>2</sub> e)						
Value chain phase	2017				2016 total	2010 total
	Scope 1	Scope 2	Scope 3	Total		
Agriculture and transformation	0	0	7,760,000	7,760,000	7,910,000	8,880,000
Packaging supply chain	0	0	1,170,000	1,170,000	1,390,000	1,350,000
Producing**	253,000	592,000***	655,000	1,500,000	1,630,000	1,690,000
Shipping	2,400	0	958,000	960,000	1,140,000	1,110,000
Selling	47,000	56,000	824,000	930,000	1,030,000	950,000
Consuming	0	0	3,100,000	3,100,000	3,290,000	3,340,000
<b>Total</b>	<b>302,000</b>	<b>648,000</b>	<b>14,500,000</b>	<b>15,400,000</b>	<b>16,400,000</b>	<b>17,300,000</b>

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

\*\*Data in the [Environmental Data Summary](#) are from wholly owned or controlled production facilities globally. The data in this table include those locations as well as other wholly owned or controlled facilities globally (such as offices and Häagen-Dazs Shops) as well as fleet vehicles.

\*\*\*This data is calculated using the location-based method.

## Greenhouse gas emissions calculation methodology

We work with Quantis to calculate our global greenhouse gas (GHG) emissions footprint each fiscal year, following the guidelines of the GHG Protocol Corporate Accounting and Reporting Standard. This footprint covers our complete value chain, from the farms that grow our ingredients to consumers who use our products. For our own operations, we calculate emissions related to energy and water use in our facilities as well as from our vehicle fleet. For other parts of our value chain, we apply a life-cycle assessment (LCA)

approach to estimate emissions based on the amount of energy and materials used (including emissions associated with materials production), drawing on data sources such as the World Food LCA Database and the Ecoinvent database.

Although estimates of GHG emissions associated with farms, retailers and consumers are approximate, we work to continually improve our methodology, visibility and accuracy. We update results as appropriate each year to reflect these enhancements. In fiscal

2017, we updated emission factors to reflect improvements in the Ecoinvent database, made adjustments to account for recent acquisitions and divestitures, corrected errors from past years, and aligned with the latest Intergovernmental Panel on Climate Change science regarding global warming potential values. We implemented these changes retroactive to our 2010 baseline.

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.

## Global workforce data summary GRI 102-8

Total workforce by region and gender*			
	Female	Male	Grand total
Asia/Latin America	2,563	2,959	5,522
Europe/Australasia	1,458	1,813	3,271
North American Business	6,678	9,541	16,219
<b>Total</b>	<b>10,699</b>	<b>14,313</b>	<b>25,012</b>

\*Excludes manually collected Yoki, HD Wage, and Yoplait Intl employees not in SAP.

Total number of employees by employment contract and gender*			
Employment Type	Female	Male	Grand total
Full Time	10,016	13,979	23,995
Part Time	337	79	416
Nonscheduled	99	12	111
Short Time	9	7	16
Temporary/Casual	192	169	361
Seasonal	46	67	113
<b>Total</b>	<b>10,699</b>	<b>14,313</b>	<b>25,012</b>

\*Excludes manually collected Yoki, HD Wage, and Yoplait Intl employees not in SAP.

## Composition of governance body GRI 405-1

Board of Directors diversity (% of total)*	
Male	64.3%
Female	35.7%
African-American	28.6%
Asian	0%
Hispanic	7.1%
Native American/American Indian	0%
Age 50+	92.9%

\*Represents board composition as of May 28, 2017.

## Workforce benefits GRI 401-2

Highlights of the benefits offered by General Mills*	
Pay	Employees earn a competitive salary and annual bonus when they meet our ambitious goals. Salaries are reviewed each year, with increases based on performance and the market value of the position. Annual cash bonuses are based on performance (individual, company and, in some cases, business unit).
Medical, dental and vision	General Mills offers employees and eligible dependents medical, dental and vision plans starting on the first day of employment. Coverage is available to employees in all locations.
Retirement and savings plans	General Mills offers tools and resources to manage current and future savings goals. Eligibility for General Mills' 401(k) Plan starts on the first day of employment. Employees can access free, confidential education on managing money, college and tax savings, and more.
Stock options and ownership	Company stock is available in the 401(k) Plan. Our voluntary stock purchase program allows another ownership opportunity. Annual stock option grants are available to some management-level employees.
Insurance	Life, long-term care, legal, and auto and homeowners insurance is available, plus company-paid short- and long-term disability insurance.
Education assistance	Loans and scholarship opportunities are available for employees and family members, plus reimbursement for job-related courses. Employees may be eligible for an unpaid leave of absence to further their education.
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.

## Global Reporting Initiative (GRI) index\*

GRI Standard	Disclosure	Location/comments	UN SDGs
<b>General Disclosures</b>			
<b>GRI 102: General Disclosures</b>	<b>Organizational profile</b>		
	102-1 Name of the organization	2017 10-K	
	102-2 Activities, brands, products, and services	Introduction, 2017 10-K	
	102-3 Location of headquarters	2017 10-K	
	102-4 Location of operations	GeneralMills.com/Company/Countries	
	102-5 Ownership and legal form	2017 10-K	
	102-6 Markets served	GeneralMills.com/Company/Countries	
	102-7 Scale of the organization	2017 Annual Report	
	102-8 Information on employees and other workers	Appendix	8
	102-9 Supply chain	Introduction, Our Planet	
	102-10 Significant changes to the organization and its supply chain	2017 Annual Report	
	102-11 Precautionary Principle or approach	Our Planet	
	102-12 External initiatives	CEO letter, Introduction, Our Planet, Our Community	
	102-13 Membership of associations	Introduction, Our Planet, Our Community	
	<b>Strategy</b>		
	102-14 Statement from senior decision-maker	CEO letter, 2017 Annual Report	
	102-15 Key impacts, risks, and opportunities	2017 10-K	
	<b>Ethics and integrity</b>		
	102-16 Values, principles, standards, and norms of behavior	GeneralMills.com/Company, GeneralMills.com/Responsibility, Our Workplace	16
	102-17 Mechanisms for advice and concerns about ethics	Our Workplace	16
	<b>Governance</b>		
	102-18 Governance structure	GeneralMills.com/Investors	
	102-19 Delegating authority	Introduction	
	102-20 Executive-level responsibility for economic, environmental, and social topics	Introduction	
102-21 Consulting stakeholders on economic, environmental, and social topics	GeneralMills.com/Investors	16	
102-22 Composition of the highest governance body and its committees	GeneralMills.com/Investors	5, 16	
102-23 Chair of the highest governance body	GeneralMills.com/Investors	16	
102-24 Nominating and selecting the highest governance body	GeneralMills.com/Investors	5, 16	

\*Using GRI 2016 Sustainability Reporting Standards. Reporting disclosures may not be applied fully for all Standards.

## Global Reporting Initiative (GRI) index (cont.)

GRI Standard	Disclosure	Location/comments	UN SDGs
<b>General Disclosures (cont.)</b>			
<b>GRI 102: General Disclosures</b>	<b>Governance (cont.)</b>		
	102-25 Conflicts of interest	<a href="http://GeneralMills.com/Investors">GeneralMills.com/Investors</a>	16
	102-26 Role of highest governance body in setting purpose, values, and strategy	<a href="#">Introduction, Our Planet</a>	
	102-28 Evaluating the highest governance body's performance	<a href="http://GeneralMills.com/Investors">GeneralMills.com/Investors</a>	
	102-29 Identifying and managing economic, environmental, and social impacts	<a href="http://GeneralMills.com/Investors">GeneralMills.com/Investors</a> , <a href="#">Introduction</a>	16
	102-30 Effectiveness of risk management processes	<a href="http://GeneralMills.com/Investors">GeneralMills.com/Investors</a> , <a href="#">Introduction</a>	
	102-31 Review of economic, environmental, and social topics	<a href="http://GeneralMills.com/Investors">GeneralMills.com/Investors</a> , <a href="#">Introduction</a>	
	102-32 Highest governance body's role in sustainability reporting	<a href="#">Introduction</a>	
	102-33 Communicating critical concerns	<a href="http://GeneralMills.com/Investors">GeneralMills.com/Investors</a>	
	102-34 Nature and total number of critical concerns	<a href="#">2017 Proxy Statement</a>	
	102-35 Remuneration policies	<a href="#">2017 Proxy Statement</a>	
	102-36 Process for determining remuneration	<a href="#">2017 Proxy Statement</a>	
	102-37 Stakeholders involvement in remuneration	<a href="http://GeneralMills.com/Investors">GeneralMills.com/Investors</a>	16
	<b>Stakeholder engagement</b>		
	102-40 List of stakeholder groups	<a href="#">Introduction, Our Planet, Our Community</a>	
	102-41 Collective bargaining agreements	Approximately 31% of U.S. production employees are covered by CBAs.	8
	102-42 Identifying and selecting stakeholders	<a href="#">Introduction, Our Planet, Our Community</a>	
	102-43 Approach to stakeholder engagement	<a href="#">Introduction, Our Planet, Our Community</a>	
	102-44 Key topics and concerns raised	<a href="#">Introduction, Our Food, Our Planet, Our Community</a>	
	<b>Reporting practice</b>		
	102-45 Entities included in the consolidated financial statements	<a href="#">2017 Annual Report</a>	
102-46 Defining report content and topic boundaries	<a href="#">Materiality section of Introduction</a>		
102-47 List of material topics	<a href="#">Materiality section of Introduction</a>		
102-48 Restatements of information	<a href="#">Appendix - Environmental Data Summary</a>		
102-49 Changes in reporting	<a href="#">Introduction</a>		
102-50 Reporting period	<a href="#">Introduction</a>		
102-51 Date of most recent report	Apr-17		

## Global Reporting Initiative (GRI) index (cont.)

GRI Standard	Disclosure	Location/comments	UN SDGs
<b>General Disclosures (cont.)</b>			
	<b>Reporting practice (cont.)</b>		
<b>GRI 102: General Disclosures</b>	102-52 Reporting cycle	<a href="#">Annual</a>	
	102-53 Contact point for questions regarding the report	<a href="#">Introduction</a>	
	102-54 Claims of reporting in accordance with the GRI Standards	<a href="#">Introduction, Appendix - GRI Index</a>	
	102-55 GRI content index	<a href="#">Global Reporting Initiative index</a>	
	102-56 External assurance	<a href="#">Introduction</a>	
<b>GRI 200 Economic Standards Series</b>			
<b>GRI 201: Economic Performance</b>	201-1 Direct economic value generated and distributed	<a href="#">Our Community, Our Planet, 2017 Annual Report, 2017 Proxy Statement</a>	2, 5, 7, 8, 9
	201-2 Financial implications and other risks and opportunities due to climate change	<a href="#">Our Planet, Carbon Disclosure Project</a>	13
	201-3 Defined benefit plan obligations and other retirement plans	<a href="#">2017 10-K</a>	
<b>GRI 203: Indirect Economic Impacts</b> <i>Material issue: Smallholder farmers</i>	203-1 Infrastructure investments and services supported	<a href="#">Our Planet, Our Community</a>	2, 5, 7, 9, 11
	203-2 Significant indirect economic impacts	<a href="#">Our Planet, Our Community</a>	1, 2, 3, 8, 10, 17
<b>GRI 204: Procurement Practices</b> <i>Material issue: Smallholder farmers</i>	204-1 Proportion of spending on local suppliers	<a href="#">Our Planet</a>	12
<b>GRI 205: Anti-corruption</b> <i>Material issue: Ethics and compliance</i>	205-1 Operations assessed for risks related to corruption	<a href="#">Our Workplace</a>	16
	205-2 Communication and training about anti-corruption policies and procedures	<a href="#">Our Workplace</a>	16
<b>GRI 300 Environmental Standards Series</b>			
<b>GRI 301: Materials</b> <i>Material issue: Packaging footprint</i>	301-2 Recycled input materials used	<a href="#">Our Planet</a>	8, 12
	301-3 Reclaimed products and their packaging materials	<a href="#">Our Planet</a>	8, 12
<b>GRI 302: Energy</b> <i>Material issue: Energy use</i>	302-1 Energy consumption within the organization	<a href="#">Our Planet, Appendix - Environmental Data Summary</a>	7, 8, 12, 13
	302-2 Energy consumption outside of the organization	<a href="#">Carbon Disclosure Project</a>	7, 8, 12, 13
	302-3 Energy intensity	<a href="#">Our Planet, Appendix - Environmental Data Summary</a>	7, 8, 12, 13
	302-4 Reduction of energy consumption	<a href="#">Our Planet</a>	7, 8, 12, 13



## Global Reporting Initiative (GRI) index (cont.)

GRI Standard	Disclosure	Location/comments	UN SDGs
<b>GRI 300 Environmental Standards Series (cont.)</b>			
<b>GRI 303: Water</b> <i>Material issue: Water stewardship</i>	303-1 Water withdrawal by source	<a href="#">Our Planet, Appendix - Environmental Data Summary</a>	6
	303-2 Water sources significantly affected by withdrawal of water	<a href="#">Our Planet</a>	6
	303-3 Water recycled and reused	<a href="#">Our Planet</a>	6, 8, 12
<b>GRI 304: Biodiversity</b> <i>Material issue: Biodiversity</i>	304-2 Significant impacts of activities, products, and services on biodiversity	<a href="#">Our Planet</a>	6, 14, 15
	304-3 Habitats protected or restored	<a href="#">Our Planet</a>	6, 14, 15
<b>GRI 305: Emissions</b> <i>Material issue: Climate change</i>	305-1 Direct (Scope 1) GHG emissions	<a href="#">Our Planet, Appendix - Environmental Data Summary</a>	3, 12, 13, 14, 15
	305-2 Energy indirect (Scope 2) GHG emissions	<a href="#">Our Planet, Appendix - Environmental Data Summary</a>	3, 12, 13, 14, 15
	305-3 Other indirect (Scope 3) GHG emissions	<a href="#">Our Planet, Carbon Disclosure Project</a>	3, 12, 13, 14, 15
	305-4 GHG emissions intensity	<a href="#">Our Planet, Environmental Data Summary</a>	13, 14, 15
	305-5 Reduction of GHG emissions	<a href="#">Our Planet</a>	13, 14, 15
	305-6 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
	305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	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
<b>GRI 306: Effluents and Waste</b>	306-1 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
	306-2 Waste by type and disposal method	<a href="#">Our Planet</a>	3, 6, 12

## Global Reporting Initiative (GRI) index (cont.)

GRI Standard	Disclosure	Location/comments	UN SDGs
<b>GRI 300 Environmental Standards Series (cont.)</b>			
<b>GRI 306: Effluents and Waste</b>	306-3 Significant spills	There were no significant spills at our manufacturing locations during the reporting period.	3, 6, 12, 14, 15
	306-4 Transport of hazardous waste	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
	306-5 Water bodies affected by water discharges and/or 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
<b>GRI 307: Environmental Compliance</b>	307-1 Non-compliance with environmental laws and regulations	General Mills incurred 7 Notices of Violations (NOVs) and no significant fines during the reporting period.	16
<b>GRI 308: Supplier Environmental Assessment</b> <i>Material issue: Supply chain relationships</i>	308-1 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.	
<b>GRI 400 Social Standards Series</b>			
<b>GRI 401: Employment</b> <i>Material issue: Workforce management</i>	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	<a href="#">Appendix</a>	8
<b>GRI 403: Occupational Health and Safety</b> <i>Material issue: Workplace safety</i>	403-1 Workers representation in formal joint management-worker health and safety committees	<a href="#">Our Workplace</a>	8
	403-2 Types of injury and rates of injury, occupational diseases, lost days and absenteeism, and number of work-related fatalities	Injury data in <a href="#">Our Workplace</a> ; There were zero General Mills employee fatalities in fiscal 2017	3, 8
	403-4 Health and safety topics covered in formal agreements with trade unions	<a href="#">Our Workplace</a>	8
<b>GRI 404: Training and Education</b> <i>Material issue: Workforce management</i>	404-2 Programs for upgrading employee skills and transition assistance programs	<a href="#">Our Workplace</a>	8
	404-3 Percentage of employees receiving regular performance and career development reviews	<a href="#">Our Workplace</a>	5, 8
<b>GRI 405: Diversity and Equal Opportunity</b> <i>Material issue: Workforce management</i>	405-1 Diversity of governance bodies and employees	<a href="#">Our Workplace</a> , <a href="#">Appendix</a> , <a href="#">GeneralMills.com/Investors</a>	5, 8

## Global Reporting Initiative (GRI) index (cont.)

GRI Standard	Disclosure	Location/comments	UN SDGs
<b>GRI 400 Social Standards Series (cont.)</b>			
<b>GRI 407: Freedom of Association and Collective Bargaining</b> Material issue: <i>Human rights</i>	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	<a href="#">Our Planet</a>	8
<b>GRI 408: Child Labor</b> Material issue: <i>Human rights</i>	408-1 Operations and suppliers at significant risk for incidents of child labor	<a href="#">Our Planet</a>	8, 16
<b>GRI 409: Forced or Compulsory Labor</b> Material issue: <i>Human rights</i>	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	<a href="#">Our Planet</a>	8
<b>GRI 412: Human Rights Assessment</b> Material issue: <i>Human rights</i>	412-1 Operations that have been subject to human rights reviews or impact assessments	<a href="#">Our Planet</a>	16
	412-3 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.	
<b>GRI 413: Local Communities</b>	413-1 Operations with local community engagement, impact assessments, and development programs	<a href="#">Our Planet, Our Community</a>	5, 8, 16
	414-1 New suppliers that were screened using social criteria	Compliance with our Supplier Code of Conduct is a term in our standard purchase orders and standard purchase contracts.	
<b>GRI 414: Supplier Social Assessment</b> Material issues: <i>Human rights, supply chain relationships</i>	414-2 Negative social impacts in the supply chain and actions taken	<a href="#">Our Planet</a>	5, 8, 16
	<b>GRI 415: Public Policy</b>	415-1 Political contributions	<a href="#">GeneralMills.com/CivicInvolvement, Introduction</a>
<b>GRI 416: Customer Health and Safety</b> Material issue: <i>Food safety</i>		416-1 Assessment of the health and safety impacts of product and service categories	<a href="#">Our Food, Our Workplace</a>

## Global Reporting Initiative (GRI) index (cont.)

GRI Standard	Disclosure	Location/comments	UN SDGs
<b>GRI 400 Social Standards Series (cont.)</b>			
<b>GRI 416: Customer Health and Safety</b> <i>Material issue: Food safety</i>	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Our Food	16
<b>GRI 417: Marketing and Labeling</b> <i>Material issue: Responsible marketing</i>	417-1 Requirements for product and service information and labeling	Our Food	12

## Specific Standard Disclosures

Disclosure #	Disclosure text	Location/comments	UN SDGs
<b>Food Processing Sector Supplement</b>			
<b>Across All Aspects of Sourcing</b> <i>Material issue: Supply chain relationships</i>	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, 15
<b>Healthy and Affordable Food</b> <i>Material issues: Food security, health and nutrition wellness</i>	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
<b>Customer Health and Safety</b> <i>Material issues: Food safety, health and nutrition wellness</i>	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
<b>Product and Service Labeling</b>	FP8 Policies and practices on communication to consumers about ingredients and nutritional information beyond legal requirements.	Our Food <a href="http://GeneralMills.com/BellInstituteofHealthandNutrition">GeneralMills.com/Bell Institute of Health and Nutrition</a> <a href="http://AskGeneralMills.com">AskGeneralMills.com</a> <a href="http://SmartLabel.org">SmartLabel.org</a>	2

## Specific Standard Disclosures (cont.)

Disclosure #	Disclosure text	Location/comments	UN SDGs
<b>Food Processing Sector Supplement (cont.)</b>			
<b>Breeding and Genetics</b> <b>Material Issue:</b> <b>Animal welfare</b>	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 <a href="#">policy</a> .	2, 15
	FP10 Policies and practices, by species and breed type, related to physical alterations and the use of anaesthetic.	General Mills does not physically alter animals or use anaesthetics. For information on our approach to animal welfare, see our <a href="#">policy</a> .	
	FP11 Percentage and total of animals raised and/or processed, by species and breed type, per housing type.	<a href="#">Our Planet</a> General Mills does not raise or process animals. For information on our approach to animal welfare, see our <a href="#">policy</a> .	
<b>Animal Husbandry</b> <b>Material Issue:</b> <b>Animal welfare</b>	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.	<a href="#">Our Planet</a> <a href="#">Animal welfare policy</a>	2
	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.	
<b>Transportation, Handling, and Slaughter</b> <b>Material Issue:</b> <b>Animal welfare</b>			

# United Nations Global Compact Principles

Principle	Information in report
<b>Human rights</b>	
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and	<ul style="list-style-type: none"> <li>Ethics and compliance</li> <li>Human rights</li> <li>Supplier Code of Conduct</li> </ul>
Principle 2: make sure that they are not complicit in human rights abuses.	<ul style="list-style-type: none"> <li>Ethics and compliance</li> <li>Human rights</li> </ul>
<b>Labor</b>	
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	<ul style="list-style-type: none"> <li>Human rights</li> <li>Supplier Code of Conduct</li> </ul>
Principle 4: the elimination of all forms of forced and compulsory labor;	<ul style="list-style-type: none"> <li>Human rights</li> <li>Supplier Code of Conduct</li> </ul>
Principle 5: the effective abolition of child labor; and	<ul style="list-style-type: none"> <li>Human rights</li> <li>Supplier Code of Conduct</li> </ul>
Principle 6: the elimination of discrimination in respect to employment and occupation.	<ul style="list-style-type: none"> <li>Ethics and compliance</li> <li>Diversity and inclusion</li> <li>Supplier Code of Conduct</li> </ul>
<b>Environment</b>	
Principle 7: Businesses should support a precautionary approach to environmental challenges;	<ul style="list-style-type: none"> <li>Climate change approach</li> <li>Sourcing approach</li> </ul>
Principle 8: undertake initiatives to promote greater environmental responsibility; and	<ul style="list-style-type: none"> <li>Climate change performance</li> <li>Responsible sourcing</li> <li>Producing</li> <li>Water stewardship</li> </ul>
Principle 9: encourage the development and diffusion of environmentally friendly technologies.	<ul style="list-style-type: none"> <li>Climate change performance</li> <li>Responsible sourcing</li> <li>Producing</li> <li>Water stewardship</li> </ul>
<b>Anti-corruption</b>	
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	<ul style="list-style-type: none"> <li>Supplier Code of Conduct</li> <li>Code of Conduct</li> </ul>