



GENERAL MILLS

# Global Responsibility 2013

## SUMMARY

Health | Environment | Sourcing | Workplace | Community



## To our Stakeholders:



Ken Powell  
Chairman, Chief Executive  
Officer, General Mills

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

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

In this, our 43rd year of reporting back to our communities and stakeholders, we have expanded the breadth and depth of our reporting across five key focus areas: Health, Environment, Sourcing, Workplace and

Community. We continue to make progress in advancing our stated goals in these key focus areas. For example, in 2012, we again improved the health profile of General Mills products around the world. We again decreased natural resource consumption in our operations and across our global supply chain. We are mitigating water risk, and taking steps to more sustainably source raw materials. Of course, we also continue to support our employees with safe, ethical and inclusive workplaces. And we continue to nourish our communities through philanthropic and employee engagement.

We're not alone in addressing these global challenges. We're finding opportunities for

collaboration with business, government and NGOs on important systemic solutions. We're working with external partners and are signatories on a number of key global efforts, such as the United Nations Global Compact. And while we're proud of our progress, we also know there is still much more to be done.

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

Sincerely,

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

**General Mills** has been fulfilling our mission of Nourishing Lives for 146 years.

## Our values

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

We do the  
right thing,  
all the time.

We innovate  
in every aspect  
of our business.

We build  
our great  
brands.

We respect,  
develop and invest  
in our people.

We strive for  
consistently superior  
performance.



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

## Our strategies

**Provide**  
nutritious  
foods

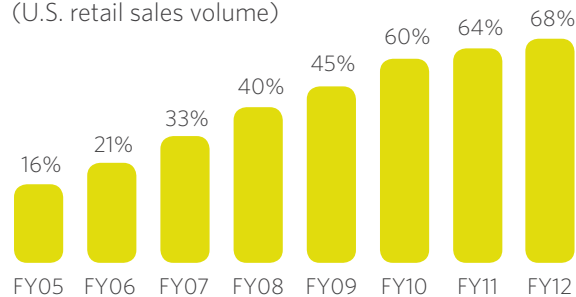
**Educate**  
consumers

**Advance**  
global  
food safety

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

## Improving product health profiles

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



## 240 billion

grams of whole grain  
shipped by General Mills’  
U.S. retail operations  
in fiscal 2012.

## 1 billion

servings of vegetables  
shipped by General  
Mills’ U.S. retail  
operations in fiscal  
2012 (1 serving  
= 1/2 cup).

## 18,400+

servings of Yoplait  
dairy products eaten  
around the world  
every minute.

## 650+

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



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

This mission guides our efforts in the areas of Environment and Sourcing.







## Our strategies

**Reduce** resource usage in our operations

**Increase** sustainability of ingredients

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

### Environmental sustainability metrics

	FY2015 target (% rate reduction from FY2005) <sup>*,**</sup>	Progress through FY2012 (% rate reduction from FY2005)
 <b>Energy usage rate*</b> (kilowatt hours/metric ton of product)	20%	11%
 <b>GHG emissions rate*</b> (metric tons CO <sub>2</sub> e/metric ton of product)	20%	10%
 <b>Water usage rate<sup>*,**</sup></b> (cubic meters/metric ton of product)	20%	10%
 <b>Solid waste generation rate*</b> (metric tons/metric ton of product)	50%	40%
 <b>Transportation fuel usage rate<sup>*,**</sup></b> (% fuel reduction/metric ton of product shipped)	35%	17%
 <b>Packaging improvement rate<sup>*,**</sup></b> (% of packaging volume improved)	60% (increased from 40%)	52%

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

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





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## Our strategies

<b>Increase</b>	:	<b>Improve</b>	:	<b>Improve</b>
sustainability	:	global water	:	supplier
of ingredients	:	stewardship	:	sustainability

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



<1 Through our holistic value creation strategy, we are building a model for sustainable development focused on origin-direct investment. Our goal is to improve the incomes and communities of smallholder farmers while ensuring a sustainable source of raw materials for our business. In February 2013, we announced a new sourcing program to foster greater economic vitality for smallholder vanilla farmers in Madagascar. We also have a long-standing program with Chinese corn farmers and are launching a new program with artichoke growers in Peru.

## Sustainable sourcing approach

PHASE 1

Assessment

PHASE 2

Strategy  
formation

PHASE 3

Transformation

PHASE 4

Monitoring  
& evaluation

CORN	DAIRY	OATS SUGAR BEETS FIBER PACKAGING SUGARCANE	COCOA	VANILLA	ANIMAL WELFARE	WHEAT	PALM OIL
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Every day around the world, our 34,500 employees work to carry out **our mission** of Nourishing Lives.

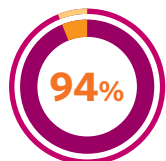
## Our strategies

Build a strong workplace culture

Maintain a safe workplace

Respect, develop and invest in employees

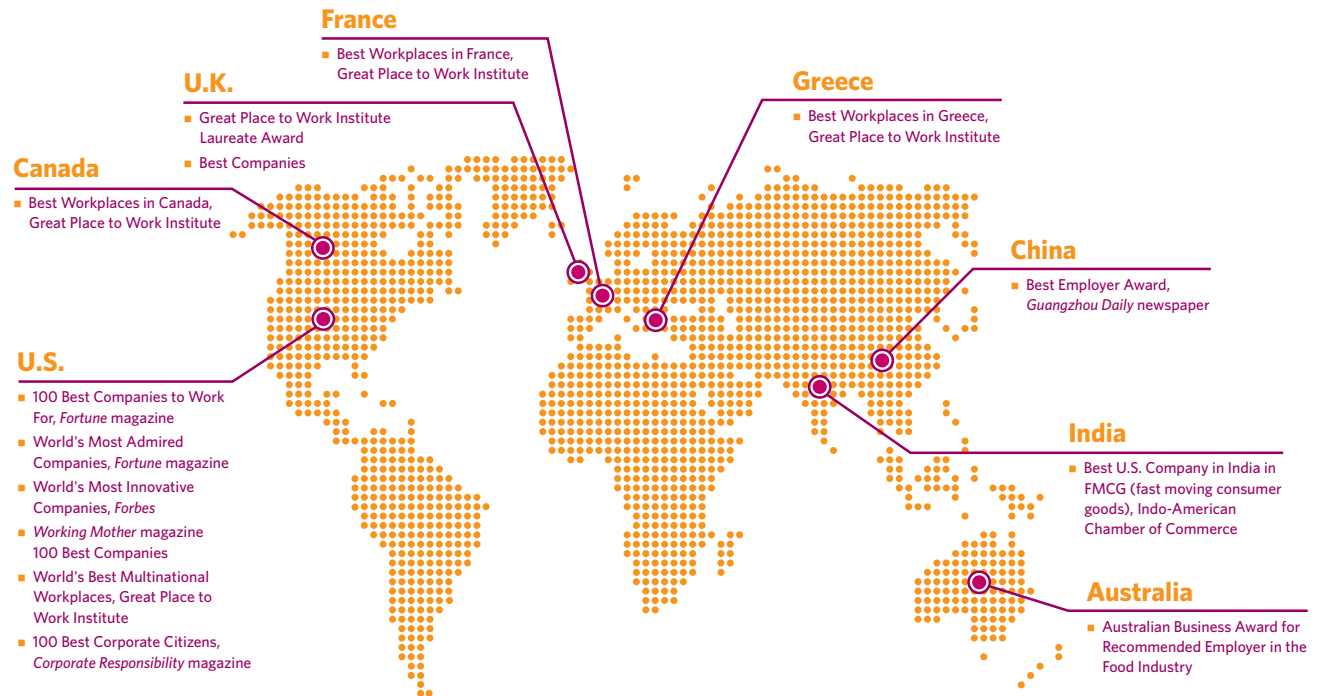
**OUR GOAL** is to foster a safe, ethical, diverse and inclusive workplace where employees can thrive. We respect, develop and invest in our employees and continue to improve workplace safety through our efforts to prevent injuries and illnesses. We support our employees in being active, eating healthy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



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

## Awards, honors and accolades

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





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

## Our strategies

**Alleviate** hunger  
and advance  
nutrition wellness

**Improve**  
education

**Strengthen**  
communities

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

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

**\$143+ million**

The amount we gave to charitable causes in fiscal 2012

Foundation Grants

**\$27.6 million**

Corporate Contributions/  
Brand Partnerships

**\$77.9 million**



Product Donations

**\$37.7 million**

**\$10 million**

Our support of the Presidential Youth Fitness Program includes US\$10 million over six years (2012 - 2018).

**\$74 million**

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

**80%**

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

Learn more about how we are Nourishing Lives at [www.generalmills.com](http://www.generalmills.com).

## Global Responsibility Highlights 2012

**650+**

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

**10**

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

**86%**

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

**52%**

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

**84%**

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

**50%**

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

**10**

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

**8**

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

**\$143 million+**

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

**\$35 million+**

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



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