Global Responsibility 2013

SUMMARY
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,

KJ Powell
Chairman, Chief Executive Officer, General Mills

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

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

<table>
<thead>
<tr>
<th>Metric</th>
<th>FY2015 target (% rate reduction from FY2005)</th>
<th>Progress through FY2012 (% rate reduction from FY2005)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy usage rate*</td>
<td>20%</td>
<td>11%</td>
</tr>
<tr>
<td>(kilowatt hours/metric ton of product)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>GHG emissions rate*</td>
<td>20%</td>
<td>10%</td>
</tr>
<tr>
<td>(metric tons CO2e/metric ton of product)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Water usage rate**,**</td>
<td>20%</td>
<td>10%</td>
</tr>
<tr>
<td>(cubic meters/metric ton of product)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Solid waste generation rate*</td>
<td>50%</td>
<td>40%</td>
</tr>
<tr>
<td>(metric tons/metric ton of product)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transportation fuel usage rate**,**</td>
<td>35%</td>
<td>17%</td>
</tr>
<tr>
<td>(% fuel reduction/metric ton of product shipped)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Packaging improvement rate**</td>
<td>60% (increased from 40%)</td>
<td>52%</td>
</tr>
<tr>
<td>(% of packaging volume improved)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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

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

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

**Sustainable sourcing approach**

- **PHASE 1**
  - Assessment
  - CORN
  - DAIRY
  - SUGAR BEETS
  - FIBER PACKAGING SUGARCANE

- **PHASE 2**
  - Strategy formation
  - COCOA
  - VANILLA
  - ANIMAL WELFARE

- **PHASE 3**
  - Transformation
  - WHEAT

- **PHASE 4**
  - Monitoring & evaluation
  - PALM OIL

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.
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**

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**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.

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**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.

- **France**
  - Best Workplaces in France, Great Place to Work Institute

- **U.K.**
  - Best Workplaces in the U.K., Great Place to Work Institute
  - Laureate Award

- **Canada**
  - Best Workplaces in Canada, Great Place to Work Institute

- **U.S.**
  - 100 Best Companies to Work For, Fortune magazine
  - World’s Most Admired Companies, Fortune magazine
  - World’s Most Innovative Companies, Forbes
  - Working Mother magazine
  - 100 Best Companies
  - World’s Best Multinational Workplaces, Great Place to Work Institute
  - 100 Best Corporate Citizens, Corporate Responsibility magazine

- **Greece**
  - Best Workplaces in Greece, Great Place to Work Institute

- **China**
  - Best Employer Award, Guangzhou Daily newspaper

- **India**
  - Best U.S. Company in India in FMCG (fast moving consumer goods), Indo-American Chamber of Commerce

- **Australia**
  - Australian Business Award for Recommended Employer in the Food Industry
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
- **$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.

**Corporate Contributions/Brand Partnerships**
- **$77.9 million**

**Foundation Grants**
- **$27.6 million**

**Product Donations**
- **$37.7 million**
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%**
packing 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 $1 billion to charitable causes worldwide since the General Mills Foundation was created in 1954 (US$).

**$35 million+**
food products donated to Feeding America’s 200 food banks in 2012 (US$).

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