Our mission at General Mills is Nourishing Lives.

Every day throughout the world, our 33,000 employees work to carry out this mission. This report summarizes the progress we made in 2010. It’s organized into three sections.

Health: the nourishment we provide outlines how we nourish lives through our food products, and the improvements we’ve made to the nutritional profile of those foods.

Communities: the people we serve describes the many ways we engage our stakeholders – whether via the General Mills Foundation, volunteering in our communities or through cause-marketing programs such as Box Tops for Education. We include our employees among our stakeholders and strive to be an employer of choice.

Environment: the planet we share outlines the progress we’ve made toward becoming a more sustainable company.

For more information on our efforts to enhance the nourishment we provide, improve the lives of the people we serve and protect the planet we share, see our full Corporate Social Responsibility report at www.csr.GeneralMills.com

Table of Contents

<table>
<thead>
<tr>
<th>Health</th>
<th>Communities</th>
<th>Environment</th>
</tr>
</thead>
<tbody>
<tr>
<td>The nourishment we provide</td>
<td>The people we serve</td>
<td>The planet we share</td>
</tr>
<tr>
<td>Improving our nutrition profile</td>
<td>Fiscal 2010 Giving Summary</td>
<td>Progressing on sustainability goals</td>
</tr>
<tr>
<td>Nutritious new options</td>
<td>Helping feed the hungry</td>
<td>Turning oat hulls into energy</td>
</tr>
<tr>
<td>Enhanced international products</td>
<td>Box Tops for kids</td>
<td>Environmental sustainability goals</td>
</tr>
<tr>
<td>Raising the health bar</td>
<td>United Way</td>
<td>Being green</td>
</tr>
<tr>
<td>No. 1 source of whole grain</td>
<td>Expanding efforts in Africa</td>
<td>Water conservation</td>
</tr>
<tr>
<td>Reduced sugar in kid cereals</td>
<td>One child, one laptop</td>
<td>Reducing fuel use</td>
</tr>
<tr>
<td>Sodium reduction</td>
<td>Breast cancer awareness</td>
<td>Environmental leadership in Europe</td>
</tr>
<tr>
<td>Special dietary needs</td>
<td>Promoting diversity</td>
<td>Protecting parklands</td>
</tr>
<tr>
<td>Affordable, nutritious food</td>
<td>International best workplaces</td>
<td>Sustainable packaging</td>
</tr>
<tr>
<td>Promoting healthy living</td>
<td>Think global, volunteer local</td>
<td>Conserving water in Mexico</td>
</tr>
<tr>
<td>Hispanic outreach</td>
<td>Mom-friendly</td>
<td>LEED-certified</td>
</tr>
</tbody>
</table>
Our goal is to provide nutritious foods that – when combined with exercise and activity – can help people live longer, healthier lives.

Improving our nutrition profile

We improved the health profile of products comprising nearly 24 percent of our U.S. Retail sales in fiscal 2010. That’s the largest one-year gain in our history. For example:

- We reduced sodium by 16 percent in original Bisquick and by 10 percent or more in Cheerios, Honey Kix and several other cereals.
- Green Giant Boil in a Bag teriyaki vegetables now contain 100 percent less total fat, 18 percent less sodium and 42 percent fewer calories.
- Betty Crocker SuperMoist cake mixes now have 0 grams of trans fat – just one example of our multiyear effort to remove trans fat from our products.

Since 2005, more than 500 General Mills products have been fortified, slimmed down with fewer calories or otherwise nutritionally improved.

Nutritious new options

Yoplait Greek yogurt has twice the protein of regular yogurt.

Fiber One Banana Nut and Blueberry muffins have 20 percent of the Daily Value of fiber.

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

Enhanced international products

In Argentina, all La Salteña branded products now have 0 grams of trans fat per serving.

In Canada, our Old El Paso Smart Fiesta dinner kits have 35 percent less sodium than our hard and soft taco kits.

In China, we’ve cut the sodium in many Wanchai Ferry dumpling and wonton products by 5 to 8 percent per serving.

In Europe, we’ve reduced the sodium in Old El Paso Mexican meal kits by 23 percent.
No. 1 source of whole grain

Our Big G cereals are the No. 1 source of whole grain at breakfast – they provide people in the U.S. with more whole grain than any other breakfast food from any food company. That’s important because 95 percent of Americans don’t eat enough whole grains.

When we converted all of our Big G cereals to whole grain in 2005, it was the single biggest health-driven product improvement in our history. Today, Big G delivers about 37.5 million whole grain servings per day – a 46 percent increase over 2005.

All of our Big G cereals contain at least 8 grams of whole grain per serving. Many deliver 16 grams or more.

Reduced sugar in kid cereals

We’ve worked for more than three years to lower the sugar levels in our cereals advertised to U.S. children under age 12. Since 2007, we’ve lowered sugar levels in those kid cereals by more than 14 percent, on average.

We’re committed to reducing the cereals to single-digit grams of sugar per serving.

and we’re making progress toward that goal. As of December 2010, all of our kid cereals are at 10 grams of sugar or less per serving. In one case, Frosted Cheerios, we’ve cut it to 9 grams. And we’ve reduced the sugar in many of our other cereals as well.

Sodium reduction

In 2010, we announced that we would trim sodium by 20 percent, on average, in more than 400 products by 2015. We’ve already made considerable progress over the past year. We’ve lowered the sodium in our Green Giant brand across seven vegetables and 45 canned products, for example.

General Mills offers more than 800 U.S. retail products that have 150 calories or less per serving – options for every eating occasion, from family meals to snacks.
Special dietary needs

We continue to add more options to our gluten-free lineup, including gluten-free Bisquick and Asian Helper, an offshoot of the 30-plus-year-old Hamburger Helper line. Both are rice-based products instead of the wheat-based originals. Our gluten-free products give the millions of people who suffer from gluten intolerance the chance to share meals with family and friends – meals that actually taste good. That’s been the common theme shared by happy customers through our Consumer Services hotline. We also provide those customers with information on gluten-free eating via our LiveGlutenFreely.com website and e-newsletter.

Affordable, nutritious food

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

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

- Cheerios: 25 cents.
- Green Giant Valley Fresh Steamers: 47 cents.

- Wholesome Hamburger Helper: 36 cents.
- Yoplait Light: 66 cents.
- Progresso vegetable soup: $1.09.

Promoting healthy living

Being active is key to a healthy life, and General Mills is at the forefront of encouraging active lifestyles:

- We’re helping up to 1 million kids get active by supporting the “One Million PALA Challenge,” an initiative that encourages regular exercise.
- General Mills supports youth nutrition and fitness programs like Girls in the Game, a Chicago-based nonprofit organization that promotes sports and fitness activities for girls.
- Since 2002, the General Mills Foundation has invested more than $19.5 million in youth and nutrition programs that have served nearly 5 million U.S. kids.

“I wanted to thank you so very much for making my life so much better. I just had Gluten Free Bisquick. My wife made pancakes for me. WOW!! I have never had a gluten-free food that tasted like real food.”


Hispanic outreach

Our recently revamped Qué Rica Vida website is the No. 1 food and lifestyle website for Latina moms. Qué Rica Vida (“What a Rich and Wonderful Life”) is a program that provides tips on healthy living to the Spanish-speaking population in the United States. It also includes a magazine, health seminars and a Spanish-language iPad application.
Our philanthropy reached new heights in fiscal 2010. We gave more than $100 million to a variety of worthy causes. That represents a 10 percent increase over fiscal 2009.

Helping feed the hungry

General Mills donated more than $18 million of our products to food banks across the U.S. through our partnership with Feeding America, the largest hunger-relief organization in the U.S. We’re a founding partner with Feeding America and have worked with its network of food banks for more than 30 years. Along with product donations, General Mills employees also gave their time and green thumbs to grow food for those in need. At our headquarters office, volunteers tended a 1,600-square-foot garden that yielded more than 1,300 pounds of organic vegetables. The bounty was harvested twice a week and delivered to two nonprofit organizations that feed hungry people.

General Mills Fiscal 2010 Giving Summary

**Total giving: US $100 MILLION**

- Corporate Contributions/Brand Philanthropy: $59.4 million
- Foundation Grants: $22.4 million
- Product Donations: $18.2 million

82% of U.S. employees volunteer

Box Tops for kids

One of our most important initiatives is Box Tops for Education, which supports U.S. schools by funding essential items like books, computers and musical instruments. Since its inception, the program has raised more than $340 million for K-8 schools.

United Way

General Mills' United Way giving in the United States and Canada this year reached $13.5 million, an increase of more than 6 percent over 2009. At our headquarters office in the Twin Cities of Minnesota, our company was the top corporate donor for the 12th year in a row.

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

– Atul Tandon, United Way Worldwide executive vice president
General Mills is committed to providing our expertise and resources to help the poorest regions of the world help themselves, including developing countries in Africa. 

**Join My Village.** In 2010, we expanded our Join My Village online giving program, promoting education and economic development for African girls and women. Visitors to JoinMyVillage.com can activate a contribution from General Mills and other partnering companies by watching a video or reading a story about a girl’s future. More than 95,000 people have become members.

Join My Village helps fund programs that strive to break the cycle of poverty in one of the poorest regions of the world. In its first year, funds helped support 160 scholarships, built eight homes for teachers and helped more than 1,000 women start their own businesses. Through 2010, we’ve contributed more than $1 million through this program.

**Partners in Food Solutions (PFS).** PFS links the expertise of volunteer employees at General Mills and other food companies and associations to small and medium-sized mills and food processors in the developing world. The goal is to help those companies produce nutritious, affordable food, and increase demand for the crops of small farmers who supply them. More than 300 employees have volunteered their time to help solve technical issues at African food-processing facilities.

One program PFS supports is Project Peanut Butter, a nonprofit organization that produces and distributes a high-nutrient peanut butter paste for severely malnourished children in Malawi. Our volunteers are helping the project improve efficiency at its plant and develop a new recipe to help treat HIV patients. Hunger is the primary reason 13 percent of Malawian children die before they reach age 5.

**In Haiti, more than US$400,000 was donated to the American Red Cross International Response Fund and CARE International to support earthquake relief efforts, after a January 2010 earthquake claimed about 100,000 lives and left several hundred thousand more homeless.**

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**One child, one laptop**

One Laptop Per Child is a nonprofit organization that provides educational opportunities to the world’s poorest children by giving each of them a self-powered laptop preloaded with special content. Through a cause-marketing campaign led by our Fruit Snacks team, we donated more than 2,000 laptops to needy kids in South Africa.
Breast cancer awareness

For the fourth straight year, General Mills sponsored a companywide “Pink Together” campaign to support those affected by breast cancer. The campaign donated US$2.25 million in fiscal 2010 to Susan G. Komen for the Cure to advance breast cancer research, education and community outreach.

Pink Together, combined with the Yoplait Save Lids to Save Lives campaign, has established General Mills as the No. 1 consumer packaged goods supporter of Susan G. Komen, the leading global breast cancer organization. Between these two programs, we’ve contributed more than US$33 million to support research and awareness since 1998.

Promoting diversity

General Mills embraces diversity and inclusion as key drivers of innovation.

With the creation this year of the Middle East & North Africa (MENA) employee network, another thread was woven into the cultural fabric of General Mills employee diversity. We support 17 employee networks and diversity councils. Through their wealth of different perspectives, these networks and councils help drive innovation at General Mills, making the whole of our company greater than the sum of its parts.

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

International best workplaces

Our reputation as a great place to work is well-known in the United States – we’re regularly included in top rankings such as Fortune magazine’s list of “100 Best Companies to Work For.” Our reputation is now growing internationally.

The Financial Times named us one of the “United Kingdom’s 50 Best Workplaces,” and the Sunday Times, for the third year in a row, named General Mills UK as one of its “100 Best Small Companies” to work for. It said we are “a cool place to work.”

We also received best workplace accolades in Canada, Australia and France.

About 82 percent of our U.S. employees volunteer their time, energy and expertise – nearly three times the 29 percent average reported in a survey of more than 150 Fortune 500 companies.

Think global, volunteer local

Nearly 2,000 General Mills employees and retirees from around the world contributed their time as part of “Think Global, Volunteer Local,” a company-sponsored initiative celebrating the 40th anniversary of Earth Day and National Volunteer Week in the U.S.
Progressing on sustainability goals

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

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

Both initiatives are designed to improve the efficiency of our operations, which in many cases yield an environmental benefit as well.

Installing energy meters on several pieces of equipment at our Covington, Ga., plant, for example, led to annual savings of more than US$600,000. The additional data allowed operators to optimize the production, and plans are in the works to extend more robust energy metering systems at more facilities.

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

† Normalized to metric tons of production.
* The fiscal 2011 water goal is measured from fiscal 2006 baseline data.
** The North American transportation goal and packaging goal are measured from fiscal 2009 baseline data.
*** Four key indicators are used to assess improvement: packaging weight; recycled content; renewable content; truck efficiency.

Turning oat hulls into energy

Oat hulls are a byproduct of our process for making Cheerios – but they don’t go to waste. In December 2010, the General Mills flour mill in Fridley, Minn., became the company’s first biomass-powered plant, using energy from the leftover hulls to produce about 90 percent of the steam needed to heat and run the facility.

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

 We generate enough oat hulls, which have roughly the same energy value as bituminous coal, to both power our plant and provide them to others as an energy source. They’re also currently burned by Koda Energy, a biomass plant in Shakopee, Minn., that generates enough electricity, on average, to power 17,000 homes.

General Mills’ John Hellweg spearheaded the biomass burner project.
When you’re Green Giant, being green comes naturally. To commemorate the 40th anniversary of Earth Day, Green Giant contributed US$200,000 to The Nature Conservancy, a conservation group that protects ecologically important lands and waters, such as the Root River in southeastern Minnesota. Along with financial donations, throughout its history Green Giant has worked to protect the environment and reduce its footprint through measures such as:

- Packing vegetables in smaller, lighter cans, so it takes less fuel to deliver them to supermarkets.
- Using traditional seed breeding methods to double, over the last 35 years, the amount of sweet corn grown on an acre of land.
- Switching to more earth-friendly paperboard to package frozen vegetables, saving 54,000 trees annually.

Being green

*Environmental manager Carolyn Sampson is part of a General Mills team that’s working with the World Wildlife Fund to evaluate water risks in our supply chain and explore conservation strategies. Outside of General Mills, Sampson lends her expertise to environmental groups like the Friends of the Boundary Waters Wilderness.*

*Our plant in San Adrian, Spain, now receives 100 percent of its electricity from renewable sources. And it’s trimmed water usage by 58 percent and its solid waste generate rate by 67 percent over the past five years. In fact, all of General Mills’ European plants have earned “ISO 14001 certification,” which means they’ve met an internationally recognized set of standards used by organizations to improve their environmental performance.*

*Water conservation

*Reducing fuel use

*Environmental leadership in Europe*
Protecting parklands

Our Nature Valley brand ramped up its support of U.S. national parks in 2010 by donating about US$380,000 to the National Parks Conservation Association. The nature-themed campaign, with country music star Kenny Chesney serving as spokesman, underscored the brand’s commitment to environmental sustainability.

The money generated through this “Nature Valley National Parks Project” funded initiatives at three national parks: Grand Canyon, Yellowstone and Biscayne in Florida.

Sustainable packaging

In 2010, we made Nature Valley granola bar cartons smaller and thinner, shrinking the width by half an inch and the depth by a quarter inch, while maintaining the size of the bars themselves. That saves an estimated 6.2 million pounds of paperboard per year.

We recently began using a lighter plastic in the icing cups for our Pillsbury Grands! Sweet Rolls – a switch that will save an estimated 600,000 pounds of plastic per year.

Conserving water in Mexico

Since 2008, we’ve been encouraging farmers in central Mexico to adopt drip irrigation, which uses about half the water of conventional furrow irrigation.

We’ve been providing farmers with interest-free loans of up to US$200,000 to buy drip irrigation equipment. For every 200 additional acres that use drip irrigation, an estimated 133 million gallons of water per year is saved.

LEED-certified

Our new distribution center in Social Circle, Ga., is the largest U.S. industrial building certified “gold” under the LEED (Leadership in Energy and Environmental Design) rating system – an international standard for sustainable construction. Energy-efficient lighting that shuts off when no one’s present, electricity-trimming ventilation, a water-retention system used for irrigation and low-flow plumbing fixtures all contributed to the facility’s top marks.
Nourishing Lives

For a comprehensive overview of our commitment to stand among the most socially responsible food companies in the world, see our full Corporate Social Responsibility report online at www.csr.GeneralMills.com.

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