

Corporate governance

CORPORATE GOVERNANCE PRINCIPLES

MAY 6, 2014

General Mills has a long-standing commitment to good corporate governance practices. These practices provide an important framework within which our Board of Directors and management can pursue the strategic objectives of General Mills and ensure its long-term vitality for the benefit of stockholders. Our corporate governance principles and practices have evolved over many years. The Corporate Governance Committee reviews them annually, and changes are recommended to the Board for approval as appropriate.

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Our philosophy: Director election, independence, and Board composition

Election of Directors. Stockholders elect directors annually. The Board believes that meaningful stockholder participation is critical to the election of directors. Our directors are

elected by a majority of votes cast. If an incumbent director is not re-elected, the director must promptly offer his or her resignation to the Board. The Corporate Governance Committee will recommend to the Board whether to accept or reject the resignation, and the Board will disclose its decision and the rationale behind it within 90 days from the certification of the election results. When there are more director nominees than the number of directors to be elected, the directors will be elected by a plurality of the votes cast.

Board Size. The Board periodically reviews the number of director positions with the intent of keeping the Board small enough to promote substantive discussions in which each director can actively participate, and large enough to offer a diversity of background and expertise. Our bylaws currently provide that the Board shall have no fewer than seven directors and no more than 15 directors.

Board Composition. The Corporate Governance Committee is responsible for recommending candidates for election to our Board of Directors. The Corporate Governance Committee considers the Board's overall composition when it selects candidates. Overall Board composition guidelines require expertise in fields relevant to the business of the Company; a breadth of experience from a variety of industries and professional disciplines; a diversity of gender, ethnicity, age and geographic location; and a range of tenures on the Board to ensure both continuity and fresh perspective. Final approval of director candidates is determined by the full Board, based on the recommendation of the Corporate Governance Committee.

Director Selection Criteria. Well-defined selection criteria for individual directors require independence, integrity, experience and sound judgment in areas relevant to our businesses, a proven record of accomplishment, willingness to speak one's mind and commit sufficient time to the Board, appreciation for the long-term interests of stockholders and the ability to challenge and stimulate management and to work well with fellow directors. The Corporate Governance Committee reviews whether a potential candidate meets Board and/or committee membership requirements imposed by law, regulation or stock exchange rules, determines whether a potential candidate is independent according to standards for evaluating director independence and evaluates the potential for any conflict of interest between the director and General Mills.

Other Board Service. Board members are expected to devote sufficient time and attention to carrying out their director duties and responsibilities and ensure that their other responsibilities, including service on other boards, do not materially interfere with their responsibilities as directors of the Company. Directors must inform the Chair of the Corporate Governance Committee in advance of becoming a director and/or member of the audit committee of any other public company. The Board will take into account the nature and extent of the director's other commitments when determining whether it is appropriate to nominate that individual for re-election. Subject to a determination by the Board that additional service will not impair the ability of a director to serve effectively on the Company's Audit Committee, a member of the Audit Committee should not serve on more than two other audit committees for public companies.

Director Independence Criteria. The Board believes that a substantial majority of its members should be independent, non-employee directors. The Board has established the following guidelines that are consistent with the current listing standards of the New York Stock Exchange for determining director independence:

- A director will not be considered independent if,

- The director was an employee of, or an immediate family member of the director was an executive officer of, General Mills within the last three years;
- The director or an immediate family member of the director has received during any 12-month period within the last three years more than \$120,000 in direct compensation from General Mills (other than director and committee fees and pension or other deferred compensation for prior service to General Mills);
- The director is a current partner or employee of a firm that is General Mills' internal or external auditor; the director has an immediate family member who is a current partner of such a firm; the director has an immediate family member who is a current employee of such a firm and personally works on General Mills' audit; or the director or an immediate family member was within the last three years a partner or employee of such a firm and personally worked on General Mills' audit within that time.
- A current executive officer of General Mills is or was on the compensation committee of a company which, at the same time, employed the director or an immediate family member of the director as an executive officer, within the last three years; or
- The director is a current employee of, or an immediate family member of the director is a current executive officer of, another company that has made payments to, or received payments from, General Mills for property or services in an amount which, in any of the last three fiscal years, exceeds the greater of (i) \$1,000,000 or (ii) two percent, whichever is greater, of such other company's consolidated gross revenues.
- The following commercial or charitable relationships are immaterial and will not, by themselves, impair a director's independence:
 - A director or an immediate family member of the director is an executive officer of another company which is indebted to General Mills, or to which General Mills is indebted, and the total amount of either company's indebtedness to the other is less than two percent of the total consolidated assets of the company he or she serves as an executive officer;
 - A director or an immediate family member of the director serves as an officer, director or trustee of a tax exempt organization and General Mills' contributions to such organization are less than the greater of (i) \$120,000 or (ii) two percent of the organization's consolidated gross revenues;
 - A director or an immediate family member of the director is an executive officer or director of another company that does business with General Mills and the annual payments derived from that business by either company accounts for less than (i) \$1,000,000 or (ii) two percent, whichever is greater, of the consolidated gross revenues of such company and the individual is not directly responsible for or involved in the relationship; or
 - A director or an immediate family member holds a less than 10% interest in any entity that has a relationship with General Mills.
- For relationships not covered by these guidelines, the determination of whether the

relationship is material or not, and therefore whether the director would be independent or not, shall be made by the directors who satisfy the independence guidelines set forth above. We will explain in our proxy statement the basis for any determination by the Board that a relationship is not material if the relationship does not satisfy one of the specific categories of immaterial relationships identified above.

- Audit Committee members may not accept, directly or indirectly, any consulting, advisory or other compensatory fee from us (other than director fees and pension or other deferred compensation for prior service to us).

Affiliations with the Company. Director affiliations and transactions are regularly reviewed to ensure there are no conflicts or relationships that might impair a director's independence from the Company, senior management and our independent registered public accounting firm.

Director Retirement. To ensure an appropriate balance between new perspectives and experienced directors:

- A director will not be nominated or stand for election to the Board after the date of his or her 74th birthday. In the event that two or more committee chairs are scheduled to retire in the same year, their retirements may be staggered so that only one committee chair retires at a time. The committee chair with the longest tenure would retire first. In instances where committee chairs have the same Board tenure, the director with the earliest birth date would retire first.
- Non-employee directors are expected to offer their resignation whenever they experience a material change in their principal employment or primary occupation after joining the Board. The Corporate Governance Committee then recommends to the Board whether the director should continue to serve.
- Company officers who are directors are expected to resign from the Board when they cease to be employed by us or when there has been a reduction in their employment level, position or responsibilities. At the request of the non-employee directors, any director who is also the Chief Executive Officer may continue to serve on the Board for up to three years after his or her retirement.

Director nominations

The Corporate Governance Committee uses a variety of sources to identify director candidates. From time to time, the Committee retains a recruitment firm to assist in identifying, evaluating and recruiting director candidates, based on specified criteria, and pays the firm a fee for these services. Suggestions also are received from Board members and stockholders. Director candidates recommended to the Corporate Governance Committee are subject to full Board approval and election by stockholders at an annual meeting of stockholders.

Stockholders who wish to suggest an individual for consideration for election to our Board of Directors may submit a written nomination to the Corporate Secretary, General Mills, Inc., P.O. Box 1113, Minneapolis, Minnesota 55440, along with the stockholder's name, address and the number of General Mills shares beneficially owned; the name of the individual being recommended and number of General Mills shares beneficially owned by the candidate; the candidate's biographical information describing experience and qualifications; a description of

all agreements, arrangements or understandings between the stockholder, any beneficial holder of the stock and the individual being recommended, including all direct and indirect compensation and other material monetary agreements, arrangements and understandings during the past three years; and the candidate's consent to serve as a director, if elected. To assist in the evaluation of stockholder-recommended candidates, the Committee may request that the stockholder provide certain additional information required to be disclosed in our proxy statement under Regulation 14A of the Securities Exchange Act of 1934.

The Committee will consider and evaluate stockholder-recommended candidates by applying the same criteria used to evaluate director-recommended candidates. If the Committee decides the candidate is suitable for Board membership, the Committee will make a recommendation to the Board of Directors for its approval to include the candidate in the slate of directors nominated for election by stockholders in the proxy statement.

Under our bylaws, stockholders may also nominate a candidate for election at an annual meeting of stockholders. Our annual meeting is typically held on the fourth Monday in September. Stockholders who intend to present a nomination at our annual meeting are required to notify the Corporate Secretary in writing and provide the information described above 90 to 120 days preceding the anniversary of the preceding year's annual stockholders' meeting. Director nominees submitted through this process will be eligible for election at the stockholder meeting, but will not be included in proxy materials sent to stockholders prior to the meeting. These director nomination processes will not affect the rights of stockholders to request inclusion of nominees in our proxy statement pursuant to Rule 14a-11 under the Securities Exchange Act of 1934 or any successor rule regarding director nominations.

Board performance and operations

Attendance at Meetings. Directors are expected to attend all Board and committee meetings, as well as the annual stockholders' meeting, absent exigent circumstances.

Meeting Agendas and Materials. Board meeting and background materials sent to directors in advance of meetings focus on our key strategic, leadership and performance issues.

- Each year, the Board has formal reviews and discussions of our annual and longer-term strategic business plans and management development and succession plans, including an assessment of senior executives and their potential as successor to the Chief Executive Officer. The Board has adopted procedures to elect a Chief Executive Officer successor in the event of the Chief Executive Officer's sudden departure.
- Focused discussions of individual businesses and key issues are held throughout the year, and extended off-site sessions are held periodically for in-depth reviews of key strategic matters. The Board also regularly reviews our performance compared to our competitive peer companies.
- Agendas for upcoming Board and committee meetings are regularly reviewed and updated for planning purposes. The agenda and topics for Board and committee meetings are developed through discussions between management and Board members. Information and data that are important to the issues to be considered are distributed in advance of each meeting.

Access to Independent Advisors and Management. The Board and its committees may engage

independent outside financial, legal and other advisors as they deem necessary to provide advice and counsel on various topics or issues. Directors also have full access to officers and employees.

Board Leadership. The Chairman of the Board is appointed by the Board upon the recommendation of the Corporate Governance Committee. The Chairman leads the Board and oversees Board meetings and the delivery of information necessary for the Board's informed decision-making. The Chairman also serves as the principal liaison between the Board and our management. The Board determines whether the role of the Chairman and the CEO should be separated or combined based on their judgment as to the structure that best serves the interests of the Company. Currently, the Board believes that the positions of Chairman and Chief Executive Officer should be held by the same person as this combination has served and is serving the Company well by providing unified leadership and direction.

When the Chairman and Chief Executive Officer roles are combined, an independent director acts as the lead director and presides at all Board meetings at which the Chairman is not present, including executive sessions of the Board; sets the agenda for all executive sessions and calls meetings of the non-employee directors, as required; serves as a liaison between the Chair and the non-employee directors; approves Board meeting agendas and consults with the Chairman on information provided to the Board; approves meeting schedules to assure that there is sufficient time for discussions; acts as principle Board contact for crisis management and other significant corporate events; collaborates with the Chair of the Corporate Governance Committee to conduct Board self-evaluations; addresses issues of director performance and Board effectiveness; and serves as Board representative for consultation and direct communication with major stockholders on issues that the Board determines may not be addressed by the Chairman or other Board designees and as otherwise deemed appropriate by the Board. When the Chairman and Chief Executive Officer roles are separated, and an independent director serves as Chairman, then he or she will act as lead director.

Executive Sessions. Non-employee directors have the opportunity to meet in executive session without management directors present at each Board meeting.

CEO Performance Evaluation. At least annually, the Chair of the Compensation Committee leads an executive session of the Board where non-employee directors meet formally without management directors present to evaluate the Chief Executive Officer's performance. This executive session includes a review of the Chief Executive Officer's annual accomplishments, compensation and performance objectives for the next fiscal year. In advance of the meeting, a formal Chief Executive Officer evaluation is conducted that includes input from all non-employee directors. Following the executive session, the Chair of the Compensation Committee communicates the results of the evaluation to the Chief Executive Officer.

Corporate Governance Procedures. The Corporate Governance Committee has responsibility for corporate governance and Board organization and procedures. The Corporate Governance Committee actively monitors and discusses evolving corporate governance trends. It reviews our corporate governance practices in light of those trends and implements those practices that it determines are in the best interests of the Company and consistent with our long-standing commitment to good corporate governance practices.

Board Evaluations. A formal Board evaluation covering Board operations and performance, with a written evaluation from each non-employee director, is conducted annually to enhance Board effectiveness. Recommended changes are considered by the full Board. In addition, each Board committee conducts an annual self-evaluation.

Director Orientation and Education. New directors participate in an orientation program that includes discussions with senior management, background materials on our strategic plan, organization and financial statements and visits to our facilities. Management and outside experts regularly make presentations to the Board on issues relevant to our industry and business, corporate governance trends and other topics of interest to the directors. We encourage each director to participate in continuing educational programs that are important to maintaining a director's level of expertise to perform his or her responsibilities as a Board member, and we reimburse directors for the cost of attending these programs.

Director Code of Conduct. The Board expects all directors, officers and employees to act with the highest standards of integrity and adhere to our policies and applicable code of conduct. Directors also are required to follow our Director Code of Conduct. The Corporate Governance Committee of the Board annually reviews and oversees compliance with the Director Code of Conduct.

[Board of Directors Code of Conduct \(pdf\)](#)

Alignment with stockholder interests

Stockholder Representation. Each director is expected to represent the interests of all stockholders, and not those of any particular stockholder or any special interest group.

Director Compensation. A substantial portion of director compensation is linked to our stock performance, and directors can elect to receive their entire Board remuneration in stock and stock-related compensation. Directors are expected to keep all of the net shares they receive as compensation until they own shares equal in market value to at least five times their annual retainer. The Compensation Committee is responsible for periodically reviewing Board compensation and recommending changes.

Performance-Based Compensation. The Board supports and oversees employee compensation programs that are closely linked to business performance and emphasize equity ownership, including stock ownership targets, for key management employees.

Stockholder Communications. Senior management meets regularly with major institutional investors and stockholders, and reports to the Board on analyst and stockholder views of General Mills. We annually engage with these investors' policy and proxy voting teams in order to address concerns on issues such as emerging governance and executive compensation practices.

Advisory Vote on Compensation. In order to augment the existing year-round program of investor communication and interaction, the Board will sponsor an advisory vote on the Company's executive compensation at every annual meeting of the stockholders.

The Board's role in risk management

The Board believes that effective enterprise risk management must be an integral part of Board and committee deliberations throughout the year. The Audit Committee annually reviews the company's enterprise risk management process and the comprehensive assessment of key financial, operational and regulatory risks identified by management, as well as mitigating practices. The Audit Committee then discusses the ERM process and results with the full Board. In addition, the Board discusses risks related to the Company's annual financial plan at the beginning of each fiscal year, its business strategy at the Board's annual strategic planning

meeting and other topics as appropriate. Each committee also conducts its own risk assessment and management activities throughout the year, some of which are highlighted under Committee Performance and Operations, and reports its conclusions to the Board. Through these processes, the Board oversees a system to identify, assess and address on a timely basis material risks to the Company.

The Board also encourages management to promote a corporate culture that incorporates risk management into the Company's corporate strategy and day-to-day business operations in a way that is consistent with the Company's targeted risk profile.

Committee performance and operations

Committee Assignment and Rotation. All Board committees, except the Executive Committee, are composed entirely of independent, non-employee directors.

- Committee and committee chair assignments are reviewed annually by the Corporate Governance Committee, which recommends committee rosters to the full Board after considering factors such as the directors' business and corporate governance experience, their preferences, the Chairman's recommendations, criteria for specific committee service, the directors' other responsibilities and scheduling flexibility.
- Assignments are periodically reviewed to ensure that each committee has an appropriate mix of tenure and experience in order to introduce fresh perspectives while preserving continuity. The Corporate Governance Committee may adopt guidelines for committee and committee chair tenure, but there is no mandatory rotation schedule.
- Committee responsibilities are detailed in their charters, and the committees annually review their charters and prepare master agendas to ensure sufficient time and opportunity to address all responsibilities. Reports of committee meetings are given to the full Board, which acts on their recommendations, as appropriate.

Audit Committee

[Audit Committee Charter \(pdf\)](#)

Our Audit Committee is made up of independent, non-employee directors. Each member is an independent director under our guidelines and as defined by the New York Stock Exchange listing standards for Audit Committee membership. Each member also meets the independence standards for audit committee membership under the rules of the Securities and Exchange Commission. The Committee:

- Oversees integrity, adequacy and effectiveness of internal controls, audits, and financial reporting processes;
- Assesses and ensures the independence, qualifications and performance of our independent registered public accounting firm, selects the independent registered public accounting firm for the annual audit and approves the independent registered public accounting firm's services and fees;
- Meets with the independent registered public accounting firm, without management present, to consult with it and review the scope of its audit;

- Oversees our ethics and compliance program to ensure compliance with applicable laws, corporate policies and our Employee Code of Conduct;
- Reviews and discusses with management our annual risk assessment and the enterprise risk management processes, policies and guidelines for identifying, assessing and managing key financial and operational risks;
- Reviews and approves our annual audited financial statements before issuance, subject to the Board of Directors' approval; and
- Reviews the performance of the internal audit function.

Compensation Committee

[Compensation Committee Charter \(pdf\)](#)

Our Compensation Committee is made up of independent, non-employee directors under our guidelines and as defined by the New York Stock Exchange listing standards. The Committee:

- Reviews compensation policies for executive officers and employees to ensure they provide appropriate motivation for corporate performance and increased stockholder value;
- Conducts performance reviews of the Chief Executive Officer;
- Recommends compensation and equity awards for the Chief Executive Officer and approves them for other senior executives;
- Recommends the compensation and equity awards for the non-employee directors;
- Reviews and discusses with management an annual risk assessment of the compensation policies for executive officers and employees; and
- Reviews and discusses with management the Compensation Discussion and Analysis and recommends its inclusion in the proxy statement.

Corporate Governance Committee

[Corporate Governance Committee Charter \(pdf\)](#)

Our Corporate Governance Committee is made up of independent, non-employee directors under our guidelines and as defined by the New York Stock Exchange listing standards. The Committee:

- Monitors and recommends changes in the organization and procedures of the Board, including committee appointments and corporate governance policies;
- Develops policy on composition, participation and size of the Board as well as tenure and retirement of directors;
- Recommends candidates for election to the Board and evaluates continuing service of incumbent directors;

- Oversees the Board self-evaluation process; and
- Reviews and approves transactions between General Mills and related persons.

Executive Committee

When appointed by the Board, the Committee:

- May take all action that could be taken by the full Board, other than those for which Delaware law requires full Board action; and
- May meet between regular Board meetings to take action necessary for General Mills to operate efficiently.

The Board has not appointed an Executive Committee for fiscal 2009.

Finance Committee

[Finance Committee Charter \(pdf\)](#)

Our Finance Committee is made up of independent, non-employee directors under our guidelines and as defined by the New York Stock Exchange listing standards. The Committee:

- Reviews financial policies and performance objectives, including dividend policy;
- Reviews changes in our capital structure, including debt issuances, common stock sales, share repurchases and stock splits;
- Reviews the annual business plan and related financing implications; and.
- Reviews financial risk management strategies, including the use of derivatives.

Public Responsibility Committee

[Public Responsibility Committee Charter \(pdf\)](#)

The Public Responsibility Committee is made up of independent, non-employee directors under our guidelines and as defined by the New York Stock Exchange listing standards. The Committee:

- Reviews public policy issues and social trends affecting General Mills;
- Monitors our corporate citizenship activities and sustainability programs;
- Evaluates our policies in the context of emerging corporate social responsibility issues; and
- Reviews our policies governing political contributions and our record of contributions.

Communications with the Board

Interested parties may directly contact any of our directors, any committee of the Board, the Board's non-employee directors as a group, the lead director, or the Board generally, by writing to them at General Mills, Inc., P.O. Box 1113, Minneapolis, Minnesota 55440 or via e-mail at boardofdirectors@genmills.com. The Board of Directors has instructed the Corporate Secretary to distribute communications to the director or directors, after ascertaining whether the communications are appropriate to duties and responsibilities of the Board. The Board has requested that the Corporate Secretary not forward the following types of communications:

general surveys and mailings to solicit business or advertise products; job applications or resumes; product inquiries or complaints; new product suggestions; or any material that is threatening, illegal or does not relate to the responsibilities of the Board.

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 - A current executive officer of General Mills is or was on the compensation committee of a company which, at the same time, employed the director or an immediate family member of the director as an executive officer, within the last three years; or
 - The director is a current employee of, or an immediate family member of the director is a current executive officer of, another company that has made payments to, or received payments from, General Mills for property or services in an amount which, in any of the last three fiscal years, exceeds the greater of (i) \$1,000,000 or (ii) two percent, whichever is greater, of such other company's consolidated gross revenues.

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 - A director or an immediate family member of the director serves as an officer, director or trustee of a tax exempt organization and General Mills' contributions to such organization are less than the greater of (i) \$120,000 or (ii) two percent of the organization's consolidated gross revenues;
 - A director or an immediate family member of the director is an executive officer or director of another company that does business with General Mills and the annual payments derived from that business by either company accounts for less than (i) \$1,000,000 or (ii) two percent, whichever is greater, of the consolidated gross revenues of such company and the individual is not directly responsible for or involved in the relationship; or
 - A director or an immediate family member holds a less than 10% interest in any entity that has a relationship with General Mills.

- For relationships not covered by these guidelines, the determination of whether the relationship is material or not, and therefore whether the director would be independent or not, shall be made by the directors who

satisfy the independence guidelines set forth above. We will explain in our proxy statement the basis for any determination by the Board that a relationship is not material if the relationship does not satisfy one of the specific categories of immaterial relationships identified above.

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Meeting Agendas and Materials. Board meeting and background materials sent to directors in advance of meetings focus on our key strategic, leadership and performance issues.

- Each year, the Board has formal reviews and discussions of our annual and longer-term strategic business plans and management development and succession plans, including an assessment of senior executives and their potential as successor to the Chief Executive Officer. The Board has adopted procedures to elect a Chief Executive Officer successor in the event of the Chief Executive Officer's sudden departure.
- Focused discussions of individual businesses and key issues are held throughout the year, and extended off-site sessions are held periodically for in-depth reviews of key strategic matters. The Board also regularly reviews our performance compared to our competitive peer companies.
- Agendas for upcoming Board and committee meetings are regularly reviewed and updated for planning purposes. The agenda and topics for Board and committee meetings are developed through discussions between management and Board members. Information and data that are important to the issues to be considered are distributed in advance of each meeting.

Access to Independent Advisors and Management. The Board and its committees may engage independent outside financial, legal and other advisors as they deem necessary to provide advice and counsel on various topics or issues. Directors also have full access to officers and employees.

Board Leadership. The Chairman of the Board is appointed by the Board upon the recommendation of the Corporate Governance Committee. The Chairman leads the Board and oversees Board meetings and the delivery of information necessary for the Board's informed decision-making. The Chairman also serves as the principal liaison between the Board and our management. The Board determines whether the role of the Chairman and the CEO should be separated or combined based on their judgment as to the structure that best serves the interests of the Company. Currently, the Board believes that the positions of Chairman and Chief Executive Officer should be held by the same person as this combination has served and is serving the Company well by providing unified leadership and direction.

When the Chairman and Chief Executive Officer roles are combined, an independent director acts as the lead director and presides at all Board meetings at which the Chairman is not present, including executive sessions of the Board; sets the agenda for all executive sessions and calls meetings of the non-employee directors, as required; serves as a liaison between the Chair and the non-employee directors; approves Board meeting agendas and

consults with the Chairman on information provided to the Board; approves meeting schedules to assure that there is sufficient time for discussions; acts as principle Board contact for crisis management and other significant corporate events; collaborates with the Chair of the Corporate Governance Committee to conduct Board self-evaluations; addresses issues of director performance and Board effectiveness; and serves as Board representative for consultation and direct communication with major stockholders on issues that the Board determines may not be addressed by the Chairman or other Board designees and as otherwise deemed appropriate by the Board. When the Chairman and Chief Executive Officer roles are separated, and an independent director serves as Chairman, then he or she will act as lead director.

Executive Sessions. Non-employee directors have the opportunity to meet in executive session without management directors present at each Board meeting.

CEO Performance Evaluation. At least annually, the Chair of the Compensation Committee leads an executive session of the Board where non-employee directors meet formally without management directors present to evaluate the Chief Executive Officer's performance. This executive session includes a review of the Chief Executive Officer's annual accomplishments, compensation and performance objectives for the next fiscal year. In advance of the meeting, a formal Chief Executive Officer evaluation is conducted that includes input from all non-employee directors. Following the executive session, the Chair of the Compensation Committee communicates the results of the evaluation to the Chief Executive Officer.

Corporate Governance Procedures. The Corporate Governance Committee has responsibility for corporate governance and Board organization and procedures. The Corporate Governance Committee actively monitors and discusses evolving corporate governance trends. It reviews our corporate governance practices in light of those trends and implements those practices that it determines are in the best interests of the Company and consistent with our long-standing commitment to good corporate governance practices.

Board Evaluations. A formal Board evaluation covering Board operations and performance, with a written evaluation from each non-employee director, is conducted annually to enhance Board effectiveness. Recommended changes are considered by the full Board. In addition, each Board committee conducts an annual self-evaluation.

Director Orientation and Education. New directors participate in an orientation program that includes discussions with senior management, background materials on our strategic plan, organization and financial statements and visits to our facilities. Management and outside experts regularly make presentations to the Board on issues relevant to our industry and business, corporate governance trends and other topics of interest to the directors. We encourage each director to participate in continuing educational programs that are important to maintaining a director's level of expertise to perform his or her responsibilities as a Board member, and we reimburse directors for the cost of attending these programs.

Director Code of Conduct. The Board expects all directors, officers and employees to act with the highest standards of integrity and adhere to our policies and applicable code of conduct. Directors also are required to follow our Director Code of Conduct. The Corporate Governance Committee of the Board annually reviews and oversees compliance with the Director Code of Conduct.

[Board of Directors Code of Conduct \(pdf\)](#)

Alignment with stockholder interests

Stockholder Representation. Each director is expected to represent the interests of all stockholders, and not those of any particular stockholder or any special interest group.

Director Compensation. A substantial portion of director compensation is linked to our stock performance, and directors can elect to receive their entire Board remuneration in stock and stock-related compensation. Directors are expected to keep all of the net shares they receive as compensation until they own shares equal in market value to at least five times their annual retainer. The Compensation Committee is responsible for periodically reviewing Board compensation and recommending changes.

Performance-Based Compensation. The Board supports and oversees employee compensation programs that are closely linked to business performance and emphasize equity ownership, including stock ownership targets, for key management employees.

Stockholder Communications. Senior management meets regularly with major institutional investors and stockholders, and reports to the Board on analyst and stockholder views of General Mills. We annually engage with these investors' policy and proxy voting teams in order to address concerns on issues such as emerging governance and executive compensation practices.

Advisory Vote on Compensation. In order to augment the existing year-round program of investor communication and interaction, the Board will sponsor an advisory vote on the Company's executive compensation at every annual meeting of the stockholders.

The Board's role in risk management

The Board believes that effective enterprise risk management must be an integral part of Board and committee deliberations throughout the year. The Audit Committee annually reviews the company's enterprise risk management process and the comprehensive assessment of key financial, operational and regulatory risks identified by management, as well as mitigating practices. The Audit Committee then discusses the ERM process and results with the full Board. In addition, the Board discusses risks related to the Company's annual financial plan at the beginning of each fiscal year, its business strategy at the Board's annual strategic planning meeting and other topics as appropriate. Each committee also conducts its own risk assessment and management activities throughout the year, some of which are highlighted under Committee Performance and Operations, and reports its conclusions to the Board. Through these processes, the Board oversees a system to identify, assess and address on a timely basis material risks to the Company.

The Board also encourages management to promote a corporate culture that incorporates risk management into the Company's corporate strategy and day-to-day business operations in a way that is consistent with the Company's targeted risk profile.

Committee performance and operations

Committee Assignment and Rotation. All Board committees, except the Executive Committee, are composed entirely of independent, non-employee directors.

- Committee and committee chair assignments are reviewed annually by the Corporate Governance Committee, which recommends committee rosters to the full Board after considering factors such as the directors' business and corporate governance experience, their preferences, the Chairman's recommendations, criteria for specific committee service, the directors' other responsibilities and scheduling flexibility.
- Assignments are periodically reviewed to ensure that each committee has an appropriate mix of tenure and experience in order to introduce fresh perspectives while preserving continuity. The Corporate Governance Committee may adopt guidelines for committee and committee chair tenure, but there is no mandatory rotation schedule.
- Committee responsibilities are detailed in their charters, and the committees annually review their charters and prepare master agendas to ensure sufficient time and opportunity to address all responsibilities. Reports of committee meetings are given to the full Board, which acts on their recommendations, as appropriate.

Audit Committee

[Audit Committee Charter \(pdf\)](#)

Our Audit Committee is made up of independent, non-employee directors. Each member is an independent director

under our guidelines and as defined by the New York Stock Exchange listing standards for Audit Committee membership. Each member also meets the independence standards for audit committee membership under the rules of the Securities and Exchange Commission. The Committee:

- Oversees integrity, adequacy and effectiveness of internal controls, audits, and financial reporting processes;
- Assesses and ensures the independence, qualifications and performance of our independent registered public accounting firm, selects the independent registered public accounting firm for the annual audit and approves the independent registered public accounting firm's services and fees;
- Meets with the independent registered public accounting firm, without management present, to consult with it and review the scope of its audit;
- Oversees our ethics and compliance program to ensure compliance with applicable laws, corporate policies and our Employee Code of Conduct;
- Reviews and discusses with management our annual risk assessment and the enterprise risk management processes, policies and guidelines for identifying, assessing and managing key financial and operational risks;
- Reviews and approves our annual audited financial statements before issuance, subject to the Board of Directors' approval; and
- Reviews the performance of the internal audit function.

Compensation Committee

[Compensation Committee Charter \(pdf\)](#)

Our Compensation Committee is made up of independent, non-employee directors under our guidelines and as defined by the New York Stock Exchange listing standards. The Committee:

- Reviews compensation policies for executive officers and employees to ensure they provide appropriate motivation for corporate performance and increased stockholder value;
- Conducts performance reviews of the Chief Executive Officer;

- Recommends compensation and equity awards for the Chief Executive Officer and approves them for other senior executives;
- Recommends the compensation and equity awards for the non-employee directors;
- Reviews and discusses with management an annual risk assessment of the compensation policies for executive officers and employees; and
- Reviews and discusses with management the Compensation Discussion and Analysis and recommends its inclusion in the proxy statement.

Corporate Governance Committee

[Corporate Governance Committee Charter \(pdf\)](#)

Our Corporate Governance Committee is made up of independent, non-employee directors under our guidelines and as defined by the New York Stock Exchange listing standards. The Committee:

- Monitors and recommends changes in the organization and procedures of the Board, including committee appointments and corporate governance policies;
- Develops policy on composition, participation and size of the Board as well as tenure and retirement of directors;
- Recommends candidates for election to the Board and evaluates continuing service of incumbent directors;
- Oversees the Board self-evaluation process; and
- Reviews and approves transactions between General Mills and related persons.

Executive Committee

When appointed by the Board, the Committee:

- May take all action that could be taken by the full Board, other than those for which Delaware law requires full Board action; and

- May meet between regular Board meetings to take action necessary for General Mills to operate efficiently.

The Board has not appointed an Executive Committee for fiscal 2009.

Finance Committee

[Finance Committee Charter \(pdf\)](#)

Our Finance Committee is made up of independent, non-employee directors under our guidelines and as defined by the New York Stock Exchange listing standards. The Committee:

- Reviews financial policies and performance objectives, including dividend policy;
- Reviews changes in our capital structure, including debt issuances, common stock sales, share repurchases and stock splits;
- Reviews the annual business plan and related financing implications; and.
- Reviews financial risk management strategies, including the use of derivatives.

Public Responsibility Committee

[Public Responsibility Committee Charter \(pdf\)](#)

The Public Responsibility Committee is made up of independent, non-employee directors under our guidelines and as defined by the New York Stock Exchange listing standards. The Committee:

- Reviews public policy issues and social trends affecting General Mills;
- Monitors our corporate citizenship activities and sustainability programs;
- Evaluates our policies in the context of emerging corporate social responsibility issues; and
- Reviews our policies governing political contributions and our record of contributions.

Communications with the Board

Interested parties may directly contact any of our directors, any committee of the Board, the Board's non-employee directors as a group, the lead director, or the Board generally, by writing to them at General Mills, Inc., P.O. Box 1113, Minneapolis, Minnesota 55440 or via e-mail at boardofdirectors@genmills.com. The Board of Directors has

instructed the Corporate Secretary to distribute communications to the director or directors, after ascertaining whether the communications are appropriate to duties and responsibilities of the Board. The Board has requested that the Corporate Secretary not forward the following types of communications: general surveys and mailings to solicit business or advertise products; job applications or resumes; product inquiries or complaints; new product suggestions; or any material that is threatening, illegal or does not relate to the responsibilities of the Board.