

## **General Mills Submission to CHRB Pilot Benchmark 2016 Disclosure Platform**

To supplement publically available sources on our website, we are disclosing additional details below, summarized by each indicator.

### **Governance & Policies, Embedding, Transparency, and Practices**

General Mills has employee facing Corporate Policies that are not detailed in the Employee Code of Conduct. One such Corporate Policy, Workplace Standards and Ethical Sourcing, mirrors the expectations laid out in Supplier Code of Conduct.

In 2016, all sourcing employees around the world were required to complete an eLearning module about our updated Supplier Code of Conduct and Workplace Standards and Ethical Sourcing Policy. This module is also mandatory for all new hires in sourcing.

Additionally, responsible sourcing program training sessions were held for global sourcing employees and other key stakeholders such as Legal, Marketing Partnerships, and Innovation, Technology and Quality. A cross-functional Responsible Sourcing Forum (RSF) meets quarterly to discuss key priorities and progress.

The Supplier Code of Conduct is disseminated to suppliers through our purchase orders and supply agreements. In addition to written communication, we are beginning to integrate the Supplier Code into existing sourcing processes, supplier management tools, and eSourcing activities.

Using a third-party risk assessment of global raw material suppliers, we created a country risk heat map within our buyer visibility dashboard. Global sourcing employees use this heat map to understand our highest risk categories and supplier locations while they develop category strategies, make buying decisions, and form risk mitigation plans. All sourcing buyers develop category strategies and must include a responsible sourcing review using a standard template of required information.

We use publically available sources during our supplier due diligence process to evaluate the risk of a prospective supplier (based on country or category). In areas of high risk, we further engage with the supplier. This engagement includes a range of activities from discussing their programs and policies to conducting audits. Last year, we connected with over 400 suppliers in Sedex and analyzed their profiles and self-assessment questionnaires to develop risk mitigation plans.

General Mills has also partnered with buyers and suppliers and benchmarked with peers to analyze potential risks in indirect spend categories such as warehousing, transportation, and professional services.

We currently audit owned facilities, finished goods suppliers, and high risk suppliers using a proprietary audit protocol and third party auditors. The General Mills audit protocol is similar to industry standard social compliance audits such as SMETA, as it measures compliance with local law and international standards in four key areas: Human Rights (including age verification and indicators of forced labor), Health and Safety, Environment, and Business Integrity.

Whether we conduct new audits or review prior audits for mutual recognition (an objective of AIM-PROGRESS), we work with all suppliers on remediation of noncompliance and completion of agreed-

upon Corrective Action Plans (CAP). Finally, the RSF follows a process to document, escalate and remediate a facility's critical findings. A "Critical Finding Alert" email is issued to key stakeholders, regional leadership, division counsel, and subject matter experts within General Mills. This group gathers to review the relationship with the facility, discuss the findings, and determine next steps. A check-in meeting occurs to review the progress the facility has made until the issue is closed.

To accelerate our responsible sourcing program and reinforce our commitment to protecting human rights, we launched an RFP in the spring of 2016 in search of a third party with expertise and global presence. In November 2016, we signed an agreement with a global monitoring firm. Together in 2017, we will run a global risk assessment of all spend categories and execute our supplier engagement model, including desktop assessments, audits, and remediation of findings.

## **Remedy**

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The General Mills Ethics & Compliance department receives all reports and decides who needs to be involved for follow up. Ethics & Compliance partners with Human Resources and Global Security, and when necessary, Finance and/or Global Internal Audit. Depending on the concern reported, they may also hire an outside resource to assist in the investigation.

Using the Ethics Line interface, Ethics & Compliance can ask the reporter questions or let the reporter know the status of the report, even if they remain anonymous. Reporters receive a "report key" and create a password so they can check on their report. Ethics & Compliance uses the interface to acknowledge when a report is received and when the investigation is complete. They advise reporters that they cannot always provide information about how the issue is resolved, but do commit to advising when the investigation is complete.