

General Mills, Inc. (General Mills)

	GHG EMISSIONS	WATER	BIODIVERSITY
ACKNOWLEDGE	● ● ● ●	● ● ● ●	● ● ● ●
PRIORITISE	● ● ● ●	● ● ● ●	● ● ● ●
SET STRATEGY & GOALS	● ● ● ●	● ● ● ●	● ● ● ●
TRACK	● ● ● ●	● ● ● ●	● ● ● ●

Background on General Mills

General Mills is an American multinational manufacturer and marketer of consumer foods sold through retail stores. It was founded in 1856 and is headquartered in Golden Valley, Minnesota. Some of its well-known brands include Betty Crocker, Pillsbury, Old El Paso, Häagen-Dazs, Cheerios, Cocoa Puffs, and Lucky Charms. It employed 39,000 people and reported revenues of US\$16 billion in 2016. It is a publicly traded company and listed on the New York Stock Exchange.

How did General Mills come to start thinking about context?

General Mills has been reporting its GHG emissions performance through [CDP](#) since 2000 and set its first GHG emissions reduction goal covering its own business activities in 2005¹. General Mills endorsed the principles set out by the [UN Global Compact](#) in 2008². In 2009, the company updated its GHG emissions goals and included a target to reduce the use of transportation fuel as an action to support its GHG emissions reductions¹. General Mills began working with [The Nature Conservancy](#) (TNC) in 2012 to assess the risks associated with watersheds that the company relied on for its operations³. The assessments aimed to determine if these watersheds would be able to support the human and commercial activity that was already taking place within them and the activities that were projected to take place in the future³. These assessments allowed General Mills to begin to understand the local contexts of the watersheds that it relied on³. In 2013, General Mills committed to sustainably source 100% of its top 10 priority ingredients by 2020⁴. These top

¹ General Mills (2014). Addressing Climate Change. Accessed at: <http://www.blog.generalmills.com/2014/05/addressing-climate-change/>

² General Mills (2017). Global Responsibility Report 2017. Accessed at: <https://globalresponsibility.generalmills.com/HTML1/tiles.htm>

³ Triple Pundit (2015). General Mills: Water Stewardship and the Evolution of Business Imperatives. Accessed at: <http://www.triplepundit.com/special/roi-of-sustainability/general-mills-water-stewardship-and-the-evolution-of-business-imperatives/>

⁴ CSR Wire (2016). General Mills Reports Progress on Global Responsibility Commitments. Accessed at: http://www.csrwire.com/press_releases/38869-General-Mills-Reports-Progress-on-Global-Responsibility-Commitments

10 ingredients accounted for over 50% of all the raw materials used by the company⁴. The company made this commitment as it recognised that most of its impacts associated with these ingredients arose from the activities of its value chain⁴.

In 2014, General Mills joined the [Business for Innovative Climate & Energy Policy](#) (BICEP), which aims to create a forum for business involvement that advances climate and energy policies within the U.S.^{5,6} At the time, Ken Powell, General Mills Chairman and CEO, commented that “General Mills has long recognised the need to mitigate the risks that climate change presents to our planet, our business and each one of us. Science-based evidence underscores the urgency to take action and form effective and efficient climate and energy policies⁶.” General Mills also supported the [New York Declaration on Forests](#), which was announced during the [UN Climate Summit in New York](#) in 2014⁷. The declaration committed to halving the loss of forests by 2020 and ending deforestation by 2030⁷. More specifically, the declaration called for the elimination of forest loss because of agricultural commodity value chains, something that is directly linked to General Mills’ business activities⁷. Jerry Lynch, Chief Sustainability Officer at General Mills, participated in the UN Climate Summit and used the opportunity to discuss the climate change challenges the agricultural sector faced⁸. He reinforced the company’s commitment to reduce the GHG emissions arising from both its own business activities and those of its value chain and to use science-based methodologies to set the company’s GHG emissions goals⁸. Also in 2014, General Mills stepped up its commitments to water by becoming a founding member of the [Alliance for Water Stewardship](#) and signing up to the UN Global Compact’s water initiative, the [CEO Water Mandate](#)⁹. General Mills also published a new water policy statement in 2014 that included new internal water consumption goals but also a commitment to begin to work outside its “own four walls” to ensure that it moved from water management towards water stewardship³.

The company continued its work with TNC to advance its water stewardship work in 2015 by conducting a further assessment of at-risk watersheds in which the company was operating⁴. These assessments allowed General Mills to ensure that its water stewardship work would be more effectively prioritised and that collaborative plans were developed alongside key stakeholders and communities within those watersheds⁴. Also in 2015, ahead of [COP21](#) in Paris, General Mills committed itself to developing contextual GHG emissions goals by signing

⁵ Business for Innovative Climate & Energy Policy (n.d.). About us. Accessed at: <https://www.ceres.org/bicep/about>

⁶ Ceres (2014). General Mills Joins BICEP Coalition. Accessed at: <https://www.ceres.org/press/press-releases/general-mills-joins-bicep-coalition>

⁷ Chain Reaction Research (2014). The Chain: The New York Declaration on Forests. Accessed at: <https://chainreactionresearch.com/2014/09/30/the-chain-ny-declaration/>

⁸ General Mills (2014). Blog: Coming together on climate change. Accessed at: <http://www.blog.generalmills.com/2014/09/coming-together-on-climate-change/>

⁹ General Mills (2017). Water Stewardship. Accessed at: https://globalresponsibility.generalmills.com/HTML1/general_mills-global_responsibility_2017_0052.htm?_ga=1.52748268.515122048.1488841271

up to the [Science-Based Targets initiative](#)¹⁰. In 2016, General Mills was one of many companies who called on President-elect Donald Trump to uphold the agreements reached during the COP21 negotiations¹¹.

What does context look like at General Mills?

1 ACKNOWLEDGE the need to operate within global, regional, and/or local socio-ecological thresholds.

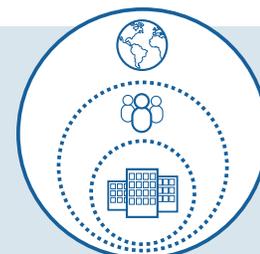
GHG EMISSIONS



WATER



BIODIVERSITY



GHG emissions: General Mills acknowledges that climate change presents a risk to humanity and that climate science suggests that global temperatures must be limited to less than 2°C above preindustrial levels to prevent permanent alterations to the atmosphere^{2, 12}. The impacts of climate change have the potential to compound the unequal distribution of natural resources and the growing demands for food as a result of population growth¹². General Mills formally recognises this threshold; however, it has yet to commit to operate within the limits associated with this threshold. The company commits to work and engage with its value chain to improve their ability to adapt to the impacts caused by climate change^{2, 13}.

Water: General Mills acknowledges that water has local impacts and that management of this resource must be done at a local level². It also acknowledges that water is essential for life on this planet and that by 2030, 40% of the world's population is projected to face absolute water shortfalls¹⁴. While General Mills formally acknowledges this ecological issue, it has yet to explicitly commit to operate within the limits of the thresholds associated with it. General Mill commits to engage with stakeholders in the watersheds that it operates within to improve the health of these watersheds¹⁴. However, this is not an explicit commitment to work with its value chain to support its adherence to the limits of this threshold.

Biodiversity: General Mills acknowledges that soil plays a role in supporting biodiversity and that, over time, common agricultural practices can degrade soil conditions². The company also acknowledges that pollinators are responsible for pollinating 1/3 of the food we eat and that it

¹⁰ GreenBiz (2015). A who's who among the COP21 commitments. Accessed at: <https://www.greenbiz.com/article/whos-who-among-cop21-commitments>

¹¹ Gorn (2016). General Mills wants the U.S. to stick with the Paris Agreement. Accessed at: <http://www.gorn.com/news/general-mills-wants-the-u-s-to-stick-with-the-paris-agreement/>

¹² General Mills (n.d.). Climate Policy. Accessed at: <http://www.generalmills.com/en/News/Issues/climate-policy>

¹³ BSR (2015). How General Mills Worked with BSR to Set Ambitious, Science-Based Climate Targets. <https://www.bsr.org/our-insights/blog-view/how-general-mills-worked-with-bsr-to-set-climate-targets>

¹⁴ General Mills (n.d.). Water Policy. Accessed at: http://www.generalmills.com/en/Responsibility/Sustainable_sourcing/~/_link.aspx?id=6B4B251046754675B987EC9AD226B74A&z=z

is important to improve the health of pollinator populations². While it formally acknowledges this ecological issue, it has yet to articulate the thresholds that it associates with it or commit to operating within the limits of these thresholds. The company also discusses how it will work with its value chain to improve its performance in relation to soil health and pollinators but has yet to explicitly commit to supporting them in adhering to the limits of this threshold².

Other thresholds: General Mills acknowledges the importance of other socio-ecological issues including waste, chemicals, human rights, and health and wellness but does not yet discuss them with reference to thresholds.

2 Transparently understand and **PRIORITISE** a set of focus areas in relation to key socio-ecological trends at the global, regional, and/or local level.



GHG EMISSIONS



WATER



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General Mills appears to use what we call a ‘classic’ materiality approach whereby it prioritises issues based on the importance of these issues to its stakeholders and the impact that these issues could have on the company¹⁵. The company has started to align its priority issues with wider sustainable development agendas such as the [UN Sustainable Development Goals](#)².

GHG emissions: General Mills recognises that as a global food company, it depends on natural systems to create the raw materials for its products and that 1/3 of global GHG emissions arise from agriculture, food production, and food waste^{2, 16}. General Mills estimates that almost 2/3 of its GHG emissions arise from the activities of its value chain¹². The company has worked to understand where within its value chain its GHG emissions occur², and states that 48% of its value chain’s GHG emissions are attributed to its Agricultural and transformation activities². Other sources of GHG emissions within its value chain include packaging (9%), production (11%), shipping (6%), and selling (7%)².

Water: Like GHG emissions, agriculture is a major user of water globally and General Mills recognises the role it must play in furthering water stewardship globally². Food production relies heavily on adequate supplies of clean water, and the company estimates that 99% of its water use arises from the activities of its value chain and illustrates the sources of use (Figure 1)^{12, 14}. Recognising that most of its impacts occur beyond its direct control, the company has been working with the [World Wide Fund for Nature](#) (WWF) to help it integrate sustainable

¹⁵ General Mills (2017). Global Responsibility Report 2017: Materiality. Accessed at: https://globalresponsibility.generalmills.com/HTML1/general_mills-global_responsibility_2017_0008.htm

¹⁶ General Mills (2015). Blog: COP21 spotlights climate change and agriculture. Accessed at: <http://www.blog.generalmills.com/2015/12/cop21-spotlights-climate-change-and-agriculture/>

water use approaches into its value chain. This work has included undertaking agricultural sourcing and water risk assessments for key commodities, as well as the use of tools such as the [WWF Water Risk Filter](#) and the World Business Council for Sustainable Development (WBCSD) [Global Water Tool](#)^{2, 17}.

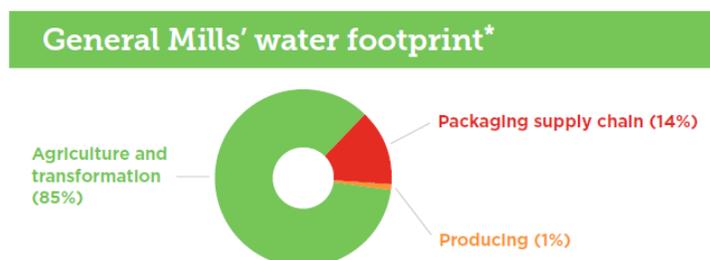


Figure 1: Adapted illustration of which value chain activities make up General Mills' value chain water footprint².

Biodiversity: General Mills has worked with TNC to create an initiative called [ReThink Soil](#) that aims to support the adoption of adaptive soil health systems within the U.S.² The company also describes how honeybees, wild bees, and other pollinators are increasingly at risk from things like habitat loss, diseases, and pesticides². While General Mills recognises the impacts these two biodiversity issues have on its business it has yet to outline its understanding of how its business activities are impacting these issues.

3 SET STRATEGY AND GOALS by transparently articulating the current performance gap and what portion of this gap the business will address.

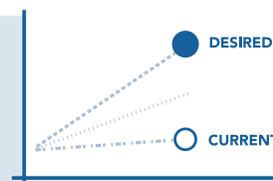
GHG EMISSIONS



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GHG emissions: General Mills has committed to reduce its absolute GHG emissions by 28% across its entire operations (Scope 1, 2 and 3) by 2025 using a 2010 base-year¹⁸. The company has also committed to continue to reduce its absolute GHG emissions in line with ongoing scientific consensus until 2050². While the company has a contextual GHG emissions goal, it has not transparently outlined the assumptions or specific methodology that it used to develop the goal. It has only stated that it worked closely with advisors at the [Business for Social Responsibility](#) (BSR) and followed the WRI/CDP science-based goal standard and process¹⁹.

¹⁷ World Wide Fund for Nature (WWF). Beyond the four walls: General Mills. Accessed at: <http://www.worldwildlife.org/blogs/on-balance/posts/beyond-the-four-walls-general-mills>

¹⁸ Science-Based Targets (n.d.). Companies taking action. Accessed at: <http://sciencebasedtargets.org/companies-taking-action/>

¹⁹ Oxfam (2016). Evaluation of General Mills' and Kellogg's GHG Emissions Targets and Plans: Independent Assessment conducted by Winston Eco-Strategies for Oxfam's Behind the Brands Initiative. Accessed at: <http://policy-practice.oxfam.org.uk/publications/evaluation-of-general-mills-and-kelloggs-ghg-emissions-targets-and-plans-indepe-610586>

Water: The company has committed to reduce its water use by 1% annually at all General Mills-owned production facilities². This goal is not contextual as it does not explicitly consider local threshold limits associated with water quantity. The company does not explicitly outline how it is working to determine the gap between its current performance and the performance that is needed to operate within the limits of the associated threshold, but has committed to champion the development of water stewardship plans within its most at-risk watersheds by 2025².

Biodiversity: General Mills has committed to improve the health of ecosystems within its value chain through its work on soil health and pollinators². However, it has yet to outline how it will measure this or how it will work to understand the gap between its current performance and the performance needed to operate within the limits of thresholds associated with these two issues.

Other thresholds: General Mills has not yet set contextual goals in relation to any other thresholds.

4 Transparently TRACK performance against realistic trajectory targets.



GHG emissions: General Mills has a history of reporting its performance against this threshold and presents this in a graphical form (Figure 2). It used this illustration to set a set of trajectory targets for 2020 and 2050 that could be used to monitor its progress towards achieving its goal². However, General Mills has yet to outline the rationale for how it set these trajectory targets. The company has not outlined if it intends to develop metrics or targets to monitor the effectiveness of its influence in its support of its value chain’s adherence to the limits of this threshold.

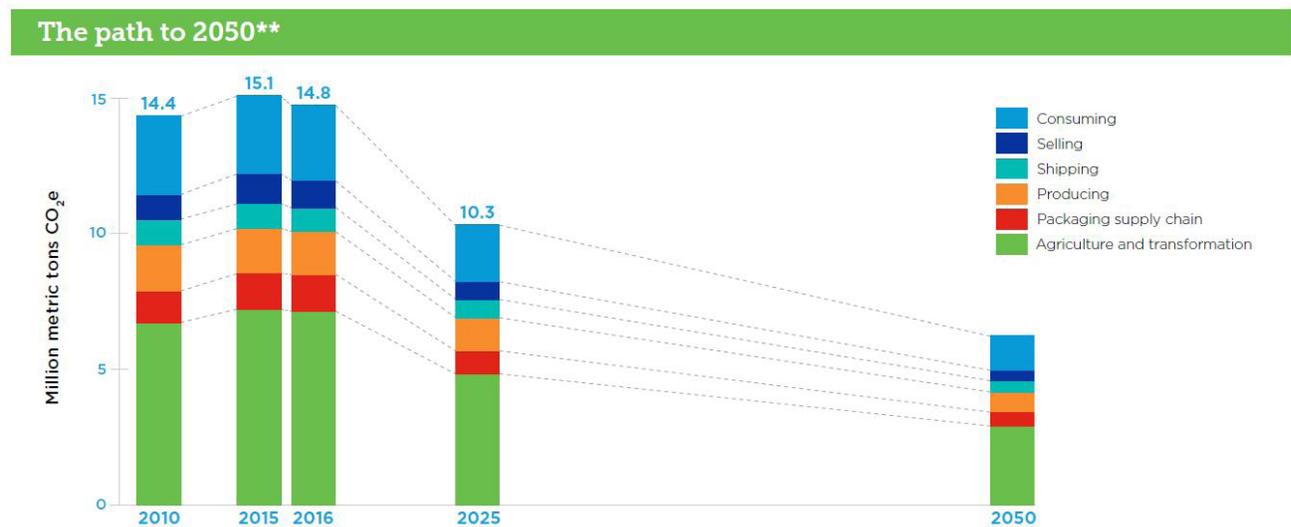


Figure 2: Adapted illustration of General Mills GHG emissions, by source, and trajectory targets for 2025 and 2050².

Water: General Mills has a history of reporting on its water use annually for the past 6 years²⁰. However, it has yet to use this to set realistic trajectory targets that could be used to monitor its progress towards achieving its goal. The company has not outlined if it intends to develop metrics or targets to monitor the effectiveness of its influence in its support of its value chain's adherence to the limits of this threshold.

Other thresholds: General Mills reports its performance against other socio-ecological issues including biodiversity, waste, chemicals, human rights, and health and wellness but does not yet report its progress in relation to their associated thresholds.

What is the road ahead for context at General Mills?

General Mills recognises that climate change is a global challenge and that it is best addressed at scale and so it is planning to continue to seek opportunities to partner with others to build and scale programs that support the reduction of GHG emissions¹³. To support its implementation of wider water stewardship initiatives, the company is developing an internal water stewardship program that applies the principles set out in the Alliance for Water Stewardship's standard²¹. General Mills is aiming to use the outputs of the research it has funded on integrated pest management to enable it to enhance its existing initiatives aimed at managing its impacts on thresholds associated with the issue of biodiversity².

²⁰ General Mills (2017). Global Responsibility Report 2017: Environmental Data Summary. Accessed at: https://globalresponsibility.generalmills.com/HTML1/general_mills-global_responsibility_2017_0090.htm

²¹ General Mills (n.d.). Watershed Stewardship. Accessed at: https://www.generalmills.com/en/Responsibility/Sustainable-sourcing/Watershed_stewardship