

GENERAL MILLS INC
Form PRE 14A
July 20, 2010

Table of Contents

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
SCHEDULE 14A**

Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

General Mills, Inc.

(Name of Registrant as Specified In Its Charter)

Not Applicable

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

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(1) Title of each class of securities to which transaction applies:

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(3) Filing Party:

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Table of Contents

NOTICE OF

2010 ANNUAL MEETING

OF STOCKHOLDERS

AND PROXY STATEMENT

Meeting Date:

Monday, September 27, 2010
at 11:00 a.m. (Central Daylight Time)

Meeting Place:

Children's Theatre Company
2400 Third Avenue South
Minneapolis, Minnesota

Table of Contents

August 16, 2010

Dear Stockholder:

It is my pleasure to invite you to the General Mills 2010 Annual Meeting of Stockholders. We will hold the meeting in the auditorium of the Children's Theatre Company, 2400 Third Avenue South, Minneapolis, Minnesota, on Monday, September 27, 2010, at 11:00 a.m. Central Daylight Time. During the meeting, we will discuss each item of business described in this Notice of Annual Meeting of Stockholders and Proxy Statement, and we will give a current report on our business operations. There also will be time for questions. We expect the meeting to adjourn at about 12:15 p.m. We hope you will be able to attend the meeting. If you need special assistance at the meeting because of a disability, please contact the Corporate Secretary at the address above or via e-mail at corporate.secretary@genmills.com.

Whether or not you expect to attend, please vote your proxy so your shares will be represented at the meeting.

Sincerely,

Table of Contents

**NOTICE OF
2010 ANNUAL MEETING OF STOCKHOLDERS
SEPTEMBER 27, 2010**

August 16, 2010

Dear Stockholder:

The Annual Meeting of Stockholders of General Mills, Inc. will be held on Monday, September 27, 2010, at 11:00 a.m., Central Daylight Time, in the auditorium of the Children's Theatre Company, 2400 Third Avenue South, Minneapolis, Minnesota. Stockholders will be asked to:

1. Elect as directors the 14 nominees named in the attached proxy statement;
2. Approve the Executive Incentive Plan;
3. Ratify the appointment of KPMG LLP as General Mills' independent registered public accounting firm for our fiscal year ending May 29, 2011;
4. Cast an advisory vote on executive compensation; and
5. Transact any other business that properly comes before the meeting.

The record date for the Annual Meeting is July 29, 2010. If you held General Mills stock at the close of business on that date, you are entitled to vote at the Annual Meeting.

Your vote is important. We encourage you to vote by proxy, even if you plan to attend the meeting. You may vote your proxy as follows:

If you received a Notice of Internet Availability of Proxy Materials in the mail, you may use the 12-digit control number on the Notice to access the proxy materials and vote via the Internet at www.proxyvote.com; or

If you have a printed copy of the proxy materials, you may use the 12-digit control number on your proxy card to vote by telephone or via the Internet at www.proxyvote.com, or you may sign and return the proxy card.

Please consult your Notice of Internet Availability of Proxy Materials or proxy card for specific voting instructions. For questions on accessing proxy materials or voting on the Internet, please contact us at 800-245-5703.

To request a printed copy of the proxy materials, please call 800-579-1639, e-mail sendmaterial@proxyvote.com or visit www.proxyvote.com. You will need your 12-digit control number to make your request.

Sincerely,

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE
ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON SEPTEMBER 27, 2010**

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Our Notice of 2010 Annual Meeting of Stockholders, Proxy Statement and Annual Report to Stockholders are available on the General Mills website at www.generalmills.com in the Investors section.

TABLE OF CONTENTS

	Page
<u>Proposal Number 1 – Election of Directors</u>	1
<u>Corporate Governance</u>	8
<u>Board Independence</u>	8
<u>Certain Relationships and Related Transactions</u>	8
<u>Director Nominations</u>	9
<u>Board Leadership</u>	10
<u>The Board’s Role in Risk Management</u>	11
<u>Board Committees and Their Functions</u>	12
<u>Determining Executive Compensation</u>	14
<u>Codes of Conduct</u>	14
<u>Communications with the Board</u>	15
<u>Director Compensation and Benefits</u>	16
<u>Ownership of General Mills Common Stock by Directors, Officers and Certain Beneficial Owners</u>	19
<u>Section 16(a) Beneficial Ownership Reporting Compliance</u>	20
<u>Proposal Number 2 – Adoption of the Executive Incentive Plan</u>	21
<u>Equity Compensation Plan Information</u>	23
<u>Executive Compensation</u>	24
<u>Compensation Committee Report</u>	24
<u>Compensation Discussion and Analysis</u>	24
<u>Summary Compensation Table</u>	36
<u>Grants of Plan-Based Awards for Fiscal 2010</u>	41
<u>Outstanding Equity Awards at 2010 Fiscal Year-End</u>	42
<u>Option Exercises and Stock Vested for Fiscal 2010</u>	45
<u>Pension Benefits</u>	45
<u>Other Retirement Savings Plans</u>	47
<u>Nonqualified Deferred Compensation</u>	48
<u>Potential Payments Upon Termination</u>	48
<u>Proposal Number 3 – Ratify Appointment of the Independent Registered Public Accounting Firm</u>	52
<u>Audit Committee Report</u>	53
<u>Independent Registered Public Accounting Firm Fees</u>	54
<u>Proposal Number 4 – Advisory Vote on Executive Compensation</u>	54
<u>Other Business</u>	55
<u>Questions and Answers about the Annual Meeting and Voting</u>	56
<u>Solicitation of Proxies</u>	58
<u>Delivery and Viewing of Proxy Materials</u>	59
<u>Annual Reports</u>	59
<u>Appendix A – Director Independence Standards</u>	A-1
<u>Appendix B – Executive Incentive Plan</u>	B-1

Table of Contents

**GENERAL MILLS, INC.
PROXY STATEMENT
FOR ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON
MONDAY, SEPTEMBER 27, 2010**

The board of directors of General Mills, Inc. (referred to as General Mills, we, our, us or the company) is soliciting proxies for use at the Annual Meeting of Stockholders to be held on September 27, 2010. This proxy statement summarizes the information you need to know to vote at the Annual Meeting. You do not need to attend the Annual Meeting to vote your shares. We first mailed or made available the proxy materials on or about August 16, 2010.

PROPOSAL NUMBER 1

ELECTION OF DIRECTORS

The fourteen director nominees presented below are recommended for election to the board of directors. They will be elected by a majority of votes cast for a one-year term and serve until the next annual meeting where their successors are elected, or, if earlier, until their retirement, resignation or removal. If unforeseen circumstances (such as death or disability) make it necessary for the board of directors to substitute another person for any of the nominees, the proxies will vote your shares for that other person unless you instruct us otherwise when you vote.

The board believes that meaningful stockholder participation is critical to the election of directors. Generally, our directors are elected annually 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. If ever 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.

Our overall board composition guidelines require expertise in fields relevant to the business of the company and prioritize a breadth of experience from a variety of industries and from professional disciplines such as finance, academia, law and government. Our guidelines also include a policy of encouraging a diversity of gender, ethnicity, age and geographic location; and a range of tenures on the board to ensure both continuity and fresh perspective. The corporate governance committee periodically evaluates our progress against these guidelines in conjunction with its director search process. Final approval of director nominees is determined by the full board, based on the recommendation of the corporate governance committee.

We have well-defined selection criteria for individual directors that 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, the ability to challenge and stimulate management and the ability to work well with fellow directors.

As part of each director's biography, we identify and describe key experiences, qualifications and skills that the director contributes to the board. While each director comes from a unique background, the overall composition of the board includes broad experience in a number of important areas:

Leadership. We believe that directors who have served as chief executive officers or senior executives are in a position to contribute practical insight into issues of business strategy and operations. They also have access to important sources of market intelligence, analysis and relationships that benefit the company.

Industry experience. As a company that relies on the strengths of our branded products, we seek directors who are familiar with the consumer packaged goods industry, have global marketing and retail experience, and who have brand building expertise.

Table of Contents

Financial expertise. We believe that a strong understanding of finance and financial reporting processes is important for our directors. Our directors have significant capital markets experience, corporate finance expertise and financial reporting backgrounds. Each of our audit committee members is financially literate, and three of our directors qualify as audit committee financial experts.

Public policy experience. Directors with governmental and policymaking experience play an increasingly important role on our board as our business becomes more heavily regulated and as our engagement with stakeholders continues to expand.

Global perspective. A significant portion of the company's future growth depends on its success in markets outside of the United States. Directors with a global perspective help us make decisions on our strategic expansion into those markets.

Bradbury H. Anderson

Director since 2007

Bradbury H. Anderson, age 61, served as Vice Chairman of the Board of Best Buy Co., Inc., an electronics retailer, from 2002 until his retirement in June 2010. He was also Chief Executive Officer of Best Buy from 2002 until his retirement from that position in June 2009. Mr. Anderson joined Best Buy in 1973. Prior to becoming Chief Executive Officer, he served as Executive Vice President from 1986 to 1991 and President and Chief Operating Officer from 1991 to 2002.

Mr. Anderson brings to the board nearly 30 years of valuable retail expertise, unique consumer insights and brand building experience. He also adds strong leadership capabilities, strategic planning experience and operating expertise. During his tenure at Best Buy, Mr. Anderson helped to build the company from a local electronics retailer into a Fortune 100 company with a very strong branded identity.

R. Kerry Clark

Director since May 2009

R. Kerry Clark, age 58, served as Chairman and Chief Executive Officer of Cardinal Health, Inc., a provider of health care products and services, until his retirement in September 2009. Mr. Clark joined Cardinal Health in April 2006 as President and Chief Executive Officer and became Chairman in November 2007. Prior to that, he had held various positions at The Procter & Gamble Company, a consumer products company, since 1974, including President of P&G Asia; President, Global Market Development and Business Operations; and from 2004 to 2007, Vice Chairman of the Board. He is a director of Textron, Inc. and Bausch & Lomb, Incorporated, and he was a director of Cardinal Health, Inc., from 2006 to 2009.

Mr. Clark brings to the board business leadership, corporate strategy and operating expertise, and a strong background in consumer packaged goods. In particular, he has extensive experience in launching new products, brand building, innovation, marketing, customers and sales channels. Mr. Clark also lends a global business perspective, based on his leadership of

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global business operations at Procter & Gamble.

2

Table of Contents

Paul Danos

Director since 2004

Paul Danos, age 68, has been Dean and Laurence F. Whittemore Professor of Business Administration at Tuck School of Business at Dartmouth College since 1995. Prior to that, Mr. Danos held academic positions at the University of Michigan from 1974 to 1995, the University of Texas from 1971 to 1974 and the University of New Orleans from 1970 to 1971. He is a director of B.J. s Wholesale Club, Inc.

As a scholar and educator, Mr. Danos brings to the board significant financial accounting expertise and a unique approach to examining issues. Mr. Danos has been involved in several decades of research and scholarship, most recently as a Dean at Dartmouth College and before that as the Arthur Andersen Professor of Accounting at the University of Michigan. Mr. Danos is also actively involved in corporate governance and risk assessment, as a member of the audit committee and the chair of the corporate governance committee at B.J. s Wholesale Club. He is one of our audit committee s financial experts.

William T. Esrey

Director since 1989

William T. Esrey, age 70, is Chairman of the Board of Spectra Energy Corp., a provider of natural gas infrastructure, and Chairman Emeritus of Sprint Nextel Corporation, a telecommunications company. Mr. Esrey served as Chairman of the Board for Sprint from 1990 to 2003 and Chief Executive Officer from 1985 to 2003. Mr. Esrey is a director of Airvana, Inc.

As a former Chairman of the Board and Chief Executive Officer of Sprint Nextel Corporation, Mr. Esrey brings leadership, strategic planning, mergers and acquisitions and operating experience from a large, diversified company. During his tenure at Sprint, the company developed from a rural telephone company into a multibillion dollar international corporation. Mr. Esrey also served as managing director at the investment banking firm of Dillon Read & Co. and provides the board with significant capital markets and corporate finance expertise. He currently serves as our finance committee chair, and is one of the company s audit committee financial experts.

Raymond V. Gilmartin

Director since 1997

Raymond V. Gilmartin, age 69, has been a Professor of Management Practice at the Harvard Business School since July 2006. He is the former Chairman, President and Chief Executive Officer of Merck & Company, Inc., a pharmaceutical company, and served in that capacity from 1994 to 2005. He served as Special Advisor to the Executive Committee of the Board of Merck from 2005 to 2006. He previously served as Chairman, President and Chief Executive Officer of Becton Dickinson and Company, a medical technology company. Mr. Gilmartin is a director of Microsoft Corporation.

Mr. Gilmartin brings to the board strong leadership, strategic planning capabilities, new product innovation and branding experience, and international operating expertise from his time at Merck. As our Presiding Director, he draws on his management and boardroom experiences to foster active discussion and collaboration among the independent directors on the board, and to serve as an effective liaison with management. Mr. Gilmartin also provides direct access to the latest developments and scholarship concerning strategic business planning, based on his faculty position at the Harvard Business School.

Table of Contents

Judith Richards Hope

Director since 1989

Judith Richards Hope, age 69, has been Distinguished Visitor from Practice and Professor of Law since March 2005 and was an Adjunct Professor from 2002 to 2004 at Georgetown University Law Center. Ms. Hope was a partner at the law firm of Paul, Hastings, Janofsky & Walker from 1981 until 2003 and a Senior Advisor to the Paul, Hastings firm from 2004 to 2005. Ms. Hope is a director of Union Pacific Corporation.

Ms. Hope brings considerable legal oversight, risk assessment and policymaking expertise to the board and the public responsibility committee. Ms. Hope's law practice extensively involved clients from regulated industries. She served as Vice Chair of the President's Commission on Organized Crime under President Ronald Reagan and as Associate Director of the White House Domestic Council under President Gerald Ford. Ms. Hope is also the chair of the audit committee at our company and at Union Pacific.

Heidi G. Miller

Director since 1999

Heidi G. Miller, age 57, was appointed in June 2010 as President of JPMorgan International, a division of JPMorgan Chase & Co. which focuses on growth in emerging markets and expanding the bank's global corporate bank. She previously had served as Executive Vice President, ceo, Treasury & Security Services, of JPMorgan Chase since July 2004. From 2002 to 2004, Ms. Miller served as Executive Vice President and Chief Financial Officer of Bank One Corporation.

Ms. Miller's financial expertise, risk management skills and international business background are valuable assets to the board and the finance committee. After earning a doctorate in Latin American History at Yale University, Ms. Miller spent 13 years with the Latin America Division of Chemical Bank, serving most recently as managing director and head of the emerging markets structured finance group. More recently, as head of Treasury & Security Services at JPMorgan Chase, she led the successful launch of a variety of new products and the group's global expansion, particularly in Asia.

Hilda Ochoa-Brillembourg

Director since 2002

Hilda Ochoa-Brillembourg, age 66, is the founder and has been since 1987 the President and Chief Executive Officer of Strategic Investment Group and Director of Emerging Markets Investment Corporation, both investment advisory firms. From 1976 to 1987, she served in various capacities within the Pension Investment Division of the World Bank, including as its Chief Investment Officer from 1981 to 1987. Prior to joining the World Bank, she served as an independent consultant in the fields of economics and finance, a lecturer at the Universidad Catolica Andres Bello in Venezuela and as treasurer of the C.A. Luz Electrica de Venezuela in Caracas. Ms. Ochoa-Brillembourg is a director of McGraw-Hill Companies.

As President and Chief Executive Officer of the Strategic Investment Group, and as a former Chief Investment Officer for the World Bank, Ms. Ochoa-Brillembourg brings both a public and a private sector perspective on financial markets, financial services, corporate finance and accounting to the board. From these roles, she has experience developing and reviewing risk management processes. She also contributes significant global policymaking and international experience, based on her service at the World Bank and the David Rockefeller Center for Latin American Studies.

Table of Contents

Steve Odland

Director since 2004

Steve Odland, age 51, has been Chairman and Chief Executive Officer of Office Depot, Inc., an office merchandise retailer, since March 2005. From January 2001 to March 2005, he was Chairman and Chief Executive Officer of AutoZone, Inc., an auto parts retailer. Mr. Odland was an executive with Ahold USA, an international food retailer, from 1998 to 2000 and was President of the Foodservice Division of Sara Lee Bakery from 1997 to 1998. He was employed by The Quaker Oats Company from 1981 to 1996. He served as a director of AutoZone from 2001 to 2005.

As Chairman and Chief Executive Officer, currently at Office Depot and formerly at AutoZone, Mr. Odland brings business leadership and strategic planning skills, retail expertise and an operating background to the board. He provides valuable insights into consumer products marketing, brand building, food service business-to-business and international management from his executive roles in the food industry at Ahold, Quaker Oats and Sara Lee. Mr. Odland also lends expertise on corporate governance policy and corporate financial planning.

Kendall J. Powell

Director since 2006

Kendall J. Powell, age 56, is Chairman of the Board and Chief Executive Officer of General Mills. Mr. Powell joined General Mills in 1979 and served in a variety of positions before becoming a Vice President in 1990. He became President of Yoplait in 1996, President of the Big G cereal division in 1997, and Senior Vice President of General Mills in 1998. From 1999 to 2004, he served as Chief Executive Officer of Cereal Partners Worldwide (CPW), our joint venture with Nestlé. He returned from CPW in 2004 and was elected Executive Vice President. Mr. Powell was elected President and Chief Operating Officer of General Mills with overall global operating responsibility for the company in June 2006, Chief Executive Officer in September 2007 and Chairman of the Board in May 2008. He is a director of Medtronic, Inc.

During Mr. Powell's tenure as Chairman and Chief Executive Officer, the company has experienced successive years of strong sales, profit and earnings growth, coupled with strong returns to stockholders. Mr. Powell has served in a number of key marketing and operational roles in the company's US Retail divisions. He also spent eleven years abroad focusing on our international operations, including five years as Chief Executive Officer of CPW. His career-long dedication to the company; wide-ranging familiarity with the business; experience with the strategies that drive growth, both in the U.S. and internationally; and his collaborative working style have positioned him well to serve as our Chairman of the Board.

Lois E. Quam

Director since 2007

Lois E. Quam, age 49, is the founder of Tysvar, LLC, a company that develops businesses in the health care and clean energy sectors. From August 2007 to March 2009, she was Managing Director of Alternative Investments at Piper Jaffray, an investment bank and international securities firm. Prior to that, Ms. Quam had served in various capacities at insurance provider UnitedHealth Group since 1989, including as Executive Vice President, President of the Public and Senior Markets Group from 2006 to 2007 and as Chief Executive Officer of the Ovations division from 2002 to 2006.

As a former senior executive at UnitedHealth Group and founder of a venture capital firm, Ms. Quam brings to the board strong strategic planning and management skills from high-growth settings. She also has significant experience on public policy and regulatory issues on a national and an international level, and she is a highly respected voice in the discussion on sustainable energy solutions and health care services. Ms. Quam served as a Senior Advisor on the White House Task Force on National Health Care Reform.

Table of Contents

Michael D. Rose

Director from 1985 to 2000 and since 2004

Michael D. Rose, age 68, has been Chairman of the Board of First Horizon National Corporation, a banking and financial services company, and its subsidiary, First Tennessee Bank National Association, since January 2007. Since 1998, Mr. Rose has been a private investor and Chairman of Midaro Investments, Inc., a privately held investment firm. He served as Chairman of the Board of Gaylord Entertainment Company from 2001 to 2005. Mr. Rose is also a director of Darden Restaurants, Inc. and Gaylord Entertainment Company. He served as a director at SteinMart, Inc. from 1998 to 2006, and at FelCor Lodging Trust from 1998 to 2006.

Based on his service as chairman for a number of public companies, most recently at First Horizon and Gaylord Entertainment, Mr. Rose brings leadership, strategic planning and governance expertise to the board. His knowledge of retail and consumer issues, accumulated over years of leadership roles in consumer service and hospitality companies, has enriched board discussions on marketing and brand building strategies. Mr. Rose is also active in governance and compensation matters. He serves as chair of the compensation committee at our company and at Darden Restaurants.

Robert L. Ryan

Director since 2005

Robert L. Ryan, age 67, served as Senior Vice President and Chief Financial Officer of Medtronic, Inc., a medical technology company, from 1993 until his retirement in April 2005. Mr. Ryan was Vice President, Finance, and Chief Financial Officer of Union Texas Petroleum Corp. from 1984 to 1993, Controller from 1983 to 1984 and Treasurer from 1982 to 1983. Prior to 1982, Mr. Ryan was Vice President at Citibank and was a management consultant for McKinsey & Company. Mr. Ryan is a director of Stanley Black & Decker, Inc., Citigroup Inc. and Hewlett-Packard Company, and he was a director of UnitedHealth Group from 1996 to 2008.

As former Chief Financial Officer at Medtronic and Union Texas Petroleum, Mr. Ryan brings significant audit, financial reporting, corporate finance and risk management experience to the board, including experience overseeing the controller, global audit, tax and treasury functions at these public companies. He has a high level of understanding of the board's role and responsibilities based on his service on other public company boards. He is one of our audit committee financial experts.

Table of Contents

Dorothy A. Terrell

Director since 1994

Dorothy A. Terrell, age 65, has been a limited partner of First Light Capital, a venture capital firm, since April 2003. Ms. Terrell served as President and Chief Executive Officer of the Initiative for a Competitive Inner City, a non-profit organization focused on inner city business development, from 2005 until 2007, and as Senior Vice President, Worldwide Sales, and President, Platform & Services Group, of NMS Communications, a producer of hardware and software component products for telecommunications applications, from 1998 until 2002. She served in various executive management capacities at Sun Microsystems, Inc. from 1991 to 1997 and Digital Equipment Corporation from 1976 to 1991. Ms. Terrell is a director of Herman Miller, Inc., and she was a director at Sears, Roebuck and Co. from 1996 to 2005 and at Lightbridge, Inc. from 2003 to 2005.

During her leadership roles at First Light and at three premier technology companies, Ms. Terrell has helped businesses reach profitability, and she brings a breadth of experience in e-commerce, international marketing, plant management, manufacturing and enterprise risk assessment to the board's strategic discussions. Ms. Terrell's commitment to inner city business development and health care causes has positioned her to be an informed and effective chair for our public responsibility committee.

The board of directors unanimously recommends a vote FOR each director nominee.

7

Table of Contents

CORPORATE GOVERNANCE

We have 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 the company's long-term vitality for the benefit of stockholders. The cornerstone of our practices is an independent and qualified board of directors. All directors are elected annually by a majority of votes cast by stockholders. All board committees are composed entirely of independent directors.

The board carefully evaluates each incoming director candidate based on selection criteria and overall priorities for board composition that are periodically re-examined by the corporate governance committee with input from the rest of the directors. As our directors' commitments change, the board revisits their situations to ensure that they can continue to serve the best interests of the company and its stockholders. We also demand high standards of ethics from our directors and management as described in the director and employee codes of conduct.

Our governance principles are published on our website at www.generalmills.com in the Investors section. We have included some highlights from those principles below:

Board Independence

The board believes that a substantial majority of its members should be independent, non-employee directors. The board has established guidelines consistent with the current listing standards of the New York Stock Exchange for determining director independence. You can find these guidelines in Appendix A of this proxy statement.

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.

The board has reviewed transactions between the company and each of our non-employee directors, their immediate family members and affiliated entities within the last three fiscal years, including transactions by which the company has obtained electronics and technical support services from Best Buy, where Mr. Anderson served as Chief Executive Officer and Vice Chairman; educational services from universities where Mr. Danos and Mr. Gilmartin serve on the faculties; investment banking and financial services from JPMorgan Chase, where Ms. Miller serves as an executive officer; office supplies from Office Depot, where Mr. Odland serves as Chairman and Chief Executive Officer; and asset management services from a firm in which Ms. Ochoa-Brillembourg has an ownership interest, as described under Certain Relationships and Related Transactions. The board determined that each of these transactions was conducted in the ordinary course of our business and did not create a material relationship between the company and any of the directors involved, according to our independence guidelines.

Based on this review, the board has affirmatively determined that the following non-employee directors are independent under our guidelines and as defined by New York Stock Exchange listing standards: Bradbury H. Anderson, R. Kerry Clark, Paul Danos, William T. Esrey, Raymond V. Gilmartin, Judith Richards Hope, Heidi G. Miller, Hilda Ochoa-Brillembourg, Steve Odland, Lois E. Quam, Michael D. Rose, Robert L. Ryan and Dorothy A. Terrell. The board has also determined that all board committees are composed entirely of independent, non-employee directors.

Certain Relationships and Related Transactions

Our board of directors has adopted a written policy for reviewing and approving transactions between the company and its related persons, including directors, director nominees, executive officers, 5% stockholders and their immediate family members or affiliates. The policy applies to:

all financial transactions, arrangements or relationships involving over \$100,000;

8

Table of Contents

in which the company, or one of its affiliates, is a participant; and

in which a related person could have a direct or indirect interest.

The policy does not apply to certain compensation payments which have been approved by the compensation committee or disclosed in the proxy statement; transactions that are available to all other stockholders or employees on the same terms; or transactions with an entity where the related person's interest is only as a director or a less than 10% owner.

The board has delegated to our corporate governance committee the authority to review potential or existing transactions. The corporate governance committee will only approve or ratify those transactions that are determined to be consistent with the best interests of the company and its stockholders, and that comply with applicable policies, codes of conduct and legal restrictions.

The corporate governance committee reviewed and ratified a number of commercial and charitable transactions in fiscal 2010, including the following: Hilda Ochoa-Brillembourg, a General Mills director, is a director and minority owner of Emerging Markets Investors Corporation (EMI), and as a result, has an indirect interest in its affiliate, Emerging Markets Management LLC (EMM). Approximately \$88.7 million of General Mills retirement plan assets are invested in an EMM fund named the Emerging Markets Investors Fund (the EMM Fund), and the EMM Fund received management fees of approximately \$959,583 attributable to these investments during fiscal 2010. Based on her ownership interest in EMI, Ms. Ochoa-Brillembourg had a financial interest of approximately \$100,756 in the management fees. In determining that these relationships are consistent with the best interests of the company and its stockholders, and do not impair her independence, the committee considered the following factors:

Our relationship with EMI pre-dates Ms. Ochoa-Brillembourg's election to our board of directors, and she was not involved in establishing the relationship with EMI.

Ms. Ochoa-Brillembourg is not involved in the day-to-day operation of the EMM Fund.

She has never had any direct involvement in providing services to our benefit plans.

The compensation paid to the EMM Fund was determined through arms-length negotiations and is customary in amount.

The board has determined that her financial interest in the transaction would not impact her willingness or ability to act independently from management.

Director Nominations

The corporate governance committee is responsible for recommending candidates for election to our board of directors. For more information on overall board composition guidelines and selection criteria for individual directors, see Proposal Number 1 Election of Directors. The corporate governance committee also reviews whether a potential candidate meets board and/or committee membership requirements imposed by law, regulation or stock exchange rules; recommends whether a potential candidate is independent and evaluates the potential for any conflict of interest between the director and General Mills.

Director nominees recommended by the corporate governance committee are subject to full board approval and election by stockholders at an annual meeting of stockholders. From time to time, the corporate governance committee

retains a search 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. Of the fourteen directors recommended for election at the 2010 Annual Meeting, all nominees were elected as directors at our 2009 Annual Meeting.

Stockholders who wish to suggest a candidate for our board of directors may submit a written recommendation 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

Table of Contents

owned; the name of the individual being nominated 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 and individual being nominated; and the candidate's consent to serve as a director, if elected. The corporate governance committee may request that the stockholder provide certain additional information. For a candidate to be considered for the slate recommended in our proxy statement for the 2011 Annual Meeting, stockholders should submit the required information to the Corporate Secretary by April 18, 2011.

The corporate governance committee will consider and evaluate stockholder-recommended candidates by applying the same criteria used to evaluate director-recommended candidates. If the corporate governance committee decides the candidate is suitable for board membership, the corporate governance 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. During fiscal 2010, we received no director nominations from our stockholders.

Under our By-laws, 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 2011 Annual Meeting are required to notify the Corporate Secretary in writing and provide the information described in our By-laws no earlier than May 30, 2011 and no later than June 29, 2011. Director nominees submitted through this process will be eligible for election at the annual meeting, but will not be included in proxy materials sent to stockholders prior to the meeting.

Board Leadership

The Chairman of the Board 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 Chief Executive Officer should be separated or combined based on its 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, the chair of the corporate governance committee:

acts as the presiding director and presides at all board meetings at which the Chairman is not present, including executive sessions of the non-employee directors;

serves as a liaison between the Chairman 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;

calls meetings of the non-employee directors and sets agendas for executive sessions; 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.

Table of Contents

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 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 conducts its own risk assessment and management activities throughout the year, some of which are highlighted under Board Committees and Their Functions, and reports its conclusions to the board.

The board also encourages management to promote a corporate culture that integrates 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.

Through these processes, the board oversees a system to identify, assess and address material risks to the company on a timely basis.

Compensation Risk Assessment

Management conducted a risk assessment of the company's employee compensation policies and practices, including those that apply to our executive officers, with the assistance of Frederic W. Cook & Co., Inc., the compensation committee's independent consultant.

The risk assessment began with a mapping of the company's incentive programs, by employee type and level as well as across business units. Management then analyzed the likelihood and magnitude of potential risks, focusing on program elements that may create risk, including pay mix, performance metrics, performance goals and payout curves, payment timing and adjustments, terms of equity incentives, change in control and severance arrangements, sufficiency of stock ownership guidelines, governance of compensation decisions and enterprise risks that may be created by compensation policies and practices. Management also considered our practices that mitigate risk.

Management discussed the findings of the risk assessment with the compensation committee and the full board. Based on the assessment, we have concluded that our compensation policies and practices are aligned with the interests of stockholders, appropriately reward pay for performance and do not create risks that are reasonably likely to have a material adverse effect on the company.

Table of Contents

Board Committees and Their Functions

The board has five standing committees that are each composed entirely of independent directors. The corporate governance committee reviews committee and committee chair assignments annually, and recommends committee rosters to the full board after considering factors such as the directors' business and corporate governance experience, their preferences, criteria for specific committee service, the directors' other responsibilities and scheduling flexibility. Assignments are rotated to ensure that each committee has an appropriate mix of tenure and experience. Committee membership shown below is as of August 1, 2010:

Audit Committee

Number of meetings in fiscal 2010: Six

Functions:

- Oversees integrity, adequacy and effectiveness of internal controls, audits, financial reporting processes and the compliance program, including the Employee Code of Conduct;
- 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;
- Reviews our annual risk assessment process and policy compliance;
- Reviews and discusses with management the company's 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.

Financial Experts: The board of directors has unanimously determined that (i) all audit committee members are financially literate under the New York Stock Exchange listing standards and (ii) Mr. Danos, Mr. Esrey and Mr. Ryan qualify as audit committee financial experts within the meaning of Securities and Exchange Commission (SEC) regulations and have accounting or related financial management expertise as required by the New York Stock Exchange listing standards. Each member also meets the independence standards for audit committee membership under the rules of the SEC.

Table of Contents

Compensation Committee

Number of meetings in fiscal 2010: Four

Functions:

- 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 compensation policies for executive officers and employees to ensure that they do not create risks that are reasonably likely to have a material adverse effect on the company; and
- Reviews and discusses with management the Compensation Discussion and Analysis and recommends its inclusion in the proxy statement.