Nomination for the Chase Award for Excellence in Issue Management

More information: www.issuemanagement.org

The W. Howard Chase Award — 2019

Organization Nominated: General Mills

The Issue: Pivoting from Carbon Neutral to Climate Positive: Regenerative Agriculture

1. Description of the Issue:

General Mills has established industry leading actions to advance Regenerative Agriculture, a set of practices that create climate positive actions on farms.

Over the past several years, General Mills has narrowed in on a core set of Regenerative Agricultural priorities in order to drive measurable impact on carbon emissions and other environmental impacts. One focus is improving the sustainability of agriculture—specifically, the sustainable production of row crops like oats and wheat, on which the company’s products depend. While we started from a place of seeking to reduce the negative impact of agriculture, we are discovering that agriculture can have a significant, positive impact for the climate. Working on this not only advances our sustainability goals, it reduces our exposure to reputational risks such as pesticide residues in crops, agricultural runoff, and water usage. It brings core aspects of our business alongside core sustainability goals in a way that can enhance—not just protect—General Mills’ reputation.

2. Why is the Issue important to the organization?

Climate change is a business-critical challenge for a food company like ours, which relies on the planet to deliver the ingredients we use to make our foods. General Mills is directly addressing this challenge. After leading the industry by making a commitment to a science-based, greenhouse gas reduction target (28% by 2025 and sustainable levels by 2050), the company began exploring ways to attack this. For food companies, most of the emissions in their supply chains come from agricultural production, requiring a radical change. The solution that General Mills is leading: Regenerative Agriculture. Still in its early days, regenerative practices have the potential to turn agricultural lands into climate positive areas that store more carbon than they release and improve farm resiliency and livelihoods in the process.

3. At what level of the organization was the issue managed?

A cross-functional team is working on this issue, led by the Sustainability function. Through our Issues Management & Stakeholder Engagement team, we continue to monitor progress on the issue through our Issue Mapping & Prioritization process, have developed specific stakeholder outreach strategies, engaged directly with key stakeholders and advised on policy options.

4. Which internal and/or external constituent groups were affected?

To get to the level of confidence we have now, we had to build relationships with conventional farm groups, organic farm groups, soil health researchers (two are now on staff), extension schools, soil agronomists, and farmers in our supply regions. It takes a lot of time, and the right collaborative approach, to make inroads with farmers. In addition, we’ve been working to explain regenerative agriculture to detractors, including those who challenge General Mills about pesticide usage in the supply chain. We are using the regenerative agriculture work in a response to a shareholder resolution in 2019.
5. How are constituent concerns considered and acted upon?

Our model integrates farmer livelihoods into the definition of regenerative. Any new practices we encourage farmers to adopt have to be proven, practical and profitable. We are funding the research and the outreach to make sure that this is the case. We’ve had farmer outreach sessions, worked with academics and collaborate with peers and trade associations to make sure that we’re making it as easy as possible for farmers to participate and measure their success.

6. What are the key objectives relative to the issue?

Primarily to demonstrate that by using practices that restore soil health, agricultural working lands can store more carbon in the ground than they produce while increasing farm resiliency and profitability. Then, to facilitate the widespread adoption of these practices on North American cropland.

7. Does managing the issue make a direct contribution to the organization’s profitability or reputation? If so, how?

Yes—it mitigates key risks for us that tend to hit our top brands, including Cheerios and Nature Valley. It also keeps us at the forefront of an exciting area of climate research. While renewable energy gets a lot of attention these days, it can only get to carbon neutral. Regenerative agriculture can get to climate positive! At a time when the news on climate change is dire and the role of food and agriculture is getting more attention, we have a very positive and promising line of work to share.

8. What are the results?

Two levels of results:

A. On the issue itself:

Early results from pilot acreage point to regenerative practices restoring soil carbon and organic matter and increasing crop farmer profitability through the opportunity to access new markets. On a leading regenerative farm that has integrated grazing livestock for decades, a recent life cycle analysis funded by General Mills confirmed that the farm is climate positive – sequestering more carbon than it produces – and it produces beef, among other outputs! That model may not be scalable, but it points to the vast improvements we can make in conventionally farmed acreage.

B. As a reputation marker:

One measure of reputation we track is the praise or criticism we receive from NGOs, via the SIGWATCH consulting service. Since we launched our science-based, supply-chain wide, carbon emission targets and for every year after, we have noted continued praise from NGOs for our sustainability work.
9. Please submit an illustration (diagram) of your organization's issue management process.

Global Issues Management
Issue mapping and review structure

Nomination submitted by:

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OUR FOOD CHOICES CAN MAKE A POSITIVE DIFFERENCE.

OUR VISION: We believe that all food can be grown in ways that restore and regenerate the Earth. As consumers and stewards of the land, we all have a role to play in realizing this transformation.

Our BELIEFS

Regenerative Agriculture protects and intentionally enhances natural resources and farming communities. Meaningful impact requires an inclusive approach; we welcome all types of farmers to the conversation.

Our GOALS

WE ARE MEASURING IMPACT ACROSS 3 KEY GOALS:

- SOIL HEALTH
- ECONOMIC RESILIENCY IN FARMING COMMUNITIES
- ABOVE-GROUND BIODIVERSITY

5 Core Principles of REGENERATIVE AGRICULTURE

- MINIMIZE SOIL DISTURBANCE
- KEEP THE SOIL COVERED
- INTEGRATE LIVESTOCK
- MAXIMIZE CROP DIVERSITY
- MAINTAIN LIVING ROOT YEAR-ROUND

Our ACTIONS

How it WORKS

Regenerative Agriculture offers a hopeful solution for reducing greenhouse gases in our atmosphere. Regenerative Agriculture works by restoring the function of soil and the rest of the agricultural ecosystem.

Partnering with farmers to make products with single origin ingredients grown using regenerative practices.

Working with Gunsmoke Farms LLC to convert 34,000 acres of conventional farmland to certified, organic regeneratively managed acreage by 2020.

Partnering with the Savory Institute to launch Land to Market – the first verification for regenerative supply chains.

Working to commercialize Kernza, a perennial relative of annual wheat, whose deep roots show promise to build soil health and ecosystem resilience.

Working with our supply chain to increase adoption and advancement of regenerative practices on farms that grow oats for Cheerios.
Regenerative Agriculture **SHIFTS THE PARADIGM**

- Manage Nature → Work with Nature
- Disturb Soil → Protect Soil
- Monoculture → Diversity
- Linear → System

**SOIL MATTERS.** Learn more at generalmills.com/regenag
GENERAL MILLS BELIEVES THE FUTURE OF FOOD IS BENEATH OUR FEET

Our business and our planet depend on healthy soil.

Healthy soil is critical to meeting demands on food, fuel and fiber as our global population grows.

TO DATE, GENERAL MILLS HAS INVESTED OVER $4.5MM IN SOIL HEALTH INITIATIVES

- The Nature Conservancy’s Rethink Soil: A Roadmap to US Soil Health
- $2+MM in soil health research & adoption through TNC, SHP, SHI
- $735M with National Wheat Foundation
- $125M in soil health research across Cascadian Farm’s organic oat supply chain
- $1MM in U of M Forever Green Initiative to develop crops like Kernza

$650M to support regenerative agriculture training, tools and research through Kiss the Ground