REFINITIV

DELTA REPORT

10-K

GIS - GENERAL MILLS INC

10-K - MAY 26, 2024 COMPARED TO 10-K - MAY 28, 2023

The following comparison report has been automatically generated

TOTAL DELTAS	22424
CHANGES	1031
DELETIONS	13237
ADDITIONS	8156

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM
10-K
☑
ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE FISCAL YEAR ENDED
MAY 28, 2023 26, 2024
☐
TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE TRANSITION PERIOD FROM __________ TO __________
Commission file number:
001-01185

GENERAL MILLS, INC.
(Exact name of registrant as specified in its charter)
Delaware

41-0274440
(State or other jurisdiction of
(I.R.S. Employer
incorporation or organization)
Identification No.)
Number One General Mills Boulevard

Minneapolis
,
Minnesota
55426
(Address of principal executive offices)
(Zip Code)
(763)
764-7600
(Registrant's telephone number, including area code)
Securities registered pursuant to Section 12(b) of the Act:
Title of each class

Trading Symbol(s)

Name of each exchange on which registered
Common Stock, $.10 par value

GIS

New York Stock Exchange
0.125% Notes due 2025
GIS25A
New York Stock Exchange
0.450% Notes due 2026

GIS26

New York Stock Exchange
1.500% Notes due 2027

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer
☑
Accelerated filer
☐
Non-accelerated filer
☐
Smaller reporting company
☐

Emerging growth company
☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.
☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management’s assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.
☑

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.
☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant’s executive officers during the relevant recovery period pursuant to § 240.10D-1(b).
☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act).
Yes
☐
No
☑

Aggregate market value of Common Stock held by non-affiliates of the registrant, based on the closing price of $82.97 $65.18 per share as reported on the New York Stock Exchange on November 27, 2022 26, 2023 (the last business day of the registrant’s most recently completed second fiscal quarter): $
48,920 37,084
million.

Number of shares of Common Stock outstanding as of June 14, 10, 2023: 2024:
585,182,745 558,145,667
(excluding
169,430,583 196,467,661
shares held in the treasury).

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant’s Proxy Statement for its 2023 2024 Annual Meeting of Shareholders are incorporated by reference into Part III.

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PART I

ITEM 1 - Business

COMPANY OVERVIEW

For more than 150 years, General Mills has been making food the world loves. We are a leading global manufacturer and marketer of branded consumer foods with more than 100 brands in 100 countries across six continents. In addition to our consolidated operations, we have 50 percent interests in two strategic joint ventures that manufacture and market food products sold in approximately 130 countries worldwide.

We manage and review the financial results of our business under four operating segments: North America Retail; International; Pet; and North America Foodservice. See Management's Discussion and Analysis of Financial Condition and Results of Operations (MD&A) in Item 7 of this report for a description of our segments.

We offer a variety of human and pet food products that provide great taste, nutrition, convenience, and value for consumers around the world. Our business is focused on the following large, global categories:

- snacks, including grain, fruit and savory snacks, nutrition bars, and frozen hot snacks;
- ready-to-eat cereal;
- convenient meals, including meal kits, ethnic meals, pizza, soup, side dish mixes, frozen breakfast, and frozen entrees;
- wholesome natural pet food;
- refrigerated and frozen dough;
- baking mixes and ingredients;
- yogurt; and
- super-premium ice cream.

Our Cereal Partners Worldwide (CPW) joint venture with Nestlé S.A. (Nestlé) competes in the the ready-to-eat cereal category in markets outside North America, and our Häagen-Dazs Japan, Inc. (HDJ) joint venture competes in the super-premium ice cream category in Japan. For net sales contributed by each class of similar products, please see Note 17 to the Consolidated Financial Statements in Item 8 of this report.

The terms "General Mills," "Company," "registrant," "we," "us," and "our" mean General Mills, Inc. and all subsidiaries included in the Consolidated Financial Statements in Item 8 of this report unless the context indicates otherwise.

Certain terms used throughout this report are defined in a glossary in Item 8 of this report.

Customers

Our primary customers are grocery stores, mass merchandisers, membership stores, natural food chains, drug, dollar and discount chains, e-commerce retailers, commercial and noncommercial foodservice distributors and operators, restaurants, convenience stores, and pet specialty stores. We generally sell to these customers through our direct sales force. We use broker and distribution arrangements for certain products and to serve certain types types of customers and certain markets. For further information information on our customer credit and product return practices, please refer to Note 2 to the Consolidated Financial Statements in Item 8 of this report. During fiscal 2023, 2024, Walmart Walmart Inc. and its affiliates (Walmart) accounted for 21 22 percent of our consolidated net sales and 28 30 percent of net sales of our North America Retail segment. No other customer accounted for 10 percent or more of our consolidated net sales. For further information on significant customers, please refer to Note 8 to the Consolidated Financial Statements in Item 8 of this report.

Competition

The human and pet food categories are highly competitive, with numerous manufacturers of varying sizes in the United States and throughout the world. The categories in which we participate also are very competitive. Our principal competitors in these categories are manufacturers, as well as retailers with their own branded products. Competitors market and sell their products through brick-and-mortar stores and e-commerce. All our principal competitors have substantial financial, marketing, and other resources. Competition in our product categories is based on product innovation, product quality, price, brand recognition and loyalty, effectiveness of marketing, promotional activity, convenient ordering and delivery to the consumer, and the ability to identify and satisfy consumer

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Raw materials, ingredients, and packaging

The principal raw materials that we use are grains (wheat, oats, and corn), dairy products, meat, vegetable oils, sugar, vegetables, fruits, nuts, and other agricultural products. We also use substantial quantities of carton board, corrugated, plastic, and metal packaging materials, operating supplies, and energy. Most of these inputs for our domestic and Canadian operations are purchased from suppliers in the United States. In our other international operations, inputs that are not locally available in adequate supply may be imported from other countries. The cost of these inputs may fluctuate widely due to external conditions such as weather, climate change, product scarcity, limited sources of supply, commodity market fluctuations, currency fluctuations, trade tariffs, pandemics, war, and changes in governmental agricultural and energy policies and regulations. We believe that we will be able to obtain an adequate supply of needed inputs. Occasionally and where possible, we make advance purchases of items significant to our business in order to ensure continuity of operations. Our objective is to procure materials meeting both our quality standards and our production needs at price levels that allow a targeted profit margin. Since these inputs generally represent the largest variable cost in manufacturing our products, to the extent possible, we often manage the risk associated with adverse price movements for some inputs using a variety of risk management strategies. We also have a grain merchandising operation that provides us efficient access to, and more informed knowledge of, various commodity markets, principally wheat and oats. This operation holds physical inventories that are carried at net realizable value and uses derivatives to manage its net inventory position and minimize its market exposures.

TRADEMARKS AND PATENTS

Our products are marketed under a variety of valuable trademarks. Some of the more important trademarks used in our global operations (set forth in italics in this report) include

Annie's

,

Betty Crocker

,

Bisquick

,

Blue Buffalo

,

Blue Basics

,

Blue Freedom

,

Bugles

,

Cascadian
Farm

,

Cheerios

,

Chex

,

Cinnamon Toast Crunch

,
Cocoa Puffs

,
Cookie Crisp

,
EPIC Dunkaroos, Edgard, & Cooper,
Fiber One

,
Fruit by the Foot

,
Fruit Gushers

,
Fruit Roll-Ups

,

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ENVIRONMENTAL MATTERS

As of May 28, 26, 2023, 2024, we were involved with two response actions associated with the alleged or threatened release of hazardous substances or wastes located in Minneapolis, Minnesota and Moonachie, New Jersey.

Our operations are subject to the Clean Air Act, Clean Water Act, Resource Conservation and Recovery Act, Comprehensive Environmental Response, Compensation, and Liability Act, and the Federal Insecticide, Fungicide, and Rodenticide Act, and all similar state, local, and foreign environmental laws and regulations applicable to the jurisdictions in which we operate.

Based on current facts and circumstances, we believe that neither the results of our environmental proceedings nor our compliance in general with environmental laws or regulations will have a material adverse effect upon our capital expenditures, earnings, or competitive position.

HUMAN CAPITAL MANAGEMENT

Recruiting, developing, engaging, and protecting our workforce is critical to executing our strategy and achieving business success. As of May 28, 26, 2023, 2024, we had approximately 34,000 employees around the globe, with approximately 16,000 in the U.S. and approximately 18,000 located in our markets outside of the U.S. Our workforce is divided between approximately 13,000 employees dedicated to the production of our products and approximately 21,000 non-production employees.

The efficient production of high-quality products and successful execution of our strategy requires a talented, skilled, and engaged team of employees. We work to equip our employees with critical skills and expand their contributions over time by providing a range of training and career development opportunities, including hands-on experiences via challenging work assignments and job rotations, coaching and mentoring opportunities, and training programs. To foster employee engagement and commitment, we follow a robust process to listen to employees, take action, and measure our progress with on-going employee conversations, transparent communications, and employee engagement surveys.

We believe that fostering a culture of inclusion and belonging strengthens our ability to recruit talent and allows all of our employees to thrive and succeed. We actively cultivate a culture that acknowledges, respects, and values all dimensions of diversity – including gender, race, sexual orientation, ability, backgrounds, and beliefs. Ensuring diversity of input and perspectives is core to our business strategy, and we are committed to recruiting, retaining, developing, and advancing a workforce that reflects the diversity of the consumers we serve. This commitment starts with our company leadership where women represent approximately 47 49 percent of our officer and director population, and approximately 22 24 percent of our officers and directors are racially or ethnically diverse. We embed our culture of inclusion and belonging into our day-to-day ways of working through a number of programs to foster discussion, build empathy, and increase understanding.

We are committed to maintaining a safe and secure workplace for our employees. We set specific safety standards to identify and manage critical risks. We use global safety management systems and employee training to ensure consistent implementation of safety protocols and accurate measurement and tracking of incidents. To provide a safe and secure working environment for our employees,

roles

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in manufacturing, procurement, planning, customer service, and engineering before becoming President, North America Supply from 2013 to March 2019. He was named to his current position in July 2021.

Jeffrey L. Harmening

, age 56, 57, is Chairman of the Board and Chief Executive Officer. Mr. Harmening joined General Mills in 1994

and served in various marketing roles in the Betty Crocker, Yoplait, and Big G cereal divisions. He was named Vice President,

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Marketing for CPW in 2003 and Vice President of the Big G cereal division in 2007. In 2011, he was promoted to Senior Vice
President for the Big G cereal division. Mr. Harmening was appointed Senior Vice President, Chief Executive Officer of CPW in
2012. Mr. Harmening returned from CPW in 2014 and was named Executive Vice President, Chief Operating Officer, U.S. Retail. He
became President, Chief Operating Officer in 2016. He was named Chief Executive Officer in 2017 and Chairman of the Board in
2018. Mr. Harmening is a director of The Toro Company.

Dana M. McNabb
,
age 48,
is Group President, North America 47,
is Chief Strategy & Growth Officer. Retail. Ms. McNabb joined General Mills in 1999 and held a variety of marketing roles in Cereal, Snacks, Meals, and New Products before becoming Vice President, Marketing for CPW in 2011 and Vice President, Marketing for the Circle of Champions Business Unit in 2015. She became President, U.S. Cereal Operating Unit in 2016,
Group President, Europe & Australia in January 2020, Chief Strategy & Growth Officer in July 2021, and was named to her present position in January 2020, and was named to her present position in July 2021. 2024.

Jaime Montemayor
, age 59, 60, is Chief Digital and Technology Officer. He spent 21 years at PepsiCo, Inc., serving in roles of increasing responsibility, including most recently as Senior Vice President and Chief Information Officer of PepsiCo's Americas Foods segment from 2013 to 2015, and Senior Vice President and Chief Information Officer, Digital Innovation, Data and Analytics,
PepsiCo from 2015 to 2016. Mr. Montemayor served as Chief Technology Officer of 7-Eleven Inc. in 2017. He assumed his current role in February 2020 after founding and operating a digital technology consulting company from 2017 until January 2020.

Jon J. Nudi

, age 53, 54, is Group President, Pet, International, and North America Retail. Foodservice. Mr. Nudi joined General Mills in 1993 as a 1993 as Sales a Sales Representative and heldheld a variety of roles in Consumer Foods Sales. In 2005, he moved into marketing roles in the Meals
division and was elected Vice
President in 2007. Mr. Nudi was named Vice President; President, Snacks, in 2010, Senior Vice
President; President, President,
Europe/Australasia in 2014, and Senior Vice President; President, U.S. Retail in 2016 and Group President, North America Retail in 2016. 2017. He was named to his present position in January 2017.

Shawn P. O'Grady

, age 59, is Group President, North America Foodservice. Mr. O'Grady joined General Mills in 1990 and held several marketing roles in the Snacks, Meals, and Big G cereal divisions. He was promoted to Vice President in 1998 and held marketing positions in the Betty Crocker and Pillsbury USA divisions. In 2004, he moved into Consumer Foods Sales, becoming Vice
President, President, U.S. Retail Sales in 2007, Senior Vice President, President, Consumer Foods Sales Division in 2010, Senior Vice
President, President, Sales & Channel Development in 2012, and Group President, Convenience Stores & Foodservice in 2017. He
was named to his current position in December 2021. 2024.

Mark A. Pallot,

age 50, 51, is Vice President, Chief Accounting Officer. Mr. Pallot joined General Mills in 2007 and served as
Director,

WEBSITE ACCESS

Our website is https://www.generalmills.com.

We make available, free of charge in the “Investors” portion of this website, annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to those reports filed or

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furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (1934 Act) as soon as reasonably practicable after we electronically file such material with, or furnish it to, the Securities and Exchange Commission (SEC). All such filings are available on the SEC's website at https://www.sec.gov. Reports of beneficial ownership filed pursuant to Section 16(a) of the 1934 Act are also available on our website.

ITEM 1A - Risk Factors

Our business is subject to various risks and uncertainties. Any of the risks described below could materially, adversely affect our business, financial condition, and results of operations.

Business and Industry Risks

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Concerns with the safety and quality of our products could cause consumers to avoid certain products or ingredients.

We could be adversely affected if consumers in our principal markets lose confidence in the safety and quality of certain of our products or ingredients. Adverse publicity about these types of concerns, whether or not valid, may

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We may be unable to anticipate changes in consumer preferences and trends, which may result in decreased demand for our products.

Our success depends in part on our ability to anticipate the tastes, eating habits, and purchasing behaviors of consumers and to offer products that appeal to their preferences in channels where they shop. Consumer preferences and category-level consumption may change from time to time and can be affected by a number of different trends and other factors.

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external business partners, to meet their obligations to us, or significant disruptions in their ability to do so, may negatively impact our operations. Our suppliers' policies and practices can damage our reputation and the quality and safety of our products. Disputes with significant suppliers, including disputes regarding pricing or performance, could adversely affect affect our ability to ability supply products to supply products to our customers and could materially and adversely affect our sales, financial condition, and results of operations. Failure to take adequate steps to mitigate the likelihood or

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when a product is sourced from a single location or supplier, could adversely affect our business and results of operations, as well as require additional resources to restore our supply chain.

Short term or sustained increases in consumer demand at our retail customers may exceed our production capacity or otherwise strain our supply chain. Our failure to meet the demand for our products could adversely affect our business and results of operations.

Our international operations are subject to political and economic risks.

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Legal and Regulatory Risks

If our products become adulterated, misbranded, or mislabeled, we might need to recall those items and may experience product liability claims if consumers or their pets are injured.

We may need to recall some of our products if they become adulterated, misbranded, or mislabeled. A widespread product recall could result in significant losses due to the costs of a recall, the destruction of product inventory, and lost sales due

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profit. We also record our grain inventories at net realizable value. We may experience volatile earnings as a result of these accounting treatments.

Economic downturns could limit consumer demand for our products.

The willingness of consumers to purchase our products depends in part on local economic conditions. In periods of

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We evaluate the useful lives of our intangible assets, primarily intangible assets associated with the *Blue Buffalo*, *Pillsbury*, *Totino's*, *Old El Paso*, *Progresso*, *Annie's*, *Nudges*, and *Häagen-Dazs* brands, to determine if they are finite or indefinite-lived. Reaching a determination on useful life requires significant judgments and assumptions regarding the future effects of obsolescence, demand, competition, other economic factors (such as the stability of the industry, known technological advances, legislative action that results in an uncertain or changing regulatory environment, and expected changes in distribution channels), the level of required maintenance expenditures, and the expected lives of other related groups of assets.

Our indefinite-lived intangible assets are also tested for impairment annually and whenever events or changes in circumstances indicate that impairment may have occurred. Our estimate of the fair value of the brands is based on a discounted cash flow model using inputs including projected revenues from our long-range plan, assumed royalty rates which could be payable if we did not own the brands, and a discount rate. If current expectations for growth rates for sales and margins are not met, or other market factors and macroeconomic conditions were to change, then our indefinite-lived intangible assets could become significantly impaired.

Our *Progresso*, *EPIC* *Nudges*,

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Our Security & Resilience Governance Committee provides oversight and governance for the company's cybersecurity risk through quarterly meetings, monthly dashboard reporting on management-aligned program performance targets, and as-needed updates on cybersecurity incidents. This committee is composed of our Chief Financial Officer, General Counsel, Chief Human Resources
Officer, Chief Supply Chain Officer, and CDTO.

Like most companies, our systems are continually subjected to cybersecurity threats. Although we have not experienced a material cybersecurity breach, we cannot guarantee that we will not experience a cyber threat or incident in the future. Additional information on cybersecurity risks we face is included in Item 1A of this report, which should be read in conjunction with the information in this
Item 1C.

ITEM 2 - Properties

We own our principal executive offices and main research facilities, which are located in the Minneapolis, Minnesota metropolitan area. We operate numerous manufacturing facilities and maintain many sales and administrative offices, warehouses, and distribution centers around the world.

As of May 28, 26, 2023, 2024, we operated 45 42 facilities for the production of a wide variety of food products. Of these facilities, 27 26 are located in the United States, 6 4 in Latin America and Mexico, 5 in Europe/Australia, 4 in the Greater China region, 2 in Canada (1 of which is leased), and 1 in the Asia/Middle East/Africa Region. The following is a list of the locations of our principal production facilities,
which primarily support the segment noted:

North America Retail

• St. Hyacinthe, Canada
• Irapuato, Mexico
• Buffalo, New York
• Covington, Georgia
• Reed City, Michigan
• Cincinnati, Ohio
• Belvidere, Illinois
• Fridley, Minnesota
• Wellston, Ohio
• Geneva, Illinois
• Hannibal, Missouri
• Murfreesboro, Tennessee
• Cedar Rapids, Iowa
• Albuquerque, New Mexico
• Milwaukee, Wisconsin

International

• Rooty Hill, Australia
• Recife, Brazil
• Arras, France
• Cambara, Brazil
• Guangzhou, China
• Labatut, France
• Campo Novo do Pareceis, Brazil
• Nanjing, China
• Inofita, Greece
• Paranavai, Campo Novo do Pareceis, Brazil
• Sanhe, China

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North America Retail and and Pet segments. We own and lease a number number of dedicated dedicated sales and administrative offices around the world,

totaling approximately 2 million square feet. We have additional warehouse, distribution, and office space in our plant locations.

As part of our Häagen-Dazs business in our International segment we operate 450 385 (all leased) and franchise 382 389 branded ice cream parlors in various countries around the world, all outside of the United States and Canada.

ITEM 3 - Legal Proceedings

We are the subject of various pending or threatened legal actions in the ordinary course of our business. All such matters are subject to many uncertainties and outcomes that are not predictable with assurance. In our opinion, there were no claims or litigation pending as of May 28, 26, 2023, 2024, that were reasonably likely to have a material adverse effect on our consolidated financial position or results of

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operations. See the information contained under the section entitled “Environmental Matters” in Item 1 of this report for a discussion of environmental matters in which we are involved.

ITEM 4 - Mine Safety Disclosures

None.

PART II

ITEM 5 - Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Our common stock is listed on the New York Stock Exchange under the symbol “GIS.” On On June 15, 10, 2024, 2023, there were were approximately
24,200 22,800 record holders of our common stock.

The following table sets forth information with respect to shares of our common stock that we purchased during the fiscal quarter ended May 28, 2023 May 26, 2024:

Period	Total Number of Shares Purchased (a)	Average Price Paid Per Share	Total Number of Shares Purchased as Part of a Publicly Announced Program (b)	Maximum Number of Shares that may yet be Purchased Under the Plans or Program (b)
February 27, 2023 26, 2024 - March 31, 2024	-	$ -	-	61,383,817

April 1, 2024 -
April 2, 2023 28, 2024
1,338,293 2,405,113
70.46
2,405,113

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ITEM 7 - Management's Discussion and Analysis of Financial Condition and Results of Operations

EXECUTIVE OVERVIEW

We are a global packaged foods company. We develop distinctive value-added food products and market them under unique brand names. We work continuously to improve our core products and to create new products that meet consumers' evolving needs and preferences. In addition, we build the equity of our brands over time with strong consumer-directed marketing, innovative new products, and effective merchandising. We believe our brand-building approach is the key to winning and sustaining leading share positions in markets around the globe.

Our fundamental financial goal is to generate competitively differentiated returns for our shareholders over the long term. We believe achieving that goal requires us to generate a consistent balance of net sales growth, margin expansion, cash conversion, and cash return to shareholders over time.

Our long-term growth objectives are to deliver the following performance on average over time:

- 2 to 3 percent annual growth in organic net sales;
- mid-single-digit annual growth in adjusted operating profit;
- mid- to high-single-digit annual growth in adjusted diluted earnings per share (EPS);
- free cash flow conversion of at least 95 percent of adjusted net earnings after tax; and
- cash return to shareholders of 80 to 90 percent of free cash flow, including an attractive dividend yield.

We Guided by our are executing purpose to make food the world loves, we are executing our Accelerate strategy to drive drive sustainable, profitable growth and profitable growth and top-tier shareholder returns over the long term.

The strategy focuses on four pillars to create competitive advantages and win:
boldly building brands, relentlessly innovating,
unleashing our scale, and being a standing force for good. We are prioritizing our core markets,
global platforms, and local gem brands that
have the best prospects for profitable growth and we are committed to reshaping our portfolio with strategic acquisitions and portfolio with strategic acquisitions and divestitures to further enhance our growth profile.

In fiscal 2023, 2024, we continued experienced to a successfully more adapt challenging to the dynamic operating environment category and deliver competitive strong backdrop performance. than This included we growth initially in expected. organic As net a sales, result, adjusted we pivoted our plans and enhanced our efficiency to generate adjusted operating profit and adjusted diluted EPS that was were in line with our original targeted ahead ranges, even of in a our slower-than-anticipated initial topline growth targets. environment. We We delivered mixed performance against the achieved each of the three priorities we established at the beginning of the year:

We On our continued priority of to compete competing effectively, including we did not achieve our objective of holding or growing market share in more than
50 percent of our global priority businesses for priority businesses. Our fiscal 2024 performance was hindered by an uncertain macroeconomic environment, which resulted in greater-than-expected value-seeking behaviors by consumers. Our organic net sales declined

1 percent for the fifth consecutive year, when adjusting for an with a unusual competitive dynamic in cereal decrease in fiscal 2022 contributions from organic volume growth, partially offset by favorable net price realization and mix in response to 4 percent input cost inflation.

We successfully improved our supply chain efficiency, including generating industry-leading Holistic Margin Management (HMM) cost savings and assessing removing significant disruption-related costs from the supply chain. These efforts allowed us to continue to invest in our brands and in leading capabilities, such as digital and technology capabilities, that will be critical for driving future growth.

We platform maintained our disciplined on approach to capital allocation, a driving increased 2-year operating cash flow that

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16 A detailed review of our fiscal 2024 performance compared to fiscal 2023 appears below in the section titled "Fiscal 2024

Consolidated Results of Operations." A detailed review of our fiscal 2023 performance compared to our fiscal 2022 performance is set forth in Part II, Item 7 of our Form 10-K for the fiscal year ended May 28, 2023 under the caption "Management's Discussion and

Analysis of Financial Condition and Results of Operations – Fiscal 2022 2023 Results of Consolidated Operations," which is incorporated herein by reference.

In fiscal 202 2025, we plan to continue advancing our Accelerate 4, we expect strategy. Our key priorities are to build on accelerate our organic net sales growth,

create fuel for investment, and drive strong cash generation. Amid a continued uncertain macroeconomic backdrop for consumers, we expect volume trends in our positive momentum categories and continue to advance our Accelerate strategy. Our key priorities are to continue to compete effectively, to will gradually improve our supply chain efficiency, and to maintain our disciplined approach to capital allocation. We expect over the largest factors impacting our performance in fiscal 2024 will be the economic health of consumers, the moderating rate of input cost inflation, and the increasing stability course of the supply chain year, though environment. full-year category dollar growth is expected to be below our long-term growth projections. We expect to drive organic increase our organic net sales growth by delivering remarkable experiences across our leading food brands, resulting in fiscal improved household 2024 penetration and through stronger market share trends versus the prior year. Our fiscal 2025 plan calls for product news and innovation focused on taste, health, convenience, and value, supported with strong marketing, brand innovation, in-store support, campaigns and net omnichannel price realization generated through our

Strategic Revenue Management (SRM) capability, most of which will be carried over from SRM actions taken in fiscal 2023. For the full year, input cost inflation is expected to be approximately 5 percent of total cost of goods sold, driven primarily by labor inflation that continues to impact sourcing, manufacturing, and logistics costs. visibility. We expect to generate higher HMM levels cost savings of Holistic roughly Margin 4 to 5 percent of cost of Management (HMM) goods sold, which we expect to exceed our forecast for 3 to 4 percent input cost savings compared inflation in fiscal 2025. We expect to reinvest in the business, including plans for increased brand-building investment in fiscal 2023. 2025 to drive improved volume performance.

Based on these assumptions, our key full-year fiscal 2024 2025 targets are are summarized below:

- Organic net sales are expected to increase 3 to 4 range between flat and up 1 percent.

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Consolidated

net sales were as follows:

Fiscal 2024
Fiscal 2024 vs.
Fiscal 2023
Fiscal 2023 vs.
Fiscal 2022
Fiscal 2022

Net sales (in millions)
$
20,094.2 19,857.2
6 (1)
%
$
18,992.8 20,094.2
Contributions from volume growth (a)
(8) (3)
pts

Net price realization and mix
152
pts
Foreign currency exchange
Flat
Note: Table may not foot due to rounding
(a) Measured in tons based on the stated weight of our product shipments.
Net sales in fiscal 2024 decreased 1 percent compared to fiscal 2023, driven by a decrease in contributions from volume growth,
partially offset by favorable net price realization and mix.
Components of organic net sales growth are shown in the following table:
Fiscal 2024 vs. Fiscal 2023
Contributions from organic volume growth (a)

2022, result, we approved recorded restructuring $41 million actions of charges in the fiscal International segment to drive efficiencies in manufacturing and logistics operations and recorded $12 million of charges. 2023. Please see Note 4 to the Consolidated Financial Statements in Item 8 8 of this report for additional information.

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Benefit plan non-service income totaled $89 million in fiscal 2023 compared to $113 million in fiscal 2022, primarily reflecting an increase in interest costs, partially offset by lower amortization of losses and higher expected return on plan assets (please see Note 14
to the Consolidated Financial Statements in Item 8 of this report for additional information).

Interest, net for fiscal 2023 totaled $382 million, $2 million higher than fiscal 2022.

Our
effective tax rate for fiscal 2023 was 19.5 percent compared to 18.3 percent in fiscal 2022. The 1.2 percentage point increase was primarily driven by a change in the valuation allowance on our capital loss carryforwards in fiscal 2022, partially offset by certain favorable discrete tax items in fiscal 2023. Our adjusted effective tax rate was 20.4 percent in fiscal 2023 compared to 20.9 percent in fiscal 2022 (see the "Non-GAAP Measures" section below for a description of our use of measures not defined by GAAP). The 0.5
percentage point decrease was primarily due to certain favorable discrete tax items in fiscal 2023.

After-tax earnings from joint ventures decreased to $81 million in fiscal 2023 compared to $112 million in fiscal 2022, primarily driven by higher input costs at CPW and HDJ and lower net sales at HDJ, partially offset by favorable net price realization and mix at
CPW. On a constant-currency basis, after-tax earnings from joint ventures decreased 18 percent (see the "Non-GAAP Measures"

section below for a description of our use of measures not defined by GAAP). The components of our joint ventures' net sales growth are shown in the following table:

Fiscal 2023 vs. Fiscal 2022

CPW

HDJ

Total

Contributions from volume growth (a)

(10)

pts

(5)

pts

Net price realization and mix

14

pts

Flat

Net sales growth in constant currency

4

pts

(5)

pts

19

Benefit plan non-service income totaled $76 million in fiscal 2024 compared to $89 million in fiscal 2023, primarily reflecting higher interest costs, partially offset by lower amortization of losses (please see Note 14 to the Consolidated Financial Statements in

Item 8 of this report for additional information).

Interest, net for fiscal 2024 totaled $479 million, $97 million higher than fiscal 2023, primarily driven by higher interest rates and higher average long-term debt levels.

Our

effective tax rate for fiscal 2024 was 19.6 percent compared to 19.5 percent in fiscal 2023. The 0.1 percentage point increase was primarily driven by certain nonrecurring tax benefits in fiscal 2023, partially offset by favorable earnings mix by jurisdiction in fiscal

2024. Our adjusted effective tax rate was 20.1 percent in fiscal 2024 compared to 20.4 percent in fiscal 2023 (see the "Non-GAAP

Measures" section below for a description of our use of measures not defined by GAAP). The 0.3 percentage point decrease was primarily due to favorable earnings mix by jurisdiction in fiscal 2024.

After-tax earnings from joint ventures increased to $85 million in fiscal 2024 compared to $81 million in fiscal 2023, primarily driven by higher net sales due to favorable net price realization and mix at CPW, partially offset

3,657.8

100
%

20
Segment operating profit as reviewed by our executive management excludes unallocated corporate items, net gain or loss on divestitures, and restructuring, impairment, and other exit costs that are centrally managed.

NORTH AMERICA RETAIL SEGMENT

Our North America Retail operating segment reflects business with a wide variety of grocery stores, mass merchandisers, membership stores, natural food chains, drug, dollar and discount chains, convenience stores, and e-commerce grocery providers. Our product categories in this business segment are ready-to-eat cereals, refrigerated yogurt, soup, meal kits, refrigerated and frozen dough products, dessert and baking mixes, frozen pizza and pizza snacks, snack bars, fruit snacks, savory snacks, and a wide variety of organic products including ready-to-eat cereal, frozen and shelf-stable vegetables, meal kits, fruit snacks and snack bars.

North America Retail net sales were as follows:

Fiscal 2023 2024

Fiscal 2023 2024 vs. 2022 2023

Percentage Change

Fiscal 2022 2023

Net sales (in millions)

$

12,659.9 12,473.4

9 (1)

%

$

11,572.0 12,659.9

Contributions from volume growth (a)

(6) (5)

pts

21

20

The components of North America Retail organic net sales growth are shown in the following table:

Fiscal 2023 vs. 2022		
Percentage Change		
Contributions from organic volume growth (a)	(4)	pts
Organic net price realization and mix	16	pts
Organic net sales growth	12	pts
Foreign currency exchange	(1)	pt
Divestitures (b)	(2)	pts

mix

21 and favorable foreign currency exchange.

The components of International organic net sales growth are shown in the following table:

Fiscal 2023 2024 vs. 2022 2023

Percentage Change

Contributions from organic volume growth (a)

(8) (3)

pts

Organic net price realization and mix

12 1

pts pt

Organic net sales growth

4 (2)

pts

Foreign currency exchange

(5) 1

pts

Divestitures (b)

(16)

pts pt

Net sales growth

(16) (1)

pts pt

Note: Table may not foot due to rounding rounding.

(a)

Measured in tons based on the stated weight of our product shipments.

(b)

Divestitures primarily include the impact of the sale of our interests in Yoplait SAS, Yoplait Marques SNC, and Liberté Marques

Sàrl and our European dough businesses in fiscal 2022. Please see Note 3 to the Consolidated Financial Statements in Part II, Item

8 of this report.

The 4 2 percent increase decrease in International organic net net sales growth growth in fiscal fiscal 2023 2024

22

Pet net sales were as follows:

Fiscal 2024

Fiscal 2024 vs. 2023

Percentage Change

Fiscal 2023

Net sales (in millions)

$

2,375.8

(4)

%

$

2,473.3

Contributions from volume growth (a)

(7)

pts

Net price realization and mix

3

pts

Foreign currency exchange

Flat

Note: Table may not foot due to rounding.

(a)

Measured in tons based on the stated weight of our product shipments.

Pet net sales decreased 4 percent in fiscal 2024 compared to fiscal 2023, driven by a decrease in contributions from volume growth,

partially offset by favorable net price realization and mix.

The components of Pet organic net sales growth are shown in the following table:

Fiscal 2023 2024 vs. 2022 2023

Percentage Change

Contributions from organic volume growth (a)

including foodservice, vending, and supermarket bakeries.

North America Foodservice net sales were as follows:

Fiscal 2023 2024

Fiscal 2023 2024 vs. 2022 2023

Percentage Change

Fiscal 2022 2023

Net sales (in millions)

$

2,191.5 2,258.7

19 3

%

$

1,845.7 2,191.5

Contributions from volume growth (a)

2
pts
Net price realization and mix
16 1
pts pt
Foreign currency exchange
Flat
Note: Table may not foot due to rounding.
(a)
Measured in tons based on the stated weight of our product shipments.
North America Foodservice net sales sales increased 19 3 percent in fiscal 2023, 2024, driven by favorable an increase in contributions from volume growth and favorable net price realization and mix, including market index pricing on bakery flour, and an increase in contributions from volume growth. mix.

23
The components of North America Foodservice organic net sales growth are shown in the following table:

Fiscal 2023 2024 vs. 2022 2023	**Percentage Change**
Contributions from organic volume growth (a)	(2) 2 pts
Organic net price realization and mix	15 1 pts pt
Organic net sales growth	13 2 pts
Foreign currency exchange	Flat
Acquisition (b)	6 1 pts pt
Net sales growth	19 3 pts

Note: Table may not foot due to rounding rounding.
(a)
Measured in tons based on the standard weight of our product shipments.

(b)
Acquisition of TNT Crust in fiscal 2023. Please see Note 3 to the Consolidated Financial Statements in Part II, Item 8 of this report.

The 13 2 percent increase in North America Foodservice organic net sales growth in fiscal 2023 2024 was driven by an increase in contributions from organic volume growth and favorable organic net price realization and mix.

Segment operating profit increased 9 percent to $316 million in fiscal 2024, compared to $290 million in fiscal 2023, primarily driven by favorable net price realization and mix including market index pricing on bakery flour, partially offset by a decrease in contributions from organic volume growth.

Segment operating profit increased 14 percent to $290 million and an increase in contributions fiscal from volume growth 2023, compared to $256 million in fiscal 2022, primarily driven by favorable net price realization and mix, , partially offset by higher input costs and and an increase in SG&A expenses. Segment
operating profit increased 14 9 percent on a constant-currency basis in fiscal 2023 compared to fiscal 2022 (see the "Non-GAAP 2024
compared to fiscal 2023 (see the "Non-GAAP Measures" section below for our use of this measure not defined by GAAP).

UNALLOCATED CORPORATE ITEMS

Unallocated corporate items include corporate overhead expenses, variances to planned domestic employee benefits

Unallocated corporate expense totaled $334 million in fiscal 2024, compared to $1,033 million in fiscal last 2023, compared to $403 million last year. We recorded a $292 $39 million net increase decrease in expense related to the mark-to-market valuation of of certain commodity commodity positions and grain inventories in fiscal 2023, 2024, compared to a $133 million net decrease in expense last year. We recorded $84 million of net losses related to valuation adjustments and the sale of corporate investments in fiscal 2023, compared to $15 million of net losses in fiscal 2022. In fiscal 2023, we recorded a
$22 million net charge related to a voluntary recall on certain international
Häagen-Dazs
ice cream products. In addition, we recorded
$6 million of integration costs primarily related to our acquisition of TNT Crust in fiscal 2023, compared to $22 million of integration costs related to our a acquisition $292 of million Tyson net Foods' pet treats business increase in fiscal expense 2022. last year. In fiscal 2022, we recorded $73 million of transaction costs primarily related to the sale of our interests in Yoplait SAS, Yoplait Marques SNC, Liberté Marques Sàrl and the sale of our European dough businesses. In addition, we recorded a $22 million recovery related to a Brazil indirect tax item and a $13
million insurance recovery in fiscal 2022. In addition, 2024, certain compensation and benefits expenses and charitable contributions increased in fiscal 2023 charitable contributions decreased compared to fiscal 2022. 2023. We recorded $18 million of net losses related to valuation adjustments and the sale of corporate investments in fiscal 2024, compared to $84 million of net losses in fiscal 2023. In fiscal 2024, we recorded $30
million of net recoveries related to a voluntary recall on certain international
Häagen-Dazs
ice cream products in fiscal 2023,
compared to a $22 million charge in fiscal 2023. We recorded a $53 million legal recovery in fiscal 2024. In fiscal 2024, we recorded
$14 million of transaction costs, primarily related to our acquisition of a pet food business in Europe. We recorded $6 million of integration costs primarily related to our acquisition of TNT Crust in fiscal 2023. In addition, we recorded $18 million of restructuring charges and $2 million of restructuring initiative project-related costs in cost of sales in fiscal 2024, compared to $5 million of restructuring charges and $2 million of restructuring initiative project-related costs in cost of sales in fiscal 2023.

IMPACT OF INFLATION

We experienced broad based broad-based global input cost inflation of 4 percent in fiscal 2024 and 13 percent in fiscal 2023 and 8 percent in fiscal 2022. 2023. We expect approximately 5 3 to 4 percent input cost inflation in fiscal 2024. 2025. We attempt to minimize the effects of inflation through HMM,

Strategic SRM, Revenue Management (SRM), planning, and operating practices. Our market risk management practices are discussed in
Item 7A of this report.

LIQUIDITY AND CAPITAL RESOURCES

The primary source of our liquidity is cash flow from operations. Over the most recent two-year period, our operations have generated
$6.1 billion in cash. A substantial portion of this operating cash flow has been returned to shareholders through dividends and share repurchases. We also use cash from operations to fund our capital expenditures, acquisitions, and debt service. We typically use a

24

combination of cash, notes payable, and long-term debt, and occasionally issue shares of common stock, to finance significant acquisitions.

As of May 28, 26, 2023, 2024, we had $381 330 million of cash and cash equivalents held in foreign jurisdictions. In anticipation of repatriating funds from foreign jurisdictions, we record local country withholding taxes on our international earnings, as applicable. We may repatriate our cash and cash equivalents held by our foreign subsidiaries without such funds being subject to further U.S. income tax liability. Earnings prior to fiscal 2018 from our foreign subsidiaries remain permanently reinvested in those jurisdictions.

Cash Flows from Operations

Fiscal Year

In Millions

2023 **2024**

2022 **2023**

Net earnings, including earnings attributable to redeemable and noncontrolling interests

$

2,609.6 **2,518.6**

$

2,735.0 2,609.6

25

divested, as part of the sale. We also completed the sale of our European dough businesses in fiscal 2022 for cash proceeds of $42 million.

We expect capital expenditures to be approximately 4 percent of reported net sales in fiscal 2024. These expenditures will fund initiatives that are expected to fuel growth, support innovative products, and continue HMM initiatives throughout the supply chain.

Cash Flows from Financing Activities

Fiscal Year

In Millions

2023 2024

2022 2023

Change in notes payable

$

(769.3) (20.5)

$

551.4 (769.3)

Issuance of long-term debt

26

Certain of our long-term debt agreements, our credit facilities, and our noncontrolling interests contain restrictive covenants. As of

May 28, 2023, 26, 2024, we were in compliance with all of these covenants.

We have $1,709 million $1,614 million of long-term debt maturing in the the next 12 months that is classified classified as current, including $500 800 million of 3.65 of 4.0

percent fixed-rate notes due February April 17, 2025, and 15, 2024, $400 million of floating-rate notes due October 17, 2023, €500 €750 million of floating-rate notes due July 27, 2023, and €250 million of floating-rate notes due November 8, 10, 2023. 2024. We believe believe that cash flows

26
from operations, flows from operations,
together with with available short- short- and long-term debt financing, will be adequate to meet our liquidity and capital needs for at least the next 12 months.

As of May 28, 2023, 26, 2024, our total debt, including the impact of derivative instruments designated as hedges, was 80 85 percent in fixed-rate and 20 15 percent in floating-rate instruments, compared to 77 80 percent in fixed-rate and 23 20 percent in floating-rate instruments on May
29, 2022. 28, 2023.

The third-party holder of the General Mills Cereals, LLC (GMC) Class A Interests receives quarterly preferred distributions from available net income based on the application of a floating preferred return rate to the holder's capital account balance established in the most recent recent mark-to-market mark-to-market valuation (currently $252 million). The floating preferred return return rate on GMC's Class A Interests Interests is was the sum of three -month sum of three-month Term SOFR plus 186 basis points. On June 1, 2024, the floating preferred return rate on GMC's Class A Interests was reset to the sum of the three-month Term SOFR plus 186 261 basis points. The preferred preferred return rate is adjusted adjusted every three years three years through a negotiated agreement with the Class A Interest Interests holder or through a remarketing auction.

We have an option to purchase the Class A Interests for consideration equal to the then current capital account value, plus any unpaid preferred return and the prescribed make-whole amount. If we purchase these interests, any change in the third-party holder's capital account from its original value will be charged directly to retained earnings and will increase or decrease the net earnings used to calculate EPS in that period.

CRITICAL ACCOUNTING ESTIMATES

For a complete description of our significant accounting policies, please see Note 2 to the Consolidated Financial Statements in Item 8
of this report. Our critical accounting estimates are those that have a meaningful impact on the reporting of our financial condition and results of operations. These estimates include our accounting for revenue recognition, valuation of long-lived assets, intangible assets,
stock-based compensation, income taxes, and defined benefit pension, other postretirement benefit, and postemployment benefit plans. plans.

Revenue Recognition

Our revenues are reported net of variable consideration and consideration payable to our customers, including trade promotion,
consumer coupon redemption, and other reductions to the transaction price, including estimated allowances for returns, unsalable product, and prompt pay discounts. Trade promotions are recorded using significant judgment of estimated participation and performance levels for offered programs at the time of sale. Differences between the estimated and actual reduction to the transaction price are recognized as a change in estimate in a subsequent period. Our accrued trade and coupon promotion liabilities were $425
$394 million as of May 28, 2023, 26, 2024, and $420 394 million as of May 29, 2022. 28, 2023. Because these amounts are significant, if our estimates are inaccurate we would have to make adjustments in subsequent periods that could have a significant effect on our results of operations.

Valuation of Long-Lived Assets

We estimate the useful lives of long-lived assets and make estimates concerning undiscounted cash flows to review for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset (or asset group) may not be recoverable.

Fair value is measured using discounted cash flows or independent appraisals, as appropriate.

Intangible Assets

Goodwill and other indefinite-lived intangible assets are not subject to amortization and are tested for impairment annually and whenever events or changes in circumstances indicate that impairment may have occurred. Our estimates of fair value for goodwill impairment testing are determined based on a discounted cash flow model. We use inputs from our long-range planning process to determine growth rates for sales and profits. We also make estimates of discount

As of May 28, 26, 2023, 2024, we had $21 22 billion of goodwill and indefinite-lived intangible assets. While we currently believe that the fair value of each intangible exceeds its carrying value, and that those intangibles will contribute indefinitely to our cash flows, materially different assumptions regarding future performance of our businesses or a different weighted-average cost of capital could result in material impairment losses and amortization expense. We performed our fiscal 2023 2024 assessment of assessment our intangible assets as of our the first intangible assets as day of the first second quarter of fiscal 2024. As a result of lower future profitability projections for our Latin America reporting unit, we day determined that the fair value of the second reporting quarter unit of was fiscal less 2023, than its book value and we recorded determined a there $117 was million no non-cash goodwill impairment charge. In addition, during the fourth quarter of fiscal 2024, we executed our fiscal 2025 planning process and intangible preliminary long-range planning assets process, which as their related fair values were substantially resulted in excess lower future of sales and profitability projections for the businesses carrying value, except for

Uncle Toby's band intangible asset. In addition, while having significant coverage as of supporting our

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2023 assessment date, the

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and

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brand intangible assets assets. had As risk a result of decreasing coverage. We will continue this to monitor these businesses for potential impairment.

Stock-based Compensation triggering event, we performed an interim impairment

The valuation assessment of stock options is a these assets as significant accounting estimate of May 26, 2024, and determined that requires us to the fair use judgments and value of these assumptions that are brand intangible likely to have a material assets no longer impact on exceeded the our financial statements. Annually, we make predictive assumptions regarding future stock price volatility,

employee exercise behavior, dividend yield, and the forfeiture rate. For more information on these assumptions, please see Note 12 to the Consolidated Financial Statements in Item 8 of this report.

The estimated fair carrying values of stock options granted and the assumptions respective used assets, for resulting the in Black-Scholes $103 option-pricing million model of were non-cash as follows:

Fiscal Year

2023

2022

2021

Estimated fair values of stock options granted

$

14.16
$
8.77
$
8.03
Assumptions:
Risk-free interest rate
3.3
%
1.5
%
0.7
%
Expected term
8.5
years
8.5
years
8.5
years
Expected volatility
20.9
%
20.2
%
19.5
%
Dividend yield
3.1
%
3.4
%
3.3
%

The risk-free interest rate impairment for periods during the charges. expected term of the options We is based on the U.S. Treasury recorded zero-coupon yield curve impairment charges in effect at the time of grant. An increase in the expected term by restructuring, 1 year, leaving all other assumptions constant, would decrease the grant date fair value by less than 1 percent. If all impairment, and other assumptions are held constant, a one percentage point increase exit costs in our fiscal 2023
volatility assumption would increase the grant date fair value of our fiscal 2023 option awards by 5 percent.

To the extent that actual outcomes differ from our assumptions, we are not required to true up grant-date fair value-based expense to final intrinsic values. Historical data has a significant bearing on our forward-looking assumptions. Significant variances between actual and predicted experience could lead to prospective revisions in our assumptions, which could then significantly impact the year-
over-year comparability of stock-based compensation expense.

Any corporate income tax benefit realized upon exercise or vesting of an award in excess of that previously recognized in earnings (referred to as a windfall tax benefit) is presented in the Consolidated Statements of Cash Flows as an operating cash flow. The actual impact on future years' cash flows will depend, in part, on the volume Earnings. Our estimates of employee stock option the fair exercises during a particular values were year and the determined relationship based between on a discounted cash flow model using inputs which included our long-range cash flow projections for the businesses, royalty rates, weighted-average cost of capital rates, and tax rates. These fair values are Level 3 assets in the exercise-date fair value hierarchy. market

All other intangible value asset fair values were substantially in excess of the carrying underlying stock and values, except for the

Uncle Toby's brand intangible asset. In original addition, grant-date while having fair significant coverage value as of previously determined for financial reporting purposes.

Realized windfall our fiscal tax benefits 2024 assessment date, the

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and shortfall True tax deficiencies Chews

brand intangible assets had risk of decreasing coverage. We related will continue to the monitor applicable businesses for potential impairment exercise or.vesting of stock-based awards are recognized in the Consolidated Statement of Earnings. Because employee stock option exercise behavior is not within our control, it is possible that significantly different reported results could occur if different assumptions or conditions were to prevail.

Income Taxes

We apply a more-likely-than-not threshold to the recognition and derecognition of uncertain tax positions. Accordingly, we recognize the amount of tax benefit that has a greater than 50 percent likelihood of being ultimately realized upon settlement. Future changes in judgment related to the expected ultimate resolution of uncertain tax positions will affect earnings in the period of such change. For

more information on income taxes, please see Note 15 to the Consolidated Financial Statements in Item 8 of this report.

Defined Benefit Pension, Other Postretirement Benefit, and Postemployment Benefit Plans

We have defined benefit pension plans covering covering many employees in the United States, States, Canada, Switzerland, and the United United Kingdom.

We also sponsor plans that provide health care benefits to many of our retirees in the United States, Canada, and Brazil. Under certain circumstances, we also provide accruable benefits, primarily severance, to former and inactive employees in the United States,

Canada, and Mexico. Please see Note 14 to the Consolidated Financial Statements in Item 8 of this report for a description of our defined benefit pension, other postretirement benefit, and postemployment benefit plans.

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We recognize benefits provided during retirement or following employment over the plan participants' active working lives.

Accordingly, we make various assumptions to predict and measure costs and obligations many years prior to the settlement of our obligations. Assumptions that require significant management judgment and have a material impact on the measurement of our net periodic benefit expense or income and accumulated benefit obligations include the long-term rates of return on plan assets, the interest rates used to discount the obligations for our benefit plans, and health care cost trend rates.

Expected Rate of Return on Plan Assets

Our expected rate of return on plan assets is determined by our asset allocation, our historical long-term investment performance, our estimate of future long-term returns by asset class (using input from our actuaries, investment services, and investment managers), and long-term inflation assumptions. We review this assumption annually for each plan; however, our annual investment performance for one particular year does not, by itself, significantly influence our evaluation.

Our historical investment returns (compound annual growth rates) for our United States defined benefit pension and other postretirement benefit plan assets were a 5.7 0.6 percent loss in the 1-year period ended May 26, 28, 2023 2024, and returns of 3.4 2.3 percent, 5.9 4.5 percent,

percent, 5.5 7.5 percent, and 7.7 6.8 percent for the 5, 10, 15, and 20-year periods ended ended May 28, 2023. May 26, 2024.

On a weighted-average basis, the expected rate of return for all defined benefit plans was 6.70 7.13 percent for fiscal 2023, 5.85 2024, 6.70 percent for fiscal 2022, 2023, and 5.72 5.85 percent for fiscal 2021. 2022. For For fiscal 2024, 2025, we increased our weighted-average expected rate of rate of return on plan assets for our principal defined benefit pension and other postretirement plans in the United States to 7.20 7.70 percent due to higher prospective long-term asset returns primarily on fixed income investments.

Lowering the expected long-term rate of return on assets by 100 basis points would increase our net pension and postretirement expense by $62 million $58 million for fiscal 2024. 2025. A market-related valuation basis is used to reduce

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Discount Rates

We estimate the service and interest cost components of the net periodic benefit expense for our United States and most of our international defined benefit pension, other postretirement benefit, and postemployment benefit plans utilizing a full yield curve approach by applying the specific spot rates along the yield curve used to determine the benefit obligation to the relevant projected cash flows. Our discount rate assumptions are determined annually as of May 31 for our defined benefit pension, other postretirement benefit, and postemployment benefit plan obligations. We work with our outside actuaries to determine the timing and amount of expected future cash outflows to plan participants and, using the Aa Above Median Median corporate bond yield, to develop a forward forward interest rate curve, including a margin to that index based on our credit risk. This forward interest rate curve is applied to our expected future cash outflows to determine our discount rate assumptions.

Our weighted-average discount rates were as follows:

	Defined Benefit Pension Plans	Other Postretirement Benefit Plans	Postemployment Benefit Plans
Effective rate for fiscal 2025 service costs	5.58 %	5.48 %	5.37 %

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Health Care Cost Trend Rates

We review our health care cost trend rates annually. Our review is based on data we collect about our health care claims experience and information provided by our actuaries. This information includes recent plan experience, plan design, overall industry experience and projections, and assumptions used by other similar organizations. Our initial health care

cost trend rate is adjusted as necessary to remain consistent with this review, recent experiences, and short-term expectations. Our Our initial health health care cost cost trend rate rate assumption is 6.6 7.3 percent for retirees age 65 and over and 6.6 7.3 percent for retirees under age 65 at the end of fiscal 2023. 2024. Rates are graded down annually until the ultimate trend rate of 4.5 percent is reached in 2032 2033 for all retirees. The trend rates are applicable for calculations only if the retirees' benefits increase as a result of health care inflation. The ultimate trend rate is adjusted annually, as necessary, to approximate the current economic view on the rate of long-term inflation plus an appropriate health care cost premium. Assumed
trend rates for health care costs have an important effect on the amounts reported for the other postretirement benefit plans.

Any arising health care claims cost-related experience gain or loss is recognized in the calculation of expected future claims. Once
recognized, experience gains and losses are amortized using a straight straight-line -line method over the average remaining service period of active plan participants or over the average remaining lifetime of the remaining plan participants if the plan is viewed as "all or almost all"
inactive participants.

Financial Statement Impact

In fiscal 2023, 2024, we recorded net defined benefit pension, other postretirement benefit, and postemployment benefit plan income of
$6 11 million compared to $26 6 million of income in fiscal 2022 2023 and $4 million $26 million of expense income in fiscal 2021. 2022. As of May 28, 2023, 26, 2024, we had cumulative unrecognized actuarial net losses of $2 billion on our defined benefit pension plans and cumulative unrecognized actuarial net gains of $189 185 million on our postretirement and postemployment benefit plans, mainly as the result of liability increases from lower historical interest rates. plans. These net unrecognized actuarial net losses will result in in increases in our future net pension and postretirement benefit expenses because they currently exceed the corridors defined by postretirement benefit expenses because they currently exceed the corridors defined by
GAAP.

Actual future net defined benefit pension, other postretirement benefit, and postemployment benefit plan income or expense will depend on investment performance, changes in future discount rates, changes in health care cost trend rates, and other factors related to the populations participating in these plans.

RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

In March 2024, the SEC issued final rules on the enhancement and standardization of climate-related disclosures. The rules require disclosure of, among other things: material climate-related risks; activities to mitigate or adapt to such risks; governance and management of such risks; and material greenhouse gas (GHG) emissions from operations owned or controlled (Scope 1) and/or indirect emissions from purchased energy consumed in operations (Scope 2). Additionally, the rules require disclosure in the notes to the financial statements of the effects of severe weather events and other natural conditions, subject to certain materiality thresholds.

The SEC has issued a stay on the final rules due to litigation and the effective date is delayed indefinitely. We are in the process of analyzing the impact of the rules on our disclosures.

In December 2023, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2023-09 requiring enhanced income tax disclosures. The ASU requires disclosure of specific categories and disaggregation of information in the rate reconciliation table. The ASU also requires disclosure of disaggregated information related to income taxes paid, income or loss from continuing operations before income tax expense or benefit, and income tax expense or benefit from continuing operations. The

requirements of the ASU are effective for annual periods beginning after December 2022, 15, 2024, which for us is fiscal 2026. Early

adoption is permitted and the amendments should be applied on a prospective basis. Retrospective application is permitted. We are in the process of analyzing the impact of the ASU on our related disclosures.

In November 2023, the Financial Accounting Standards Board (FASB) FASB issued optional ASU accounting 2023-07 guidance requiring for enhanced segment disclosures. The ASU requires disclosure of significant segment expenses regularly provided to the chief operating decision maker (CODM) included within segment operating profit or loss. Additionally, the ASU requires a limited period description of howtthe CODM utilizes segment operating profit or loss to ease the potential burden in accounting for reference rate reform. The new standard provides expedients and exceptions to assess existing accounting requirements for contract modifications and hedge accounting related to transitioning from discontinued reference rates, such as LIBOR, to alternative reference rates, if certain criteria are met. The new accounting requirements can be applied through December 31, 2024. We have reviewed and modified certain contracts, where necessary, to apply a new reference rate,

primarily the SOFR. The guidance has not had and is not expected to have a material impact on our results of operations and financial position. We will continue to review our contracts and arrangements that will be affected by a discontinued reference rate during the transition period.

In September 2022, the FASB issued Accounting Standards Update (ASU) 2022-04 requiring enhanced disclosures related to supplier financing programs. segment performance. The ASU requires disclosure requirements of the key terms ASU are effective for annual periods beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. For us, annual reporting requirements will be effective for our fiscal 2025 and interim reporting requirements will be effective beginning with our first quarter of fiscal 2026. Early adoption is permitted and retrospective application is required for all periods presented. We are in the process of analyzing the impact of the program ASU on our related disclosures.

In December of 2021, the Organization for Economic Cooperation and Development (OECD) established a framework, referred to as

Pillar 2, designed to ensure large multinational enterprises pay a rollforward minimum 15 percent level of tax on the income arising in each jurisdiction in which they operate. The earliest effective date is for of the related obligation during the annual period, including the amount of obligations confirmed and obligations subsequently paid. The new disclosure requirements are effective for fiscal taxable years beginning after December 15, 2022 December 31, 2023, with the exception of the rollforward requirement, which is effective for fiscal years beginning after December 15, 2023, which for us is fiscal 2025. Numerous countries have already enacted the first quarter of OECD model rules, and several other fiscal

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Significant Items Impacting Comparability

Several measures below are presented on an adjusted basis. The adjustments are either items resulting from infrequently occurring events or items that, in management's judgment, significantly affect the year-to-year assessment of operating results.

The following are descriptions of significant items impacting comparability of our results.

Divestitures gain, net Goodwill and other intangible assets impairments

Net divestitures Non-cash gain primarily goodwill and other intangible assets impairment charges related to the sale of our Helper main Latin America meals reporting unit and Suddenly Salad our

Top *side dishes* *Chews*

,

True Chews

, and

EPIC

business in brand intangible fiscal 2023.

Divestitures gain related to the sale of our interests in Yoplait SAS, Yoplait Marques SNC, and Liberté Marques Sàrl and the sale of our European dough businesses assets in fiscal 2022. 2024. Please see Note 3 6 to the Consolidated Financial Statements in Item 8 of this report.

Legal recovery

Legal recovery recorded in fiscal 2024.

30
Mark-to-market effects
Net mark-to-market valuation of certain commodity positions recognized in unallocated corporate items. Please see Note 8 to the
Consolidated Financial Statements in Item 8 of this report.
Investment activity, net
Valuation adjustments and the loss on sale of certain corporate investments in fiscal 2023. Valuation adjustments and the gain on sale of certain corporate investments in fiscal 2022.
Restructuring charges (recoveries) and project-related costs
Restructuring charges and project-related costs related to commercial strategy restructuring actions and previously announced restructuring actions in fiscal 2024. Restructuring charges and project-related costs for global supply chain actions, network
optimization actions, and previously announced restructuring actions in fiscal 2023. Please Restructuring see Note charges 4 to for the Consolidated International restructuring actions and net restructuring Financial

recoveries for previously announced restructuring actions in fiscal 2022. Please see Note 4 to the Consolidated Financial Statements in
Item 8 of this report.
Product recall, net
Voluntary recall costs recorded in Costs related to the fiscal 2023 related to voluntary recall of certain international
Häagen-Dazs
ice cream products, net of insurance recoveries.
recovery. Investment activity, net
Acquisition integration costs
Integration costs Valuation primarily resulting adjustments and the from the acquisition gain on sale of TNT Crust certain corporate investments in fiscal 2024. Valuation adjustments and the loss on sale of certain corporate investments in fiscal 2023. Integration costs resulting from the acquisition of Tyson Foods' pet treats business in fiscal 2022. Please see Note 3 to the Consolidated Financial Statements in Item 8 of this report.
Transaction costs
Transaction costs primarily related to the sale of our Helper main meals and Suddenly Salad side dish business in fiscal 2023. Fiscal
2022 transaction costs related primarily to the sale of our interests in Yoplait SAS, Yoplait Marques SNC, and Liberté Marques Sàrl,
the sale acquisition of our a European pet dough food businesses, business in Europe in fiscal 2024. Transaction costs primarily related to the sale of our Helper main meals and Suddenly Salad side dishes dish business and in fiscal 2023. Please see Note 3 to the acquisition Consolidated Financial Statements in Item 8 of this report.
Acquisition integration costs
Integration costs primarily resulting from the acquisition of TNT Crust. Crust in fiscal 2024 and fiscal 2023. Please see Note 3 to the
Consolidated Financial Statements in Item 8 of this report.
Divestitures gain, net
Net divestitures gain primarily related to the sale of our Helper main meals and Suddenly Salad side dishes business in fiscal 2023.
Please see Note 3 to the Consolidated Financial Statements in Item 8 of this report.
Non-income tax recovery
Recovery related to a Brazil indirect tax item recorded in fiscal 2022.
Tax item
Discrete tax benefit recognized in fiscal 2022 related to a release of a valuation allowance associated with our capital loss carryforwards expected to be used against future divestiture gains.
CPW restructuring charges
CPW restructuring charges related to previously announced restructuring restructuring actions.

Organic Net Sales Growth Rates

We provide organic net sales growth rates for our consolidated net sales and segment net sales. This measure is used in reporting to our Board of Directors and executive management and as a component of the measurement of our performance for incentive compensation purposes. We believe that organic net sales growth rates provide useful information to investors because they provide transparency to underlying performance in our net sales by excluding the effect that foreign currency exchange rate fluctuations, as well as acquisitions, divestitures, and a 53rd week, when applicable, have on year-to-year comparability. A reconciliation of these measures to reported net sales growth rates, the relevant GAAP measures, are included in our Consolidated Results of Operations and Results of Segment Operations discussions in the MD&A above.

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Adjusted Operating Profit and Related Constant-currency Growth Rate

This measure is used in reporting to our Board of Directors and executive management and as a component of the measurement of our performance for incentive compensation purposes. We believe that this measure provides useful information to investors because it is the operating profit measure we use to evaluate operating profit performance on a comparable year-to-year basis. Additionally, the measure is evaluated on a constant-currency basis by excluding the effect that foreign currency exchange rate fluctuations have on year-to-year comparability given the volatility in foreign currency exchange rates.

Our adjusted operating profit growth on a constant-currency basis is calculated as follows:

Fiscal Year

2023 **2024**

2022 **2023**

Change

Operating profit as reported

$

3,433.8 **3,431.7**

$

3,475.8 3,433.8

(1) Flat

% Goodwill and other intangible assets impairments

220.2

-

Legal recovery
(53.2)

32

Adjusted Diluted EPS and Related Constant-currency Growth Rate

This measure is used in reporting to our Board of Directors and executive management. We believe that this measure provides useful information to investors because it is the profitability measure we use to evaluate earnings performance on a comparable year-to-year basis.

The reconciliation of our GAAP measure, diluted EPS, to adjusted diluted EPS and the related constant-currency growth rate follows:

Fiscal Year

Per Share Data

2024

2023

2022

2023 vs.

2022 Change

Diluted earnings per share, as reported

$

4.31

$

4.42 4.31
(2) Flat
% Goodwill and other intangible assets impairments
Divestitures gain, net 0.28
(0.62) -

33
Free Cash Flow Conversion Rate
We believe this measure provides useful information to investors because it is important for assessing our efficiency in converting earnings to cash and returning cash to shareholders. The calculation of free cash flow conversion rate and net cash provided by operating activities conversion rate, its equivalent GAAP measure, follows:
In Millions
Fiscal 2023 2024
Net earnings, including earnings attributable to redeemable and noncontrolling interests, as reported
$
2,609.6 2,518.6
Divestitures gain, Goodwill and other intangible assets impairments, net of tax
(371.4) 161.8
Legal recovery, net of tax
(40.3)
Mark-to-market effects, net of tax
224.8 (30.1)
Restructuring charges, net of tax

28.4
Product recall, net, net of tax
(23.3)
Investment activity, net, net of tax
66.0 **12.6**
Restructuring charges, net of tax
48.4
Product recall, net, net of tax

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Adjusted Operating Profit as a Percent of Net Sales (Adjusted Operating Profit Margin)

We believe this measure provides useful information to investors because it is important for assessing our operating profit margin on a comparable year-to-year basis.

Our adjusted operating profit margins are calculated as follows:

Fiscal Year
Percent of Net Sales
2023 **2024**
2022 **2023**
Operating profit as reported
$
3,431.7
17.3
%
$

3,433.8
17.1
%
$ Goodwill and other intangible assets impairments
3,475.8 **220.2**
18.3 **1.1**
%
Divestitures gain, net -
(444.6)
(2.2) **-**

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Adjusted Effective Income Tax Rates

We believe this measure provides useful information to investors because it presents the adjusted effective income tax rate on a comparable year-to-year basis.

Adjusted effective income tax rates are calculated as follows:

Fiscal Year Ended

2023 2024

2022 2023

In Millions

(Except Per Share Data)

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Constant-currency After-Tax Earnings from Joint Ventures Growth Rate

We believe that this measure provides useful information to investors because it provides transparency to underlying performance of our joint ventures by excluding the effect that foreign currency exchange rate fluctuations have on year-to-year comparability given volatility in foreign currency exchange markets.

After-tax earnings from joint ventures growth rate on a constant-currency basis are calculated as follows:

Fiscal 2023 2024

Percentage change in after-tax earnings from joint ventures as reported

(27) 4

%

Impact of foreign currency exchange

(10)

pts

Percentage change in after-tax earnings from joint ventures on on a constant-currency basis

(18) 14
%
Note: Table may not foot due to rounding.
Net Sales Growth Rate for Canada Operating Unit on a Constant-currency Basis
We believe this measure of our Canada operating unit net sales provides useful information to investors because it provides transparency to the underlying performance for the Canada operating unit within our North America Retail segment by excluding the effect that foreign currency exchange rate fluctuations have on year-to-year comparability given volatility in foreign currency exchange markets.
Net sales growth rate for our Canada operating unit on a constant-currency basis is calculated as follows:
Fiscal 2023 2024
Percentage change in net sales as reported
2 5
%
Impact of foreign currency exchange
(6) (1)
pts pt
looking forward-looking non-GAAP financial
measures to their most directly comparable forward-looking GAAP financial measures without
unreasonable efforts because because we are
are unable to predict with a reasonable degree of certainty the actual impact of changes in foreign currency exchange rates impact of changes in foreign and commodity

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currency exchange rates and commodity prices or the timing or impact of acquisitions, divestitures, and restructuring actions throughout fiscal 2025. The unavailable throughout fiscal 2024. The unavailable information could have a significant impact on our fiscal 2024 2025 GAAP financial results.
For fiscal 2024, 2025, we currently expect: foreign currency exchange rates (based on a blend of forward and forecasted rates and hedge positions) and acquisitions and divestitures completed prior to fiscal 2024 2025 will have no material impact to reduce net sales growth by approximately one half of one and percent; and restructuring charges to total approximately $15 million to $20 million. be immaterial.
ITEM 7A - QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK
We are exposed to market risk stemming from changes in interest and foreign exchange rates and commodity and equity prices.
Changes in these factors could cause fluctuations in our earnings and cash flows. In the normal course of business, we actively manage our exposure to these market risks by entering into various hedging transactions, authorized under established policies that place controls on these activities. The counterparties in these transactions are generally highly rated institutions. We establish credit limits for each counterparty. Our hedging transactions include but are not limited to a variety of derivative financial instruments. For
information on interest rate, foreign exchange, commodity price, and equity instrument risk, please see Note 8 to the Consolidated
Financial Statements in Item 8 of this report.
VALUE AT RISK

The estimates in the table below are intended to measure the maximum potential fair value we could lose in one day from adverse changes in market interest rates, foreign exchange rates, commodity prices, and equity prices under normal market conditions.

A

Monte Carlo value-at-risk (VAR) methodology was used to quantify the market risk for our exposures. The models assumed normal market conditions and used a 95 percent confidence level.

The VAR calculation used historical interest and foreign exchange rates, and commodity and equity prices from the past year to estimate the potential volatility and correlation of these rates in the future. The market data were drawn from the RiskMetrics™ data set. The calculations are not intended to represent actual losses in fair value that we expect to incur. Further, since the hedging instrument (the derivative) inversely correlates with the underlying exposure, we would expect that any loss or gain in the fair value of our derivatives would be generally offset by an increase or decrease in the fair value of the underlying exposure. The positions included in the calculations were: debt; investments; interest rate swaps; foreign exchange forwards; commodity swaps, futures, and options; and equity instruments. The calculations do not include the underlying foreign exchange and commodities or equity-related positions that are offset by these market-risk-sensitive instruments.

The table below presents the estimated maximum potential VAR arising from a one-day loss in fair value for our interest rate, foreign currency, commodity, and equity market-risk-sensitive instruments outstanding as of May 28, 26, 2023. 2024.

In Millions

May 28, 2023 26, 2024

Average During

Fiscal 2023 2024

May 29, 2022 28, 2023

Analysis of Change

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CAUTIONARY STATEMENT RELEVANT TO FORWARD-LOOKING INFORMATION FOR THE PURPOSE OF "SAFE HARBOR" PROVISIONS OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

This report contains or incorporates by reference forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that are based on our current expectations and assumptions. We also may make written or oral forward-looking statements, including statements contained in our filings with the SEC and in our reports to shareholders. The words or phrases "will likely result," "are expected to," "may continue," "is anticipated," "estimate," "plan," "project," or similar expressions identify "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are subject to certain risks and uncertainties that could cause actual results to differ materially from historical results and those currently anticipated or projected. We wish to caution you not to place undue reliance on any such forward-looking statements.

In connection with the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, we are identifying important factors that could affect our financial performance and could cause our actual results in future periods to differ materially from from any current opinions or statements.

Our future results could be affected by a variety of factors, such as: disruptions or inefficiencies in the supply chain; competitive dynamics in the consumer foods foods industry and the markets for our products, including new product introductions, advertising activities, pricing actions, and promotional activities of our competitors; economic conditions, including changes in inflation rates, interest rates, tax rates, or the availability of capital; product development and innovation; consumer acceptance of new products and product improvements; consumer reaction to pricing actions and changes in promotion levels; acquisitions or dispositions of businesses or assets; changes in capital structure; changes in the legal and regulatory environment,

including tax legislation, labeling labeling and advertising regulations, and litigation; impairments in the carrying value of goodwill, other intangible assets, or other long-lived assets, or changes in the useful lives of other intangible assets; changes in accounting standards and the impact of significant accounting estimates;
product quality and safety issues, including recalls and product liability; changes in consumer demand for our products; effectiveness of advertising, marketing, and promotional programs; changes in consumer behavior, trends, and preferences, including weight loss trends; consumer perception of health-related issues, including obesity; consolidation in the retail environment; changes in purchasing and inventory levels of significant customers; fluctuations in the cost and availability of supply chain resources, including raw materials, packaging, energy, and transportation; effectiveness of restructuring and cost saving initiatives; volatility in the market value of derivatives used to manage price risk for certain commodities; benefit plan expenses due to changes in plan asset values and discount rates used to determine plan liabilities; failure or or breach of our information technology systems; foreign foreign economic conditions,
including currency rate fluctuations; and political unrest in foreign markets and economic uncertainty due to terrorism or war.

You should also consider the risk factors that we identify in Item 1A of this report, which could also affect our future results. We undertake no obligation to publicly revise any forward-looking statements to reflect events or circumstances after the date of those statements or to reflect the occurrence of anticipated or unanticipated events.

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ITEM 8 - Financial Statements and Supplementary Data

REPORT OF MANAGEMENT RESPONSIBILITIES

The management of General Mills, Inc. is responsible for the fairness and accuracy of the consolidated financial statements. The
statements have been prepared in accordance with accounting principles that are generally accepted in the United States, using management's best estimates and judgments where appropriate. The financial information throughout this Annual Report on Form 10-
K is consistent with our consolidated financial statements.

Management has established a system of internal controls that provides reasonable assurance that assets are adequately safeguarded and transactions are recorded accurately in all material respects, in accordance with management's authorization. We maintain a strong audit program that independently evaluates the adequacy and effectiveness of internal controls. Our internal controls provide for appropriate separation of duties and responsibilities, and there are documented policies regarding use of our assets and proper financial reporting. These formally stated and regularly communicated policies demand highly ethical conduct from all employees.

The Audit Committee of the Board of Directors meets regularly with management, internal auditors, and our independent registered public accounting firm to review internal control, auditing, and financial reporting matters. The independent registered public accounting firm, internal auditors, and employees have full and free access to the Audit Committee at any time.

The Audit Committee reviewed and approved the Company's annual financial statements. The Audit Committee recommended, and the Board of Directors approved, that the consolidated financial statements be included in the Annual

Report. The Audit Committee
also appointed KPMG LLP to serve as the Company's independent registered public accounting firm for fiscal 2024. 2025.

/s/ J. L. Harmening | /s/ K. A. Bruce
J. L. Harmening | K. A. Bruce
Chief Executive Officer | Chief Financial Officer

June 28, 2023 26, 2024

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Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors
General Mills, Inc.:

Opinions on the Consolidated Financial Statements and Internal Control Over Financial Reporting

We have audited the accompanying consolidated balance sheets of General Mills, Inc. and subsidiaries (the Company) as of
May 28, 2023, 26, 2024, and May 29, 2022 May 28, 2023, the related consolidated statements of earnings, comprehensive income, total equity and redeemable interest, and cash flows for each of the years in the three-year period ended May 28, 2023, 26, 2024, and the related notes and financial statement schedule II (collectively, the consolidated financial statements). We also have audited the Company's internal control over financial reporting as of May 28, 2023 May 26, 2024, based on criteria established in
Internal Control – Integrated Framework (2013)
issued by the
Committee of Sponsoring Organizations of the Treadway Commission.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of May 28, 2023, 26, 2024, and May 29, 28, 2022, 2023, and the results of its operations and its cash flows for each of the years in the three-year period ended May 28, 2023, 26, 2024, in conformity with U.S. generally accepted accounting principles. Also in our opinion, the

Company maintained, in all material respects, effective internal control over financial reporting as of May 28, 2023, 26, 2024, based on criteria established in
Internal Control – Integrated Framework (2013)
issued by the Committee of Sponsoring Organizations of the
Treadway Commission.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the
Company's consolidated financial statements and an opinion on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB)
and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such
procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the

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Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The
communication of a critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Valuation of goodwill and brand intangible assets

As discussed in Note 6 to the consolidated financial statements, the goodwill and brands and other indefinite-lived intangibles balances as of May 28, 26, 2023, 2024, were $14,511.2 14,750.7 million and $6,712.4 6,728.6 million, respectively. The impairment tests for these assets, which are performed annually and whenever events or changes in circumstances indicate that impairment may have occurred, require the Company to estimate the fair value of the reporting units to which goodwill is assigned as well as the brands and other indefinite-lived intangible assets. The fair value estimates are derived from discounted cash flow analyses that require the Company to make judgments about highly subjective matters, including future operating results, including revenue growth rates and operating margins, and an estimate of the discount rates and royalty rates.

We identified the assessment of the valuation of certain goodwill and brand intangible assets as a critical audit matter. There
was a significant degree of judgment required in evaluating audit evidence, which consists primarily of forward-looking assumptions about future operating results, specifically the revenue growth rates and operating margins, royalty rates and subjective inputs used to estimate the discount rates.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of internal controls related to the valuation of goodwill and brand intangible assets. This
included controls related to the assumptions about future operating results and the discount and royalty rates used to measure the fair value of the reporting units and brands intangible assets. We performed sensitivity analyses over the revenue growth rates, operating margins, brand royalty rates and discount rates to assess the impact of other points within a range of potential assumptions. We evaluated the revenue growth rates and operating margin assumptions by comparing them to recent financial performance and external market and industry data. We evaluated whether these assumptions were consistent with evidence obtained in other areas of the audit. We involved professionals with specialized skills and knowledge, who assisted in the evaluation of the Company's discount rates by comparing them against rate ranges that were independently developed using publicly available market data for comparable entities and the royalty rates by evaluating the methods, assumptions and market data used to estimate the royalty rates.

/s/
KPMG
LLP

We have served as the Company's auditor since 1928.

Minneapolis, Minnesota

June 28, 2023 26, 2024

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Consolidated Statements of Earnings

GENERAL MILLS, INC. AND SUBSIDIARIES

(In Millions, Except per Share Data)

Fiscal Year

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Consolidated Statements of Comprehensive Income

GENERAL MILLS, INC. AND SUBSIDIARIES

(In Millions)

Fiscal Year

2024

2023

2022

2021

Net earnings, including earnings attributable to redeemable and redeemable and noncontrolling interests

$

2,518.6

$

2,609.6

$

2,735.0

$

2,346.0

Other comprehensive (loss) income, net of tax:

Foreign currency translation

(86.6)

(110.8)

(175.9)

175.1

44

Consolidated Balance Sheets

GENERAL MILLS, INC. AND SUBSIDIARIES

(In Millions, Except Par Value)

May 28, 2023 26, 2024

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Consolidated Statements of Cash Flows

GENERAL MILLS, INC. AND SUBSIDIARIES

(In Millions)

Fiscal Year

2023 **2024**

2022 **2023**

2021 **2022**

Cash Flows - Operating Activities

Net earnings, including earnings attributable to redeemable and noncontrolling interests

$

2,518.6

$

2,609.6

$

2,735.0

$

2,346.0

Adjustments to reconcile net earnings to net cash provided by operating activities:

Depreciation and amortization

552.7

546.6

Notes to Consolidated Financial Statements

GENERAL MILLS, INC. AND SUBSIDIARIES

NOTE 1. BASIS OF PRESENTATION AND RECLASSIFICATIONS

Basis of Presentation

Our Consolidated Financial Statements include the accounts of General Mills, Inc. and all subsidiaries in which we have a controlling financial interest. Intercompany transactions and accounts, including any noncontrolling and redeemable interests' share of those transactions, are eliminated in consolidation.

Our fiscal year ends on the last Sunday in May. Our India business is on an April fiscal year end.

Certain reclassifications to our previously reported financial information have been made to conform to the current period presentation.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and Cash Equivalents

We consider all investments purchased with an original maturity of three months or less to be cash equivalents.

Inventories

All inventories in the United States other than grain are valued at the lower of cost, using the last-in, first-out (LIFO) method, or market. Grain inventories are valued at net realizable value, and all related cash contracts and derivatives are valued at fair value, with all net changes in value recorded in earnings currently.

Inventories outside of the United States are generally valued at the lower of cost, using the first-in, first-out (FIFO) method, or net realizable value.

Shipping costs associated with the distribution of finished product to our customers are recorded as cost of sales and are recognized when the related finished product is shipped to and accepted by the customer.

Land, Buildings, Equipment, and Depreciation

Land is recorded at historical cost. Buildings and equipment, including capitalized interest and internal engineering costs, are recorded at cost and depreciated over estimated useful lives, primarily using the straight-line method. Ordinary maintenance and repairs are charged to cost of sales. Buildings are usually depreciated over

40

years, and equipment, furniture, and software are usually depreciated over

3

to

10

years. Fully depreciated assets are retained in buildings and equipment until disposal. When an item is sold or retired, the accounts are relieved of its cost and related accumulated depreciation and the resulting gains and losses, if any, are recognized in earnings.

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset (or asset group) may not be recoverable. An impairment loss would be recognized when estimated undiscounted future cash flows from the operation and disposition of the asset group are less than the carrying amount of the asset group. Asset groups have identifiable cash flows and are largely independent of other asset groups. Measurement of an impairment loss would be based on the excess of the carrying amount of the asset group over its fair value. Fair value is measured using a discounted cash flow model or independent appraisals, as appropriate.

Goodwill and Other Intangible Assets

Goodwill is not subject to amortization and is tested for impairment annually and whenever events or changes in circumstances indicate that impairment may have occurred. We perform our annual goodwill and indefinite-lived intangible assets impairment test as of the first day of the second quarter of the fiscal year. Impairment testing is performed for each of our reporting units. We compare the carrying value of a reporting unit, including goodwill, to the fair value of the unit. Carrying value is based on the assets and liabilities associated with the operations of that reporting unit, which often requires allocation of shared or corporate items among reporting units. If the carrying amount of a reporting unit exceeds its fair value, impairment has occurred. We recognize an impairment charge for the amount by which the carrying amount of the reporting unit exceeds its fair value up to the total amount of goodwill allocated to the reporting unit. Our estimates of fair value are determined based on a discounted cash flow model. Growth rates for sales and profits are determined using inputs from our long-range planning process. We also make estimates of discount rates, perpetuity growth assumptions, market comparables, and other factors.

We evaluate the useful lives of our other intangible assets, mainly brands, to determine if they are finite or indefinite-lived. Reaching a determination on useful life requires significant judgments and assumptions regarding the future effects of obsolescence, demand, competition, other economic factors (such as the stability of the industry, known technological advances,

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in an uncertain or changing regulatory environment, and expected changes in distribution channels), the level of required maintenance expenditures, and the expected lives of other related groups of assets. Intangible assets that are deemed to have finite lives are amortized on a straight-line basis, over their useful lives, generally ranging from 4 to 30 years.

Our indefinite-lived intangible assets, mainly intangible assets primarily associated with the *Blue Buffalo*, *Pillsbury*, *Totino's*, *Old El Paso*, *Progresso*, *Annie's*, *Nudges*, and *Häagen-Dazs* brands, are also tested for impairment annually and whenever events or changes in circumstances indicate that their carrying value may not be recoverable. Our estimate of the fair value of the brands is based on a discounted cash flow model using inputs which included projected revenues from our long-range plan, assumed royalty rates that could be payable if we did not own the brands, and a discount rate.

Our finite-lived intangible assets, primarily acquired customer relationships, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. An impairment loss would be recognized when estimated undiscounted future cash flows from the operation and disposition of the asset are less than the carrying amount of the asset. Assets generally have identifiable cash flows and are largely independent of other assets. Measurement of an impairment loss would be based on the excess of the carrying amount of the asset over its fair value. Fair value is measured using a discounted cash flow model or other similar valuation model, as appropriate.

Investments in Unconsolidated Joint Ventures

Our investments in companies over which we have the ability to exercise significant influence are stated at cost plus our share of undistributed earnings or losses. We receive royalty income from certain joint ventures, incur various expenses (primarily research and development) and record the tax impact of certain joint venture operations that are structured as partnerships. In addition, we make advances to our joint ventures in the form of loans or capital investments. We also sell certain raw materials, semi-finished goods, and finished goods to the joint ventures, generally at market prices.

In addition, we assess our investments in our joint ventures if we have reason to believe an impairment may have occurred including, but not limited to, as a result of ongoing operating losses, projected decreases in earnings, increases in the weighted-average cost of capital, or significant business disruptions. The significant assumptions used to estimate fair value include revenue growth and profitability, royalty rates, capital spending, depreciation and taxes, foreign currency exchange rates, and a discount rate. By their nature, these projections and assumptions are uncertain. If we were to determine the current fair value of our investment was less than the carrying value of the investment, then we would assess if the shortfall was of a temporary or permanent nature and write down the investment to its fair value if we concluded the impairment is other than temporary.

Leases

We determine whether an arrangement is a lease at inception. When our lease arrangements include lease and non-lease components, we account for lease and non-lease components (e.g. common area maintenance) separately based on their relative standalone prices.

Any lease arrangements with an initial term of 12 months or less are not recorded on our Consolidated Balance Sheets, and we recognize lease costs for these lease arrangements on a straight-line basis over the lease term. Many of our lease arrangements provide us with options to exercise one or more renewal terms or to terminate the lease arrangement. We include these options when we are reasonably certain to exercise them in the lease term used to establish our right of use assets and lease liabilities. Generally, our lease agreements do not include an option to purchase the leased asset, residual value guarantees, or material restrictive covenants.

We have certain lease arrangements with variable rental payments. Our lease arrangements for our Häagen-Dazs retail shops often include rental payments that are based on a percentage of retail sales. We have other lease arrangements that are adjusted periodically based on an inflation index or rate. The future variability of these payments and adjustments are unknown, and therefore they are not included as minimum lease payments used to determine our right of use assets and lease liabilities. Variable rental payments are recognized in the period in which the obligation is incurred.

As most of our lease arrangements do not provide an implicit interest rate, we apply an incremental borrowing rate based on the information available at the commencement date of the lease arrangement to determine the present value of lease payments.

Revenue Recognition

Our revenues primarily result from contracts with customers, which are generally short-term and have a single performance obligation – the delivery of product. We recognize revenue for the sale of packaged foods at the point in time when our performance obligation has been satisfied and control of the product has transferred to our customer, which generally occurs when the shipment is accepted by our customer. Sales include shipping and handling charges billed to the customer and are reported net of variable consideration and consideration payable to our customers, including trade promotion, consumer coupon redemption and other reductions to the

transaction price, including estimated allowances for returns, unsalable product, and prompt pay discounts. Sales, use, value-added,
and other excise taxes are not included in revenue. Trade promotions are recorded using significant judgment of estimated participation and performance levels for offered programs at the time of sale. Differences between estimated and actual reductions to the transaction price are recognized as a change in

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However, on a limited case-by-case basis with prior approval, we may allow customers to return product. In limited circumstances,
product returned in saleable condition is resold to other customers or outlets. Receivables from customers generally do not bear interest. Payment terms and collection patterns vary around the world and by channel, and are short-term, and as such, we do not have any significant financing components. Our allowance for doubtful accounts represents our estimate of expected credit losses related to our trade receivables. We pool our trade receivables based on similar risk characteristics, such as geographic location, business channel, and other account data. To estimate our allowance for doubtful accounts, we leverage information on historical losses, asset-specific risk characteristics, current conditions, and reasonable and supportable forecasts of future conditions. Account balances are written off against the allowance when we deem the amount is uncollectible.

Please see Note 17 for a disaggregation of our revenue into categories that depict how the nature, amount, timing, and uncertainty of revenue and cash flows are affected by economic factors. We do not have material contract assets or liabilities arising from our contracts with customers.

Environmental Costs

Environmental costs relating to existing conditions caused by past operations that do not contribute to current or future revenues are expensed. Liabilities for anticipated remediation costs are recorded on an undiscounted basis when they are probable and reasonably estimable, generally no later than the completion of feasibility studies or our commitment to a plan of action.

Advertising Production Costs

We expense the production costs of advertising the first time that the advertising takes place.

Research and Development

All expenditures for research and development (R&D) are charged against earnings in the period incurred. R&D includes expenditures for new product and manufacturing process innovation, and the annual expenditures are comprised primarily of internal salaries, wages, consulting, and supplies attributable to R&D activities. Other costs include depreciation and maintenance of research facilities, including assets at facilities that are engaged in pilot plant activities.

Foreign Currency Translation

For all significant foreign operations, the functional currency is the local currency. Assets and liabilities of these operations are translated at the period-end exchange rates. Income statement accounts are translated using the average exchange rates prevailing during the period. Translation adjustments are reflected within accumulated other comprehensive loss (AOCI) in stockholders' equity.

Gains and losses from foreign currency transactions are included in net earnings for the period, except for gains and losses on investments in subsidiaries for which settlement is not planned for the foreseeable future and foreign exchange gains and losses on instruments designated as net investment hedges. These gains and losses are recorded in AOCI.

Derivative Instruments

All derivatives are recognized on our Consolidated Balance Sheets at fair value based on quoted market prices or our estimate of their fair value, and are recorded in either current or noncurrent assets or liabilities based on their maturity. Changes in the fair values of derivatives are recorded in net earnings or other comprehensive income, based on whether the instrument is designated and effective as a hedge transaction and, if so, the type of hedge transaction. Gains or losses on derivative instruments reported in AOCI are reclassified to earnings in the period the hedged item affects earnings. If the underlying hedged transaction ceases to exist, any associated amounts reported in AOCI are reclassified to earnings at that time. Cash flows from derivative instruments are primarily reported in AOCI are reclassified to earnings at that time. cash flows from operating activities in our Consolidated Statements of Cash Flows.

Stock-based Compensation

We generally measure compensation expense for grants of restricted stock units and performance share units using the value of a share of our stock on the date of grant. We estimate the value of stock option grants using a Black-Scholes valuation model. Generally,
stock-based compensation is recognized straight line over the vesting period. Our stock-based compensation

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Postemployment benefits that do not vest or accumulate with service (such as severance based solely on annual pay rather than years of service) are charged to expense when incurred. Our postemployment benefit plans are unfunded.

We recognize the underfunded or overfunded status of a defined benefit pension plan as an asset or liability and recognize changes in the funded status in the year in which the changes occur through AOCI.

Use of Estimates

Preparing our Consolidated Financial Statements in conformity with accounting principles generally accepted in the United States
requires us to make estimates and assumptions that affect reported amounts of assets and liabilities, disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

These estimates include our accounting for revenue recognition, valuation of long-lived assets, intangible assets, stock-based compensation, income taxes, and
defined benefit pension, other postretirement benefit and postemployment benefit plans. Actual results could differ from our estimates.

New Accounting Standards

In the first quarter of fiscal 2024, we adopted optional accounting guidance to ease the burden in accounting for reference rate reform.

The new standard provides temporary expedients and exceptions to existing accounting requirements for

NOTE 3. ACQUISITIONS AND

loss model,
which will
generally result in earlier recognition During the fourth quarter of credit fiscal 2024, we acquired losses. Our a pet food business in Europe, allowance for a purchase price of $

for doubtful 434.5
accounts represents million, net of cash acquired. The our estimate purchase price of expected includes approximately credit losses $
8
million related to our trade a receivables. holdback, which we expect to pay in the first quarter of fiscal 2025, contingent upon certain closing requirements. We pool our trade financed receivables based on similar risk characteristics, the such as geographic location, transaction business channel, and other with account data. To estimate our allowance for doubtful accounts, we leverage information cash on historical losses, asset-specific risk characteristics, current conditions, and reasonable and supportable forecasts of future conditions. Account balances are written off against the allowance when we deem the amount is uncollectible. hand. We adopted consolidated the business into requirements our Consolidated Balance Sheets and recorded goodwill of $
318.1
million, an indefinite-lived brand intangible asset of
$
118.4
million and a finite-lived customer relationship asset of $

14.2

million. The goodwill is included in the International segment and is not deductible for tax purposes. The pro forma effects of this acquisition were not material. We have conducted a preliminary assessment of the fair new value standard of the acquired assets and liabilities of the business and subsequent will continue amendments to review using these items during the measurement period. If new information is obtained about facts and circumstances that existed at the acquisition date, the acquisition accounting will be revised to reflect the modified retrospective transition approach, and recorded a decrease to retained resulting earnings adjustments to current estimates of these items. The consolidated results will be reported as part of our International operating segment in future periods on a one-month lag. Accordingly, in fiscal 2024, our Consolidated Statements of $

5.7

million after-tax

. Earnings do not include results of this business.

NOTE 3. ACQUISITION AND DIVESTITURES

During the first quarter of fiscal 2023, we acquired TNT Crust, a manufacturer of high-quality frozen pizza crusts for regional and national pizza chains, foodservice distributors, and retail outlets, for a purchase price of $

253.0

million. We financed the transaction with U.S. commercial paper. We consolidated the TNT Crust business into our Consolidated Balance Sheets Sheets and recorded goodwill of

$

156.8 156.7

million. The goodwill is included in the North America Foodservice segment and is not deductible for tax purposes. The pro forma effects of this acquisition were not material. We have conducted a preliminary assessment of the fair value of the acquired assets and liabilities of the TNT Crust business and will continue to review these items during the measurement period. If new information is obtained about facts and circumstances that existed at the acquisition date, the acquisition accounting will be revised to reflect the resulting adjustments to current estimates of these items. The consolidated results of the TNT Crust business are reported in our North America Foodservice segment on a one-month lag. were not material.

During the first quarter of fiscal 2023, we completed the sale of our Helper main meals and Suddenly Salad side dishes business to

Eagle Family Foods Group for $

606.8

million and recorded a pre-tax gain of $

442.2

million.

In fiscal 2022, we sold our European dough businesses and recorded a net pre-tax gain on sale of $

30.4

million.

During the third quarter of fiscal 2022, we sold our interests in Yoplait SAS, Yoplait Marques SNC, and Liberté Marques Sàrl to

Sodiaal International (Sodiaal) in exchange for Sodiaal's interest in our Canadian yogurt business, a modified agreement for the use of

Yoplait

and

Liberté

brands in the United States and Canada, and cash. We recorded a net pre-tax gain of $

163.7

million on the sale of these businesses.

During the first quarter of fiscal 2022, we acquired Tyson Foods’ pet treats business for $ 1.2 billion in cash. We financed the transaction with a combination of cash on hand and short-term debt. We consolidated Tyson Foods’ pet treats business into our Consolidated Balance Sheets and recorded goodwill of $ 762.3 million, indefinite-lived intangible assets for the *Nudges*, *Top Chews*, and *True Chews* brands totaling $ 330.0 million in aggregate, and a finite-lived customer relationship asset of $ 40.0 million.

The goodwill is included in the Pet reporting unit and is deductible for tax purposes. The pro forma effects of this acquisition were not material.

During the fourth quarter of fiscal 2021, we recorded a pre-tax loss of $ 53.5 million related to the sale of our Laticínios Carolina business in Brazil.

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NOTE 4. RESTRUCTURING, IMPAIRMENT, AND OTHER EXIT COSTS

INTANGIBLE ASSET IMPAIRMENTS

In fiscal 2024, we recorded a $117.1 million non-cash goodwill impairment charge related to our Latin America reporting unit. Please see Note 6 for additional information.

In fiscal 2024, we recorded $103.1 million of non-cash impairment charges related to our *Top Chews*, *True Chews*, and *EPIC* brand intangible assets. Please see Note 6 for additional information.

RESTRUCTURING INITIATIVES

We view our restructuring activities as actions that help us meet our long-term growth targets and are evaluated against internal rate of return and net present value targets. Each restructuring action normally takes one to two years to complete. At completion (or as each major stage is completed in the case of multi-year programs), the project begins to deliver cash savings and/or reduced depreciation.

These activities result in various restructuring costs, including asset write-offs, exit charges including severance, contract termination fees, and decommissioning and other costs. Accelerated depreciation associated with restructured assets, as used in the context of our disclosures regarding restructuring activity, refers to the increase in depreciation expense caused by shortening the useful life or updating the salvage value of depreciable fixed assets to coincide with the end of production under an approved restructuring plan.

Any impairment of the asset is recognized immediately in the period the plan is approved.

Restructuring charges recorded in fiscal 2024 were as follows:

In fiscal 2024, we approved restructuring actions to enhance the go-to-market commercial strategy and related organizational structure of our Pet segment. We expect to incur approximately $ 24 million of restructuring charges and project-related costs related to these actions, of which approximately $ 2 million will be cash. These charges are expected to consist of approximately $ 15 million of accelerated depreciation and $ 9 million of other costs, including severance. We recognized $ 13.7 million of accelerated depreciation and $ 4.9 million of other costs in fiscal 2024. We expect these actions to be completed by the end of fiscal 2026.

Commercial strategy actions

15.6

0.2

[redacted]

In fiscal 2024, we increased the estimate of restructuring charges that we expect to incur related to our previously announced actions in the International segment to drive efficiencies in manufacturing and logistics operations. As a result, we recorded a $ 3.4 million long-lived asset impairment charge. We have incurred approximately $ 42 million of restructuring charges and project-related costs related to these actions, of which approximately $ 14 million was cash. These charges consisted of approximately $ 12 million of severance and $ 30 million of other costs, primarily asset write-offs. We expect to pay approximately $ 4 million in cash related to these actions and record immaterial charges in fiscal 2025. Certain actions are subject to union negotiations and works counsel consultations, where required.

Global supply chain actions

Network optimization actions

Charges associated with restructuring actions previously announced

We paid net $ 35.5 million of cash related to restructuring actions in fiscal 2024. We paid net $ 36.6 million of cash in fiscal 2023.

In fiscal 2023, we approved restructuring actions to ... ucture. We expect to incur approximately $ 5 million of restructuring charges and project-related costs related to these actions, of which approximately $ 3 million will be cash. These charges are expected to consist of approximately $ 46 million of asset impairment and $ 11 million of other asset write-offs. We recognized $ 25.8 million of severance and $ 10.4 million of other costs in fiscal 2023. We expect these actions to be completed by the end of fiscal 2025.

In fiscal 2023, we approved restructuring actions in our International segment to optimize our Häagen-Dazs shops network. We expect to incur approximately $ 10 million of restructuring charges and project-related costs related to these actions, of which approximately $ 9 million will be cash. These charges are expected to consist of approximately $ 6 million of severance and $ 4 million of other costs. We recognized $ 5.6 million of severance and $ 0.8 million of other costs in fiscal 2023. We expect these actions to be completed by the end of fiscal 2024 . Certain actions are subject to union negotiations and

Expense, in

Restructuring and impairment charges recorded in fiscal 2021 were and project-related costs are classified in our Consolidated Statements of Earnings as follows:

Expense, in

Millions

nternational manufacturing and logistics operations

The roll forward of our restructuring and other exit cost reserves, included in other current

abilities, is as follows.

structuring recoveries

nizational structure 2024

g, impairment, and resource alignment other exit costs (recoveries)

route to market and supply chain optimization $

sociated with restructuring actions previously announced $

s

turing and impairment charges (recoveries)

1.0

23.2)

ted costs classified in cost of sales

52

Restructuring and impairment charges and project-related costs are classified in our Consolidated Statements of Earnings as follows:

Fiscal Year			
In Millions	**2023**	**2022**	**2021**
Restructuring, impairment, and other exit costs (recoveries)	$ [illegible]	$ (26.5)	$ 170.4
Cost of sales	**4.8**	3.3	2.3
Total restructuring and impairment charges (recoveries)	**61.0**	(23.2)	172.7

The roll forward of our restructuring and other exit cost reserves, included in other current liabilities, is as follows:

Project-related costs classified in cost of sales

In Millions	Severance	Other Exit Costs	Total
Reserve balance as of May 31, 2020 May 30, 2021	$ 17.8 147.3	$ - 1.5	$ 17.8
Fiscal 2021 charges, including foreign currency translation	142.3	1.6	143.9
Utilized in fiscal 2021	(12.8)	(0.1)	(12.9)
Reserve balance as of May 30, 2021	147.3	1.5	148.8
Fiscal 2022 charges, including foreign currency translation	2.3	1.1	3.4
Reserve adjustment	(34.0)	-	(34.0)
Utilized in fiscal 2022	(80.1)	(1.3)	(81.4)
Reserve balance as of May 29, 2022	35.4	1.4	36.8
Fiscal 2023 charges, including foreign currency translation	41.6	0.1	41.7
Utilized in fiscal 2023	(29.4)	(1.4)	(30.8)
Reserve balance as of May 28, 2023	$ 47.6	47.6 0.1	47.7
Fiscal 2024 charges, including foreign currency translation			

The charges recognized in the roll forward of our reserves for restructuring and other exit costs do not include items charged directly to expense (e.g., asset impairment charges, the gain or loss on the sale of restructured assets, and the the write-off of spare parts) and other periodic exit costs recognized as incurred, as those items are not reflected in our restructuring and other exit cost reserves on our Consolidated Balance Sheets.

NOTE 5. INVESTMENTS IN UNCONSOLIDATED JOINT VENTURES

We have a 50 percent interest in Cereal Partners Worldwide (CPW), which manufactures and markets ready-to-eat cereal products in approximately 130 countries outside the United States and Canada. CPW also markets cereal bars in European countries and manufactures private label cereals for customers in the United Kingdom. We have guaranteed a portion of CPW's debt and its pension obligation in the United Kingdom.

We also have a 50 percent interest in Häagen-Dazs Japan, Inc. (HDJ). This joint venture manufactures and markets *Häagen-Dazs* ice cream products and frozen novelties.

Results from our CPW and HDJ joint ventures are reported for the 12 months ended March 31.

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Joint venture related balance sheet activity is as follows:

Joint venture earnings and cash flow activity is as follows:

In Millions

Summary combined financial information for the joint ventures on a 100 percent

Investments

and other intangibles intangible assets

t ventures

NOTE 6. GOODWILL AND OTHER INTANGIBLE ASSETS

In Millions

2024

-
0.1
0.1 e as follows:
Utilized in fiscal 2024
(32.8)
(0.2)
(33.0)
Reserve balance as of May 26, 2024
$
0.1 **14.8** assets
$
47.7 **-**
$ lities
14.8

3.2 l net sales

Earnings before income taxes
53
Joint venture earnings and cash flow activity is as