



CORPORATE GOVERNANCE & NOMINATING COMMITTEE

CHARTER

TABLE OF CONTENTS

	Page
PART I. <u>Establishment of Committee</u>	1
1. Committee.....	1
2. Composition of Committee.....	1
3. Appointment of Committee Members	1
PART II. <u>Committee Procedure</u>	2
4. Vacancies	2
5. Committee Chair.....	2
6. Absence of Chair.....	2
7. Secretary of Committee	2
8. Regular Meetings.....	2
9. Special Meetings.....	2
10. Quorum	2
11. Notice of Meetings.....	3
12. Agenda	3
13. Delegation	3
14. Access	3
15. Attendance of Officers at a Meeting.....	3
16. Procedure, Records and Reporting	3
17. Outside Consultants or Advisors	3
PART III. <u>Mandate of Committee</u>	4
18. Identification and Long-Term Planning of Board Member Characteristics	4
19. Evaluation, Identification and Recommendation of Nominees to the Board	4
20. Monitoring and Review of Board Member Education and Commitments	4
21. Recommendation of Directors to Serve as Committee Members and Chairs	4
22. Development of Corporate Governance Guidelines	5
23. Director Compensation	5
24. Board Guidelines, Policies, Procedures and Charter	5
25. Establishment and Implementation of Evaluation Processes.....	6
26. Committee Evaluation	6

TABLE OF CONTENTS
(continued)

	Page
27. Review of Disclosure.....	6
28. Review of Committee's Charter.....	6
29. Non-Exhaustive List	6

AGRIUM INC.

CORPORATE GOVERNANCE & NOMINATING COMMITTEE

CHARTER

PART I.

Establishment of Committee

1. Committee

The Corporate Governance and Nominating Committee is established by the Board of Directors to assist the Board in fulfilling its responsibilities by evaluating, developing, and making recommendations with respect to the process and structure used to supervise the business and affairs of the Corporation, with the objective of enhancing the Corporation's performance and shareholder value. The corporate governance process and structure define the allocation of authority between the Board and management so as to achieve accountability to the Corporation's shareholders and other stakeholders.

The Corporation shall make full and complete disclosure of its systems of corporate governance where appropriate in its disclosure documents.

2. Composition of Committee

The Committee shall consist of as many members as the Board shall determine, but in any event not fewer than three directors, provided that each member of the Committee shall be determined by the Board to be:

- (a) an independent director for the purposes of and pursuant to the Corporation's Corporate Governance Guidelines;
- (b) an "independent" director as defined in and for the purposes of any applicable governance guidelines or listing standards of any stock or securities exchange upon which the securities of the Corporation are from time to time listed; and
- (c) an "independent" director for the purposes of any applicable corporate, securities or other legislation or any rule, regulation, instrument, policy, guideline or interpretation under such legislation.

3. Appointment of Committee Members

The members of the Committee shall be appointed by the Board on the recommendation of the Committee. The members of the Committee shall be appointed annually at the time of each annual meeting of Shareholders, and shall hold office until the next annual meeting, or until they are removed by the Board or until they cease to be directors of the Corporation.

PART II.

Committee Procedure

4. Vacancies

Where a vacancy occurs at any time in the membership of the Committee, it may be filled by the Board on the recommendation of the Committee, and shall be filled by the Board if the membership of the Committee is fewer than three directors. The Board may remove and replace any member of the Committee.

5. Committee Chair

The Board upon recommendation of the Committee shall appoint a Chair for the Committee. The Chair may be removed and replaced by the Board.

6. Absence of Chair

If the Chair is not present at any meeting of the Committee, one of the other members of the Committee present at the meeting shall be chosen by the Committee to preside at the meeting.

7. Secretary of Committee

The Committee shall appoint a Secretary who need not be a director of the Corporation.

8. Regular Meetings

The Chair, in consultation with the Committee members, shall determine the schedule and frequency of the Committee meetings, provided that the Committee shall meet at least four times per year. The Committee at any time may, and at each regularly scheduled Committee meeting shall, meet without management present. Any member of the Committee may move the Committee in camera at any time during the course of a meeting, and a record of any decisions made in camera shall be maintained by the Committee Chair.

9. Special Meetings

The Chair, any two members of the Committee, or the Chief Executive Officer may call a special meeting of the Committee.

10. Quorum

Three members of the Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak to each other, shall constitute a quorum.

11. Notice of Meetings

Notice of the time and place of every meeting shall be given in writing or by e-mail or facsimile communication to each member of the Committee at least 24 hours prior to the time fixed for such meeting; provided, however, that a member may in any manner waive a notice of a meeting and attendance of a member at a meeting is a waiver of notice of the meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

12. Agenda

The Chair shall develop and set the Committee's agenda, in consultation with other members of the Committee, the Board and management. The agenda and information concerning the business to be conducted at each Committee meeting shall, to the extent practical, be communicated to the members of the Committee sufficiently in advance of each meeting to permit meaningful review.

13. Delegation

The Committee shall have the power to delegate its authority and duties to subcommittees or individual members of the Committee as it considers appropriate.

14. Access

In discharging its responsibilities, the Committee shall have full access to all books, records, facilities and personnel of the Corporation.

15. Attendance of Officers at a Meeting

At the invitation of the Chair, one or more officers or employees of the Corporation may, and if required by the Committee shall, attend a meeting of the Committee.

16. Procedure, Records and Reporting

The Committee shall fix its own procedure at meetings, keep records of its proceedings and report to the Board when the Committee may deem appropriate (but not later than the next meeting of the Board).

17. Outside Consultants or Advisors

The Committee, when it considers it necessary or advisable, may retain, at the Corporation's expense, outside consultants or advisors to assist or advise the Committee independently on any matter within its mandate. The Committee shall have the sole authority to retain and terminate any such consultants or advisors or any search firm to be used to identify director candidates, including sole authority to approve the fees and other retention terms for such persons.

PART III.

Mandate of Committee

18. Identification and Long-Term Planning of Board Member Characteristics

The Committee shall:

- (a) identify and review with the Board the appropriate skills and characteristics required of Board members, taking into consideration the Board's short-term needs and long-term succession plans; and
- (b) develop, and annually update, a long-term plan for the Board's composition that takes into consideration the characteristics of independence, age, skills, experience and availability of service to the Corporation of its members, as well as the opportunities, risks, and strategic direction of the Corporation.

19. Evaluation, Identification and Recommendation of Nominees to the Board

In consultation with the Board Chair, the Committee shall:

- (a) identify and recommend to the Board nominees for election or re-election to the Board or for appointment to fill any vacancy that is anticipated or has arisen on the Board in accordance with the Corporation's Corporate Governance Guidelines and this Charter;
- (b) evaluate candidates for the Board recommended by shareholders; and
- (c) report to the Board regularly on the status of these efforts.

20. Monitoring and Review of Board Member Education and Commitments

The Committee shall:

- (a) review, monitor and make recommendations regarding the initial orientation and education of new Board members, and the ongoing education of directors; and
- (b) upon a significant change in a director's principal occupation or upon a director assuming any significant outside commitments, review, as appropriate and in light of the then current Board policies as reflected in the Corporation's Corporate Governance Guidelines, the continued Board membership of such director.

21. Recommendation of Directors to Serve as Committee Members and Chairs

The Committee shall identify and recommend to the Board individual directors to serve as members and Chairs of the Audit Committee, the Human Resources & Compensation

Committee, the Environment, Health & Safety Committee, as well as the Corporate Governance & Nominating Committee itself.

22. Development of Corporate Governance Guidelines

The Committee shall develop and recommend to the Board for approval a set of Corporate Governance Guidelines for the Corporation. The Committee periodically shall review the Corporation's Corporate Governance Guidelines to determine whether the Guidelines remain appropriate for the Corporation and shall develop and recommend to the Board for approval any changes in the Guidelines that the Committee determines to be necessary or advisable. The Committee shall be responsible for the Corporation's reports regarding compliance with the governance guidelines, recommendations or requirements of any applicable regulator or securities exchange.

23. Director Compensation

The Committee shall review and make recommendations to the Board with respect to the compensation of the Corporation's directors, including equity and equity-based compensation, to ensure that director's compensation is appropriate, and adequately reflects the responsibilities of a directorship.

24. Board Guidelines, Policies, Procedures and Charter

In order to implement the Corporate Governance Guidelines of the Corporation, the Committee shall:

- (a) review periodically, for Board approval, a Board manual outlining the policies and procedures by which the Board will operate and the Terms of Reference and/or Charters for the Board, committees of the Board, the Board Chair, Committee Chairs, individual directors, and the Chief Executive Officer;
- (b) review the Corporation's structures and procedures to ensure the Board is able to, and in fact does, function independently of management;
- (c) advise the Board regularly with respect to significant developments in the law and practice of corporate governance, as well as the compliance by the Corporation with its Corporate Governance Guidelines and applicable laws and regulations;
- (d) make recommendations to the Board on all matters of corporate governance, including any reports that may be required or considered advisable, and on any corrective action to be taken, as the Committee may deem appropriate; and
- (e) at the request of the Board Chair or the Board, undertake such other corporate governance initiatives as may be necessary or desirable to contribute to the success of the Corporation.

25.

Establishment and Implementation of Evaluation Processes

The Committee shall establish criteria for, and annually implement, an evaluation process for the Board, the Board Chair, each committee of the Board, and individual directors in order to assess the effectiveness of the Board as a whole, the Board Chair, each committee of the Board, and the contribution of individual directors.

26. Committee Evaluation

The Committee's performance shall be evaluated regularly, in accordance with a process developed by the Committee and approved by the Board, and the results of that evaluation shall be reported to the Committee and to the Board.

27. Review of Disclosure

The Committee shall review those portions of the Corporation's annual disclosure documents containing significant information relating to matters within the Committee's mandate.

28. Review of Committee's Charter

The Committee shall assess the adequacy of this Charter on an annual basis and recommend any changes to the Board.

29. Non-Exhaustive List

The foregoing list of duties is not exhaustive, and the Committee may, in addition, perform such other functions as may be necessary or appropriate for the performance of its responsibilities.