



**SECURITIES TRADING AND REPORTING POLICY**

**AGRIUM INC.**

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## AGRIUM INC.

### SECURITIES TRADING AND REPORTING POLICY

The Code of Business Conduct and Ethics of Agrium Inc. prohibits all directors, officers, and other employees with knowledge of material non-public information from buying, selling, or otherwise trading in the Corporation's securities or from conveying material non-public information to other persons who may use it for trading purposes. This Securities Trading and Reporting Policy is intended to safeguard against such trading, and against the appearance of such trading, by (i) restricting access to and transmission of non-public corporate information, (ii) restricting the trading activities of directors, officers, and other employees who may know, or be presumed to know, of material non-public information, and (iii) requiring directors, officers, and other employees to comply with the reporting regulations applicable to certain trading activities.

#### **I. Definitions**

“**Agrium**” or the “**Corporation**” refers to Agrium Inc. and each of its subsidiaries, including (but not limited to) Agrium Partnership, Agrium U.S. Inc., Agroservicios Pampeanos S.A., Crop Production Services, Inc., Nu-West Industries, Inc., and Western Farm Services, Inc.

“**Employee**” includes directors and officers.

“**Insider**” means

- (a) each director and Senior Officer of the Corporation;
- (b) each director and Senior Officer of an issuer that is itself an Insider of the Corporation;
- (c) each director and Senior Officer of an issuer that is itself a subsidiary of the Corporation;
- (d) any natural or legal person that beneficially owns, directly or indirectly, voting Securities of the Corporation or that exercises control or direction over voting Securities of the Corporation or a combination of both, carrying more than 10 percent of the voting rights attached to all outstanding voting Securities of the Corporation (other than voting Securities held by the person as underwriter in the course of a distribution); and
- (e) the Corporation where it purchases, redeems, or otherwise acquires any of its Securities.

“**Restricted Person**” means

- (a) all directors and Senior Officers of the Corporation;

(b) any other employees who are determined by the Corporation from time to time to be Restricted Persons or who receive a notification from the Legal Department, a member of management, or a supervisor that such other employees are to be regarded as Restricted Persons or are subject to a specified blackout period restricting trading in Securities and exercising SARs for so long as such specific notification or blackout period remains in force, until terminated by notice in writing; and

(c) persons providing administrative or clerical support to such directors, Senior Officers, and employees, which persons are in receipt of Undisclosed Material Information.

“**SARs**” means share appreciation rights granted pursuant to the Corporation’s Stock Option and Tandem SAR Plan, dated as of January 1, 2004.

“**Securities**” means all securities of the Corporation and of any publicly traded associated corporation or entity, including voting shares, options, warrants, preferred shares, debentures, and any other equity or debt securities or other securities the value or price of which is derived from or based on the value of securities of the Corporation. In addition, since the acquisition or disposition of a put, call, or other transferable option is deemed to be a change in the beneficial ownership of the underlying security to which the put, call, or other transferable option relates, such an acquisition or disposition is also subject to the requirements of this Policy. This Policy also applies to any agreement the effect of which is that the holder’s economic interest in securities of the Corporation is terminated or altered (commonly known as equity monetization). Finally, unless otherwise expressly indicated, all securities of other entities with which the Corporation is engaged in nonpublic negotiations, transactions, or other matters are Securities.

“**Senior Officer**” means (a) the chair or a vice chair of the board of directors; (b) the president; (c) any vice president; (d) the secretary; (e) the controller; (f) the treasurer; (g) the general manager of the Corporation; (h) any other individual who performs functions for the Corporation similar to those normally performed by an individual occupying any such office; and (i) any other individual who is performing a policy-making function in respect of the Corporation.

“**Tippee**” means a person that obtains or receives Undisclosed Material Information from an employee or Restricted Person and any person that subsequently receives such information, where such person knew or ought reasonably to have known that the information originated with or was originally transmitted by an employee or Restricted Person.

“**Undisclosed Material Information**” means any financial or other information relating to the business and affairs of the Corporation that has not been generally disclosed that, if disclosed, would likely affect investors’ decisions to purchase, sell, or otherwise trade in the Securities or might have a significant effect on the market price or value of any Securities. As examples, Undisclosed Material Information may include, but is not limited to, the information regarding the following:

- (a) Changes in share ownership that may affect control of the Corporation;
- (b) Changes in corporate structure, such as amalgamations;
- (c) Take-over bids in respect of the Securities, or bids by the Corporation for its own Securities;

- (d) Major corporate acquisitions or dispositions;
- (e) Changes in the capital structure of the Corporation, stock splits, and dividend decisions;
- (f) Borrowing of a significant amount of funds;
- (g) Public or private sale of additional Securities of the Corporation;
- (h) Developments affecting the Corporation's resources, technology, products, or markets;
- (i) Commencement or termination of significant licenses or contracts;
- (j) Firm evidence of significant increases or decreases in near-term earnings prospects;
- (k) Changes in capital investment plans or corporate objectives;
- (l) Significant changes in management;
- (m) Significant litigation;
- (n) Significant disputes with major contractors, suppliers, or customers;
- (o) Events of default under financing or other agreements; and
- (p) Any other developments relating to the business and affairs of the Corporation that would likely affect the market price or value of any of the Corporation's Securities or that would likely influence a reasonable investor's investment decision.

## **II. Restrictions on Access to, Transmission of, and Trading on Non-Public Corporate Information**

### **A. Restrictions on Access**

1. Access to Undisclosed Material Information shall be limited to individuals who have a "need to know" such information. Such information shall not be discussed with any person who does not need to know such information for purposes of conducting the Corporation's business. Family members and friends are among the persons with whom Undisclosed Material Information shall not be discussed.

2. The director, Senior Officer, or manager responsible for a negotiation, transaction, or other matter which, if known, would likely affect the market price or value of the Corporation's Securities or the Securities of other parties involved in such negotiation, transaction, or other matter shall be responsible, in coordination with the General Counsel of the Corporation (or his or her designee), for initiating adequate procedures and controls to restrict access to Undisclosed Material Information in accordance with this Policy and applicable laws, and for ensuring that any outside advisors or other persons who are involved in the negotiation, transaction, or other matter are under a confidentiality obligation to the Corporation.

3. In addition to any precautions imposed on employees and Restricted Persons by the person responsible for such a negotiation, transaction, or other matter, the following general precautions shall be observed, where practicable, by

employees and Restricted Persons who are in receipt of Undisclosed Material Information:

(a) Written communications concerning the negotiation, transaction, or other matter shall be labeled "CONFIDENTIAL"; and, as applicable, secret access codes and other appropriate computer security measures shall be used and documents shall be shredded after use.

(b) Whenever Undisclosed Material Information must be disclosed to anyone, the recipient of such information shall be advised that the information is confidential. (See also Part B.)

(c) Employees shall refrain from open discussions concerning the negotiation, transaction, or other matter where persons without access to the Undisclosed Material Information may overhear the discussions, such as in hallways, elevators, or other public places (such as airplanes, restaurants) or on speaker-phones.

(d) Employees shall not use cellular phones to discuss in an overt manner any Undisclosed Material Information. Those conversing on a cellular phone should assume that others without access to Undisclosed Material Information are listening.

(e) Employees shall not leave correspondence and other documents concerning the negotiation, transaction, or other matter in plain view in their working area, and shall not permit visitors to remain unattended in rooms containing internal corporate documents.

(f) If the negotiation, transaction, or other matter has been assigned a code name, Employees shall use the code name in all communications, written or oral, and shall refrain from using specific corporate names whenever possible.

## **B. Restrictions on Transmission**

1. No employee or Restricted Person shall disclose Undisclosed Material Information to a Tippee other than in the necessary course of business and with the express written consent of the director, Senior Officer, or manager responsible for the negotiation, transaction, or other matter to which the Undisclosed Material Information relates.

2. In order to avoid selective disclosure of Undisclosed Material Information to persons outside the Corporation, Employees shall refer any requests for financial information (including comments on rumors, stock price movements, the Corporation's projections, or other parties' projections) to the Investor Relations Department.

3. Employees shall report any information leaks or suspected information leaks to the person responsible for the negotiation, transaction, or other matter or to the General Counsel.
4. Employees shall not participate in Internet chat rooms or news group discussions on matters pertaining to the Corporation's activities or its Securities.
5. Employees who encounter discussions pertaining to the Corporation's business or affairs in Internet chat sessions, news groups, or other discussions on the Internet shall advise the Director, Investor Relations immediately.

**C. Restrictions on Trading**

**1. Prohibitions on Trading Activities Prior to Disclosure of Undisclosed Material Information**

No Employee having knowledge of Undisclosed Material Information shall:

- (a) buy or sell, or acquire an option to buy or sell, any Securities of the Corporation or of any party involved in such negotiation, transaction, or other matter, or exercise any SARs (except that Employees may exercise outstanding options of the Corporation, but may not trade in the underlying Securities); or
- (b) participate in discussions regarding decisions by others about investments in the Corporation or other entities involved in the negotiation, transaction, or other matter;

before the close of markets on the business day following the day on which such material information has been generally disclosed or until the negotiation, transaction, or other matter to which the Undisclosed Material Information relates has terminated.

**2. Clearances**

Restricted Persons shall pre-clear trades by them in Securities and exercises of SARs through the Corporation's Legal Department before placing a buy or sell order or otherwise committing to complete a trade in Securities (other than an exercise of options without a related sale of the underlying Securities) or an exercise of SARs, including initiating any written plan or other arrangement for trading Securities. Restricted Persons who request clearance for a trade in Securities or an exercise of SARs in respect of which there is Undisclosed Material Information will be advised by the Legal Department that trading in such Securities or exercising such SARs is currently prohibited. No further explanation as to the reason for the prohibition will be provided.

### 3. **Blackout Periods**

(a) The Corporation has established quarterly blackout periods that correspond to periods when the Corporation's financial statements are in the process of preparation but have not yet been disclosed to the public. Those periods commence **on the fifth business day of the month following the end of a fiscal quarter** and end on either:

(i) the close of markets on the business day on which the quarterly financial statements are publicly disclosed where the quarterly financial statements are released prior to the opening markets on that business day; or

(ii) the close of markets on the business day following the day on which the quarterly financial statements are publicly disclosed where the quarterly financial statements are released following the close of markets on the immediate preceding business day.

With respect to year-end financial statements, the blackout periods **commence on the fifth business day following January 1** and end on either:

(i) the close of markets on the business day on which the annual financial statements are publicly disclosed where the annual financial statements are released prior to the opening of markets on that business day; or

(ii) the close of markets on the business day following the day on which the annual financial statements are publicly disclosed where the annual financial statements are released following the close of markets on the immediate preceding business day.

(b) Restricted Persons are provided with a schedule of these quarterly blackout periods each year. Restricted Persons shall refrain from trading in the Corporation's Securities (other than an exercise of options without a related sale of the underlying Securities) or exercising SARs during any blackout periods.

(c) The Corporation also establishes blackout periods applicable to directors and Senior Officers who have been notified by the Corporation of a pension fund blackout period, during which there is a suspension of transactions in the Corporation's Securities by participants and beneficiaries in individual account plans maintained by the Corporation. Directors and Senior Officers are provided timely notice of such blackout periods.

(d) The Corporation may also establish blackout periods from time to time as a result of Undisclosed Material Information, during which periods those with knowledge of or access to such information may be notified that they are prohibited from trading in Securities and from exercising SARs.

#### **D. Notification to the Legal Department of Trades in Securities**

Restricted Persons who are not subject to the reporting requirements stated in Part III of this Policy are required to notify the Legal Department of the details of any trades in Securities (indicating the type and number of securities purchased or sold, the price, and the date of the transaction) promptly after such trades are completed.

### **III. Insider Reporting**

Canadian securities laws require an Insider to disclose in an insider report any direct or indirect beneficial ownership of, or control or direction over, and trading in, Securities. Filing of insider reports is the responsibility of each Insider. The Corporation's Legal Department is available to assist in the preparation and filing of insider reports, as requested. An Insider who files his or her own insider reports shall ensure that such reports are filed in a manner and time required by law and shall provide a copy to the Legal Department.

In the particular case of an Insider who is an Insider only because he or she is a director or Senior Officer of a subsidiary, but (a) is not a director or Senior Officer of a major subsidiary and (b) does not in the ordinary course receive or have access to Undisclosed Material Information before it is generally disclosed, that Insider may discuss with the Corporation's Legal Department as to whether an exemption from insider reporting is available. If such a person is exempted, the Corporation's Legal Department shall maintain a list of all Insiders exempted from the insider reporting requirement on this basis.

### **IV. Consequences of Non-Compliance**

Employees, Restricted Persons, or Tippees who violate the laws underlying this Policy may, under some circumstances, be subject to prosecution, which may result in fines of up to US\$5,000,000 or to imprisonment for a term of up to 20 years, or both. In addition to fines, violation may result in liability to affected holders of Securities.

The Corporation may be held liable for damages resulting from misleading or untrue statements or the failure to disclose information on a timely basis, and the reputation and standing of the Corporation and its employees in the community may be tarnished.

Securities exchanges could require the premature disclosure by the Corporation of information to stop or confirm rumors.

Any Senior Officer or other employee who fails to adhere to this Policy may be subject to disciplinary action by the Corporation, which could result in termination of employment.

**V. Interpretation and Implementation of This Policy**

Anyone who has any question about the interpretation or implementation of this Policy should consult with the Corporation's Legal Department. Employees who are in doubt whether they possess Undisclosed Material Information should not disseminate such information to anyone outside the Corporation until consulting with the Corporation's Legal Department.