



**CHAIR OF THE BOARD**

**TERMS OF REFERENCE**

**AGRIUM INC.**

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## **AGRIUM INC.**

### **CHAIR OF THE BOARD**

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#### **PART I**

##### **Appointment of Chair**

#### **1. Appointment**

The Chair of the Board shall be appointed annually by the Board of Directors.

#### **2. Qualifications of the Board Chair**

The Board Chair shall be:

- (a) an independent director for the purposes of and pursuant to the Corporation's Corporate Governance Guidelines;
- (b) an "unrelated" and "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.

#### **PART II**

##### **Procedures**

#### **3. Vacancy**

Where a vacancy occurs at any time in the position of Board Chair, it shall be filled by the Board. The Board may remove and replace the Board Chair at any time.

#### **4. Outside Consultants or Advisors**

The Board Chair, when he or she considers it necessary or desirable, may retain, at the Corporation's expense, outside consultants or advisors to advise the Board Chair or the Board independently on any matter. The Board Chair shall have the authority to retain and terminate any such consultants or advisors, including authority to review the fees and other retention terms of such persons.

## PART III

### **Board Chair Duties**

#### **5. General Duties**

Generally the Board Chair shall lead the Board and, in particular, shall:

- (a) organize the Board to function independently of management;
- (b) set the “tone” for the Board and its members so as to foster ethical and responsible decision making, appropriate oversight of management and best practices in corporate governance.

#### **6. Specific Duties**

The Board Chair shall have specific responsibility for:

- (a) scheduling time at each Board meeting for the Board to meet separately with the Chief Executive Officer and no other management present, and to meet separately with no management present;
- (b) scheduling time at each Board meeting for the independent and unrelated members of the Board to meet without any members of the Board who are not independent and unrelated and without management present;
- (c) ensuring that directors understand the boundaries between the Board and management responsibilities;
- (d) determining, in consultation with the Board and management, the time and places of the meetings of the Board and of the shareholders of the Corporation;
- (e) managing the affairs of the Board, including ensuring that the Board is organized properly, functions effectively and meets its obligations and responsibilities;
- (f) co-ordinating with management and the Corporate Secretary to ensure that matters to be considered by the Board are properly presented and given the appropriate opportunity for discussion;
- (g) providing advice and counsel to the Chief Executive Officer and other senior members of management;
- (h) presiding as chair of each meeting of the Board of Directors;
- (i) presiding as chair of each meeting of the shareholders of the Corporation;

- (j) leading the Board in monitoring and evaluating, in consultation with the Corporate Governance & Nominating Committee, the effectiveness of the Board as a whole, the Board Chair, each of the committees of the Board, each of the Committee Chairs, the contributions of individual directors, and, in consultation with the Human Resources & Compensation Committee, the performance of the Chief Executive Officer, and in developing management succession plans; and
- (k) communicating with all members of the Board to co-ordinate their input, ensure their accountability and provide for the effectiveness of the Board and its committees.

**7. Non-Exhaustive List**

The foregoing list of duties is not exhaustive, and the Board Chair may, in addition, perform such other functions as may be necessary or appropriate in the circumstances. The Board Chair shall have the power to delegate his or her authority and duties to a committee of the Board or an individual member of the Board as he or she considers appropriate.