



**BOARD OF DIRECTORS  
CHARTER**

**January 1, 2018  
Last Updated: February 19, 2020**

# BOARD OF DIRECTORS CHARTER

## Introduction

The Board of Directors (the “**Board**”) of Nutrien Ltd. (the “**Corporation**”) is responsible for the stewardship of the Corporation and the oversight of management and activities of the Corporation. It has the statutory obligation to act with a view to the best interests of the Corporation.

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Although directors may be elected by the shareholders to bring special expertise or diverse views to Board deliberations, they are not chosen to represent a particular constituency. In discharging his or her duties under this Charter, each member of the Board shall be obliged only to exercise the care, diligence and skill that a reasonably prudent person would exercise in the same circumstances.

The Board will discharge its responsibilities directly and through the Committees of the Board or individual members of the Board. Any responsibility not delegated to a Committee of the Board or an individual member of the Board remains with the Board.

Each director is responsible to provide constructive counsel regarding, and oversight of, the activities of the Corporation and management of the Corporation (“**Management**”), consistent with a director’s statutory and fiduciary obligations to the Corporation. The specific expectations and responsibilities of individual directors are set out in the **Individual Director Terms of Reference** which is attached as **Annex 1** and incorporated by reference herein.

In this Charter, “**Chair**” means the Board Chair and “**CEO**” means the Chief Executive Officer of the Corporation.

## Composition

At least a majority of the members of the Board shall be independent according to the independence standards set out in the Corporate Governance Framework, including applicable independence requirements of stock exchanges on which the Corporation is listed and securities laws, rules and regulations.

## Chair

The Chair shall be appointed by the Board at the time of each annual meeting of the shareholders of the Corporation, and shall hold office until the next annual meeting of shareholders or until his or her successor is appointed.

## Meetings

Directors are expected to attend, in person or via teleconference, video conference, or other electronic communications facilities that permits all participants to communicate adequately, all meetings of the Board and the Committees upon which they serve, to come prepared for the meeting, and to remain in attendance for the duration of the meeting.

The Board may invite such directors, officers, employees and external advisors of the Corporation as it may see fit from time to time to attend meetings of the Board and assist in the discussion and consideration of the duties of the Board.

The time at which and place where meetings of the Board shall be held, and the calling of the meetings and procedures at such meetings, shall be determined by the Board in accordance with the Corporation's articles, by-laws, and applicable laws.

The agenda for each Board meeting shall be established by the Chair following consultation with the CEO, taking into account suggestions from other members of the Board. Meeting materials and information shall, to the extent practicable, be distributed in advance of each meeting so as to provide adequate time for review.

The Chair will lead each Board meeting. If the Chair is not present at any Board meeting, one of the other members of the Board present at the meeting shall be chosen by the directors present at the meeting to preside as chair.

The Board will meet separately at each of its meetings without any non-director members of Management present. Likewise, each Committee will meet separately without Management present at each meeting of the Committee.

The independent directors will also meet separately at each of the Board's meetings without any non-independent directors and members of Management present. The Chair will lead such session. If the Chair is not present at such session, one of the other directors shall be chosen by the directors present at the session to preside as chair.

### **Responsibilities**

To fulfill its duties and responsibilities, the Board shall:

#### **Board Processes**

- manage its own affairs, including plan its composition, select its Chair, nominate candidates for election to the Board, appoint members to the Committees of the Board, determine director compensation, determine independence of Board members, periodically discuss matters of interest separate from and independent of Management and the non-independent members of the Board, and (at least annually) assess the effectiveness of the Board, the Chair, Board Committees, Committee Chairs, and the individual directors in fulfilling their responsibilities;

#### **Strategy, Goals, and Business Plan**

- participate, as a whole and through its Committees, with Management, in identifying and approving the objectives and goals of the Corporation as well as the associated risks, and the strategies by which Management proposes to reach those objectives and goals and mitigate such risks;
- participate in the annual development and approval of a strategic planning process which takes into account, among other things, the opportunities and risks of the Corporation's business;
- oversee the execution of corporate strategy and management of risk, including a purposeful alignment of the strategy and risk management process;
- annually review and approve the Corporation's Business Plan, including annual capital and operating budgets, which supports the Corporation's ability to meet its strategic objectives and implements the strategic plan;
- monitor the Corporation's progress towards its objectives and goals, including in light of changing circumstances;

### Oversight of Safety, Health, Environmental and Security Matters

- oversee the Corporation's activities as they relate to safety, health, the environment and security and the integrity of the Corporation's safety, health, environmental and security policies;

### Risk Management

- take reasonable steps to ensure that Management identifies and understands the principal risks of the Corporation's businesses, implements appropriate measures to manage these risks, and achieves a proper balance between risk and returns;

### Human Resources and Compensation

- upon the recommendation of the Human Resources & Compensation Committee, appoint and replace, monitor performance, determine compensation, and provide advice and counsel on the execution of the duties of the CEO, with all such responsibilities to be discharged by the independent directors only;
- annually approve the appointment of all other corporate officers, taking into consideration the advice of the CEO;
- annually approve the financial, strategic, and operating Key Performance Indicators ("KPIs") to be used in determining executive compensation;
- to the extent feasible, satisfy itself as to the integrity of the CEO, and other executive officers and that they create a culture of integrity throughout the Corporation;
- oversee the process that has been developed and implemented for executive succession;

### Governance and Compliance

- oversee the Corporation's approach to corporate governance, including a set of corporate governance principles and guidelines that are specifically applicable to the Corporation;
- approve and monitor compliance with all significant policies, procedures, internal controls and management information systems by which the Corporation operates;
- promote the Corporation's diversity and inclusion initiatives;

### Reporting to Shareholders

- adopt a communications or disclosure policy for the Corporation and take reasonable steps to ensure that the Corporation has in place effective communication processes with shareholders and other stakeholders and with financial, regulatory, and other institutions and agencies as appropriate;
- take reasonable steps to ensure that the financial performance of the Corporation is accurately and fairly reported to stakeholders on a timely, regular and non-selective basis, and in accordance with generally accepted accounting principles, applicable securities laws and stock exchange requirements;
- take reasonable steps to oversee the timely reporting of any other developments that have a material impact on the Corporation; and
- annually report to the shareholders on the Board's stewardship for the preceding year.

The Board may perform such other functions as the Board deems necessary or appropriate for the performance of its responsibilities and duties.

### **Other Matters**

Any stakeholder, including any security holder, may contact the Board by email or by writing to the Board, c/o the Corporate Secretary. Matters relating to the Corporation's accounting, internal accounting controls, or auditing matters will be referred to the Audit Committee.

At the Corporation's expense, the Board may retain, when it considers it necessary or desirable, outside consultants and advisors to advise the Board independently on any matter. The Board shall have the sole authority to retain and terminate any such consultants or advisors, including sole authority to review a consultant's or advisor's fees and other retention terms, and to direct the payment thereof.

Authority to make minor technical amendments to this Board Charter is hereby delegated to the Corporate Secretary, who will report any such amendments to the Board at its next meeting.

The Board's performance and effectiveness shall be evaluated annually, in accordance with a process developed by the Corporate Governance & Nominating Committee and approved by the Board, and the results of that evaluation, including progress on adopted recommendations, shall be reported to the Corporate Governance & Nominating Committee and to the Board.

On an annual basis, this Board Charter shall be reviewed and assessed, and any proposed changes shall be submitted to the Corporate Governance & Nominating Committee for review and recommendation, and then to the Board for approval.

Date of Last Revision: **February 19, 2020**

# ANNEX 1

## INDIVIDUAL DIRECTOR TERMS OF REFERENCE

### Introduction

These Terms of Reference are intended to identify the specific responsibilities and expectations of the individual members of the Board in order to enhance coordination and communication within the Board as well as between the Board and Management.

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### Responsibilities and Expectations

Each director has the responsibility and is expected to:

#### *Corporate Stewardship*

- act honestly and in good faith and to exercise business judgment that is in the best interests of the Corporation;
- advance the interests of the Corporation and the effectiveness of the Board by bringing his or her knowledge and experience to bear on the strategic and operational issues facing the Corporation;
- provide constructive counsel to and oversight of Management, consistent with a director's statutory and fiduciary obligations to the Corporation;
- preserve the confidentiality of non-public and proprietary information; and
- demonstrate a willingness and availability for individual consultation with the Chair and the CEO.

#### *Integrity and Loyalty*

- comply with the Corporation's Code of Ethics and Corporate Governance Framework;
- disclose to the Chair and the Corporate Secretary, prior to the beginning of his or her service on the Board, any potential conflicts of interest so that a course of action can be determined to resolve any such conflicts before any interest of the Corporation is jeopardized;
- promptly inform the Corporate Secretary, upon undertaking any new significant interests or relationships not previously disclosed, of such new interest and relationships and any potential conflicts of interest; and
- disclose to the Chair (or if the Chair is not present, the chair of the meeting) and the Corporate Secretary in advance of any Board vote or discussion, if the Board or a Committee of the Board is deliberating on a matter that may affect the director's interests or relationships outside the Corporation, so that consideration can be given to the director's abstention from discussion, abstention from voting, or other recusal.

### *Diligence*

- prepare for each Board and Committee meeting by reading the reports and background materials provided for the meeting; and
- attend meetings of the Board and its Committees of which the director is a member, in person or via teleconference, videoconference, or other electronic communications facilities that permits all participants to communicate adequately with each other, and make all reasonable efforts to attend the annual meeting of shareholders.

### *Effective Communication*

- participate fully and frankly in the deliberations and discussions of the Board;
- encourage free and open discussion of the Corporation's affairs;
- establish an effective, independent and respected presence and a collegial relationship with other directors;
- focus inquiries on issues related to strategy, policy, and results;
- respect the CEO's role as the chief spokesperson for the Corporation and participate in external communications only in coordination with the CEO; and
- indicate where appropriate, when conveying personal views in public, that his or her views are personal and do not represent the views of the Corporation or the Board.

### *Knowledge Acquisition*

- become generally knowledgeable of the Corporation's business and its industry;
- participate in director orientation and continuing education initiatives and programs, including opportunities to visit the Corporation's operating facilities;
- maintain an understanding of the regulatory, legislative, business, social, and political environments within which the Corporation operates; and
- become acquainted with the senior managers and high potential candidates of the Corporation.

### Personal Characteristics

Each director should possess the following personal characteristics and competencies in order to be considered for initial and continuing Board membership:

- demonstrated integrity, professionalism, values and high ethical standards;
- career experience, business knowledge, and sound judgment relevant to the Corporation's business purpose, financial responsibilities, and risk profile;
- understanding of fiduciary duty;
- communication, advocacy, listening and consensus-building skills;

- experience and abilities that complement those of other Board members so as to enhance the Board's effectiveness and performance; and
- willingness to devote sufficient time and energies to the work of the Board and its Committees.