EgonZehnder

BANK OF CANADA
BANQUE DU CANADA

Role Specification

Governor of the Bank of Canada



Contacts

Shawna Carter
Shawna.Carter@egonzehnder.com
+1 416 669 4858

Marc Normandin
Marc.Normandin@egonzehnder.com
+1 514 3922400

Loula Lefkaritis
Loula.Lefkaritis@egonzehnder.com
+44 20 7943 1921

Contents

1 Organization Background

2 The Role

3 Candidate Profile

4 Appointment Process & Conduct

5 Board of Directors

6 About Egon Zehnder

Organization Background

The Bank of Canada ("the Bank") is Canada's central bank, with a mandate to promote the economic and financial welfare of Canadians. Established under the Bank of Canada Act in 1934, the Bank occupies a central role in the country's economic life. Its responsibilities encompass monetary policy, financial system stability, currency issuance, funds management, and regulatory oversight. The Bank exercises independence in implementing monetary policy while remaining accountable to Parliament, the Government of Canada, and Canadians.

The Bank is an essential institution within Canada's financial system, connecting domestic economic policy with global financial markets and the everyday financial decisions of households and businesses. Its work requires close engagement with government, financial institutions, and other public authorities while preserving independent policy judgment. In an environment of economic uncertainty and structural change, the Governor's leadership must combine rigorous analysis with sound judgment and clear communication about the Bank's decisions and their implications for Canadians.

The Bank's research, economic projections, and assessment of financial vulnerabilities inform its policy decisions and help Canadians understand the forces shaping the economy. Its responsibilities also extend to the safety and resilience of key financial infrastructure & the evolving payments ecosystem. These responsibilities place a premium on institutional leadership that sustains analytical rigour, develops talent, and ensures the Bank can respond effectively to changing economic conditions and emerging risks.

The next Governor will assume stewardship of an institution whose effectiveness depends on public confidence and the credibility of its decisions, while guiding the institution through its next chapter in service of Canadians' economic and financial well-being.

Learn more here: Bank of Canada



The Role

As the head of Canada's central bank, the Governor of the Bank of Canada is one of the country's most consequential public sector leadership roles. The Governor serves as Chief Executive Officer, Chair of the Board of Directors and Chair of the Bank's monetary policymaking body (Governing Council).

The Bank is best known for its role in setting monetary policy for Canada, but its mandate includes several other important functions including:

- Working with a range of domestic and international policy setters to monitor financial stability and design and implement effective policies to support a safe and efficient financial system
- Designing and distributing Canada's currency and providing fiscal agent services to the Canadian government.
- Most recently the Bank has taken on a growing role in overseeing Canada's payment system including supervisory and regulatory responsibilities for retail payments, stablecoins and open banking.

The next Governor's mandate centres on leading consequential policy deliberations and guiding a complex, knowledge-intensive institution through uncertainty and change. Drawing on deep economic, financial, and policy expertise, the Governor must build consensus within Governing Council and work constructively with the Board, governments, and regulators while safeguarding the Bank's independent judgment.

Above all, the Governor must ensure that the Bank continues to be:

- Independent in its judgment and constructive in its partnerships
- Rigorous in its analysis and forward-looking in its decisions
- Trusted for its integrity, accountability, and commitment to public service



The Role: Critical Success Factors

The Governor will be successful by:

- Delivering low, stable and predictable inflation through independent, evidence-based monetary policy.
- Safeguarding independence and credibility while sustaining accountable relationships with governments and Parliament.
- Sustaining rigorous, consensus-based deliberations informed by diverse perspectives and constructive challenge.
- Strengthening financial resilience through timely risk assessment, coordination and sound crisis judgment.
- Delivering evolving regulatory mandates with clear accountabilities and proportionate oversight.
- Turning strategy into results through analytical excellence and reliable operations.
- Developing leaders and an inclusive culture of intellectual rigour and accountability.
- Building public trust through clear communication in both official languages.
- Maintaining trusted partnerships and bringing Canadian perspectives to global discussions.



Role Location:

The Governor leads an organization comprising approximately 2,350 staff members based in Ottawa alongside regional operations in Toronto, Vancouver, Calgary, Halifax and Montreal.

The Role: Key Responsibilities (1 of 3)

Institutional Leadership

As Chair of the Board of Directors, the Governor works with the Senior Deputy Governor, Lead Director, and the Board to support effective oversight of the Bank's corporate, financial and administrative activities and meet the Bank's governance, compliance, risk management and reporting obligations.

The Governor also serves as Chief Executive Officer, providing leadership to the Senior Deputy Governor (SDG) and Executive Council (EC) to:

- Provide vision and direction to the Bank's senior leadership team.
- Set the Bank's vision, strategy, and institutional priorities.
- Deploy the Bank's resources to achieve its mandate and deliver on the objectives and outcomes in its strategic plan.
- Deliver excellence in research, policy analysis, innovation and operational delivery.
- Set and sustain the culture of the organization, demonstrating visible commitment to leadership, inclusion, intellectual rigour, collaboration, clear communication and public accountability.

Monetary Policy Leadership

The Governor leads Governing Council in the independent conduct of monetary policy to deliver low, stable and predictable inflation and promote the economic and financial welfare of Canada. Governing Council works by consensus to formulate, implement and communicate policy decisions. As Chair, the Governor embraces and protects this consensus-based model, leading a disciplined, evidence-based process that brings together rigorous analysis, constructive challenge and diverse perspectives and reinforces the trustworthiness of the institution.

- Chair Governing Council's monetary policy deliberations, including eight fixed announcement dates per year and any required off-cycle decisions.
- Ensure decisions are informed by rigorous analysis of Canadian and global economic conditions, inflation risks, labour markets, financial markets, productivity, trade, technological change, demographics and other structural forces.
- Oversee the preparation and communication of the Monetary Policy Report and related public communications.
- Lead the negotiation and renewal of the monetary policy framework agreement with the Government of Canada, normally undertaken every five years, while safeguarding the Bank's independent conduct of monetary policy within the jointly agreed framework.
- Uphold the independence, credibility and integrity of monetary policy decision-making while maintaining constructive and accountable relationships with the Government of Canada and other stakeholders.
- Guide the evolution of Canada's monetary policy framework, analytical tools, risk-management approach and public communications.
- Communicate Governing Council's decisions and the Bank's economic outlook with clarity, discipline and credibility, recognizing the market-sensitive nature of the Bank's work.

The Role: Key Responsibilities (2 of 3)

Financial Stability Leadership

The Governor provides strategic leadership across Canada's broader financial safety net, working with domestic and international regulatory, policy and financial-sector partners to identify emerging vulnerabilities, coordinate responses to systemic risks and support a stable, resilient and efficient financial system.

- Lead the Bank's assessment of vulnerabilities and risks in the Canadian and global financial system.
- Guide policy advice, analysis and communications on financial system resilience.
- Ensure the Bank is prepared to exercise its lender-of-last-resort function and provide liquidity support to the financial system in periods of severe market stress, with sound judgment, discipline and clear accountability.
- Contribute to governance and coordination across Canada's financial safety net, including through the Governor's role on the Board of the Canada Deposit Insurance Corporation and participation in the Financial Institutions Supervisory Committee and Senior Advisory Committee.
- Maintain trusted relationships and an exceptional network across Canada's financial, regulatory, economic and public policy sectors to support timely coordination on complex and emerging risks.

Regulation and Oversight Leadership

The Governor provides strategic leadership for the Bank's expanding oversight and regulatory mandates, ensuring the institution is organized, resourced and positioned to deliver effectively while maintaining its credibility and public-interest focus. This includes working with the Department of Finance and other public authorities to help define the scope, boundaries and policy objectives of new mandates related to payments, retail payment supervision, stablecoins and consumer-driven banking.

- Provide strategic leadership across Canada's payments and financial infrastructure ecosystem to support innovation, resilience, efficiency and public confidence.
- Work with the Department of Finance, regulators and system participants to clarify policy objectives, mandate boundaries, accountabilities and implementation expectations for emerging oversight responsibilities.
- Ensure the Bank has the institutional structure, capabilities, resources and risk-management frameworks required to deliver effectively on new and evolving mandates.
- Oversee the Bank's approach to regulatory guidance, supervision, compliance monitoring and enforcement so that it is credible, proportionate, transparent and aligned with the public interest.
- Communicate expectations to market participants and the public in a way that supports compliance, confidence and effective implementation.

The Role: Key Responsibilities (3 of 3)

Currency and Fiscal Agent Responsibilities

The Governor provides strategic oversight of the Bank's currency and funds management responsibilities, including its role as fiscal agent and banker for the Government of Canada.

- Oversee the Bank's responsibility to design, issue and distribute secure, reliable and trusted Canadian bank notes.
- Provide strategic oversight of the Bank's role as fiscal agent, banker and treasury manager for the Government of Canada, including the management of public debt programs and foreign exchange reserves.
- Ensure these functions are delivered with operational resilience, sound risk management and a strong commitment to public confidence.

Representing the Bank

The Governor is the Bank's principal public voice and represents the Bank with credibility in domestic and international forums relevant to central banking, monetary policy, financial stability, payments, regulation and market resilience.

- Explain complex economic, financial and policy issues clearly, credibly and accessibly in both official languages, meeting audiences where they are and connecting the Bank's work to the lived experience of Canadians.
- Communicate the Bank's decisions in ways that foster understanding and trust among Canadian businesses and households, financial markets, media, Parliamentarians and government officials.
- Represent the Bank domestically and internationally through speeches, media interviews, parliamentary appearances, stakeholder engagements and public outreach.
- Communicate with judgment and discipline in market-sensitive, politically sensitive and crisis situations.
- Strengthen public understanding of the Bank's mandate, independence and role in Canada's economic and financial system.
- Build and maintain an exceptional network of trusted relationships across central banks, finance ministries, regulators, financial institutions, businesses, international financial institutions, academic institutions and the broader economic and financial sectors.
- Contribute to external and international policy discussions on monetary policy, financial stability, payments and financial system resilience.
- Bring a Canadian perspective to global discussions and draw on international developments to inform the Bank's work.

Candidate Profile

- ✓ Unquestioned technical competence in macroeconomics, monetary policy, financial markets, financial stability, regulatory oversight and the payments system
- ✓ Experience at the highest levels of central banking, public policy, financial regulation, financial markets, academia, and / or international institutions
- ✓ Proven success leading a complex, knowledge-intensive institution
- ✓ Experience setting long-term vision, strategy and priorities in an environment of uncertainty and change
- ✓ Demonstrated strategic understanding of artificial intelligence, digital technologies and data
- ✓ Experience working effectively with boards, governments, regulators, senior public officials and / or other complex stakeholder groups
- ✓ Ability to explain complex issues in both of Canada's official languages
- ✓ Canadian citizen
- ✓ PhD or other graduate-level studies in Economics



Key Leadership Competencies (1 of 2)

Economic, Financial and Policy Expertise 	• Unquestioned technical competence in macroeconomics, monetary policy, financial markets, financial stability, regulatory oversight and the payments system. • Recognized credibility at the highest levels of central banking, public policy, financial regulation, financial markets, academia, international institutions or comparable public-interest leadership. • Ability to assess evolving economic and financial conditions and lead high-consequence decisions under uncertainty. • Strong understanding of links among monetary policy, financial stability, productivity, technological change, global trade, labour markets, public confidence and Canadians' lived economic realities. • Experience with financial regulatory policy and principles of administrative law.
Strategic and Institutional Leadership 	• Proven ability to lead a complex, knowledge-intensive institution with national significance and a public-interest mandate. • Experience setting long-term vision, strategy and priorities in an environment of uncertainty and change. • Ability to lead through structural shifts affecting Canada's economy and financial system, including technological change, digital finance, geopolitical fragmentation, demographic change and productivity challenges. • Demonstrated strategic understanding of artificial intelligence, digital technologies and data, including their implications for productivity, labour markets, monetary policy, financial institutions, and the structure and resilience of the financial system. • Strong awareness of emerging cyber risks and the leadership, governance and resilience capabilities required to protect critical financial infrastructure and public confidence. • Ability to manage competing priorities, make strategic trade-offs, and define institutional objectives. • Proven ability to set and sustain organizational culture, develop senior leaders and create the conditions for high performance, collaboration, respectful challenge and accountability. • Demonstrated commitment to consensus-based decision-making, including the ability to draw out diverse perspectives, foster constructive debate, and build durable agreement on high-consequence decisions. • Strong appreciation of the priorities and concerns of Canada's regions, industries, communities and diverse populations.

Key Leadership Competencies (2 of 2)

Governance and Public Sector Acumen 	• Experience working effectively with boards, governments, regulators, senior public officials or other complex stakeholder groups. • Demonstrated ability to exercise independent judgment and protect institutional independence while maintaining constructive, transparent and accountable relationships with elected governments and public-sector partners. • Capacity to manage competing interests and maintain credibility in a highly visible public role. • Deep understanding of the Bank's role as an independent public institution operating within its legislated mandate, and of the governance, accountability, relationship and communication practices required to safeguard central bank and monetary policy independence while sustaining public trust.
Integrity, Independence, and Judgment 	• Demonstrated integrity, independence, discretion and respect for confidentiality at the highest institutional levels. • Sound judgment in complex, ambiguous and high-pressure situations. • Capacity to make difficult decisions under uncertainty and explain them clearly. • Ability to engender confidence among diverse stakeholders with varied interests and expectations. Act consistently in the public interest and uphold the Bank's independence and credibility.
Communications 	• Exceptional ability to explain complex economic and financial issues to audiences with varying levels of expertise, in both of Canada's official languages. This includes communicating credibly with Canadians, markets, governments, Parliament, media, employees and international stakeholders. • Capacity to articulate, explain and defend the Bank's policy decisions and institutional positions in public, parliamentary, market and stakeholder forums. • Exceptional ability to foster trust and confidence among financial markets, the financial community, businesses, media and the broader public through clear, transparent, and accessible communication. • Ability to connect authentically with Canadians and businesses, listen to differing experiences and perspectives, and translate complex issues into language that is relevant and meaningful to diverse audiences. • Ability to sustain confidence among financial markets, the financial community, business media and the broader public. • Ability to strengthen public understanding of the Bank's mandate, policy decisions and institutional role.

Appointment Process & Conduct

The Governor is appointed by the Bank's independent directors with the approval of cabinet. The Governor must devote the whole of their time to the duties of the office. The appointment is for a renewable seven-year term.

The Bank of Canada Act contains eligibility restrictions, including that the Governor must be a Canadian citizen and may not be director, partner, officer, employee or shareholder of specified types of financial sector participants.

The Governor is a reporting public office holder under the Conflict of Interest Act and is subject to its provisions on conflicts of interest, financial disclosure and holdings, and post-employment restrictions.

The Governor demonstrates integrity and independent judgment, exercises discretion and respects confidentiality. They exercise sound judgment in complex, ambiguous and high-pressure situations, making difficult decisions under uncertainty and explaining them clearly. They build confidence among diverse stakeholders with varied interests and expectations, acting consistently in the public interest and upholding the Bank's independence and credibility.

The Governor is expected to comply with the Bank's Code of Business Conduct and Ethics, restrictions on communicating around fixed announcement dates, principles for external communication by members of Governing Council, confidentiality obligations, conflict-of-interest requirements, and all governance obligations associated with the role.

The Bank has financial transaction restrictions that apply to members of Governing Council, including blackout periods, investment restrictions & holding periods.



Board of Directors

The Board of Directors provides general oversight of the management and administration of the Bank with respect to strategic planning, financial and accounting matters, risk management, human resources, and other internal policies. The Board is composed of the Governor, the Senior Deputy Governor and 12 independent directors appointed to three-year renewable terms by the Governor in Council (the Cabinet). The Deputy Minister of Finance is an ex officio non-voting member of the Board.

The independent directors include:



Ernie Daniels
West Kelowna, BC



Maureen C. Jensen
Thornbury, ON



David Dominy
Edmonton, AB



Mariette Mulaire
Winnipeg, MB



Chantal Frappier
Brossard, QC



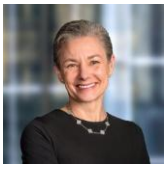
Andrew D. Mutch
First Peninsula, NS



Marjolaine Giasson
Quebec, QC



Greg Stewart
Regina, SK



Sandra L. Hanington
Toronto, ON



Anne Whelan
St. John's, NL



Raymond E. Ivany
Wolfville, NS



Shelley Williams
Langley, BC

About Egon Zehnder

Egon Zehnder is the world's preeminent leadership consulting firm, sharing one goal: to help people and organizations transform. We know what great leaders can do and are passionate about delivering the best solutions for our clients. As One Firm, our more than 600 Consultants in 71 offices and 37 countries combine our individual strengths to form one powerful collaborative team. We partner closely with public and private corporations, family-owned enterprises, and non-profit and government agencies to provide a comprehensive range of integrated services: Board advisory, CEO search and succession, executive search, executive assessment, leadership development and organizational transformation.

Our leadership solutions cover individual, team and organizational effectiveness, development and cultural transformation. We work with world-class partners including Mobius Executive Leadership, a transformational leadership development firm. In addition, we have partnered with Paradox Strategies, co-founded by Harvard University Professor Linda Hill, to develop the Innovation Quotient (IQ), a proprietary culture diagnostic.

Our goal is that the work we do contributes to successful careers, stronger companies – and a better world.

For more information, visit www.egonzehnder.com and follow us on LinkedIn and Twitter.



This document and the information it contains are strictly confidential. They may be used solely in connection with the consultancy mandate accepted by Egon Zehnder for an appointment to the above position, are intended solely for the persons involved therein and may not be disclosed or made available to others. At the request of Egon Zehnder, this document should be returned or destroyed with all duplications made of it and deleted from whichever retrieval system it is stored in.