



CRITICALEYE  VIEW FROM THE BOARDROOM

THE LOGISTICS OF GLOBAL LEADERSHIP

Thomas Knudsen brings a wealth of leadership experience in the global logistics sector to his current role as Chair of international shipping giant Toll Group. He speaks to Criticaleye's **Emily Jones** about the role of the Chair in managing key stakeholder relationships and balancing risk and opportunity in an industry that is highly sensitive to macroeconomic and geopolitical changes



In an increasingly interconnected world, global businesses must navigate a complex web of macroeconomic uncertainties and geopolitical tensions, which demands agile leadership and strategic foresight. For companies operating on the global stage, these issues are often pivotal in shaping future growth.

When operating in a role that demands a deep understanding of both opportunity and risk, a clear grasp of the wider backdrop is crucial, as the Chair of international shipping giant Toll Group, **Thomas Knudsen**, knows only too well.

Founded in Australia in 1888, Toll Group has grown into a logistics powerhouse,

servicing 20,000 customers worldwide. The company's global expansion was accelerated by a listing on the Australian Securities Exchange in 1993, and in 2015 a new future was secured under the ownership of postal and logistics conglomerate Japan Post Holdings. Today, Toll Group's leadership manages the >



complexities of moving goods across borders and continents in a fast-evolving international market.

Thomas first joined Toll Group in 2018 as President of the Global Forwarding division. He was made Managing Director of the entire business in 2022, before moving into the Chair position two years later. Prior to this, Thomas enjoyed a 27-year stint in management and executive roles at leading global shipping company A.P. Moller – Maersk, developing a robust understanding of an industry that serves as the backbone of global trade. Based in Singapore since 2010, **Thomas'** expertise lies within the APAC region.

In the Chair role at Toll Group, **Thomas** faces the challenge of managing diverse stakeholder interests, including the expectations of owners Japan Post and the operational needs of its global

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For the first three months of the [Chair] role, I agreed to simply show up at Board meetings, but I’d make sure not to proactively call anyone in the organisation, especially the new CEO.

Then, in the next three months, we started having regular follow-ups. The CEO could call me anytime he wanted, but I would not interfere or call to check in with what was going on. There was a deliberate cooling-off period for the first six months, and this was important to structure the transition into the new role.

EJ: What have you learnt from working with Toll Group’s sole owner, Japan Post?

TK: Of course, in any company, the role of the Chair is to represent the shareholders. In this case, Toll has a single shareholder in Japan Post, which is a very well-regarded company in Japan with a 150-year history.

The government is the largest investor [in Japan Post], so understanding that context and how our work at Toll fits into their larger strategy is essential. As Chair, I find the relationship is part of a continuum. I’ll regularly check in with Japan Post to say, ‘What are your expectations of my role?’ and ‘How does this fit with the executive team?’ I’ll always make sure to touch base, to ensure everyone is aligned.

What I’ve learned is that Japanese companies are very long-term focused. It’s not just about the next 12 months or the next three years. They are thinking strategically, which makes that relationship even more critical. >

customer base. Speaking to Criticaleye, **Thomas** discusses his adaptation to the Chair position at the business and how he supports the executive team in balancing risk and opportunity in an increasingly unpredictable landscape.

EJ: What was your initial approach as a first-time Chair at Toll Group, in terms of communicating with the senior leadership team?

TK: A big part of the role as CEO is doing things – you’re very action-oriented. So, in the move to Chair, I was very conscious of not interfering with the new CEO’s way of working. There is this saying that you’ve got to have your ‘nose in, hands out’, and that was a principle I tried to live up to.

Toll Group

- **Founded:**
1888 in Newcastle, Australia
- **Ownership:**
Japan Post Holdings
- **Global Headquarters:**
Melbourne, Australia
- **Asia Pacific Headquarters:**
Singapore
- **Number of employees:**
16,000+ team members
- **Customers:**
20,000+ globally
- **Global presence:**
150 countries across
500 sites worldwide
- **Annual revenue (2022):**
A\$7.6 billion



EJ: How important was it, as Chair, to get to know the different cultural influences that make up Toll Group?

TK: You've got three very different cultures on the Toll Board: Australian, Japanese and Singaporean. As Chair, I navigate all three, which was probably the most interesting bit about the role.

We are a quintessentially Australian company with almost 150 years of history. Our owner is Japanese, which is a very different culture, and [one of our dual headquarters] is based in Singapore, which we consider our home as an organisation.

It's important to recognise the cultural context that we operate in—Australia has its own identity, but our Japanese ownership also brings a very long-term strategic view to how the business is managed.

As Chair, understanding the Japanese context is key, but we also need to stay true to our Australian roots while adapting to our operational base in Singapore. For me, this blend of identities shapes how we approach our business.

EJ: In an industry that is highly sensitive to geopolitical changes and supply chain disruption, how should Boards frame the conversation around risks versus opportunities?

TK: There's an Asian saying around opportunity and risk being different sides of the same coin, and I think that's very true.

“As a Chair, you've got to recognise that you don't have all the answers and neither does the CEO ... I think that having perspectives from different geographies and different ages is critical”

One of the big risks at present is the relationship between China and Europe/ North America, and in particular the US and potential for [trade] tariffs. The risk of that is very clear, in terms of how we have traditionally run our business for the last 30 years.

So we've got to think about how we mitigate that [possibility]. But, the upside is to say, 'Well, where is that business going to grow? Does that mean Southeast Asia and India are going to grow as areas of business? Or will there

be more local manufacturing in the US and Europe?'

It's about working with management on identifying downside risks, but also asking whether there are opportunities in that risk. And it goes across everything ... most things actually do have both opportunity and risk embedded.

EJ: Aside from the implications of an escalating trade war, what are some of the key challenges for global logistics players like Toll Group?

TK: The net implications of Covid were that a lot of countries realised how dependent they are on global supply chains, and there have been [increasing] discussions about: 'How do we near-source?'; 'How do we friend-shore?'; and also, 'How do we build supply chains that are more resilient?' So that's clearly a challenge for the industry, but again, it's also an opportunity.

Another is technology. There's a lot of legacy companies like ourselves that are saying, 'How does technology fit into our future, and how do we ensure that we adopt that in a way that's useful for our customers?' A third one is Net Zero and the sustainability journey we're on. Japan Post is committed to a 46 percent [carbon emissions] reduction by 2030. That's by no means an easy feat, so we've got to think through how we transition from our current fleet to electric vehicles, solar and other renewable energies. >



EJ: How do you see the role of the Board in tackling these short and long-term challenges?

TK: A lot of it this has to be led by the management team. I think it's about trying to ask the right questions and getting input from outside because it's very easy to keep on having conversations within the Board or management, but are we listening to the current trends in some of these areas? Are we also engaging with our shareholders to see what their appetite is in terms of long term versus short term?

Ultimately, we are in logistics. We buy trucks, helicopters and warehouses that have a lifetime of ten to 15 years. So,

we've got to be really mindful that we don't end up with stranded assets that might not be fit for our business in five or seven years.

EJ: How important is having access to multiple reference points, in terms of your own personal growth as a Chair?

TK: It's absolutely critical. If you look at the role of the Chair 30 years ago, it was mostly around shareholder interest. So, how do we best represent the shareholder and help the CEO deliver good financial returns? That has gotten more complex today. As a Chair, you've got to recognise that you don't have all the answers and neither does the CEO. So, how do you find

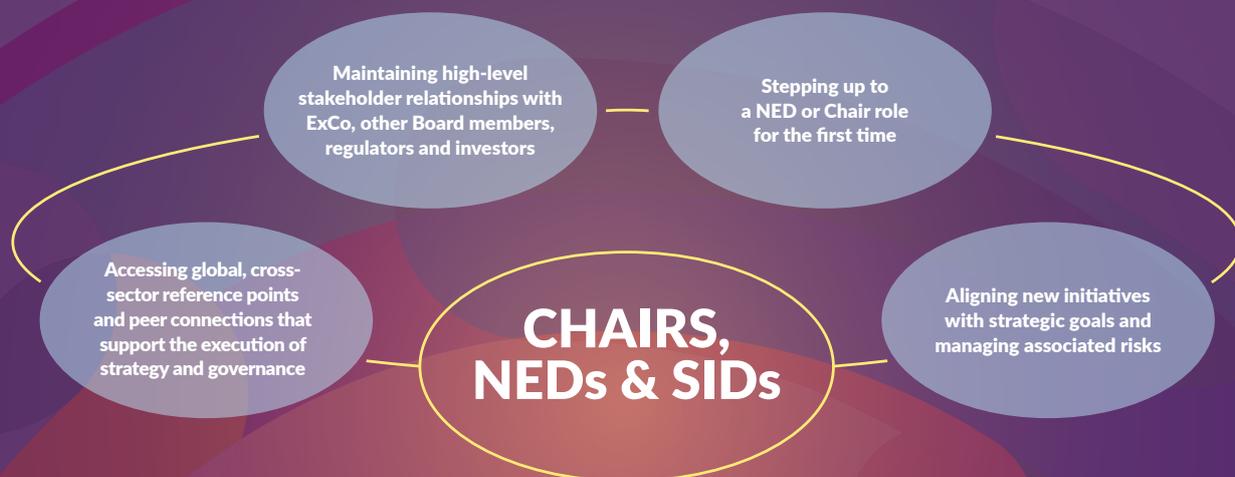
people around you that can give different points of view?

I think that having perspectives from different geographies and different ages is critical. In my role, I have 10-15 appointments a week. Some of them are with 25-year-olds running a startup, and then half an hour later, it might be a 75-year-old ex-Chair. I think that diversity in perspectives is critical.

[For me], getting input from outside is very important because it's easy to keep having conversations within the Board and management. But you also need to listen to what's happening in the external environment and reflect that back into the business. ■

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