

Keynote Speech for the City University of Hong Kong Employers' Luncheon 2023
City University of Hong Kong
Monday, 27th March 2023

Theme: 'Global Challenges and Opportunities for Young People'
Speaker: Dr. Harry S. Banga, Chairman & CEO of The Caravel Group

Good afternoon ladies and gentlemen.

It's my great pleasure to be here with you today for CityU's 2023 Employers' Luncheon.

It's wonderful to see so many of you turning out in force to celebrate this great graduating cohort – and, most importantly – offering your support in providing them a stepping stone to your industry.

Please may I take a few moments to introduce my own history with CityU. I first became involved with CityU as a member of their Advisory Committee of the Centre for Transport, Trade and Financial Studies in 2014. During our regular meetings, I had the chance to meet some of the wonderful people of CityU and learn more of their vision for the Future. I realized that CityU shared some of the same ideas and strong belief in the transformational impact of education as I did.

Since then, it has been my wonderful honor to have continued my association with CityU through multiple different capacities. It's been a wonderful experience working with such an esteemed group of Faculty, Administrators, and of course, students.

So why do I choose to be so involved with CityU? The short answer is that I believe in the University's focus on innovation in preparing students to contribute to addressing global issues and collectively empowering global change.

In my mind, it is innovation combined with heart which is driving our societies and economies forward.

In this way, CityU's focus resonates with me, and I hope it resonates with you,

too.

The theme I've been given for my address today is '*Global Challenges and Opportunities for Young People*'.

I left university more than 50 years ago, so it would be fair to say that it has been a very long time since I was a young person embarking on my working life.

However, in my time in business, and in building companies, I have seen and championed many young people as they have grown and developed their careers. I also have many young people employed in my company today.

We are living in an extremely interesting, challenging, and wonderful world all at the same time. Geopolitics are clouding business decision making, while technology is impacting companies in a way that we have perhaps never seen before. It may be useful to share my own personal story, as I share my thoughts on the intersection of challenges and opportunities.

I grew up in a small town in India, and after leaving high school at the age of 16, I travelled to the large city of Mumbai to study at India's preeminent maritime institution.

I grew up far from the sea, but in my early teenage years I would meet people who came to our home town to see their parents. I would hear their stories of exploring the world, and I was hooked. I knew that this is what I wanted in life.

As I joined the maritime institute, my own incredible journey in shipping was about to begin, but I had no idea I would still be riding the waves today. And what a journey it has been.

In those days, attending the Merchant Navy Academy was very similar to the Naval Armed Services. Life was tough, and it was only going to get tougher, as they prepared us to begin our careers on board ocean-going ships.

To be clear, this is not like being a sailor on a luxury yacht such as those depicted on the TV Show "*Below Deck*". The ships I am talking about are

those that you see in Kwai Chung Terminal, or out in the Lamma Channel.

The perils of sea – weather, and the earth's elements, tested us daily. There were no computers, no radars, and no other technology that would aid us in navigating the world's seven seas.

We used sextants, logbooks, and the position of stars in the night sky to chart the voyages across the oceans. By the time we had finished our manual calculations, we knew where we were several hours ago, not where we currently were! Let's just think about that for a moment. Today, you can pull out your smart phone and ask Siri to tell you where the nearest 7-11 is. Fifty years ago, we had no clue where we were, in real time, at sea carrying valuable cargo across the world.

Also, there was no news, and no real way of communicating with the office, or the shore. The only news we received was through the VHS frequencies when we could receive the BBC or the Voice of America radio stations.

At the same time, the hard work was rewarding. We put to use what we had learned at college, applying our Nautical Sciences, Physics and Engineering skills to run those ships.

I worked my way up the ranks to become a Master Mariner – otherwise known as a Captain - at the age of 27, making me one of the youngest masters in the Indian Merchant Navy.

During these years of sailing, I experienced many different countries and cultures as we called into various ports. This was a time in the 70s where the world was reeling from the fall out of the Cold War, and several wars before that.

Social order was not one of openness to outsiders, and I was in foreign lands, coming from a very traditional Indian family with traditional values. However, as I traveled the world that decade of my life, I began to understand different cultures and values and how to integrate myself in different environment.

In 1978, I embarked on my first professional shift, when I moved from an

offshore role to onshore in the UK to work for a global maritime and commodities conglomerate. This move, at the same time, was considered risky, and many people (including my parents) thought I was crazy.

That said, in hindsight, this ended up being one of the best professional decisions in my life, as it kicked off the next stage of my career, in business, which I am still enjoying.

Living in London some 45 years ago was a very different experience, and when compared to life at sea, poles apart! At sea, there was always something happening and going on; while ashore, in London, life was slow. I had weekends where no-one would disturb you. Remember, there were no mobile phones during those days, and so when you were out of the office it meant that it was very difficult to reach you.

Culturally, London was also a challenge for me in those days. It was much less cosmopolitan, and economically stagnant given the high levels of inflation and widespread trade union strikes, much like we are reading about today.

The experience taught me a great deal about the importance of fostering diversity and inclusion, to support employees at work and harness the power of different skills, languages and backgrounds to build strong businesses. I often look back on those days as perhaps the most formative years that molded my views on people, and perhaps shaped the entrepreneurial journey that I would ultimately find myself on.

Towards the end of 1984, the same firm transferred me from London to Hong Kong, to expand their operations in Asia. Immediately, I fell in love with this city, and I believed the future economic growth of the world would be driven by this emerging region.

A few years later, when I was around 38, the company's headquarters asked me to come back to Europe. I had no desire to go back, and I took the second risk of my professional life. I took a chance with a few other people, whom I knew professionally, to step out of our salaried roles and pursue entrepreneurship together, here in Hong Kong. Together, we launched The

Noble Group, which unbeknownst to us then, would become more successful than any of us would ever imagine.

Shortly after making the decision to start the Noble Group, this decision begun to bear fruit when Deng Xiaoping made his southern tour in 1992. This led to the implementation of his *“Reforms and Opening Up Program”* in Mainland China.

Personally, I believe that this was a critical point in the modern history of China, as it was the ignition that sparked the economic miracle of China’s modernization, development, and the lifting out of poverty a country within one generation. When I first went to Beijing there were barely any streetlights, and only one hotel for foreigners, and look at it now.

Deng Xiaoping’s opening up program provided our company, and a great many other companies, a springboard of growth. With this, and a lot of hard work as well as luck along the way, we ultimately grew Noble Group into a Fortune 100 company, and Asia’s largest commodity trading company. Our Noble baby grew to be an adult, from a trading company to a global supply chain manager, and we went from “nobody” to “somebody”.

And that should be the end of my story. Indeed, I officially retired from Noble in January 2010. I thought the time had come to step down, read some good books and improve my golf.

I thought that after 60, I wouldn’t want to be on that treadmill anymore. But then my two sons, kept badgering me, saying Dad, come on, come work with us.

And you know, it was so tempting, because when they were kids, I never had time for them because I was too busy. And now that I had the time, guess what – they were too busy. What could I do? I couldn’t disappoint my sons.

So here we are. In 2013, we started The Caravel Group, which is a diversified conglomerate with a focus on maritime services and vessel owning, commodity trading and investment management, including private equity. This is the company which we – along with many thousands of our team members – focus on today.

So, if we come back to the topic at hand – what do I think are the global challenges and opportunities for young people?

I'm an optimist. I always have been. You've got to be!

However, a key challenge is the unexpected, in today's incredibly interconnected world.

Through my life and work experiences, in different markets and various industries, I've seen many opportunities arise, and pursued them.

I've also experienced opportunities that I was chasing be disrupted, due to geopolitical events, sudden changes or challenges beyond my or my colleagues' control.

During my career, some landmark moments in recent history that I have experienced, and navigated through include the tearing down of the Berlin Wall and subsequent breakup of the Soviet Union while I was starting my first Company; the Gulf War and the impact to oil prices while managing ocean-going vessels around the world; the Asia Financial Crisis while making the decision pursue an initial IPO of my organization; the inclusion of China in the WTO in 2001 as I built up trade into the country, and then witnessing the Global Financial Crisis while running a global Fortune 100 Company.

More recently, we have successfully navigated the Covid-19 Pandemic, including in our industry managing the humanitarian crisis of stranded (and abandoned) seafarers, and the breakdown of global supply chains.

In my forty-plus years of running different businesses, the one thing that I have come to learn is that the only constant in business is change. It's extremely important to focus on what you can control, which is your response to these external changes.

In times of volatility and uncertainty, this is a guiding principle that I've found just about always works.

I also know that great people are the pillars of great companies, and that opportunities arise based on the type of people you choose to work with. I have been lucky to have worked for some truly world-class organizations.

When we launched Noble Group, we had just eight colleagues. It was a huge shot in the dark. But we had big dreams, which is another essential ingredient for success. Did we know, back then, that China was going to rise to become the powerhouse it is today? We did not. Did we dream we could be successful? We did. We knew, like all of you, that we were good at our field of expertise. We knew, like all of you, that we were committed.

Another important point is that, together we chose a good business model. If we did have luck, it was because we were in the right place at the right time, in that China was the world's fastest-growing economy - but few understood then just what the potential was, or how to make it work.

When we look ahead at what is going to absolutely change our day-to-day lives and the way we do business, in my mind, the answer is technology and digitalization.

This is a major opportunity for the students here, and indeed, for everyone in this room, at every level of seniority. This will continue to rapidly change industries, and our broader society in the coming years and decades.

Every day around the world, we see new service offerings presented by technology that offer to make life easier, faster and better.

Everyone needs to embrace and embark on continual learning and discovery on what's going on within your industry to make the most of this within your careers.

Those who ensure their skills and knowledge are kept up-to-date and relevant will be able to continue to make great contributions to their teams and organizations.

So please, keep your skills fresh and keep your finger on the pulse of developments within your field of expertise. Learning doesn't stop as soon as you walk out of these university halls.

Another major opportunity I see for young people is the great movement towards sustainability, green investing and responsible business.

Environmental, social and other governance matters (including both ethnic

and gender diversity) are primary agenda items in board rooms conversations.

In product-led businesses, consumers are increasingly demanding more sustainable options. In service businesses, more and more emphasis is being placed on ESG principles across the spectrum of work.

This will increasingly become a growth opportunity – and at the same time, a growth blocker if companies don't proactively anticipate and keep up with the pace of these demands from their clients and customers.

Another great opportunity for young people in Hong Kong is the location you find yourself in. Hong Kong has always been a diverse and fast-paced city, and home to many global industry hubs.

Many of you are bilingual or multilingual, and you have been blessed, and worked hard for, the opportunity to access a great education here at CityU.

Be confident in what you have to offer organizations and broader society, and at the same time, remember how lucky you are to have the opportunity to live and work in one of the world's great cities.

And while you're doing this, please remember the importance of resilience. In my mind, this is a key strength.

It's very rare that someone can go through their early and mid-career without facing stress, or setbacks, or other unexpected events perhaps completely out of your control.

In closing, I'd like to highlight that the concept of "being successful" can have different meanings to different people.

I remember telling my sons before they went to College: I believe that success is determined by three key tenets, each of equal measure.

First, it's your subject matter knowledge (whatever that may be, for whatever career you pursue). Second, it's the hard work that you put in, both to that subject matter, but also your career. And third, it's 'Lady Luck'. The first two are 100% in our control, and so, if we can control 67% of our journey, that should be the focus.

It may sound cliché, but hard work helps build one's character in whatever career they choose: Whether that's being a doctor, engineer, academic or politician. Once the character has been established, you will create your brand, or your name. You must always hold your heads high, and conduct yourselves with high integrity, and a core sense of values almost like your northern star, which helps guide you during times of uncertainty.

Finally, in my mind, success means contributing your skills, talents and resources to enriching the community around you – including your family, your friends, and your broader society, both close to home, and in a global context.

I hope the students within this room keep this in mind as you step out of your CityU halls into the workforce.

I would like to take this opportunity to acknowledge and thank the CityU teaching and office staff for their huge efforts and contributions towards preparing the students for the world of work.

A huge thank you also to every employer in this room for your support of CityU. Thank you for extending your knowledge, time and resources to these students to help them on their way.

It's wonderful to be with you all today. and I wish you all the very best.

Thank you.