

# Mr Luk Koon-hoo Roger

## Honorary Fellow

### Citation



In the chapter titled 'Xian Wen' in *The Analects*, Confucius emphasised the importance of ethical values over personal gain with the following statement: 'When faced with financial enticements, one should only consider righteousness; when confronted with danger, one should not skirt one's duties. By steadfastly adhering to these moral principles, one can be considered an upright individual.' This passage suggests that people with virtuous personality and incorruptible character always place ethical values over financial gains no matter what. Even in challenging times, they maintain their integrity while tackling difficulties. As time passes, their unwavering commitment to upstandingness remains immutable, and their personal moral cultivation reaches its zenith.

Mr Roger Luk Koon-hoo graduated from The University of Hong Kong in 1973, earning a Bachelor of Social Sciences degree in Statistics. He then continued his studies at The Chinese University of Hong Kong (CUHK) and obtained a Master of Business Administration degree in 1981. Equipped with a wealth of knowledge in economics and statistics from his undergraduate years, Mr Luk started his career at Hang Seng Bank as a trainee officer in 1975. His dedication and expertise led to his promotion to Chief Financial Officer in 1989, where he held the portfolios of, among others, financial policies and risk management of the bank. In 1994, he was appointed Executive Director and Deputy Chief Executive, and was subsequently promoted to Managing Director. Throughout his tenure, Mr Luk's exceptional performance commanded respect from industry peers. In recognition of

his unwavering commitment and significant contributions to the banking industry, he was elected Fellow Certified Banker of the Hong Kong Institute of Bankers. In 2004, he was elected by the esteemed international business society Beta Gamma Sigma as its honorary member. Mr Luk retired in 2005, concluding a distinguished career marked by excellence and accomplishments in the financial services sector.

Mr Luk's influence on the banking industry is irrefutable, highlighted by implementation of a comprehensive risk and compliance management system at Hang Seng Bank. Taking a holistic approach on credit risk, market risk, and operational risk, he established a system of checks and balances that greatly enhanced its decision-making process. Borrowing Input-Output Tables, commonly used in national accounting systems, he skilfully analysed the bank's fund sources and their applications, while assessing operational efficiency to come up with a robust resource allocation model to track costs and yields. This strategic approach enabled the bank to effectively manage risk exposure and achieve profit optimisation. Through sound financial

management and a reputation for operational excellence, Hang Seng Bank has earned the unwavering trust of Hong Kong residents, resulting in its continuous business expansion over the years.

The exceptional talents of Mr Luk were tapped by the bank for refining the Hang Seng Index (HSI) in Hong Kong. The success of this endeavour helped solidify Mr Luk's reputation as a guru in financial index services. The HSI, a market capitalisation weighted index, has long been recognised as key barometer of the Hong Kong stock-market. Equipped with expertise both in statistics and accounting, Mr Luk got involved in the compilation of the HSI in 1982. Since then, he had played a pivotal role in reviewing and improving the index's theoretical framework. His invaluable input has laid a strong foundation for its future development. Over the past four decades, the theoretical framework and compilation methodology of the HSI have stood the test of time. Furthermore, the automation of HSI, including data capture, compilation, maintenance and dissemination, have all proved to be timeless, and are still in use today. In 1985, Mr Luk also took the initiative to introduce four major

sector indices within the HSI, specifically for finance, public utilities, properties, and commerce and industry. His involvement in the launch of index futures in 1986 has made exceptional contributions to the long-term development of the Hong Kong stock market.

In 2017, Mr Luk and Professor Victor Zheng Wan-tai collaborated on the book titled *Alchemy: Milestones of Hong Kong Financial Development*. The book provides a comprehensive overview of Hong Kong's journey to become an international business and financial hub from 1841 to 2015. It delves into the origins of significant financial events during this period, documenting the evolution of Hong Kong's currency, banking, securities, and capital markets over the past century. The book showcases how Hong Kong had established a resilient financial system in response to various crises and challenges, ultimately emerging as a global financial centre on par with New York and London. Mr Luk currently holds the position of honorary research fellow at the CUHK's Hong Kong Institute for Asia-Pacific Studies. Additionally, he serves as an adjunct professor in finance, delivering lectures on contemporary financial trends, and engages in academic research on

campus. He also contributes from time to time insightful articles to prominent publications such as the *Hong Kong Economic Journal* and the *Hong Kong Economic Journal Monthly*, offering valuable perspectives on issues concerning politics, economics and finance. Moreover, Mr Luk holds the position of independent non-executive director in a number of listed and non-listed companies. His esteemed reputation in the banking sector has garnered high regard from both the political and business communities in Hong Kong.

An esteemed alumnus of the University, Mr Luk has consistently demonstrated unwavering support for his alma mater over the years. He has actively contributed to the University through his service on the CUHK Council. As Treasurer of the University, he was instrumental in reshaping its financial landscape, and applied his extensive financial management expertise from the banking sector to help establish a robust financial management system for CUHK. Under Mr Luk's leadership, the Investment Sub-Committee was established under the Council's purview. It advises the University on investment policy and strategy, with the

primary view to enhancing risks and returns. During his tenure, Mr Luk also helped reform staff retirement benefit scheme. These reforms included enlisting designated managers for designated funds, offering more diverse choices, including 'deposit' option and streamlining fund switching process. Notably, he introduced a deferred withdrawal option for departing staff members. All these have gained popularity among university employees. As Chairman of the Council's Risk Management Committee (which has been reorganised as the Audit and Risk Management Committee), Mr Luk leveraged his expertise in risk management in financial institutions to help implement comprehensive measures for the University to safeguard its operations. With respect to the potential risks arising in the academic, financial, and operational domains, Mr Luk introduced three lines of defence: practice (frontline), protocol (system) and protection (audit). His invaluable experiences and insights in financial management have made significant contributions to the overall success of the University.

Even after retirement from the University Council, Mr Luk has continued his service

to his alma mater. He remains as a member of the Committee of Overseers of S.H. Ho College and director of CUHK Medical Centre. His significant contributions to the long-term development of the University have been steadfast and unwavering over the years. At the community level, Mr Luk served as a member of the Central Policy Unit, the Advisory Committee of the Securities and Futures Commission of Hong Kong, and the Barristers Disciplinary Tribunal Panel and many others. In recognition of his extensive contributions in the public sector, he has been appointed non-official Justice of Peace and bestowed with the Bronze Bauhinia Star by the government.

Mr Chairman, let us today come together to pay tribute to this distinguished individual in the Hong Kong financial services sector, who is also an exceptional alumnus making remarkable contributions to our University. Through his unwavering dedication and numerous endeavors over the past decades, he has guided the University's development with distinction. Mr Chairman, it is my great pleasure to present Mr Luk Koon-hoo Roger for an Honorary Fellowship.