

# All Bases Covered

Calvin Lo has no interest in crypto, preferring to invest money and time in making society more equitable

*By Richard Lord*

*Photography by Affa Chan*

Read a little bit about Calvin Lo, and you'll find the same descriptions keep coming up. This, you'll hear, is the world's most reclusive billionaire, the richest person you've never heard of, someone who dodges the limelight almost obsessively. And while that most certainly used to be true, in recent years he's been coming out of his shell a bit—largely because Covid has completely changed his attitude to philanthropy.

Hong Kong-based Lo made his money in insurance, but not as an insurer, and not by insuring people in the traditional sense, where the idea is to offset potential future costs. Instead, his company, RE Lee, the world's largest life insurance broker, has been in the vanguard of the explosion over the past two decades of so-called jumbo life insurance, an asset management product that is particularly popular in estate planning, where it can be used to share money among family members.

"In the late Nineties, in Hong Kong, the biggest life insurance you could buy was probably US\$1

million. If you're an ultra-high-net-worth individual who's worth hundreds of millions, US\$1 million can't even pay off your credit card. Traditional private banking doesn't address that problem of: if something happens to me, who's going to pay the tax? Somehow we were able to convince the carriers that there were people who needed this. Then it went viral: one thing led to another and before we knew it, we were spreading around the world." With clients in more than 65 countries, the company places about US\$1 billion of premiums annually, and enjoyed a record year in 2020, growing by about 25 per cent.

He has a personal fortune generally quoted at about US\$1.7 billion, based on a *Forbes* estimate; rumour has it that when he was first included in its rich list, his staff petitioned the magazine to leave him out. He has owned the Mandarin Oriental Taipei since 2018, buying it for US\$1.2 billion, while his company RE Lee Octagon has major interests in rare earth metals. He is also widely believed to be the owner of the Williams

Formula 1 team, although he won't confirm that officially. He once dropped US\$230 million on a consignment of champagne in France, which gives you some sort of context for the man's wealth.

RE Lee was founded by Robert Earl Lee in Seattle in the 1950s, and set up its first overseas office in Hong Kong, in partnership with Lo's mother, Regina Lee, in 1979. That office flourished, and she ended up taking over the entire business. Born in Canada and educated at Harvard, Calvin joined in 1998 and became CEO in 2014.

"I had absolutely no idea I was going to work in insurance," he says. "All I knew growing up was that we were in insurance; I didn't even know which type."

The expansion of the business meant that he was asked to return from New York, where he'd been working in investment banking. The company effectively backed into asset management in 2017 with RE Lee Capital, which has US\$8 billion of funds invested, largely because clients kept asking him for investment advice—saying, as he puts it, "You literally know





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everything about me.”

Over the years, Lo noticed that the traditional Asian reluctance to discuss estate planning largely disappeared. “It has changed very much. When I first started, people were scared to even talk about the possibility of dying. They’d built an empire. ‘You mean to tell me I can’t protect my own family? I need to rely on someone else after I die?’ Their kids and advisors were scared to bring it up. Now it’s a totally different ball game. You have kids who’ve studied abroad taking over, who are more exposed to the idea of wealth planning.”

Unusually for someone with his background, he has no plans to invest in crypto, for rather unexpected reasons. A friend persuaded him to buy some Bitcoin five years ago, when it was trading at US\$6,000, he says, with the promise that it would one day break the US\$10,000 barrier; it duly did so three days later. Rather than inspiring him, he found the experience deeply unsettling.

“The volatility is attracting a lot of people but the same reason is deterring me. I’m from an insurance background and I’m a bit cautious of something that looks too good to be true. People who invest with us

and trust us don’t want us to go into these fancy instruments.”

There are certain areas where his caution is breaking down, however—for instance, his newfound willingness to talk publicly.

“I’m keen to talk about philanthropy,” he says. “What changed was actually my daughter,” Isabella, aged 10, on whom he clearly dotes; charmingly, his identity on Zoom is “C. Lo (Isabella’s father)”.

“One time, during the early days of Covid, I was visiting an orphanage I support with my daughter and explaining how fortunate we are, and she said: ‘I didn’t even know you did this.’ I thought: wow, even my daughter doesn’t know; I should spread the word.

“When Covid hit, it really changed how I see things; it made me realise there are a lot of cracks in the system that need mending. Previously I’d just set up a charity and rubber stamp things. There’s a problem of people not putting as much focus on their philanthropy as they do on their business. It needs a keener edge and a more systematic view.

“There are kind of similarities to my insurance business. The

philanthropic part of these families is also changing. Society is more complex now, so we need to treat philanthropy a bit more seriously.”

For that reason, he has established think tank The 195 Project, with a membership drawn mainly from his clients—a formidably wealthy and well-connected bunch. Public filings indicate that he has set aside about a quarter of a billion US dollars for his philanthropic initiatives.

He is known specifically for his commitment to animals, children and the environment—a set of priorities he attributes squarely to his friendship with legendary primatologist Jane Goodall.

“It’s all purely because of her,” he says. “She says that everyone believes in at least one of those three things. In 2004, I travelled from Hong Kong to Vancouver to go and watch a Madonna concert. I was going through the newspaper and I saw a talk by Jane Goodall. I was literally changing clothes to attend the Madonna concert and something clicked, and I decided to go see Jane instead. I got the last seat in the hall. Two hours later I was there, weeping, listening to her story. I crawled backstage, told her I was a big fan, and we became great friends.”

Rather than try to impose his own ideas on The 195 Project, Lo has decided to take an attitude of listening.

“Leaders of industry—and I’m guilty of this myself—will often say: ‘I know everything; just follow my way,’” he says. “But we’re not doing business here. Just because you’re a leader in your industry, it doesn’t mean you know how to do charity. During the cold weather [in Hong Kong in late February], I was giving out lunch boxes with my daughter and one guy said he was vegetarian; I’d thought everyone would like char siu with rice. It hit me: you need to understand what people need or you’re wasting resources. You have to have the humility to ask, and not give it out in a way where you’re making the receiver beg for it. To me, that was the hardest part: I’m not as good as I think, because I don’t know what people need.”