This summer Hong Kong has been in the news for a series of large- and small-scale political demonstrations. These events have impacted businesses, public transit and the airport. A series of protests in and around the airport in early August caused the cancellation of all flights for two days and further protests scheduled in the coming days threaten to cause additional disruption as tensions continue.

As a major international hub and center of global commerce, the unrest in Hong Kong is being closely monitored by many companies to ensure employees and operations are not adversely impacted by the situation. This bulletin outlines the key considerations to ensure companies keep their employees safe and physical assets protected as the situation develops.

**Employee safety and well-being considerations**

Companies with employees traveling to or living in Hong Kong should be aware of the advice from travel security experts and assistance providers such as WorldAware, International SOS and others, who have regular alerts on the latest changes and are closely monitoring the situation. However, to date, no specific evacuation recommendation has been issued. The US State Department recently updated its travel advisory for Hong Kong to Level 2, advising citizens to exercise caution in the vicinity of large gatherings and to avoid areas of the demonstration. Employee safety is a priority for companies operating in Hong Kong. Keeping employees updated on the latest developments and having a system in place to communicate quickly, in real time if possible, is critical in mitigating risk.

Companies should ensure that all employees are aware of the protocols for employee safety and security including what number to call should they find themselves in danger or injured. Employees should also be aware of locations of embassies and hospitals when traveling to Hong Kong. One of the factors in determining a company’s compliance around Duty of Care towards employees is how well prepared employees were before traveling and whether there were protocols in place.
Travel accident/medical or expat medical policies can provide coverage for medical or death claims and are often the way in which companies offer travel assistance services to their employees worldwide. Most accident policies provide a vendor like WorldAware or Europ Assistance services as an added benefit. These policies will often respond to employees while traveling, but many policies contain exclusions for death or bodily injury resulting from participation in civil commotion or activities in violation of local laws (such as the demonstrations in Hong Kong).

An Employee Assistance Program (EAP) is another way that companies can support employees in Hong Kong as the barrage of news coverage and disruption to daily routines can take a toll on employees’ emotional and mental well-being. A full-service EAP can offer services such as crisis support with on-site counseling, 24-7 multi-language helpline and confidential assessment and counseling services. Demonstrating support and care for employees through an EAP, in addition to standard employee benefits already offered, during this period of uncertainty will help with employee engagement and overall well-being.

Employees’ compensation (EC) insurance is a mandatory coverage for employees working in Hong Kong and may be a remedy for employee injury. EC policies typically mirror terms and conditions established in the Employees’ Compensation Ordinance. Riot- and strike-related work injuries are not a general exclusion. The transit clause in the EC policy (i.e., coverage for traveling to and from work) should also be reviewed to ensure that coverage is available.

Physical asset considerations

In addition to monitoring and communicating developments of the political situation in Hong Kong, companies should also evaluate protection of physical assets. Office buildings, retail locations and inventory may be exposed to potential damage as a result of the actions of demonstrators and police. Insurance coverage should be checked to ensure that damage or loss due to the peril of strike, riot and civil commotion (SRCC) is covered. In the event of loss of revenue due to closure of locations, coverage such as Loss of Attraction may provide a remedy or should be considered as protection against future disruption. Supply chains should be evaluated and tested to ensure contingency plans are in place and will respond in the event of a closure of operations or vendors/suppliers located in Hong Kong.

Hong Kong plays a critical part in most companies’ operations across Asia with many regional headquarters or key offices located in the city. The events of the past few months require careful monitoring and analysis of protections in place for employees and physical assets. Employees traveling to or living in Hong Kong need to be informed of travel protocols and resources available to them from the company to ensure safety and well-being of all those who may be impacted by this fast-moving situation. For specific questions on Hong Kong, to develop a Travel Risk Management plan that develops and communicates protocols around employee safety and security, or to understand coverage related to physical assets, please contact a member of our team below.

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