



E.R. SCHIFFFAHRT



MEMBER OF THE BLUE STAR GROUP 

# United Nations Global Compact

Communication on Progress (CoP) 2013  
Reporting Period 2012/04 - 2013/03

This Communication on Progress is valid for E.R. Schiffahrt GmbH & Cie. KG and its subsidiary E.R. Offshore GmbH & Cie. KG.  
The report refers to these companies as E.R. Schiffahrt or as company.





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## **Statement of continued support of the UN Global Compact**

E.R. Schiffahrt and its management board confirm and renew their commitment to continuously support the United Nations Global Compact and its Ten Principles in the areas of Human Rights, Labour Standards, Environmental Protection and Anti-Corruption.

Within the entire international commodity trade the biggest proportion of transportation is seaborne. Therefore shipping is an important participant in globalization processes and also a beneficiary of the same.

As a consequence E.R. Schiffahrt recognizes and appreciates its economic, ecologic and social responsibility at both national and international level.

This first annual Communication on Progress documents the measures and results of E.R. Schiffahrt in the aforementioned four areas of the Ten Principles of the UN Global Compact since the company joined the initiative in April 2012. It also describes aims in this regard for the upcoming reporting period. The report will be made accessible to all stakeholders of the company.

E.R. Schiffahrt and its management board are committed to further incorporate the Ten Principles into its business strategy and to continuously develop and enhance respective objectives and measures.

Dr. Hermann J. Klein  
Chief Executive Officer



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## **E.R. Schiffahrt – Overview**

E.R. Schiffahrt is a ship owning and ship management company with around 130 container, bulk and multi-purpose vessels in service as of today. The offshore fleet managed by E.R. Offshore consists of 2 anchor handling tug supply vessels and 11 platform supply vessels in worldwide service. This diversified fleet makes E.R. Schiffahrt a strategic partner of the world's leading liner companies, bulk operators and the offshore industry.

The company's founder and chairman, Erck Rickmers, established E.R. Schiffahrt in 1998. The Rickmers family has been active in the shipping business for five generations.

In 2012 the company merged its ship management activities with Komrowski Befrachtungskontor and Blue Star into a new entity called Blue Star Holding.

About 4,500 employees on shore and at sea are committed to provide safe, environmental friendly and reliable ship management operations to its clients.

In addition to mandatory certification according to the International Safety Management Code (ISM-Code) and to the International Shipboard and Port Facility Security Code (ISPS-Code) E.R. Schiffahrt developed an integrated management system certified to the aforementioned ISM-Code and the following standards:

ISO 9001:2008 (quality)

ISO 14001:2009 (environment)

BS OHSAS 18001:2007 (occupational health and safety)

This management system is established and maintained both on board of the operated fleet and ashore.

Furthermore, E.R. Schiffahrt holds the "GL Excellence – 5 Stars" certificate. This accolade is awarded by the classification society Germanischer Lloyd (GL) for reliable ship operations and the introduction of and compliance with above-average safety, environmental and quality standards





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## I – Human Rights

*Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and*

*Principle 2: make sure they are not complicit in human rights abuses.*

E.R. Schiffahrt and its management board are committed to support and to protect the International Bill of Human Rights within their sphere of influence and throughout their business activities.

It is further the declared company's policy neither to permit nor to tolerate but to prevent any kind of discrimination and/or harassment of its employees on board or ashore on the grounds of race or the ethnic origin, gender, religion or belief, disability, age or sexual orientation.

Within its management system E.R. Schiffahrt has established a reporting procedure that enables and encourages all employees to report any non-conformity in regard to applicable international, national or internal rules and regulations. The latter also includes the declared company's policy statements.

E.R. Schiffahrt recognizes and appreciates its social responsibility and is or was engaged in the following activities within the reporting period of 2012:

The seafarers on board of our vessels are away from their families and homes for several months. It is therefore important for them during their time limited port stays to be able to visit places where they feel welcomed and somehow also at home.

With the Seaman's Club "Duckdalben" the German Seamans Mission has established such a place in the middle of the Port of Hamburg. This Club offers seafarers a welcome change from their everyday life on board e.g. by providing the opportunity to use telephones and the internet, to do some small shopping or to find a quiet moment in a so called Room of Silence where the seven world's religions coexist peacefully. Starting in the year of 2012 E.R. Schiffahrt supports the "Duckdalben" with an amount of 10.000 Euro per year for the next five years.

E.R. Schiffahrt was also engaged in the German "Jugend forscht" Young Researchers' "Pupils Experimenting" competition in 2012. This competition aimed at supporting young scientists of the future, running under the motto: "We like how you're thinking!" Young people were free to choose whatever topic appealed to them from the following seven areas: the working world, biology, chemistry, geo and space sciences, mathematics/computing, physics and technology.

As the sponsor of the regional competition in Hamburg, Germany, E.R. Schiffahrt was organizing and financing the entire event. That included organizing the venue and the presentation of the projects to the public, donating prizes and supporting the panel of



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jurors with own experts. The event hosted about 100 participants and additional around 300 guests.

Furthermore E.R. Schiffahrt also supports research and teaching as a donor of the foundation "Stiftung zur Förderung der Technischen Universität Hamburg Harburg". This foundation supports the technical university and its students by promoting research, innovative teaching methods and international campus life. With this engagement E.R. Schiffahrt aims to benefit the professional education of future generations.

Social commitment attracted also physical support amongst the staff of E.R. Schiffahrt: Around fifty employees participated in the summer of 2012 in a four kilometer charity run in the City of Hamburg, the "HSH-Nordbank Run". The aim of each runner and also of the entire team was to raise money for "Children Help Children". The organization supports handicapped of disadvantaged girls and boys.

During the upcoming reporting period of 2013 E.R. Schiffahrt aims at introducing the two human right related principles of the UN Global Compact into a diversified supplier's code of conduct in order to further ensure that in all areas of business activities human rights are supported and respected and that E.R. Schiffahrt will not be complicit in human right abuses.



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## II – Labour

- Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;*
- Principle 4: the elimination of all forms of forced and compulsory labour;*
- Principle 5: the effective abolition of child labour; and*
- Principle 6: the elimination of discrimination in respect of employment and occupation.*

It is the declared policy of E.R. Schiffahrt that all employees both on board and ashore shall be treated in a fair, just and correct manner based on relevant international and national rules and regulations and applicable working terms and conditions.

The company has established a grievance procedure which clearly defines the right of any seafarer to file a complaint arising from an alleged violation of his contractual or any other rights.

Conditions of contracts of employment for crew members on board of E.R. Schiffahrt managed vessels are based on collective bargain agreements and are in accordance with applicable rules and regulations.

Under-aged seafarers are never employed on board of E.R. Schiffahrt managed vessels. Personnel documents are being reviewed during various steps of the initiation of employment and also by the Master as a representative of the company on board.

E.R. Schiffahrt is committed that all identified risks to its personnel are being assessed and appropriate safeguards are established in order to ensure that no unacceptable or avoidable risks are taken.

To fulfill this commitment procedures to identify critical shipboard operations and to control substances hazardous to the health of employees are established within the management system of the company. Proper implementation of these procedures is being reviewed during internal and external audits on board and in the office ashore as part of the verification process related to companies Occupational Health and Safety Assessment Series (OHSAS) certification. The renewal of this certification was carried out during the reporting period of this Communication on Progress and is valid from July 03, 2012.

During the upcoming reporting period of 2013 E.R. Schiffahrt will implement the Maritime Labour Convention of 2006 (MLC 2006) into its existing management system on board and ashore. The MLC 2006 governs the minimum requirements for seafarers



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to work on a ship and the conditions of employment, the accommodation and recreational facilities as well as food and catering on board, the health protection, medical care, welfare and social security protection of seafarers. The effective implementation will be verified by a third party on board of every vessel under the management of E.R. Schiffahrt.

Also within the next reporting period E.R. Schiffahrt aims at introducing the four labour related principles of the UN Global Compact into a diversified supplier's code of conduct.





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### III - Environment

- Principle 7: Businesses should support a precautionary approach to environmental challenges;*
- Principle 8: undertake initiatives to promote greater environmental responsibility; and*
- Principle 9: encourage the development and diffusion of environmentally friendly technologies.*

E.R. Schiffahrt is assessing all identified environmental risks that may emerge within its sphere of influence or through its business activities.

Further, E.R. Schiffahrt is committed to continuously improve its employees' skills and abilities not only but also in regard to environmental protection.

The company has issued instructions and procedures which ensure the safe operation of all vessels in regard to environmental protection. These instructions and procedures are established in the integrated management system which is certified in accordance with the ISO 14001:2009 standard. The renewal audit for the certification took place during this reporting period and the issued certificate is valid from July 03, 2012.

One defined and met environmental aim for the year of 2012 was to certify all projected Super-Post-Panamax vessels for highest environmental standards both mandatory and voluntary by receiving the Environmental Passport class notation at the time of delivery of the vessel from the shipyard. Two of these vessels were delivered within the reporting period of this Communication on Progress, both of them received the Environmental Passport. This passport was issued by the classification society Germanischer Lloyd (GL).

One of the most important aims which were actively pursued through the year of 2012 with great efforts of crews on board and staff in the office was to reduce fuel consumption of the vessels managed by E.R. Schiffahrt. This was done in close cooperation with charterers, with engine manufacturers, research institutes, shipyards and naval architects. Measures to reach this aim were:

- Slow and super slow steaming: E.R. Schiffahrts' vessels were drastically reducing their normal voyage speeds wherever and whenever trading pattern would allow this measure.
- Installation of turbo charger cut out systems: These systems lower the fuel oil consumption and improve the main engine performance when the vessel is slow or super slow steaming. During the year of 2012 such systems were installed on 22 vessels within the fleet of E.R. Schiffahrt.
- Training: 22 Captains and 19 Chief Engineers were invited into the office in order to participate in specific training courses for fuel efficiency awareness and fuel consumption reduction.



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- Routing and trim optimization: Dedicated computer software has been installed on various vessels in the fleet in 2012 to enable the personnel on board to introduce more detailed information into the voyage planning. Especially in regard to prevailing and anticipated weather conditions, ocean currents and proper adjusted trim of the vessel throughout an entire voyage.
- Redesign: Plans were developed to modify hulls, bulbous bows and propellers of certain vessels in order to improve fuel efficiency and reduce fuel consumption.

To further increase the efforts to locate fuel saving potentials E.R. Schiffahrt aims at developing and implementing an enhanced energy management system certified according to ISO 50001 during the next reporting period.

Aforementioned redesigning plans will also be progressed and their realization initiated.

Another focus in 2013 will be on the implementation of a bio-fouling management plan in the fleet which will incorporate procedures for inspecting, maintaining and cleaning the vessels hulls and other areas which are susceptible for marine growth. Controlling marine growth on the vessels is aiming at the prevention of alien species invasions between different ocean regions and also at reducing fuel consumption.

During the upcoming reporting period of 2013 E.R. Schiffahrt also plans to introduce the three environment related principles of the UN Global Compact into a diversified supplier's code of conduct in order to support environmental protection in all areas of its business activities.



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## IV – Anti Corruption

*Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.*

E.R. Schiffahrt is committed to counteract fraud, extortion and bribery or any other form of corruption within its sphere of influence.

The company has implemented an internal control system that ensures that business activities are checked on a regular base.

Any secondary employment or additional business of employees of E.R. Schiffahrt must be reported to the company and is subject to approval in order to reduce possibilities of contradictions of interest. Salaries paid by E.R. Schiffahrt are ensuring that employees are able to support themselves without the need of an additional income.

E.R. Schiffahrt has established rules and regulations governing acceptance and granting of presents, corporate hospitality and other invitations and stipulating in which cases employees have to report to the company if such benefits are offered to them by third parties that uphold or are about to enter into business relations with E.R. Schiffahrt or its related companies.

Any new employee who joined E.R. Schiffahrt in 2012 has signed these rules within his contract of employment.

During the upcoming reporting period of 2013 E.R. Schiffahrt aims to further strengthen its anti-corruption policy and introduce principle number ten of the UN Global Compact into a diversified supplier's code of conduct. This shall serve the purpose to support fighting of corruption in all areas of business activities of E.R. Schiffahrt.