

UNITED NATIONS GLOBAL COMPACT

COMMUNICATION ON PROGRESS (CoP) 2016

Reporting Period 2015/04 - 2016/03



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Statement of continued support of the UN Global Compact

E.R. Offshore 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. Offshore recognizes and appreciates its economic, ecologic and social responsibility at both national and international level.

This second annual Communication on Progress documents the measures and results of E.R. Offshore in the aforementioned four areas of the Ten Principles of the UN Global Compact since the company joined the initiative in June 2014. 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. Offshore 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.

Willem Dekker

Managing Director

F.R. Offshore

E.R. Offshore - Overview

E.R. Offshore is a ship management company with 2 anchor handling tug supply vessels and 11 platform supply vessels in worldwide service. This diversified fleet makes E.R. Offshore a strategic partner of the world's leading Oil and Gas companies, platform operators and the offshore industry.

The company's founder Erck Rickmers established E.R. Offshore in 2006. The Rickmers family has been active in the shipping business for five generations.

Workforce on shore and at sea is 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), the Maritime Labour Convention (MLC) and to the International Shipboard and Port Facility Security Code (ISPS-Code) E.R. Offshore developed an integrated management system certified to the following standards:

- ISO 9001:2008 (quality management),
- ISO 14001:2009 (environmental management),
- BS OHSAS 18001:2007 (occupational health and safety management),

This management system is established and maintained both on board of the operated fleet and ashore and audited by an external independent third party on an annual basis.



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. Offshore 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. Offshore has established a reporting procedure that enables and encourages all employees to report any non-conformity or complaint in regard to the Maritime Labour Convention and other applicable national, international or internal rules and regulations. The latter also includes the declared company's policy statements available on the website of E.R. Offshore.

E.R. Offshore recognizes and appreciates its social responsibility and is or was engaged in the following activities within the reporting period of 2015 in this regard:

E.R. Offshore supports refugee children in Hamburg

In December 2015 E.R. Offshore donated a five-digit figure to "Children for Tomorrow", a foundation established by former tennis professional Stefanie Graf. It supports children and adolescents who have become victims of war, persecution and organized violence. In Hamburg, Germany, where E.R. Offshore is located, "Children for Tomorrow" funds the Outpatient Clinic for Refugee Children and Adolescents at the University clinic of Hamburg-Eppendorf. All treatments are aimed at promoting psychological recovery to enable refugee children to participate in societal reconciliation processes. The program can include psychological treatments, behavior psychological treatments and art therapy. Today, the multi-professional team of ten treats about 250 patients a year. www.children-for-tomorrow.de

Local fundraiser

As a gesture of solidarity with its home city of Hamburg, the E.R. Group supports a different local social institution with a donation of 5,000 euros every year. The employees of the company offer their suggestions and vote for the organisation they want to back. The project with the most votes receives the donation. In 2015 "Friends of the German Multiple Sclerosis Association" benefited from the employees vote. The Friends' Association enables persons concerned to keep their independence and quality of life despite of their illness. Consultation hours, workshops and joint activities help them as well as their relatives to cope with the disease and to take courage and energy for their everyday life.

Charity: HSH Nordbank Run 2015

24.386 participants in 852 teams started at the HSH Nordbank Run in Hamburg on 27 June 2015. Among them was the "E.R. Offshore" team of 6 runners – staff, family and friends – who successfully completed the 4 km distance leading through Hamburg's rapidly developing waterfront "HafenCity".



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. Offshore 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. Offshore managed vessels are based on collective bargain agreements and are in accordance with the Maritime Labour Convention of 2006 (MLC 2006) and other applicable rules and regulations.

The aforementioned MLC 2006 governs the minimum requirements for seafarers 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 of the MLC 2006 into the company's management system has been verified through an audit by a recognized third party on board of every vessel under the management of E.R. Offshore in 2013. The effectiveness of the system is continuously monitored through annual internal audits on board of each vessel since then.

External crewing agencies are also audited by E.R. Offshore on an annual basis. These audits include the verification of their compliance with the MLC 2006 as well.

Under-aged seafarers are never employed on board of E.R. Offshore 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. Offshore 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 verification in the office was carried out during the reporting period of this Communication on Progress. E.R. Offshore has trained its seagoing personnel in these occupational health and safety procedures in 2015 during so called Fleet Officer Meetings in Gdansk, Poland and Split, Croatia. More than 200 Officers were participating in these events.

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

Further, E.R. Offshore 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 verification audits for the certification took place during this reporting period on board of several vessels of the fleet and in the office of E.R. Offshore.

One of the most important aims which were actively pursued through the year of 2015 with great efforts of crews on board and staff in the office was to reduce fuel consumption and with that also CO2-emissions of the vessels managed by E.R. Offshore.

The implemented management plan in 2014 was verified and all procedures for inspecting, maintaining and cleaning the hulls and other areas which are susceptible for marine growth and fuel efficiency were audited for compliance and efficiency. 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.

The company also offers to all employees subsidized monthly passes for public transport within the metropolitan area of Hamburg, in order to encourage employees to use environmental-friendly transportation for commuting between home and work.

IV - Anti Corruption

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

E.R. Offshore 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. Offshore 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. Offshore are ensuring that employees are able to support themselves without the need of an additional income.

E.R. Offshore 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. Offshore or its related companies.

Any new employee who joined E.R. Offshore in 2015 has signed these rules within his contract of employment.



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