



OCEAN BREEZE



Contents

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News Roundup

- Announcement of the Winners of the "K" Line Group Environmental Awards 2023 ... P1
- Exhibition at the Emperor's Birthday Reception P9
- "K" LINE Holds Global IT Conference 2023..... P10
- Business Travel Report ~I Visited Bari-Ship 2023!!~ P12

Special Features

- "K" Line Chile Holds 50th Anniversary Ceremony to Connect Japan, Chile and the World with a Smile P14
- Haichi, Educational YouTuber A Talk with Three Ship's Officers! P19

Eco to the Future

- Miho's Dream Journey Goes Across the Wilderness of the Sea "e-fuel"..... P22

Letter from Overseas Spin-Off Edition

- An Arabian Story: Episode 3 P26
- Letter from the South American Andes, Part 10
~The Alpaca, an Animal that Lives in Peru and Is Famous Around the World~..... P29

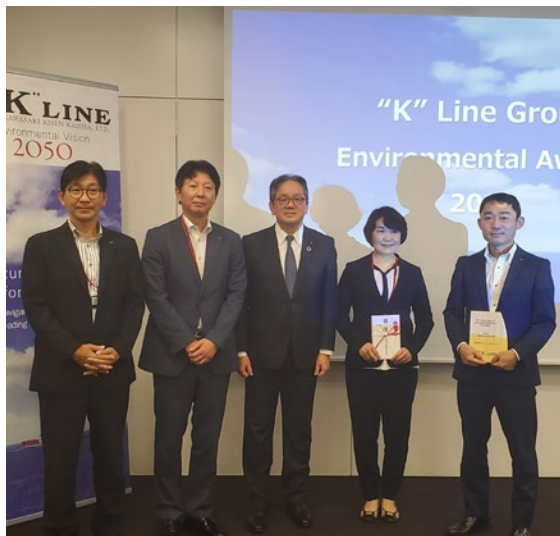
Announcement of the Winners of the “K” Line Group Environmental Awards 2023

Environment Management Team, Corporate Sustainability, Environment Management, IR and Communication Group

The “K” LINE Group Environmental Awards were established to honor and give recognition to outstanding activities that contribute towards environmental preservation undertaken by any employee working in the “K” LINE Group according to the direction developed in the “K” LINE Environmental Vision 2050. This year marks the 9th time these awards have been offered since the establishment of the awards in 2015, and we received a total of 33 entries this year from our group companies both in Japan and overseas (33 last year). We are so grateful for everyone’s cooperation.

Following the deliberations of the “K” LINE Group Environmental Awards Review Committee on April 12 (Wed), we have selected one Grand Award recipient, four Excellence Award recipients and one Special Award recipient.

An awards ceremony was held at “K” LINE headquarters on June 12 (Mon). President & CEO Yukikazu Myochin presented a memento and a list to each of the awardees. Thank you to all the recipients of the Grand Award, Excellence Award, and Special Award.



Message from the President & CEO



The "K" LINE Group aims to realize both social and economic value, improve its corporate value and contribute to all stakeholders through its corporate philosophy, "The globally trusted "K" LINE."

The "K" LINE Group will proactively be involved in businesses that contribute to the low carbon economy and the decarbonization of society by preparing for the support vessels for offshore wind power generation and other purposes that may include new energy technologies such as hydrogen and ammonia, and preparing for the demand for the marine transportation of collected and liquified CO₂ with its initiatives to reduce greenhouse gas emissions and contribute to realizing low carbon initiatives and the decarbonization of customers' value chains. In addition, "K" LINE will understand and minimize the impact of marine transportation on the air and ocean environments and ecosystems, as that is a part of marine transport operators' responsibilities.

Through these initiatives, "K" LINE will be a business entity selected by all stakeholders by reducing its environmental footprint and continuously increasing corporate value to realize a sustainable society. This is the ninth "K" Line Group Environmental Awards since we started in 2015, working towards achieving the goals of the "K" LINE Environmental Vision 2050 with the view toward the promotion of environmental conservation and sustainable business activities. We received 33 submissions this year, and have selected one Grand Award recipient, four Excellence Award recipients and one Special Award recipient.

I want to offer my congratulations to all of the award recipients.

Having started in 2017, it is the seventh anniversary of the Group's environmental management promotion structure, DRIVE GREEN NETWORK (DGN).

Now, there are 42 DGN participants, up from 17 at its commencement. Through the DGN activities and the "K" LINE Group Environmental Awards, we would like to raise "K" LINE Group members awareness and promote environmental protection initiatives across the Group. We hope you all will be promoters of environmental conservation in your workplaces.

I would like to close my greeting by congratulating and honoring the award recipients again and wishing for your success and good health.

Grand Award (1)

Awarded to "K" LINE Group initiatives that are considered to match the purposes of this award.

**Reducing Fossil Fuels and CO₂ Emissions by Using EV Cars, Installing Solar Carports and Storage Batteries at the Daikoku Car Carrier Terminal****Daito Corporation**

After repeated discussion, they replaced company cars with electric vehicles and installed a solar carport so that they would be able to contribute as much as possible to the reduction of CO₂ emissions because there are high quantities of CO₂ emitted during car carrier cargo handling. The solar carport plays multiple roles: It supplies surplus generated electricity to the janitor's office for efficient use or to storage batteries for use at night or in a disaster.

In the approximately four months since its roll out in November 2022, it has generated 1581.9 kWh of electricity, which represents a CO₂ emissions reduction of approximately 1140.55 kg. The initiative has certainly contributed to the reduction of CO₂ emissions even though they have only tentatively confirmed its effectiveness as they failed to collect data throughout the year.

**[Key Points Recognized]**

- Creative, original idea in harmony with dedicated car carrier terminals.
- The way surplus electricity is used is ingenious.
- The system can be used at other terminals.

Excellence Award (4, in no particular order)

Awarded to projects that are considered excellent initiatives with creativity, continuity, etc., even if on a small scale.

**Entering into World's First Full Scale CCS Project with Northern Lights for Two Liquefied CO₂ Vessels/
CO₂ Reduction Through CCS/liquefied CO₂ Transportation****Carbon-Neutral Promotion Group (Kawasaki Kisen Kaisha, Ltd.)**

The world is implementing many different initiatives to achieve carbon neutrality by 2050. This team participated in NEDO's liquefied CO₂ transportation demonstration focusing on the CCS/liquefied CO₂ transportation business, the area where our expertise in liquefied gas carrier operations can be utilized. Additionally, as members of international groups such as the SIGTTO and the ISO, they contributed to initiatives to formulate CO₂ transportation rules.

The team was able to contribute to reducing CO₂ emissions through the transportation of 800,000 tons of CO₂ a year by providing transportation services using two carriers carrying 7,500 m³ of liquefied CO₂ to Northern Lights which is responsible for the transportation and storage of CO₂ in the world's first full-scale CCS project which will commence in 2024.

[Key Points Recognized]

- CO₂ transportation services contribute significantly to the reduction of society's CO₂ emissions.
- Originality and creativity and the grassroots activities of offices/vessels, not projects, were a focus when selecting awardees. While maintaining this basic rule, we selected this team for the Excellence Award because their initiative was the first trial of liquefied CO₂ transportation in the world, and it will have great social significance toward low carbon initiatives and the decarbonization. This also indicates that the "K" LINE Group would like to cheer them on.



Restoring the Ecosystem through Dam Building

K Line (Thailand) Ltd.

Check dams built in Kaeng Krachan National Park, the largest forests in West Thailand. The check dams are dams made of bamboo, sandbags and rock. Making a check dam in a waterway slow down the water flow velocity, providing more humidity to the forest, maintaining and restoring the ecosystem, and mitigating flood damage during the rainy season. In total, 189 volunteers travelled to Phetchaburi by bus from the head office and branches. The staff gave advice and then the volunteers were divided into six groups and built six check dams along streams.

This activity is an opportunity to promote social contribution and friendship among the employees.

[Key Points Recognized]

- Many employees were involved in this initiative, helping improve internal communications.
- While it is not new, this initiative is unique in its protection of biodiversity.



Improvement of Business Operations Through the Introduction of RPA (Reduced Working Hours and Copy Paper Consumption)

Nitto Total Logistics Ltd.

They introduced RPA with the help of group company KMDS to begin improving employees' IT skills. The robot system was created at production facilities mainly by people who had consulted with KMDS. Having clarified the regular work at the production facilities, they introduced RPA. They are experimenting every day to reduce human error and working hours and increase work efficiency by going paperless.

The following shows the major effects of the introduction of RPA.

Overtime after starting to use the system: Reduced about 1,255 hours in the second half (7% reduction year-on-year)

Copy paper purchases after starting to use the system: Reduced by about 47,500 sheets of paper in the second half (17% reduction year-on-year)

CO₂ emissions after starting to use the system: Reduced by about 3,468 kg in the second half

Number of people who participated in the RPA seminar: 61 (there are total of 194 clerical staff members)

[Key Points Recognized]

- The introduction of RPA greatly affected paper reduction.
- The team cooperates with group companies.
- It is expected that the initiative will be expanded to other group companies.



Use of ECOPLA WOOD as a Substitute for Wood Dunnage

"K" Line Marine Solutions Co., Ltd.

Dunnage is a cargo bedding material used for curing and protecting cargo and hold decks. It is cut to fit the cargo before use. Wood dunnage must be smoked in some regions. Smoked wood dunnage is generally single-use and is discarded after use because it is difficult to reuse.

After discussing the use of substitutes to reduce wood consumption, the team replaced smoked wood dunnage with ECOPLA WOOD,* a recycled plastic-based product, and the uniform square log standard was used for the cargo handled at Itsukaichi Port. ECOPLA WOOD is produced from waste plastic. It can be used repeatedly. When it is too damaged to reuse, it is crushed and processed to fully recycle it.

*ECOPLA WOOD: The raw materials used in the recycled product include car bumpers, home appliances, and plastic bottle caps.

[Key Points Recognized]

- This initiative will lead to the reduction of waste plastic and discarded wood.
- When damaged, the ECOPLA WOOD can be repeatedly recycled as it is designed to ensure that it is fully recycled.

Special Award (one recipient)

Awarded to companies that have had 10 or more entries since the awards began.



K Line (Thailand) Ltd. (10 submissions)

- List of submissions -

Title	Company
Improvement of Business Operations Through the Introduction of RPA (Reduced Working Hours and Copy Paper Consumption)	Nitto Total Logistics Ltd.
Installation of Eco-friendly Engines in Transportation Trucks	PrixCar Services Pty. Limited
Brent River Cleaning	"K" Line Bulk Shipping (UK) Limited
Collection of Unneeded Calendars and Distribution to Vessels	Senwakai
Collection of Used Stamps	Senwakai
Donation of PPE for Pasig River Cleaning	"K" Line Maritime Academy Philippines, Inc. (KLMAP)
Preparation of Internal Information Disclosure Platform (EPMT PORTL)	Fuel and Performance Management Team, Advanced Technology Group, Kawasaki Kisen Kaisha, Ltd.
Environmental Conversation and Safety in Navigation and Cargo operations — KAM's Continuous Approach to Vessels Calling at Ports in the USA	"K" Line America, Inc.
Community Clean Up Project	"K" Line America, Inc.
Participation in the World's First Full-scale CCS Project and Contribution to Huge CO ₂ Reduction in CCS/Liquefied CO ₂	Carbon-Neutral Promotion Group, Kawasaki Kisen Kaisha, Ltd.
Reducing Fossil Fuels and CO ₂ Emissions by Using EV Cars, Installing Solar Carports and Storage Batteries at the Daikoku Car Carrier Terminal	Daito Corporation
Increase and Promotion of Environmental Activities (Four)	K Line (China) Ltd.
Waste Reduction through Calendar Donation	K Line (Thailand) Ltd.
Restoring the Ecosystem through Dam Building	K Line (Thailand) Ltd.
Safety and the Environment Drawing Contest	K Line (Thailand) Ltd.
Safety and the Environment Online Quiz	K Line (Thailand) Ltd.
Photo Sharing with the Concept of Protecting the Earth	K Line (Thailand) Ltd.
Beach Cleanup and Copy Paper Recycling	'K' Line (India) Private Limited
CO ₂ and Cost Reduction by Relocating Truck Motorpools	PT. "K" Line Mobaru Diamond Indonesia
Alster River Cleanup Activities with Kayaks	"K" Line (Deutschland) GmbH
Volunteer Work for Mountain Trail Development	SEAGATE CORPORATION
Near Environmental Activities (Think-and-Address-Steadily Activities)	Yasushi Kudo (application by individual)
Reduction of Paper Consumption and CO ₂ Emissions by Going Paperless	"K" Line Logistics, Ltd.

Title	Company
From Trash to Treasure (Reuse of Waste Aboard Vessels)	"K" Line LNG Shipping (UK) Limited
Reuse of ECOMA Wood, Substitute for Wood Dunnage	KMSOL CCGQ CTQ
Beach Cleanup	"K" Line Pte Ltd (KLPL)
Participation in Worm Form Tour	"K" Line Pte Ltd (KLPL)
Eco Office Certification Audit	"K" Line Pte Ltd (KLPL)
CO ₂ Reduction by Treating Waste and Cost Reduction by Reducing Food Containers	Bangkok Cold Storage Service, Ltd. (BCS)
CO ₂ Reduction by Using Reusable Tote Bags	Bangkok Cold Storage Service, Ltd. (BCS)
CO ₂ and Cost Reduction by Selling Recycled Waste Products	Bangkok Cold Storage Service, Ltd. (BCS)
Beach Cleanup	"K" Line Peru S.A.C. (KPE)
Participation in Beach Cleanup Activities — Importance of Cooperation and Relationships with Community Members	"K" Line Chile Ltda (KCL)

To achieve the goals set forth in our "K" LINE Environmental Vision 2050, it is necessary for all "K" LINE Group officers, employees and crews on our ships to continue to engage in honest environmental preservation actions as part of our everyday lives. We have reached the seventh year since the start of the DRIVEGREEN NETWORK, a comprehensive environmental management system made up of the entire Group, and it has grown to be a system that covers most of our domestic and global group companies. In the future, we plan to encourage further communication among members and add further depth to our initiatives. We will widely share each company's actions to preserve the environment through the "K" LINE Group Environmental Awards, and we hope to continue our efforts in a way that will lead to more in-depth environmental initiatives across the entire "K" LINE Group. Thank you for your cooperation.

We plan to start accepting submissions for the next Environmental Awards at the start of 2024.
We look forward to many submission.

Exhibition at the Emperor's Birthday Reception

Contributed by Middle East chief resident officer (resides in Dubai), Middle East Representative Office

The Representative Office ran a corporate booth at the Emperor's birthday reception held on February 21, which was sponsored by the Consulate-General of Japan in Dubai through application to the exhibition. There were 16 booths at the event, including two run by local governments. The private companies also ran booths which included Daikin, Sharp, Canon, Chori, Chateraise, Yakurut and some other companies.

Though we felt that marine transportation may be out of place, we ran a booth to share information about our initiatives for carbon neutrality.

For the day, we prepared a panel on the theme of Seawing, a YouTube video about Seawing, an exhibition of a DRIVE GREEN HIGHWAY model, and a document summarizing our carbon neutrality initiatives. As a giveaway, we prepared ballpoint pens with the company's logo.

The reception was held at a ballroom in Raffles Hotel, and approximately 300 guests were invited. One third of them were Japanese representatives of Japanese companies.

Also, many people from government-related organizations and local companies in the UAE, India, the US, Europe, etc. that have a close relationship with Japan attended.

The Seawing video drew the attention of the (non-Japanese) people walking in the venue who were not familiar with "K" Line. They came by to ask what it was, giving us the opportunity to share information. We explained that the technology reduces CO₂ emissions approximately 20% and that we are developing ships that emit zero CO₂ using ammonia fuels, etc.

As we thought, many people were interested in the environment, and these people listened attentively. We put documents and ballpoint pens in red "K" Line bags and gave them away to the people who came to the booth. Near the end of the reception, after having handed out approximately 20 bags in two hours, the people carrying the red bag became noticeable in the venue, which we think increased the appeal.

We would like to take this opportunity to thank to the related parties in-house who cooperated in the preparation of exhibition materials.



With Mr. Ibrahim Sharaf, the Chairman of the Sharaf Group, our local partner in UAE came to our booth



Our booth



During Consul-General of Japan in Dubai Sekiguchi's speech, the logos of the exhibiting companies were displayed on the screen.

“K” LINE Holds Global IT Conference 2023

DX Promotion Team, Digitalization Strategy Group



On the two days of March 9 and 10, 2023, we held a global conference on IT to accelerate digital transformation (DX) strategy and strengthen security at the headquarters in Tokyo.

The global conference in Tokyo hosted by the IT sector for the first time in about 15 years, turned out to be a big event for both us in the Digitalization Strategy Group as the host and our guests from different countries.

With the COVID-19 pandemic finally starting to show signs of abating and border measures beginning to be eased in Japan, more than 40 team members in charge of IT/DX matters operating in different countries and time zones in key facilities in the Company's global network gathered. They came from 16 countries/business locations. (We imagine they had long been eager to go abroad.)

The participants, including President & CEO Yukikazu Myochin, CIO Daisuke Arai and people from the Digitalization Strategy Group and “K” Line Business Systems Co., Ltd., actively engaged in workshop sessions, discussing an agenda related to the DX projects implemented in countries based on the DX strategy, particularly, the projects for a robust IT infrastructure in which the more than 5,400 employees of the “K” LINE Group can work every day in secure conditions with advanced security measures to foster the customers' feelings of security and trust.

While business types and IT applications differs depending on the country or region, many participants commented that sharing what they had achieved through DX will help improve their local customer services, adding that the reinforcement of IT infra-structure is an essential initiative internally, as well as from the perspective of being



part of the marine transportation and logistics ecosystem. They realized that facilitating efforts to leverage IT/DX to maintain "K" LINE's core values, safety, environmental consciousness and quality, will result in the enhancement of the "K" LINE Group's corporate value. They also recognized that the head office and business locations of the global network should collaborate more closely and accelerate the improvement and enhancement of the IT/DX environment in many regions.



A reception party was held at a restaurant in a nearby hotel. With President & CEO Yukikazu Myochin proposing a toast, the party started with a friendly atmosphere. IT members, who usually communicate with each other mainly through Microsoft Teams due in part to time differences, took advantage of this opportunity and appeared to be enjoying face-to-face conversation over nice food and drinks and enjoying the sweetness of the first reunion in Tokyo in a few years.

Nothing makes us, the members of the Digitalization Strategy Group that hosted the conference despite never having organized a global conference before, happier than seeing the participants having a good time and helping their IT family members get to know each other better. We are sorry if you experienced any inconvenience. We were able to understand again how wonderful it was to work together with "K" L members around the world as one family.

"K" LINE is driving digitalization as a functional strategy for achieving its business strategy under the Medium-term Management Plan announced in May 2022. Going forward, we will continue to bolster its corporate value and solve social issues in the IT/DX field as well, with the "K" LINE IT family that is expanding globally.





Business Travel Report ~I Visited Bari-Ship 2023!!~

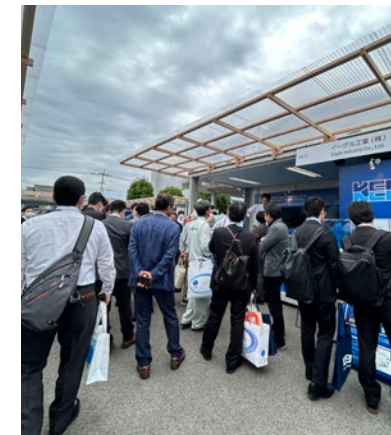
Contributed by Ms. Risako Wakiya, Communication Team, Corporate Sustainability, Environment Management, IR and Communication Group

I visited Bari-Ship 2023 held at Imabari, home to the largest cluster of maritime-related industries in Japan on May 25 to 27 2023. Bari-Ship is West Japan's largest international exhibition and conference, bringing together the shipping industry including marine transportation, shipbuilding, and ship equipment, and is held every two years as a place for exchanging information on the latest technologies and industries. This time, it was being held in person for the first time in four years, given the impact of the COVID-19. In addition, exhibitions by overseas organizations, which are once again able to enter Japan, also increased, and a total of 351 companies and organizations from 15 countries and regions participated at the largest-ever exhibition area (3,503 m²). A lot of maritime officials such as shipyards and manufacturers of ship equipment gathered at the venue. The level of enthusiasm was such that I had to walk through crowds.

[Lecture Meetings and Exhibitions]

At Bari-Ship, there were booths introducing the products of each company, talks given by leaders in the shipping industry, and a lot of seminars on issues to be addressed within the shipping industry as themes, such as the environment and digital transformation. The exhibition venue included a Shipbuilder Pavilion, Marine Transportation Pavilion, and Ship Equipment Pavilion, which helped me learn about the latest products and technologies of each company.

At company booths, where cutting-edge ship technologies were introduced, I saw a number of leading-edge technologies. One example is the latest painting technology, which can prevent the adhesion of sea creatures without using antifoulant, keep the ship bottom clean for a long time, and reduce the environmental impact while improving the fuel economy performance of ships. I also saw an ammonia exclusion device, which does not produce by-products or require wastewater treatment when toxicity is excluded from ammonia, as expected of a zero-emission fuel, and which uses a catalyst that allows operation at a low running cost. "K" LINE is also pursuing a number of initiatives under the "K" LINE Environmental Vision 2050 for achieving low-carbonization and future net-zero GHG emissions. When I saw these latest environmental technologies for myself at the exhibition, I felt that various companies were taking a number of steps to reduce their environmental impact.



[Ship Tour and Shipyard Visit]

In addition to the exhibitions, Bari-Ship also offered a number of experience-based programs, including a ship tour and shipyard visit. The programs were made freely available to the public on May 27. Many local people including children took part. The programs were a success for the local community in Imabari, a center for marine-related industries.

At the on-site visit program, I boarded SIM-SHIP1, a concept ship released by NAIKEN R&D. The SIM-SHIP1 is a next-generation 499 GT cargo ship that aims to reduce CO2 emissions and the burden on seafarers, while improving safety with digital technologies. Viewing an engine room, machinery control room, and steering stand, I felt that ship safety was secured by cutting-edge technologies such as radar and flags. On the other hand, the passageway in the ship was narrower than I imagined, and there were also very steep staircases, which gave me a valuable opportunity to know how hard it is to move about the ship. Considering the rolling that takes place during marine transport, I imagined how hard ship operations were and had a feeling of gratitude for people working for safety in navigation and cargo operations on the site. At the shipyard visit, I visited a shipyard at the head office of Imabari Shipbuilding Co., Ltd. to see the vessel's stores and the premises of the dock. I also took part in a simulated launch ceremony. I was overwhelmed by the size of the ship the whole time and was able to experience the moment of launch when we saw a ship off in a spectacular finale. I felt that the hopes of many people were contained in each ship. It was a wonderful experience.



(Bonus)

At the exhibition, many novelty items were distributed. What impressed me personally were the drop candies of JFE Steel Corporation. The package shows characters surrounding the earth while holding hands. On the reverse side, we see the backs of the characters. The can is made from steel produced by the company and is recyclable. The package says "SASUTETSUNABURU.", which is a Japanese coined word mixing "sustainable" with "steel," I thought it was a very eco-friendly novelty item.



"K" Line Chile Holds 50th Anniversary Ceremony to Connect Japan, Chile and the World with a Smile

I would like to report on the ceremony celebrating the 50th anniversary of the establishment of "K" Line Chile Limitada which was held on March 17 of this year, having prepared for it as one of the executive committee members.

The COVID-19 pandemic has also tormented us here in Chile, South America for a long time, and we have been continually exposed to depressing news. Since the COVID-19 pandemic has calmed down, we planned and prepared for the ceremony as a self-created appreciation event without depending on external professionals. We wanted to enjoy the ceremony together with the people who constantly supporting us and provide a cheerful topic about a Japanese business amid the large amounts of news coverage about China in South America.

The ceremony took place at The Ritz-Carlton, the most prestigious hotel in Chile's capital, Santiago. About 150 guests were invited, including Mr. Kazuhisa Shibuya, His Excellency the Ambassador of Japan to Chile; Mr. Takahashi, CEO of Toyota Chile; Mr. Nishiura, Senior Executive Officer of Komatsu Ltd.; Mr. Tsutsumi, chair of Camara Chileno Japonesa de Comercio e Industria A. G.; Mr. Matsubara, chair of Andeskai; presidents of trading companies; top management and advisors from automobile importers and distributors, woodchip exporters; clients in the mining fishing industries; people involved in GEN HOLDING and AGUNSA which are owned by our partner CCNI; and ex-employees of "K" Line in Chile. The goal of the event to appreciate the long-standing support of the guests and communicate that we would like to continue to extend our currently 50 years of history into the future. Additionally, we took the opportunity to talk about local projects that are in progress and our goal of increasing the number of clients. We prepared many different types of entertainment throughout the ceremony to enable the guests enjoy the event as much as possible in the four hours from 12:00 p.m. to 4:00 p.m.

Contributed by Ms. Momoka Shinoda, "K" LINE (Chile) LTDA



President & CEO Yukikazu Myochin making a congratulatory speech in a video at the ceremony



The participants singing the national anthems

Let me explain the ceremony and talk about the people who collaborated in the event. In Chile, guests customarily come 30 minutes to an hour after the time specified by the host. The guests enjoyed the one-hour cocktail time from the beginning of reception at 12:00 p.m. to the start of the ceremony. Managing Executive Officer Kubo from the Tokyo head office and "K" Line (Chile) Ltda. ("KCL") President Toshiharu Takiguchi welcomed the guests. On arrival, guests received a name badge inspired by the latest "K" Line car carrier. A professional photographer was on hand to take pictures of the guests in a special area to mark the occasion and reinforce their connection with "K" Line. The guests were encouraged to write messages on a board celebrating the 50th anniversary. Popular Chilean portrait painters Francisco Quintana and Antonio Ahumada drew guests' portraits. The caricatures pleased the guests very much.



Managing Executive Officer Kubo from the Tokyo head office and KCL President Toshiharu Takiguchi welcoming guests

In the cocktail area, there were three monitors displaying the history of "K" Line and an overview of it, an introduction to KAR (automobile physical distribution) and the SDG initiatives in Chile, and the Senjo kara Konnichiwa (a TSUNAGU video presented by Mr. Murakami from Corporate Planning).

Other exhibits included the poster "Full Steam Ahead to Low Carbon and Decarbonization," the panel about the freight forwarding business which was a focus for us after spinning off the container business (panel converted from a poster by Sawa-san from "K" Line Logistics, Ltd.) and models of a car carrier, a classic containership and a "K" Line truck.

We tried to create something like a "K" Line museum. It enabled guests to learn about "K" Line and our business activities in Chile.



Cocktail time. The successful beginning of the ceremony.



Mr. Lopez, long-standing "K" Line fan, coming over from La Serena.

Mr. Kazuhisa Shibuya, His Excellency the Ambassador of Japan to Chile, arrived at the venue together with his wife at 1:00 p.m. and then the ceremony started. Ms. Kubota served as the MC. Speaking both Spanish and Japanese fluently, she skillfully warmed up the audience. The ceremony began with the audience singing the national anthems. Ensemble Folk performed the national anthems of Japan and Chile. They are a band based on Valparaíso, Chile that is closely related to "K" Line. Their beautiful singing of Kimigayo was really touching.

In his opening remarks, KCL President Takiguchi expressed his gratitude for the past and made a vow to make Chilean people happy through marine transportation and physical distribution while preserving traditions for the future. Having returned from Japan to participate in the ceremony that morning, Mr. Shibuya, in a congratulatory speech, talked about "K" Line's long-term contribution to the development of the Chilean economy and the betterment of the lives of the Chilean people during the long 125-year history of trade between Japan and Chile, our global ESG initiatives, conversion to new fuels for decarbonization and low carbon marine transportation, operations using natural energy such as wind using the kite system, and our important role in the bilateral relationship between the two countries including our participation in the study on the business of green hydrogen/ammonia transportation from Chile.



Commemorative photo of Capt. Perez who has supported "K" Line for many years.



Ms. Kubota warming up the audience at the ceremony



Ensamble Folk, a band based in Valparaíso. Their performance of the theme of Jonetsu Tairiku was overwhelming.

It was followed by a kagami biraki or sake barrel opening carried out by the guests: Ambassador Shibuya; Toyota Chile CEO Takahashi; CEO of GEN HOLDING Felipe Irrarrázaval; CEO of Ocean Network Express (Chile) Ltda. ("ONE Chile") Edwin Escobar; Managing Executive Officer Kubo; and KCL President Takiguchi. The guests were very pleased with the sake, which had been transported by our car carrier. I would like to thank the crew of the car carrier and the captain who accepted our request for that consignment.

In a celebratory statement, GEN HOLDING CEO Felipe Irrarrázaval explained that GEN HOLDING is a partner that is tied to us, and ONE Chile CEO Edwin Escobar mentioned that the "K" Line spirit still existed within ONE.

Chile is far from Japan, so it's difficult to have delicious Japanese food here. Trying to hold something like a Japanese-style festival during the ceremony, we procured ramen from Momotaro, the most popular ramen shop in Chile, authentic sushi made by a Japanese chef, Otaki, who is legendary here, takoyaki from Santako which has recently been popular in Santiago, and sake from different production regions transported by a car carrier through consignment to the captain. To entertain the guests, Ensamble Folk performed their original folk music. The band even played Jonetsu Tairiku and Eiko wa Kimi ni Kagayaku amazingly, surprising the audience. We also invited Ms. Nobuko Fujita to the ceremony. The popular therapist always relaxes the bodies and minds of Japanese customers in Chile. She massaged hands of guests from Japan, Chile and other countries. It was a healing time for them.



KCL President Takiguchi giving his opening remarks



Kagami biraki done by the guests



Many of the guests enjoyed sake.



Our important partners supporting "K" Line

I would like to express my deep gratitude to Managing Executive Officer Kubo for his participation in the ceremony despite his busy schedule and his closing speech requesting that people continue to support us.

The congratulatory video message from President & CEO Yukikazu Myochin really inspired the guests. We received supportive video messages from former members of KCL, including Uchiyama-san, Arai-san, Nishiyama-san, Mori-san, Nakayama-san and Shigeno-san. The videos were played during the ceremony. While editing the videos, I teared up many times.

I am pleased that your cooperation enables the ceremony to be successful. Experiencing the affection of the many collaborators anew, I am proud of being one of the members of this time-honored company. KCL President Takiguchi supported me during the preparations, always standing by me. I cannot thank him enough.

We at "K" Line Chile will work to enter new fields aggressively to continue to advance while respecting tradition to create a company that people will continue to love even 50 years in the future.

Please continue to support us!



Mr. Kazuhisa Shibuya, His Excellency the Ambassador of Japan to Chile and Managing Executive Officer Kubo from the Tokyo head office
Thank you for coming to Chile, Managing Executive Officer Kubo.



A special fan and memorial towel were given to guests as a commemorative gift. We bought the fans from a shop in Kyoto.



Commemorative photo of the people who collaborated to hold the ceremony.
Thank you all for your attention!



Haichi, Educational YouTuber A Talk with Three Ship's Officers!

Corporate Sustainability, Environment Management, IR and Communication Group

Haichi, an educational YouTuber, spoke with three ship's officers.

Mr. Fumiya Kishino, First Officer of Mitsui O.S.K. Lines; Ms. Erika Yoshino, Third Officer of NYK Line; and Mr. Fumiaki Toyoshima, First Engineer of "K" LINE arrived at the venue wearing their uniforms.

During the talk, Haichi asked questions the three officers answered one by one. The talk was a big success. Using a world map panel, the interviewees shared their unique experiences as ship's officers, including their experiences in unusual ports they had stopped in and with strange weather phenomenon they encountered while at sea.

Here, we print a summary of the talk, focusing on the comments of Mr. Toyoshima.



"It is rewarding to be able to support the lives of people. I find operating large vessels fun and satisfying."



"I can tell how much I have grown as a person as I acquire knowledge and experience. The job that I am doing is rewarding."



"As an engineer, I can see the results that I have achieved. I want to continue this interesting job."



● About their vessels



Haichi:

Tell me about the vessel you have been onboard most recently.

Toyoshima:

This type of crude oil tanker (indicating a photo on the panel).

It is a tanker that carries 300,000 tons of crude oil.



Haichi:

I cannot imagine the size of a tanker that big. (Laughs)

Toyoshima:

It is extremely large. It is 60 meters wide.

Haichi:

The width is 60 meters?

I see. It is difficult to imagine the size just by looking at the photo. How long is the vessel?

Toyoshima:

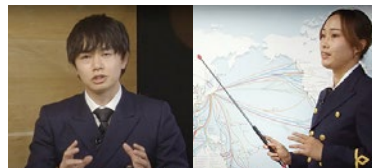
It is 330 meters long.

When navigating officers stand in the navigational bridge, they have a wide view of the tanker.

Haichi:

I see. So the width is 60 meters and the length is 330 meters. To make it easier for students to understand, we can rephrase it and say it is wider than two 25-meter swimming pools end to end. It is incredibly large.

And that is precisely why it can carry 300,000 tons of crude oil.



Note: Ms. Yoshino talked about her LNG carrier and Mr. Kishino about his car carrier.

● About the equipment in vessels

Haichi:

Can you explain about the equipment used in the vessel you manage? Some of the equipment must be quite unique.

Toyoshima:

Yes. Let's think about a car. The car's engine makes the wheels move. In the case of a vessel, the engine rotates the propeller. In addition to the engine, there are other large apparatuses including power generators, fresh water generators (devices used to convert seawater to freshwater) and boilers. And there is more than one of each of these. For example, there are three power generators in the crude oil tanker that I mentioned earlier. There are five in larger vessels (large containerships). They adjust the number of power generators used depending on the demand for electricity onboard. When they are not being used, we maintain them.

Haichi:

They have to be in excellent condition at all times.

Toyoshima:

That's right. Electricity is essential when you are on land and more so when you are operating a vessel. Maintenance is a very important job.

● About food while out at sea



Haichi:

Now, tell me about what you eat while out at sea.

Kishino:

Filipino chefs prepare and serve Japanese food. Miso soup is delicious. They also serve other types of Japanese food including grilled fish. When there is a party, they cook Filipino dishes such as roasted whole pig.



Haichi:

Is the menu normally fixed like school meals?
Or can you choose what you want to eat?

Yoshino:

It is fixed, much like school meals. Indian chefs
often prepare and serve authentic curry.

Haichi:

Oh! Do you have a favorite dish, Mr. Toyoshima?

Toyoshima:

Well, they serve steaks every Sunday.

Haichi:

I cannot believe it!

Toyoshima:

Sunday steaks are my favorite.

Haichi:

Sunday steaks! (Laughs)

Toyoshima:

And there is another Filipino dish called Sisig.

Kishino:

I love it too!

**Haichi:**

I have never had it.

Toyoshima:

Sisig is made from delicious pork which is shredded and mixed with
vegetables, and finally seasoned using chili peppers. I love it so much.

Haichi:

Sounds delicious. Thank you all! Now I'm hungry. (Laughs)

Mr. Toyoshima who represented "K" LINE was the only engineer
among the interviewees. He explained clearly why he enjoys operat-
ing enormous vessels successfully and life on board to elementary
and junior high school students.

At the end of the talk, they shared a message with the children
they would be able to see on a screen. They talked for two hours but
the time passed very quickly.

The full version of the talk is available on the following website.
Please enjoy watching it with your friends and family members!

★ Other educational videos about maritime affairs created by the
popular educational YouTuber Haichi are available on the following
website of the public interest incorporated foundation Japan Maritime
Public Relations Center.

The majority of the videos were originally made to be used as
materials for teaching social studies to fifth grade elementary school
students. They are ideal recourses for helping you and your children
learn about the maritime industry, which is closely related to our
lives!

**Japan Maritime Public Relations Center website**

<https://www.kaijipr.or.jp/educational/youtuber/>

**[YouTube Channel]**

The video is also available on Mr. Haichi's YouTube channel.

<https://youtube.be/12feBEbylml>



Miho's Dream Journey Goes Across the Wilderness of the Sea

Corporate Sustainability, Environment Management, IR and Communication Group

This Issue's Theme "e-fuel"

One ordinary day during a voyage across the ocean, Miho and Eco Captain are talking on the bridge.



It has become common to see electric vehicles (EVs) in towns. Do you think that in the future we will shift to all vehicles being EVs for carbon neutrality?



Miho



Eco Captain

Well, yes. In addition to the penetration of electric vehicles (EVs), e-fuels, which can also be used for automobiles, are also drawing attention recently.

What is e-fuel?





E-fuel (Electro Fuel) is a carbon-neutral fuel that is expected to be an alternative to gasoline, light oil, etc. They are also called artificial crude oil.

I see!

What kind of materials are used to make e-fuel?

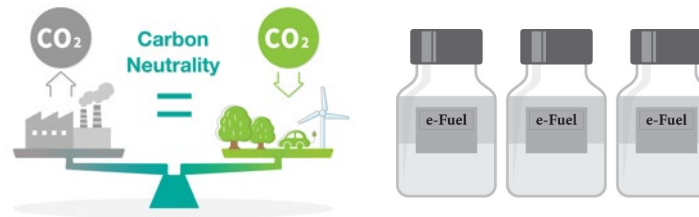


The materials used to make it are green hydrogen and CO₂. There are two ways to secure CO₂: using the CO₂ emitted from power plants or factories at present and directly separating and collecting the CO₂ from the air using a technology called Direct Air Capture (DAC) in the future. Though it is an environmentally friendly synthetic fuel, e-fuel emits CO₂ during combustion like ordinary fossil fuels.

However, the CO₂ is a resource that is reused when e-fuel is produced. Therefore, when the CO₂ emitted is balanced against the amount absorbed, the net emissions are zero, which is the reason why it is called a carbon-neutral fuel.

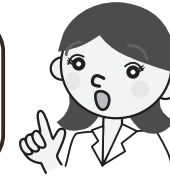
E-fuel is an alternative to oil that is produced using the raw materials carbon dioxide (CO₂) and green hydrogen (H₂). It is an aggregate of hydrocarbon compounds like petroleum and can be used freely according to the application, such as the applications for gasoline or lamp oil.

Since e-fuel is produced using the raw material of CO₂ emitted from power plants and factories and collected from the air, it can be called a carbon-neutral fuel which does not increase the carbon dioxide in the air over its life cycle, unlike conventional fossil fuels.



So, by including the amount of the CO₂ emissions reduced by the production process in the calculation, you are carbon neutral!

What other advantages does e-fuel have?



Well, one of the other advantages of e-fuel is that it can use existing facilities for gasoline or light oil without remodeling, so it does not require a lot of effort or expenses for the installation of new equipment.

In addition to that, like other liquid fuels as a whole, it has a higher energy density per cubic volume or weight than batteries. In other words, liquid fuels have more energy in a smaller volume.

This is why gas vehicles are more suitable for long-distance travel than electric vehicles. Moreover, e-fuel is superior for long-term storage and contains less impurities than crude oil, such as sulfur and heavy metals, which means that does less damage to equipment during combustion. It is also a clean fuel in terms of facility protection.

E-fuel has a lot of advantages. Does it have any disadvantages?



The biggest problem is its cost. E-fuel uses hydrogen derived from renewable energy and so is very expensive to produce. According to the calculations of the Ministry of Economy, Trade and Industry, e-fuel for automobiles would cost 5 dollars per liter.

Besides this, its production efficiency is not good, and mass production is difficult.

The EU aims to produce e-fuel using CO₂ collected with DAC, which will further worsen production efficiency, I suspect.

It seems that it will take years before it penetrates the market.

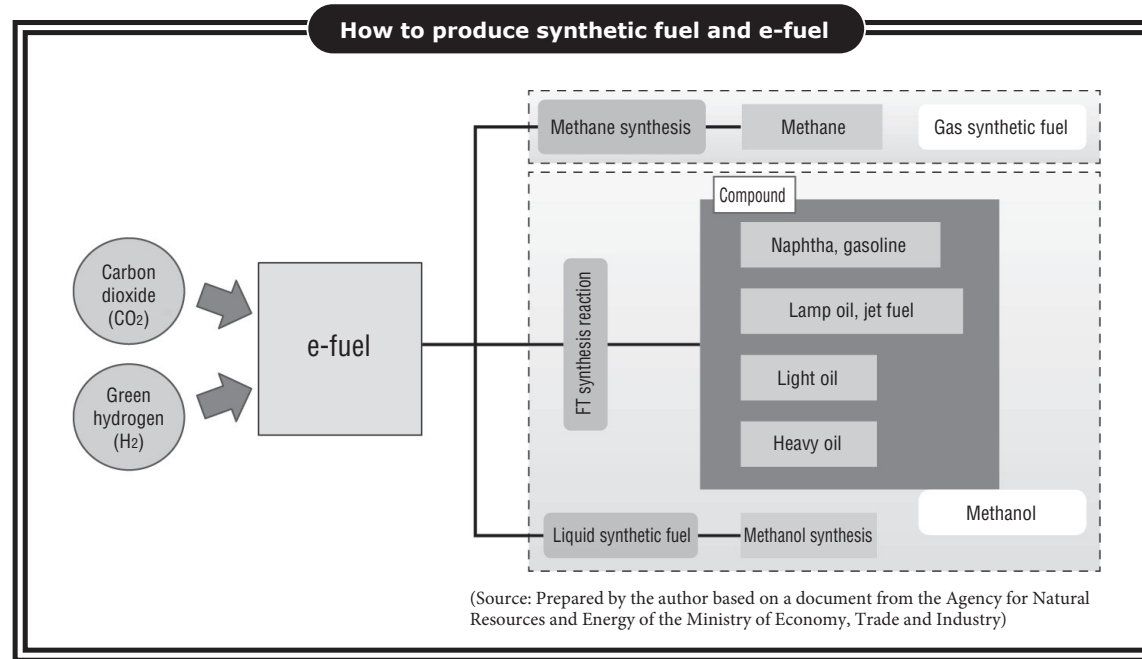
You said that it can use existing equipment. Is e-fuel going to be used by vessels in the future?



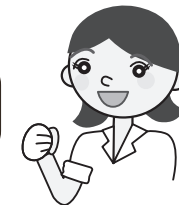


Well, yes. like crude oil, e-fuel can be refined into a variety of fuels including methane, gasoline, lamp oil, light oil and methanol. When refined into the same fuel as used by existing vessels such as methane or light oil, it can be used without any modifications.

However, as I said before, since e-fuel is difficult to mass-produce and there is the possibility of competition with the automobile and aircraft industries and cost problems, it is not clear that e-fuel will penetrate into the marine fuel market.



Though there are various candidate fuels for vessels for a decarbonized society, we should continue to pay close attention to the future development of e-fuel as well.



To be continued in the next issue.

An Arabian Story: Episode 3

Contributed by Mr. Goichi Tsuruta, Middle East Representative Office

This year, Ramadan started on March 23 and ended on April 20. Ramadan is the ninth month of the twelve months of the Hijri calendar (Islamic calendar) and is considered the sacred month. Since the Islamic calendar is a lunar calendar, the start date of Ramadan moves up 11 days every year from the solar calendar-based date. Ramadan starts on a day on which the new moon is observed by a person of religion and continues for 29 days in most countries that observe Islam. Upon observation of the new moon, the governments of countries whose main religions include Islam announce their official start dates.

Some people may think that people eat no food at all during the Ramadan period because it translates as “Danjiki Tsuki” in Japanese (or fasting month in English). This is not correct. Muslims’ obligations include abstention from certain activities, such as eating, drinking, entertainment and sexual intercourse, from dawn until sunset of each day during the period of Ramadan. Apparently some very religious people refrain from swallowing even their own saliva. The purpose of Ramadan is to develop empathy for deprived people by experiencing hunger and self-sacrifice. For Muslims, it is a period during which they can foster a strong sense of solidarity between Muslims and strengthen their faith by sharing hardships with their relatives and friends. Women who are pregnant, persons who are ill and children are considered exempted.

There are many countries with Muslim populations such as Saudi Arabia and the UAE, where Islam is the national religion, as well as Indonesia where approximately 90% of the people are Muslims. Even in these countries, it is not a requirement for all people living there, including those of other faiths, to fast, which basically is an act undertaken by Muslims. Having said that, non-Muslims are expected to act discreetly by showing respect for Ramadan-related teachings and refraining from eating and drinking in the presence of Muslims.

The end of fasting time each day when the sun sets is called breakfasting. People are allowed to eat and drink openly from that moment on, while Muslims start spending time for their families and interacting with others by, for example, enjoying dinner with family members and friends or holding parties. (In Indonesia, where I worked as an expatriate, given the amount of food consumed during this period, many people gained weight during Ramadan.)



The Grand Mosque in Muscat (Oman)

I was transferred to Indonesia in 2016, but as I recall, I experienced Ramadan there for the first time in June the following year, during which most of all restaurants suspended operation in the daytime.

Cafes popular with foreigners, for example, partitioned spaces with curtains and screens so that they could serve beverages and foods in areas that could not be seen from outside. Restaurants were prohibited from serving alcoholic drinks even after the fasting time ended at sunset. At times, I saw police officers conducting patrols. Japanese restaurants served beer in tea cups to avoid the public eye. Bars and karaoke parlors were allowed to operate, but we used to drink barley tea instead of whiskey just in case there was a police inspection. These were unforgettable experiences.

Before long, however, the restrictions started to relax and no partitioning was conducted in cafes in 2019. Then, with the outbreak of the COVID-19 pandemic, cafes and restaurants were practically closed during Ramadan until 2021.



Around this time, I was transferred to Dubai, and experienced my first Ramadan here this March. People told me, "Dubai is lenient." Was it true? Here's what happens during Ramadan. For reference, the UAE has a population of approximately 10 million, about 10% of whom are citizens (and they are called Emiratis) with the rest consisting of migrate workers from abroad. I feel that Muslims account for approximately 30% of the total population, including Muslims from Pakistan, Indian, and other countries.

First of all, according to the government's notice, working hours are reduced from eight hours a day to six hours a day. At many companies, people work from seven or eight o'clock in the morning until one or two o'clock in the afternoon without taking lunch, and leave office early in the afternoon. In consideration of Muslims working in offices, neither eating nor drinking is allowed in the workplace. Many offices, though, allow rehydration at designated areas such as a kitchenettes.

Meanwhile, let's look at what was happening on the street. Soon after Ramadan started, for instance, the Dubai World Cup (famous Horse Races with big prize money) was held on March 25. I received an invitation from a sponsor to attend. When I received an invitation in December last year, I watched the game at a special reception room prepared by the sponsor, where foods and drinks (including alcoholic beverages) were being offered to a large number of guests at a buffet. I thought that this time would be different because we were in the midst of Ramadan. To my surprise, food and alcoholic drinks were served in the reception room! As such, in the city, restaurants were operating as usual during the day, except for some local Arabic restaurants. In addition, alcoholic drinks were served at lunch time at licensed restaurant. According to people I knew, restaurants had been operating during the day by separating spaces with partitions or screens until around five years ago. However, with restrictions gradually being relaxed, these days they don't feel that situation is that different from ordinary months. I assume therefore that foreigners, tourists in particular, feel as comfortable as usual while staying here, although they naturally should be considerate of Muslims.



A feast to celebrate the end of Ramadan

When I came back to Japan temporarily at the beginning of April, I decided not to take alcohol drinks with me because I was told that carrying alcoholic drinks into the country during Ramadan was prohibited. However, there was nothing to worry about. Alcohol drinks were being sold as usual at a duty free shop located in the area where you can make a purchase before clearing customs after arriving at Dubai Airport.

On another note, I was in Doha, Qatar on business from April 16 through April 21 while Ramadan was ongoing. Unlike Dubai, Ramadan was being observed pretty strictly in Qatar (Dubai is something of an exception among Arabic countries, I would say).

In the beginning, restaurants were prohibited from providing service in the daytime. Grocery stores were not open. Only supermarkets located in malls were operating quietly. I stayed at a four-star foreign-owned hotel, where the main restaurants, including the buffet restaurant that ordinarily provides breakfast, were closed for business. Breakfast was provided at a wine cellar-like restaurant located inconspicuously in a very secluded area. Otherwise, the hotel said, it would be available on a room service basis. Other facilities in the hotel, including a jazz bar, were not operating, either, as expected. Even at night, only Arabic restaurants were operating.

While I was there, I tried to eat as big a breakfast as possible so I could get by without lunch. I drank only a little bit of water at inconspicuous places, such as inside my car or in a conference room. Naturally, there was no alcohol for dinner. I realized that I was experiencing a Ramadan that was truly worthy of the name. Then, an unexpected thing happened at night on the day before the end of my business trip.

When I came back to the hotel after having a light dinner with an agent, I was feeling a little hungry and decided to order a room service. I noticed that the menu included beer and other alcoholic drinks, as well as special dishes for Ramadan. By way of trial, I asked "Can I order beer?" and was told, "It's ok as long as you have it in the room." Amazing, I almost to shout, "You could've told me that earlier!" I invited my associates, who were here on business from Tokyo and Singapore, to my room and had a small toast. A small bottle of beer cost almost USD18 , but I cannot express how nice the beer was.

PS: The expensive price for beer became a hot topic at the FIFA World Cup in Qatar, but it's a normal price in the Middle East, including Dubai. In Saudi Arabia and Kuwait, no one, not even tourists, is allowed to carry alcoholic drinks at any time during the year.



A camel ride



Letter from the South American Andes, Part 10 ~The Alpaca, an Animal that Lives in Peru and Is Famous Around the World~

Contributed by Ms. Carol Bendezu, "K" Line (Peru) SAC

Hola!

I am Carol, K Line Peru S.A.C. I am a sales representative in charge of imports into Peru. I would like to tell you about the alpaca, an animal that lives in Peru and is famous around the world.

The alpaca is an animal of the family Camelidae that lives primarily in the Andes Mountains, Peru in South America. Alpacas are invaluable to people who live at the high altitudes of the Andes owing to their soft fleece and meat. People use the fleece to make fibers and then fabrics, which are turned into garments to keep them warm in winter. The meat provides them with nutrition. Alpaca wool, known for its exceptional warmth, quality and soft texture, has been treasured since ancient times. In fact, its use predates even the Inca Empire. It is an elegant and luxurious material that is popular among designers around the world. There are about 32 fur color gradients.



Alpacas live in the Andes Mountains, at an altitude of 2,500 to 4,500 meters above sea level. They can tolerate extreme temperature differences between day and night. They can endure temperatures as low as -20 degree Celsius and as high as 30 degree Celsius, all because of their fine, dense and incredibly warm fleece. Alpacas are relatively small and are therefore not usually used as pack animals. People eat alpaca meat because it is very healthy. It has a low level of cholesterol and contains a rich amount of protein.

Some say that the Inca Empire may not have flourished without alpacas. People in the Inca Empire ate their protein-rich, nutritious meat raw, and also prepared dry meat such as charqui and chalonga, which can be preserved for a long period of time. Alpaca fleece was used to make garments and decorative yarns. Absolutely nothing was wasted.

Alpaca fiber is one of the smoothest of all fibers, and has a moist feel among other features. It is a highly sought after material due to its warmth, fineness, silky texture and durability. The coarseness of the fur varies depending on the area of the body. Fleece is separated by hand according to the coarseness and graded based on the quality. Finally, contaminants such as dirt and guano are removed completely.

Please visit Peru to see the adorable alpacas!

I look forward to welcoming you!

