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No. 197 2021 Spring

News Roundup

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News Roundup

Delivery of 100,000-dwt Bulk-Carrier "CAPE ACE" for Nippon Steel

Coal & Iron Ore Team No.1, Coal & Iron Ore Carrier Business Group

On December 7, 2020, construction of the "CAPE ACE" 100,000-dwt bulker was completed by Namura Shipbuilding Co., Ltd. Imari Shipyard & Works and the vessel was delivered to us.

She is engaged in the transport of iron ore and coal for Nippon Steel.

The ship is compliant with the Common Structural Rules for Bulk Carriers (CSR-BC) for bulk cargo ships. She has a wide, shallow hull shape with six cargo holds, enabling her to load more cargo than a Panamax-size vessel. She is also equipped with an NCF (Namura flow Control Fin) on her stern and a Rudder Fin on her rudder, both of which were uniquely developed by Namura Shipbuilding Co., Ltd., and this improves her propulsion performance by aligning water flow in front of and behind the propeller. Together with an electronically controlled engine, the vessel is expected to have a reduced fuel consumption.



Aerial photo of the CAPE ACE

In light of the current situation, the christening and completion ceremony for this vessel was held remotely connecting the Imari Shipyard & Works with our network. President & CEO Myochin christened the vessel, and the vessel successfully became the "CAPE ACE" with the powerful cutting of the ceremonial rope on site.

Incorporated into the "ACE" part of the vessel's name is the expectation of increased flexibility in vessel assignments, as the CAPE ACE can enter the first port even at the restricted landing ports of Nippon Steel by utilizing the vessel's characteristic wide shallow draft.

Utilizing this feature, this vessel can quickly and freely visit loading and landing ports all over the world, and we believe this will strongly support the transport of Japanese coal & iron ore.

Moving forward, the Coal & Iron Ore Carrier team will flexibly and actively respond to customers' needs while also strengthening our initiatives towards

reaching greenhouse gas reduction goals from the "K" LINE Environmental Vision 2050 and the IMO (International Maritime Organization) as an environmental response.



The remote ceremony of CAPE ACE Completion and Christening Ceremony

Vessel Overview		
Measurements	Total length 249.94m \times width (molded) 43.00m	
	\times depth 18.70m \times draft (molded) 12.90m	
Deadweight	101,314 T	
Gross Tonnage	60,133 T	
Main Engine	MAN B&W 6S60ME-C8.5	
Service Speed	14.0 knots	
Class	NK	
Ship Registration	Panama	
Builder	Namura Shipbuilding Co., Ltd.	
	Imari Shipyard & Works	

Tanker Team: Web Conference with Customers using V-Sat Communications while at Sea

On December 18, 2020, the vessel "SUMMIT RIVER", our charterer "GYXIS CORPORATION" and "K-Line" had a web conference with using V-Sat, the highest speed communication equipment at sea. We began investigating whether or not we could make a use of web conferences in vessel's operations, as we had previously succeeded the safety inhouse conference with President & CEO Myochin. Soon after the con-ference, we finally hold an online meeting with our charterer "GYXIS CORPORATION" because we received a few comments from them that the spread of the covid-19 situation makes it difficult to visit the vessel and communicate with the captain in person.

On the day of the conference, 12 crew members from this vessel, including the ship's chief engineer, and 7 members in the operating section of "GYXIS CORPORATION" participated. This opportunity gave great expectations for interpersonal communication, and the crew members were able to directly hear a word of thanks for continuous safety operations from our charterer.

Even though this vessel was out on the Pacific Ocean, we were able to smoothly hold the web conference without any defects in the connection, because of our 8 Mbps high-speed communication equipment. Operation supervising from "GYXIS CORPORATION" praised the conference as a meaningful opportunity to get to know this vessel's crew better.

This conference was a success thanks to the efforts of Captain Fujisawa and the crew of the "SUMMIT RIVER", "GYXIS CORPORATION", and many people from the ship management company "K-ENE". Difficulty is inevitable when taking on something new, but we would like to express our thanks again to everyone's diligent cooperation.

This was a great opportunity for us to think about continuing to show off the "K" LINE Spirit by putting in effort to offer better services with making a use of new technologies.

Tanker Team, Tanker Group



A glimpse of the onboard web conference



How the web conference looked at "GYXIS CORPORATION"

"K" LINE to Expand Sharing of Ship Operation Data to Enhance Utilization of Big Data in the Maritime Industry

Energy & Performance Management Team, Advanced Technology Group

"K" LINE and Ship Data Center Co., Ltd. (ShipDC) have agreed to share operation data of all "K" LINE fleet of 140 ships equipped with Kawasaki Integrated Maritime Solutions through the IoS Open Platform (IoS-OP), the ship IoT data sharing platform promoted by ShipDC.

"K" LINE had so far stored operation data collected from several vessels equipped with Kawasaki Integrated Maritime Solutions to IoS-OP, and has now agreed to expand this to all of its owned fleet.

■ What is IoS-OP?

IoS stands for Internet of Ships, and it is a concept for connecting ships to the internet, just as IoT connects things to the internet.

IoS-OP is a common platform composed of rules agreed upon by the maritime industry and a data center to allow for the sharing of ship operational data between stakeholders, the sales of rights of use of this data to shipyards and manufacturers, and the provision of this data to various services without undermining the interests of shipping companies and other data providers.

The IoS-OP Consortium, an organization made up of member companies, aims to connect to the next generation by creating a new maritime cluster in the digital age as an overall industry by strengthening the organizations and companies that make up the maritime industry and by searching for new business models with the goal of improving operations.

Our Relationship with IoS-OP

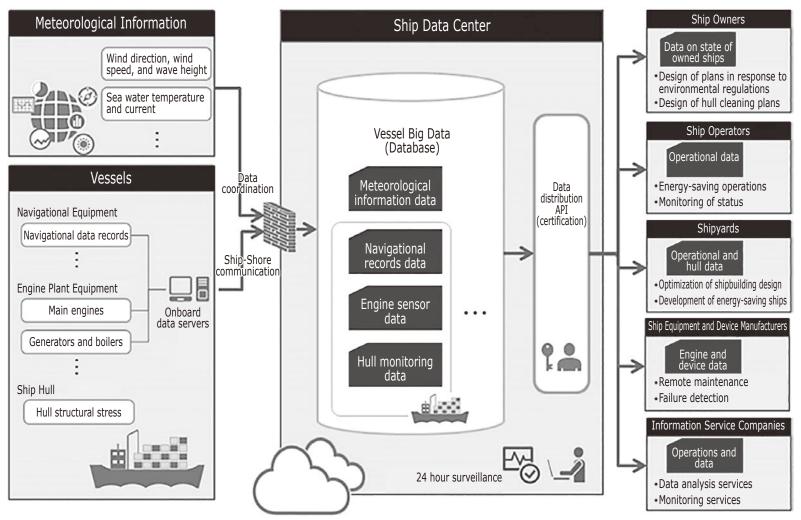
We have participated in these activities since the founding of the IoS Open Platform Promotion Conference (2017), the precursor to the IoS-OP Consortium, and we have been involved with the Consortium as a Gold member and as a member of the Steering Committee.

As we expand our data sharing, "K" LINE has decided to take this opportunity to upgrade its Consortium membership status to the highest rank of Platinum to extend its involvement.

As of February 2021, the Consortium is made up of 61 companies, with seven being Platinum including "K" LINE, 12 being Gold, 17 being Silver, 24 being Bronze, and one being Green. The Consortium is made up of mostly shipping companies, shipyards, a ship classification society, industrial manufacturers for vessels, and ICT companies.

News Roundup

The Flow of Data and Relationships Surrounding ShipDC



"K" LINE Commenced Technical Management of Singapore's First LNG Bunkering Vessel FUELNG BELLINA

Fuel Strategy Team, Fuel Strategy and Procurement Group

We are pleased to announce that we have successfully commenced technical management of the FUELNG BELLINA which was delivered to FueLNG Pte Ltd* by Keppel Offshore & Marine Ltd.'s Nantong Shipyard on January 4 of this year. Beginning with the supply of LNG fuel to large container ships, this vessel is expected to supply fuel to a variety of types and classes of vessels that use LNG fuel, including Capesize bulk carriers and Aframax tankers.

LNG enables vessels to emit fewer greenhouse gases when used as marine fuel compared to conventional heavy fuel oils, and the use of LNG and the supply infrastructure needed for its use are being pursued globally. Singapore is the world's busiest bunkering location. The debut of the ship-to-ship supply business in Singapore with an LNG bunkering vessel is a remarkable milestone for the international maritime industry in their efforts to reduce greenhouse gas emissions.

"K" LINE established K-ENE SINGAPORE PTE. LTD. as a subsidiary of "K" Line Energy Ship Management Co., Ltd. ("K-ENE"), our in-house ship

management company, to provide optimal ship management service, as this will be our first ship management project in Singapore. We had the cooperation of many from "K" Line Pte Ltd and the K-ENE Group, for negotiations with FueLNG Pte Ltd and local port authority (MPA: Marine Port Authority) as well as rendering customer services after the commencement of the project. We would like to take this opportunity to once again offer our gratitude for the successful completion of this vessel and the start of this project.

In addition to this project, the Fuel Strategy and Procurement Group have participated in LNG fuel supply projects in Ise Bay and Mikawa Bay, working to ensure and expand LNG supply bases as part of our initiatives towards reducing greenhouse gases. We ask for further support from everyone involved as our Group also desires to actively support the supply of fuel to LNG burning vessels and push for the expansion of the use of LNG fuel.



LNG Bunkering Vessel FUELNG BELLINA

*FueLNG Pte Ltd

An LNG bunkering supply company jointly founded by Keppel Offshore & Marine Ltd. (Keppel O&M) and Shell Eastern Petroleum (Pte) Ltd. Headquartered in Singapore with CEO Mr. Chris Ong.a

Letter from Overseas

Letter from the South American Andes Introducing Wine from Chile

Contributed by Ms. Akane Hatano, "K" Line Chile Ltda

Hello from South America! This is Akane Hatano from Kline Chile. I have lived in Chile here in South America for about 6 years. Perhaps the mention of Chile makes you think of wine right away. In recent years, Chilean wines have become familiar in Japan thanks to the economic partnership agreement between Japan and Chile.

I'd like to write a little about Chilean wine this time. Not about the famous Carménère grape, which many of you may already know about, but instead, I'd like to introduce wine from the Itata Valley, which I'd like you to try even though they are minor players in the wine world. Small-scale family wineries stretch out along the Itata Valley, located about 450 km from the capital Santiago, and here you can enjoy so-called natural wines and wines made by hand without being industrialized. Pais, Cinsaut, and Muscat of Alexandria are the main varieties of grapes that grow in this region. The Pais variety is actually said to have been the first variety ever cultivated in Chile for wine, and it has a long history. Due to a governmental reforestation policy, many grape farmers in the region have switched to tree planting, and the damage caused by the unsustainable land policy has become an issue. This is an area where local farmers are struggling to try and once again return to traditional winemaking.



With this background, there are many wineries that are not well known. I actually went to the Itata Valley after taking some time off in February, right before grapes are harvested in Chile. This is also because I tried a variety of wines while at home during the long stay-home period since last year as COVID-19 raged across South America (during which time I almost became an alcoholic). This is how I came to know about wines from Itata, with a different flavor from the other Chilean wines I had tasted, and I wanted to visit the Itata Valley once.

I decided to go and did some research. Typical of the Chilean countryside, however, I wasn't able to get in touch with them either by phone or email, unable to determine if any of the wineries were in business. I did however find one winery that was also a hostel and was operating, and I decided to go and see without a plan, hoping that if I actually went there, I could find out more information.

This turned out to be the right choice. There really were small wineries all over, and I encountered amazing wine and the people that make it with great care and in cooperation with one another. I was able to see three wineries in a single day, and it was a really great trip, as I was able to hear what each winemaker was particular about when making their own wines and their dream to deliver these wines to the world.

Even though the Itata Valley is not yet well known in Japan, I hope you will give these wines a try if you ever come to Chile.

Spin-Off Edition 1 An Indonesian Story

Contributed by Mr. Goichi Tsuruta, PT. "K" Line (Indonesia)

The Indonesian flag is affectionately called "Merah Putih." Merah means "red" and Putih means "white," and as the name suggests, the flag is made up of two colors with red on the upper half and white on the lower half. The simple red and white design is endearing for Japanese people, as well. The red signifies bravery and passion and the white, truth and a sacred spirit. The flag was established on August 17, 1945 when Indonesian declared its independence. Flown on a daily basis, there are many more chances to see the flag while in Indonesia than there are to see the Japanese flag in Japan, and you can tell that Indonesians are proud of their flag.

The number of people infected with COVID-19 in Indonesia continues to increase day after day.

In Jakarta, restrictions on work attendance, restaurant and mall operations and hours, and on gatherings are in place under the Large-scale Social Restrictions (PSBB), but it hasn't really produced results. With new regulations in January, everyone is required to wear a mask when leaving home and fines or social volunteer work can now be imposed upon those who violate these regulations. Strict standards were also established for what kinds of masks could be worn, and they must be either a cloth mask with two or more layers or a surgical mask that block 98% of viruses. If this is strictly applied, then most of the disposable masks made in Indonesia do not meet the standards. Additionally, for cloth masks, the front and back sides must be different colors so that inspectors can determine if the mask is at least two layers. But... you can't tell if the reverse side is a different color just from looking at it. We can't use the high-quality antiviral white masks (cloth) that were sent from Japan. But there aren't any police officers who care that much, and even if you are found to be in violation of the regulations, they will just let you off with a fine of 200,000 rupiah (about ¥1,500), 30 minutes of garbage pick up, or pushups.

In this way, it is completely normal in Indonesia for regulations to be hastily drawn up but their application to be questionable, and if one gets angry every time the way a Japanese person might, there will be no end to the frustration. The following happened recently. Indonesia also has a revenue stamp duty and there were previously two types; 3,000 rupiah (about ¥23) and 6,000 rupiah (about ¥45), depending on the amount of money in the contract or receipt. The law was revised in October of 2020, and in January 2021, the duty was standardized at 10,000 rupiah (about ¥75), regardless of the amount of the receipt. But the 10,000 rupiah revenue stamps weren't being sold in January! In the middle of January, we were notified by the tax authorities that the designing of the 10,000 rupiah revenue stamps hadn't yet finished, and that 9,000 rupiah would be acceptable, allowing us to affix a 6,000 rupiah stamp and a 3,000 rupiah stamp (and two 6,000 rupiah stamps would, of course, also be fine), until the end of December. Our staff were then quickly instructed to purchase as many 3,000 rupiah revenue stamps as they could, but as everyone was thinking the same thing, the stamps were already sold out at the nearest post office. There were reports from staff members saying that they

Letter from Overseas

managed to get a number of stamps after going to several post offices. Soon, a supplier sent us documents with two 6,000 rupiah stamps affixed. Sales of the 10,000 rupiah revenue stamps began sooner than expected in March. At the same time, they stopped selling the 3,000 rupiah stamps. So what are we to do with the surplus 6,000 rupiah revenue stamps? I wanted them to sell the new stamps from January if they were able to respond this quickly, but there was nothing we could do now other than using two 6,000 rupiah stamps for 10,000 rupiah duty.

But this kind of generosity is fun. There are four types of coins in Indonesia: the smallest is a 100 rupiah coin, followed by a 200 rupiah, a 500 rupiah, and a 1,000 rupiah coin. The 1,000 rupiah coin looks quite magnificent, but it is only worth ¥7.5. I leave the coins I receive as change as a tip (because it's annoying to walk around with them). It is normal to receive change in increments of 100 rupiah at a convenience store, but sometimes they give out candy in place of 100 and 200 rupiah coins, perhaps because they don't have any coins available. When they smile and give you the candy, you understand and forgive them (and it's only a few yen anyway).

I always thought that they keep the money instead of receiving a tip. But they sometimes give me, smiling, a 1,000 rupiah coin when the change should be only 800 rupiah. I realized... it must just be a pain for them to give the correct change. I wonder if the candy is more expensive than the 100 rupiah, though.

Incidentally, the largest paper bill is 100,000 rupiah (about ¥750). So, for example, imagine exchanging \$1000 US dollars (about 14 million rupiah). You can feel what it's like to be super rich in an instant.

Last year was the 75th anniversary since Indonesia's independence. There weren't any large-scale commemorative events held during the pandemic, but the government issued commemorative 75,000 rupiah bills. Indonesian residents who wanted one of these bills had to have their IDs checked at the national bank and were able to receive one bill each with paying 75,000 rupiah. Many urban legends emerged, saying the the bills couldn't be circulated (they couldn't be exchanged for 75,000 rupiah even if you took the bill to a bank), that if you scanned the bill with your smartphone camera, a 3-dimensional



image of President Joko would appear, that a QR code was hidden somewhere on the bill and if you scanned that with your phone, the bill became a lottery ticket, or even that people who had one of these 75,000 rupiah bills were given priority for vaccines. The fact that these urban legends emerged was very Indonesian (but it seems that you can't actually exchange the bills).

Speaking of which, whatever happened to Japan's ¥2,000 bills?

I intended to talk about anecdotes related to the colors of the national flag, but I ended up talking about money. Finally, a short story.

A third grader in elementary school, Adi is an honest and sincere boy. One day, he picks up a wallet on his way home from school. Because he is honest and sincere, he delivered the wallet to its owner, Iwan (there was a card with an address inside the wallet).

Iwan

Thanked Adi, asking him, "Where did you pick it up?"

Adi

Responded. "I found it underneath the coconut tree near that convenience store over there."

Iwan

"Really?" Iwan said. "Well, let me check inside... wait a minute..."

Adi

"What's wrong?" Adi replied.

Iwan

"Well, I had 100,000 rupiah in the wallet, I'm sure," said Iwan. "And there are 100,000 rupiah in the wallet, so that is fine, but it was supposed to be a single 100,000 rupiah bill, but for some reason, there are now ten 10,000 rupiah bills. I wonder why?"

Adi

Adi told Iwan, "Oh, that is because I had the larger bill exchanged for 10 smaller bills at a stand along the way. I delivered another dropped wallet the other day to its owner, but as they only had 100,000 rupiah bills in the wallet, I didn't get a tip..."