

Press Release

---

October 1<sup>st</sup>, 2024

## DMG MORI's Iga Campus Receives Deming Prize for 2024

DMG MORI CO., LTD. is pleased to announce that its Iga Campus (Iga City, Mie Prefecture), the largest production site in the group, has received the Deming Prize<sup>\*1</sup> for 2024.

Since obtaining ISO9001 certification in 1999, our company has continuously worked to maintain and improve its standards. We have implemented a globally unified quality control system and use our so-called Product Problem Report (PPR) system to database defect information, ensure early problem resolution, and provide feedback to factories and new model development. Additionally, we have established unique initiatives such as an improvement proposal system, where employees contribute ideas for daily operations. Aiming for the next leap forward, we introduced and promoted Total Quality Management (TQM)<sup>\*2</sup> in 2017, reaffirming the importance of customer focus, which is at the core of TQM.

We believe that one of the most important foundations for providing high-quality products and services to our customers and achieving sustainable growth as a company is to consistently maintain high employee motivation and remain an innovative organization. Our company is home to approximately 13,000 employees of 59 nationalities, representing various languages, nationalities, genders, and areas of expertise. To ensure that such a diverse organization can unite, respond swiftly to changing business environments, and meet the diverse needs of customers worldwide, it is essential to build a strong foundation.

To lay the foundation for achieving our vision for 2030, we have thus formulated the Medium-Term Business Plan 2025, a three-year plan that started in 2023. At its core is our Machining Transformation (MX), in which we aim to promote process integration and automation through digital transformation (DX), while advancing green transformation (GX). At the same time, we are further enhancing our efforts to advance Total Quality Management (TQM) across the entire organization.

We believe that the Deming Prize is an opportunity for us to demonstrate the results of our quality control and improvement activities to date, and we will use this as a steppingstone to further develop TQM on a global scale in the future.

Under our management philosophy of "Play hard, study continuously, and work together," we will continue to deliver high output within the set total working hours, promote TQM company-wide, thoroughly improve quality, and achieve sustainable growth.

The Deming Prize award ceremony will be held on Wednesday, November 13 at Keidanren Kaikan in Otemachi, Tokyo.

\*1 Deming Prize: A world-class award for Total Quality Management (TQM), established in 1951 to commemorate the achievements of the late Dr. William Edwards Deming, who popularized statistical quality control in postwar Japan and elevated the quality of Japanese products to the highest global standards. (From the website of the Union of Japanese Scientists and Engineers)

\*2 A type of management method. TQM stands for Total Quality Management, which is referred to in Japanese as "Sōgōteki hinshitsu kanri" (Comprehensive Quality Management). It encompasses the ideas, efforts, methods, systems, and methodologies aimed at maintaining and improving the overall "quality" within corporate activities. These efforts are designed to guide corporate activities toward the achievement of management goals. (From the website of the Union of Japanese Scientists and Engineers)