Better Together

FAQs

Why is Toyota requiring a more in-person work schedule now?

We are making this transition now for three key reasons:

• Align with Our Industry Partners

Our partners – including suppliers, dealers, distributors, NAMCs, and other OEMs – have returned to at least four days a week in the office. To better support and collaborate with them, our work schedules need to align.

• Accelerate Transformation

We are undergoing a significant transformation to become a mobility company and achieve our T360 goals. Being together in the office will accelerate and strengthen collaboration across the enterprise, enabling us to deliver even better products and services for our customers and dealers.

• Promote Learning, Development and Growth

A more in-person work environment will help us work efficiently and effectively together and facilitate more mentoring and growth opportunities – ultimately strengthening our culture and team effectiveness.

What is the new work schedule?

There will no longer be alternative, or variable schedules. All team members will be on a FLEX40 schedule. Team members will work in the office at least 4 days per week, Monday – Thursday. Friday will be an optional remote day, subject to business needs. In addition, team members will have the option to work remotely during four designated weeks annually, subject to business needs.

How will the new work schedule enhance our culture and team member engagement?

The company culture thrives when team members work together in the office more frequently. Toyota will continue to offer a variety of onsite activities to promote networking and connections, such as speaker events, BPG meetups, and volunteer opportunities. With our open work and social spaces, team members will have the chance to meet both formally and spontaneously, fostering conversations and idea sharing. Being onsite together will help us to reconnect and build better and stronger bonds.





When will the new work schedule become effective?

The new work requirement will become effective by September 2, 2025. This will allow time for team members who may need to adjust their personal lives to prepare for the new schedule. However, team members who are able to begin practicing the new work schedule sooner are welcome to do so.

Which job levels are impacted by the new work schedule?

Team members of all job levels will be required to work in the office Monday through Thursday, with the option to work remotely on Friday, subject to business needs.

Which Toyota affiliates does the new work schedule apply to?

All TFS and TMNA team members, except for some excluded roles, will be required to work in the office Monday through Thursday, with the option to work remotely on Friday, as business needs allow.

Are some roles excluded from the new work schedule?

Roles excluded from the in-office work requirement are those with specialized job duties and/or require work to be done outside the office setting. Examples include roles that require the team member to live and work remotely in their primary market to be close to customers and certain roles that require collaboration with global customers and colleagues and report to TMC. You will be personally notified if you are in an excluded role.

Is it possible that I could be placed in a new role as part of org design that excludes me from the new work requirement?

We expect very few instances of new roles resulting from org design to be excluded from the new work schedule. However, if you are placed in a role that is excluded from the requirement, your leader will let you know by early March.

Are the policies supporting hybrid work still effective?

The Hybrid Work Policy and Out-of-State Hybrid Work Policy will be phased out, and details regarding the return to office process will be integrated into other HR policies.

Am I required to return to the office if I live out of state and have had a legacy agreement or participated in the Out-of-State Hybrid Program?

All team members with few exceptions will be required to report to their assigned location by September 2, 2025.



Will the new work schedule apply to college hires, interns, Graduate Management team members, and co-ops?

Yes, the work requirement will apply to college hires, interns, Graduate Management team members and co-ops.

Will the new work schedule apply to the variable workforce?

Yes, the work requirement will apply to our temporary and contingent staff.

Can I choose which four days of the week I report to the office?

To ensure we operate better together, all team members are required to report to the office Monday through Thursday, with the option to work remotely on Friday, subject to business needs (However, groups with teams that come into the office 5+ days a week – R&D, NAMCs, PEMC, NAPCC, NAPCK, PDCs, VDCs and VDOs – as well as the HR teams that support them, will be given flexibility to determine remote workdays that meet their business needs). Having the same in-person workdays each week creates greater opportunities for collaboration within teams and across departments and can help organize work and maintain a sense of regularity. Team members may be required to work in the office on a Friday if business needs require.

Can I choose which Toyota location I work at?

On days you are expected to report onsite, you must report to the Toyota-operated facility to which your role has been assigned.

During which weeks will we have the option to work entirely remotely?

Subject to business needs, team members will have the option to work remotely during the following designated weeks:

- Last full week of March
- July 4th week
- Labor Day week
- Thanksgiving week

Why was a four-day in-office work schedule chosen?

Toyota's partners — including suppliers, dealers, distributors, NAMCs, and other OEMs — have returned to the office at least four days each week. Our goal is to align with our partners to enhance support and collaboration, create more opportunity for in-person teamwork and provide the flexibility of an optional remote workday to focus on individual tasks with fewer distractions, allowing for deeper concentration.



Why was Friday selected as the designated remote day?

Subject to business needs, remote work on Friday offers an opportunity for team members to focus on individual tasks without interrupting the continuous work week. It also facilitates smoother commuting arrangements than having the remote day in the middle of the week.

Is there a possibility that the new work schedule could change in the future?

Toyota's approach to work is iterative and adaptable. As our roles, projects, customers, and needs evolve, we may need to adopt different work models to support them. We will continuously evaluate and adjust our work model as needed. While we cannot guarantee there won't be changes to the four in-office days, there are currently no plans to make any further adjustments.

What should I do if I am currently unable to report to the office in person due to personal circumstances, such as a medical condition or caregiving responsibilities?

We understand that some team members may have arranged their personal lives in a way that makes returning to the office four days a week challenging. The new work schedule will become effective by September 2, 2025, to allow for a smooth transition and give team members time to adjust. If you need an accommodation in your work schedule due to a personal medical condition, please reach out to your HRBA.

Will there be opportunities to occasionally work remotely on a day other than Friday due to personal circumstances (e.g., a sick child, home appointment, etc.)?

While the company has designated remote Fridays, we understand that personal circumstances may occasionally require additional flexibility. Please reach out to your manager to discuss your specific needs.

Will Toyota provide flexible work hours to accommodate different personal needs?

Full-time non-exempt team members are expected to work at least forty hours each work week. Exempt managers are expected to work a full workday. Managers should partner with their team members to establish work hours that support business needs.

What if I am on business travel during the week?

Team members who travel for business will fulfill their "in-office" days while on the road, between travel destinations.

How will the work requirement be enforced?

Team members are expected to be in the office four days each week, Monday through Thursday. Compliance monitoring may take place as part of regular procedure. Leaders are responsible for ensuring that team members adhere to the new work schedule. Like any other policy expectation



team members who do not comply with the in-office work requirement and do not respond to coaching will be subject to corrective action.

Why can't we continue remote or hybrid work if it has been successful?

We recognize that many team members have been highly productive while working remotely. However, working face-to-face is core to Toyota's culture and critical to our success. Core elements of Toyota's philosophy, such as Nemawashi, Genchi Genbutsu, and Kaizen, rely on team members coming together to share knowledge, wisdom and experience to solve problems. Additional benefits of more in-person work include:

- Face-to-face interaction, which fosters deeper understanding of the needs and challenges across the business and promotes collaboration, which is critical to our ongoing success and fundamental to the Toyota way of working.
- **Team bonding and social connections**, which are integral to Toyota's culture and help contribute to a sense of belonging for team members.
- Learning, training, and mentoring, which are significantly enhanced by in-person interactions and team discussion, leading to more effective knowledge transfer and skill development.

What should I do if I am uncomfortable returning to the office due to health or safety concerns?

If you have health or safety concerns about returning to the office, please reach out to your HRBA to discuss your situation.

What happens if I choose not to practice the new work schedule?

As with all Toyota policies, if you do not comply with your job requirements, you may be subject to corrective action, up to and including termination of employment.

Is the new work schedule a ploy to get team members to resign?

Absolutely not. To the contrary, we want to enhance the team member experience. Being together more frequently will strengthen relationships and reinforce the company's values and norms. In-person interactions are more effective for team member learning, development, mentoring and growth.

Facilities

Will there be changes to the physical workplace? Will I have an assigned desk? Will there be enough parking spaces?



Our HR and Facilities teams are developing a plan to address workspaces, meeting spaces, additional parking, and other needs. The office is already designed for designated spaces for collaboration, connection and quiet work. Our aim is to reinstill a balance between teamwork and focused work to make the office a space for collaboration and creativity rather than just a place to work. We will share more details as plans are finalized.

Will there be additional onsite amenities?

Yes, we are working on enhancing onsite amenities to support a more comfortable and productive work environment. Further details will be shared as these improvements are finalized.

Relocation and Resources

Will I receive relocation assistance to move into proximity of my assigned office location? You will not receive relocation assistance if you are moving to the area of the Toyota-operated facility to which your role is assigned because your hybrid out-of-state work arrangement was completely voluntary and at your request.

If I live out of state and do not want to report to the office as required, am I eligible for severance pay?

No, the company will not provide any severance pay to those who choose not to report to the office as required.

Will Toyota subsidize my commuting costs (e.g., gas, public transit)?

No, the company will not reimburse team members or provide other financial support for commuting expenses, regardless of where they reside.

Are there any programs or resources available to ease team members' transition to a more inperson work schedule?

Team members can access emotional wellbeing services through <u>StartWell</u> and Toyota's Employee Assistance Program, <u>LifeMatters</u> (company code: Toyota). Through Bright Horizons, team members can find local, regular ongoing care for their child or an adult with needs, make plans for known and unexpected gaps or arrange temporary care. Refer to <u>Toyota Benefits</u> for details.

Will we receive additional information leading up to the September 2 effective date?

We aim to provide timely communication about office policies, resources and other information so team members know what to expect before our new work schedule takes effect.