

Since our beginning in 1993, Texas Roadhouse, Inc. ("Texas Roadhouse" or "we") has been committed to being a <u>people-first</u> <u>company</u>. We support our employees through programs that encourage an inclusive culture, people development, community outreach, and fun – while living our core values of Passion, Partnership, Integrity, and Fun...All with Purpose. Here is what it means to be <u>People-First</u> and how we support our employees, vendor partners and communities.

PEOPLE-FIRST MEANS...TALENT MANAGEMENT

One of the keys to our continued success is our ability to attract, retain and develop our employees. We are committed to offering competitive compensation and benefits to attract employees and are focused on training and developing our employees once they become Roadies.

Partnership Model

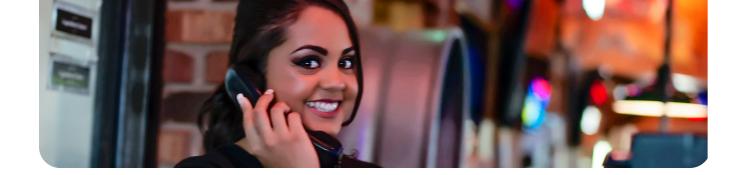
We believe that our Managing Partners are the center of our universe and our partnership model has allowed us to get the best operators in the casual dining industry. We offer a performance-based compensation program to our individual Managing Partners and Market Partners – where these partners earn a base salary plus a performance bonus representing a percentage of each of their respective restaurant's pre-tax income. Our Managing Partners and Market Partners are eligible to participate in our equity incentive plan and are required to make refundable deposits at the time of hire in order to reinforce an ownership mentality. Generally, these deposits are refunded after five years of continuous service.

We are proud of our approach to restaurant compensation, as we believe having "skin in the game" keeps us committed to our mission of Legendary Food, Legendary Service™ every day. We also believe that providing our partners with a significant stake in the success of our restaurants allows us to attract and retain talented, experienced and highly motivated operating partners.

Compensation/Benefits

We have a fun culture with flexible work schedules, discounts in our restaurants, and a robust and varied set of affordable benefits options. We offer one of the industry's most competitive total rewards packages, including, but not limited to: medical, dental and vision; flexible spending accounts; retirement savings plans; and more. We also share the profits of our restaurants with employees on many levels – from Kitchen and Service managers to Support Center employees to our Executive Team. We also give stock in Texas Roadhouse to thousands of our employees annually. In addition we have a tuition reimbursement program that offers \$5,250 in annual reimbursement for classes at an accredited university to all of our benefits-eligible employees who work at least 30 hours per week.





Training and Development

We focus on Roadie development through a variety of in-person and virtual programs and classes we offer to restaurant employees, operators, and Support Center employees.

For our restaurant employees and operators, for example, in addition to countless hours of on-the-job training, we have: bi-annual Market Partner meetings, annual training for our Managing Partners, Service Managers and Kitchen Managers through our MSUs, SMUs, and KMUs, respectively; formal training for newly hired or promoted Managing Partners; and formal training for our emerging leaders through Legendary Learning. In all, over 4,000 of our restaurant Roadies are receiving formal training every year.

As a part of our DE&I initiatives, we also have several programs designed to grow and develop women and people of color within our restaurants and Support Center, including our Women's Leadership Series, our Women's Food Service Forum programming, and our ESL (English as a Second Language) program.

We also have a cross-functional ULEAD committee designed to provide programming, resources, and tools for employee development within the Support Center.

Finally, from a training perspective, we offer a number of regularly recurring training courses for our Roadies, including Code of Conduct review, harassment-free workplace training, responsible alcohol service training, and OSHA training

Recognition

We know and appreciate the value of recognizing our Roadies for their hard work, acts of Service with HEART, and results throughout the year. We honor positions at every level of our organization through legendary events such as our RISE Conference (during which we award our restaurant employees for their outstanding achievements throughout the year), our Support Center Awards (during which we award our top Support Center Roadies), and our Managing Partner Conference (where we award the title of Managing Partner of the Year – the highest honor within our company), as well as a multitude of other regional recognition events and daily recognition programs. We invest over \$10,000,000 a year annually on these conferences, events, and recognition programs because they serve as an opportunity to truly celebrate, appreciate, and motivate our people.



PEOPLE-FIRST MEANS...ROADIES SUPPORTING ROADIES

We have established a non-profit employee assistance fund – named Andy's Outreach Fund – to serve our employees and their families in times of hardship. Andy's Outreach Fund is primarily employee-funded and was created with the support of our restaurants to provide charitable assistance for the benefit of our employees and their families who are beset by unexpected financial hardship as a result of accident, illness, death, natural disaster or other type of catastrophic event. To date, Andy's Outreach has assisted over 20,000 employees and has distributed nearly \$26 million in monetary contributions.



PEOPLE-FIRST MEANS...CREATING AN INCLUSIVE ENVIRONMENT

We believe that diversity, equity, and inclusion are vital parts of our culture and what truly makes our company Legendary. We value and welcome employees of all walks of life to share their talents, gifts, and strengths while working in our restaurants and the Support Center, as we strive to reflect the communities we are proud to serve. We are passionate about treating everyone with respect, appreciation, and fairness every day to ensure that we remain a legendary place to work.

We value the diverse voices of our operators, which means listening as a leadership team to what they have to say. In this light, we hold an annual Fall Tour during which our Executive Team and Operational leaders travel for over a 6-week period to hear and receive feedback from our Managing Partners and many of our other restaurant leaders. This allows us to understand the challenges that our restaurant managers are facing and for us to determine possible solutions based on their feedback.

PEOPLE-FIRST MEANS...OPERATING WITH HONESTY AND INTEGRITY

Code of Conduct

The Texas Roadhouse Board of Directors has approved and adopted a Code of Conduct that applies to all directors, officers and employees. We are committed to Passion, Partnership, Integrity and Fun... All with Purpose! The Code is our guide as we apply these core values in our treatment of our fellow employees and how we run our business. Our Code also encompasses our principles and practices relating to the ethical conduct of Texas Roadhouse's business and commitment to complying with all laws affecting our business. In addition to following the laws and regulations of all federal, state, and local jurisdictions, we expect our Board of Directors, executive officers, and employees to adhere to the Code as well as all applicable policies and procedures.

Vendor Partners

Our commitment to the respect, protection, and support of human rights also extends to our vendor partners. We have established vendor expectations setting forth our expectations regarding our relationship with our vendors, including the manner in which our vendors conduct their business, the manner in which they treat their employees, and our expectation that our vendors will comply with all applicable laws and regulations relating to their business operations, including those laws prohibiting the use of forced labor or the facilitation of slavery and human trafficking. Our Vendor Partner Expectations are available in their entirety on our website at texasroadhouse.com. We recently added these Vendor Partner Expectations to our contract with our largest distributor and are looking for ways to incorporate them for selected vendors moving forward.





PEOPLE-FIRST MEANS...HUMAN RIGHTS FOR ALL

As a people-first company, we aim for a high standard of human rights for all, which means maintaining a work environment that respects, protects, and supports the human rights of employees, vendor partners, and communities in which we operate. It also means maintaining our long-standing history of dedication to corporate citizenship and diversity and the manner in which our individual restaurants have continued to offer time, support, food donations, and fundraising opportunities to give back to many local charities. This support is not only driven through our practices and policies but also our commitment to comply with all of the laws, rules and regulations of the United States and other countries, and the states, counties, cities and other jurisdictions in which we conduct our business.

We expect our employees and vendor partners to comply with any and all applicable laws prohibiting the use of forced labor or the facilitation of slavery and human trafficking.

PEOPLE FIRST MEANS...DOING THE RIGHT THING

Corporate Sustainability

Both our Board of Directors and Texas Roadhouse take great pride in our corporate sustainability program and our appreciation for, and commitment to, our employees and for the communities in which we serve. This commitment includes not only the continued execution of our existing corporate sustainability measures but also identifying future opportunities. We actively pursue partnerships and opportunities that help conserve resources, reduce waste, and have a positive impact on our communities. We also partner with other organizations and source products from suppliers who share our commitment to corporate sustainability.

In 2017, we released our initial corporate sustainability report which outlined our four core pillars of our corporate sustainability efforts: food, community, employees, and conservation. It is our mission to leave every community better than we found it. In pursuit of that mission, we strive to make a positive impact in every community where we are located, through employee time and support given to local organizations, donated meals, and fundraising opportunities, as well as corporate support for selected organizations. Our employees are also given an opportunity to play a role in our corporate sustainability efforts, and we encourage participation in community and charity activities, as well as any local store-level conservation efforts. The current version of our corporate sustainability report is on our website at texasroadhouse.com





Work Environment Expectations

Harassment, Discrimination and Retaliation Prevention: We forbid any form of harassment of or discrimination against applicants, employees, guests, vendors, or other business partners because of a person's race, religion, color, age, gender, gender identity, pregnancy, disability, veteran status, sexual orientation, citizenship, national origin, or any other legally protected status. We also strictly prohibit retaliation against individuals who raise concerns of harassment or discrimination. We further expect our vendor partners to act in a manner consistent with our commitment to providing a harassment, discrimination, and retaliation free workplace.

Equal Employment Opportunity: We are committed to providing equal employment opportunities to all employees and applicants for employment without regard to race, religion, color, age, gender, gender identity, pregnancy, disability, veteran status, sexual orientation, citizenship, national origin, or any other legally protected status. We expect the same level of commitment from our vendor partners. We will also make reasonable accommodations for qualified applicants or employees with disabilities unless doing so could result in undue hardship for the company.

Legal Expectations

We expect our employees and vendor partners to follow all of the laws, rules and regulations of the United States and other countries, and the states, counties, cities and other jurisdictions in which we conduct our business. This includes, without limitation, anti-discrimination laws, environmental laws, or other similar laws affecting or governing how we conduct our business. We cannot list every law with which we expect compliance, but the following are examples of such laws with which we expect adherence:

- Wage and Hour: Our commitment to wage and hour compliance is grounded in our culture of respect.
 We comply with all applicable wage and hour laws, including those related to minimum wage and overtime,
 meal and rest breaks, proper exempt classification, child labor, paying for all hours worked (including overtime),
 and proper handling of tips. Further, we do not allow employees to perform any work off the clock for any reason,
 expect all of our employees to comply with the pay-related policies and practices applicable to their position,
 and strictly prohibit retaliation against employees who participate in the reporting of or investigation into any
 pay-related concerns.
- **Health and Safety:** As a people-first company, employee health and safety is a top priority. We are committed to providing a healthy, safe, and secure work environment for our employees. We have taken a number of measures at the Support Center and our restaurants to help fulfill these commitments, including but not limited to OSHA, active aggressor, and de-escalation trainings, installation of panic buttons, and policies and programs regarding slip-resistant footwear, hand washing, and proper use of equipment. We expect our employees to help us keep our work environment safe, secure, illness-free, and free of violence by following any applicable company health and safety directives, trainings, policies, or procedures.

Reporting Concerns

We have an open door culture and encourage our employees to speak up if they have concerns. We take all reported concerns or possible Code or policy violations seriously and will promptly and thoroughly investigate each reported concern as confidentially as possible. We have established three separate ways in which any person may report confidential (and anonymous, if desired) concerns, which can be found in our Code of Conduct on our website at texasroadhouse.com. If an individual files a report, the concerns will be directed to the appropriate personnel for investigation. We do not retaliate against any person who raises questions, reports concerns, or who participates in an investigation.