

The Cheesecake Factory Incorporated
Corporate Governance Principles and Guidelines
(Amended May 29, 2019)

The Board of Directors (the “Board”) of The Cheesecake Factory Incorporated (the “Company”) has adopted the following Corporate Governance Principles and Guidelines (the “Guidelines”) to assist the Board in the exercise of its responsibilities and to serve the interests of the Company and its stockholders. These Guidelines should be interpreted in the context of all applicable laws and the Company’s Certificate of Incorporation, Bylaws and other corporate governance documents. These Guidelines acknowledge the leadership exercised by the Board’s standing committees and are intended to serve as a flexible framework within which the Board may conduct its business and not as a set of legally binding obligations. The Guidelines are subject to modification from time to time by the Board as the Board may deem appropriate and in the best interests of the Company and its stockholders or as required by applicable laws and regulations.

I. Board Composition

1. Size of the Board

Our Bylaws provide for a Board consisting of no less than five and no more than thirteen members, the exact number within this range being determined by the Board. The Corporate Governance and Nominating Committee (“Governance Committee”) reviews the size and composition of our Board and its committees on an annual basis, including the directors eligible for election at the annual meeting of stockholders (“Annual Meeting”), in accordance with our Certificate of Incorporation and Bylaws.

2. Board Independence

A majority of the members of our Board must qualify as Independent Directors (as defined by the listing standards of the Nasdaq Stock Market). Our statement of Policies and Procedures Regarding Board of Directors Candidates is available on the Investor Relations page of our website at investors.thecheesecakefactory.com by clicking on the links for “Corporate Governance” and “Policies and Procedures Regarding Board of Directors Candidates.”

3. Selection and Responsibilities of the Lead Director

Annually, the Independent Directors of our Board select one Independent Director to serve as “Lead Director.” The role of the Lead Director is to preside at executive sessions of the Independent Directors, serve as principal liaison between the Independent Directors and the Chairman of the Board, work with the Chairman of the Board to set and approve the schedule and agenda for meetings of our Board and its committees, direct the retention of advisors and consultants who report directly to the Board, serve as a liaison for consultation and communication with stockholders, oversee the annual evaluation of our Board and evaluate, in cooperation with the Compensation Committee and the Independent Directors, the Chief Executive Officer’s performance and meet with the Chief Executive Officer to discuss the Board’s evaluation.

4. Board Membership Criteria

Board membership is determined by the criteria and processes set forth in the Policies and Procedures Regarding Board of Directors Candidates, available on the Investor Relations page of our website at investors.thecheesecakefactory.com by clicking on the links for “Corporate Governance” and “Policies and Procedures Regarding Board of Directors Candidates.”

5. Service on Boards of Other Publicly Traded Companies

Board members shall not serve as a member of the boards of directors of more than two other publicly traded companies in addition to ours without prior approval of the majority of the Independent Directors.

6. Director Responsibilities

Board members are expected to regularly attend meetings of our Board and of all its committees upon which they serve, absent extraordinary circumstances. Directors are expected to review the materials that are provided to them in advance of the meetings.

7. Board Compensation Review

The Compensation Committee will conduct periodic reviews of non-employee director compensation and make recommendations to the Board with respect to revisions.

8. Term Limits

Our Board does not believe that it should establish term limits. Directors who have served on our Board for an extended period of time are able to provide valuable insight into our operations based on their experience with and understanding of our history, culture, policies and strategy.

9. Board Education

The Governance Committee is responsible for overseeing and recommending programs and activities for the continuing education of directors.

II. Board Meetings

1. Scheduling and Selection of Agenda Items for Board Meetings

Regularly scheduled Board meetings generally are held at least once per quarter, with additional meetings scheduled as required. The Chairman of our Board and the Secretary of our Company prepare the agenda for each Board meeting after receiving input from the Lead Director and senior management. Other Board members also may suggest additional items to be included on the agenda.

2. Board Materials Distributed in Advance

Along with the agenda, materials to be discussed at Board meetings are distributed to members in advance to allow Board members time to prepare for the meetings.

3. Independent Directors Meetings

The Independent Directors meet regularly in executive session without management or non-Independent Directors present, but no less than twice per year. Our Lead Director chairs these meetings and provides reports to our Board and senior management concerning matters discussed in executive session for further attention.

4. Attendance at Annual Meeting

Board members are encouraged to attend our Annual Meeting.

III. Board Operations

1. Board Interaction with Stakeholders

Our management is responsible for establishing effective communication with our stakeholders, including stockholders, staff members, financial analysts, the media, suppliers and regulators. While it is the belief of our Board that management speaks for us, this does not preclude our directors from interacting with stakeholders. Our Board has established procedures by which our employees and stockholders may communicate certain concerns to the Audit Committee, as described in Section VI. below. However, in most cases, communications with stakeholders by non-employee directors is accomplished with the knowledge of management and at management's request.

2. Board Access to Employees

From time to time, members of senior management may be invited to attend part or all of a Board meeting in order to participate in discussions. Board members have full access to our employees. Should a Director wish to arrange a meeting with an employee, it will be done in such a way so as not to disrupt our business operations and coordinated with the Chief Executive Officer and/or General Counsel.

3. Board Access to Independent Advisors

Our Board and its committees have the right to retain independent advisors, as provided for in the individual committee charters.

IV. Board Committees

1. Number of Committees

Our Board currently has three standing committees – the Audit Committee, the Compensation Committee and the Governance Committee.

2. Committee Member Qualifications

With the assistance of our legal counsel, our Board reviews the applicable legal standards for independence and criteria for determination of “audit committee financial expert” as well as responses to annual questionnaires completed by our Directors. Our Board has determined that each member of the Audit, Compensation and Governance Committee meets the independence requirements established by the Nasdaq Stock Market, the Securities and Exchange Commission and the Internal Revenue Service, as applicable, as well as the requirements for independence under each committee’s respective charter. In addition, our Board has identified an “audit committee financial expert(s),” as defined by the Securities and Exchange Commission, to serve as member(s) of our Audit Committee.

3. Committee Responsibilities

Each of our Board committees operates pursuant to a written charter. These charters are available on the Investor Relations page of our website at investors.thecheesecakefactory.com by clicking on the link for “Corporate Governance.”

4. Committee Meetings

The Audit Committee shall meet at least four (4) times per year, and the Compensation and Governance Committees shall meet at least two (2) times per year. These meetings may be in-person, by telephone or video conference.

5. Assignment and Term of Service of Committee Members

Our Board is responsible for the appointment of committee members and chairpersons, based on recommendations of our Governance Committee. Currently, committee membership and chairpersons are evaluated on an annual basis and assignments are made annually, at the Board meeting immediately following each Annual Meeting.

V. Board and Management Evaluation

1. Formal Evaluation of the Chief Executive Officer and Executive Officers

The Compensation Committee conducts an annual review of the Chief Executive Officer and our named executive officers to evaluate overall compensation packages relative to industry practices.

2. Board Self-Assessment

Our Board conducts an annual self-assessment to evaluate the functions of the Board.

VI. Policy on Communicating Concerns to our Board

Our Board adopted a policy for stockholders and employees who wish to communicate any concerns regarding financial statement disclosures, accounting, internal controls, misuse or inappropriate use of corporate assets or auditing matters to the Audit Committee, in a sealed envelope, addressed to the Chairperson of the Audit Committee, c/o Vice President, Internal Audit, P.O. Box 66, Agoura Hills, CA 91376-0066. If requested by an employee, the Company will protect the confidentiality and anonymity of an employee who makes a complaint. The Company is not obligated to protect the confidentiality and anonymity of a non-employee person who makes a complaint. Please mark the envelope "To be opened by the Audit Committee/V.P. Internal Auditor only."

VII. Risk Management Oversight

Our Board believes it is the responsibility of the Board to oversee the Company's efforts to manage its significant enterprise risks, including cybersecurity risks. The Board oversees risks in multiple ways, including periodic review of the effectiveness of management's processes for identifying the Company's significant risks, management's timeliness in reporting significant risks to the Board, the strategic objectives that may be affected by identified risks, the level of appropriate risk tolerance, our plans for monitoring, mitigating and controlling risk, the effectiveness of such plans, and the effectiveness of management communication of the Company's risk management policies, procedures and processes to staff members. The Board also reviews the Company's disclosure of significant risks in filings with the Securities and Exchange Commission.