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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549  
**FORM 10-K**

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the fiscal year ended December 31, 2024**

**OR**

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the transition period from                      to**

Commission File Number **000-50972**

**Texas Roadhouse, Inc.**

(Exact name of registrant specified in its charter)

**Delaware**

(State or other jurisdiction of  
incorporation or organization)

**20-1083890**

(IRS Employer  
Identification Number)

**6040 Dutchmans Lane  
Louisville, Kentucky 40205**

(Address of principal executive offices) (Zip Code)

**(502) 426-9984**

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.001 per share	TXRH	NASDAQ Global Select Market

Securities registered pursuant to Section 12(g) of the Act: **None**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐.

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act. Yes ☐ No ☒.

Indicate by check mark whether registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐.

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒

Accelerated filer ☐

Non-accelerated filer ☐

Smaller reporting company ☐

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒.

The aggregate market value of the voting stock held by non-affiliates of the registrant as of the last business day of the second fiscal quarter ended June 25, 2024 was approximately \$11.4 billion based on the closing stock price of \$171.66 on the Nasdaq Global Select Market.

The number of shares of common stock outstanding were 66,450,642 on February 19, 2025.

**DOCUMENTS INCORPORATED BY REFERENCE**

Portions of the registrant's definitive Proxy Statement for the registrant's 2025 Annual Meeting of Stockholders, which is expected to be filed pursuant to Regulation 14A within 120 days of the registrant's fiscal year ended December 31, 2024, are incorporated by reference into Part III of this Form 10-K.

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## **SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS**

From time to time, in periodic reports and oral statements and in this Annual Report on Form 10-K, we present statements about future events and expectations that constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended ("Exchange Act"). Forward-looking statements are based on our beliefs, assumptions, and expectations of our future financial and operating performance and growth plans, taking into account the information currently available to us. These statements are not statements of historical fact. Forward-looking statements involve risks and uncertainties that may cause our actual results to differ materially from the expectations of future results we express or imply in any forward-looking statements. In addition to the other factors discussed under "Risk Factors" elsewhere in this report, factors that could contribute to these differences include, but are not limited to:

- our ability to successfully execute our growth strategies;
- our ability to successfully open new restaurants, acquire franchise restaurants, and/or execute other strategic initiatives;
- our ability to increase and/or maintain dine-in and to-go sales as well as profits at our existing restaurants;
- our ability to integrate the franchise or other restaurants which we acquire or develop;
- the continued service of key management personnel;
- the impact of health epidemics or pandemics on our business including restrictions or regulations on our operations;
- health, dietary, and other concerns about our food products;
- our ability to attract, motivate, and retain qualified employees;
- the impact of federal, state, or local government laws and regulations relating to our employees and the sale of food and alcoholic beverages;
- the impact of litigation, including remedial actions, payment of damages and expenses, and negative publicity;
- disruptions to the availability and price of our principal food and beverage products and all other operating costs;
- labor shortages or increased labor costs, such as federal or state minimum wage changes, market wage levels, health care, sick pay, and workers' compensation insurance costs;
- inflationary increases in the costs of construction, including labor and material costs, and/or real estate;
- changes in consumer preferences and demographic trends;
- the impact of initiatives by competitors and increased competition generally;
- our ability to successfully expand into new and existing domestic and international markets;
- risks associated with partnering in markets with franchisees or other investment partners whose interests may not align with ours;
- risks associated with developing and successfully operating additional concepts;
- security breaches or technology failures including failure to protect and maintain the security of confidential guest, vendor, and employee information, either internally or by one of our vendors, compliance with privacy and data protection laws, and risks of failures or breaches of our data protection systems;

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- the rate of growth of general and administrative expenses associated with building a strengthened corporate infrastructure to support our initiatives;
- negative publicity regarding food safety, health concerns, and other food or beverage related matters, including the integrity of our or our suppliers' food processing;
- our franchisees' adherence to the terms of their franchise agreements;
- potential fluctuation in our quarterly operating results due to seasonality and other factors;
- our ability to adequately protect our intellectual property;
- our ability to adequately protect the physical security of our employees, guests, and restaurants;
- our ability to raise capital in the future;
- volatility of actuarially determined self-insurance losses and loss estimates;
- adoption of new, or changes in existing, accounting policies and practices;
- changes in and/or interpretations of federal and state tax laws;
- adverse weather conditions which impact guest traffic at our restaurants; and
- unfavorable general economic conditions in the markets in which we operate that adversely affect consumer spending.

The words "believe," "may," "should," "anticipate," "estimate," "expect," "intend," "objective," "seek," "plan," "strive," "goal," "projects," "forecasts," "will," or similar words or, in each case, their negative or other variations or comparable terminology, identify forward-looking statements. We qualify any forward-looking statements entirely by these cautionary factors.

Other risks, uncertainties, and factors, including those discussed under "Risk Factors," or those currently deemed immaterial or unknown, could cause our actual results to differ materially from those projected in any forward-looking statements we make.

We assume no obligation to publicly update or revise these forward-looking statements for any reason or to update the reasons actual results could differ materially from those anticipated in these forward-looking statements, even if new information becomes available in the future, except as required by applicable law.

## **PART I**

### **ITEM 1. BUSINESS**

Texas Roadhouse, Inc. (the "Company," "we," "our" and/or "us") was incorporated under the laws of the state of Delaware in 2004. The principal executive office is located in Louisville, Kentucky.

#### **Introduction**

The Company is a growing restaurant company operating predominantly in the casual dining segment. Our late founder, W. Kent Taylor, started the business in 1993 with the opening of the first Texas Roadhouse restaurant in Clarksville, Indiana. Since then, we have grown to three concepts with 784 restaurants in 49 states, one U.S. territory, and ten foreign countries.

Our mission statement is "Legendary Food, Legendary Service®" and our core values are "Passion, Partnership, Integrity, and Fun with Purpose." Our operating strategy is designed to position each of our casual dining restaurants as the local hometown favorite for a broad segment of consumers seeking high quality, affordable meals served with friendly, attentive service. This strategy guides our purpose statement of "Serving Communities Across America and the World."

#### **Restaurant Concepts**

As of December 31, 2024, we owned and operated 666 restaurants and franchised an additional 118 restaurants. Of the 666 restaurants we owned and operated, we operated 608 as Texas Roadhouse restaurants, 49 as Bubba's 33 restaurants, and nine as Jagers restaurants. Of the 118 franchise restaurants, 56 were domestic Texas Roadhouse restaurants, four were domestic Jagers restaurants, 57 were international Texas Roadhouse restaurants, including one restaurant in a U.S. territory, and one was an international Jagers restaurant.

Texas Roadhouse is a moderately priced, full-service, casual dining restaurant concept offering an assortment of specially seasoned and aged steaks hand-cut daily on the premises and cooked to order over open grills. In addition to steaks, we also offer our guests a selection of ribs, seafood, chicken, pork chops, pulled pork, and vegetable plates, and an assortment of hamburgers, salads, and sandwiches. The majority of our entrées include two made-from-scratch side items, and we offer all our dine-in guests free, unlimited roasted in-shell peanuts and fresh baked yeast rolls.

Bubba's 33 is a moderately priced, full-service, casual dining restaurant concept featuring scratch-made food for all with a little rock 'n' roll, ice-cold beer, and signature cocktails. Our menu features burgers, pizza, and wings as well as a wide variety of appetizers, sandwiches, and dinner entrées. Bubba's 33 is open for daily lunch and dinner service and delivery services are offered at a majority of locations. Our first Bubba's 33 restaurant opened in May 2013 in Fayetteville, North Carolina.

Jagers is a fast-casual restaurant concept offering burgers, hand-breaded chicken sandwiches and chicken tenders, made-to-order fresh salads, and hand-spun milkshakes. Jagers offers drive-thru, carry-out, and dine-in service options. We also offer delivery services at a majority of locations. Our first Jagers restaurant opened in December 2014 in Noblesville, Indiana.

Throughout this report, we use the term "restaurants" to include Texas Roadhouse and Bubba's 33, unless otherwise noted.

#### **Segment Information**

We manage our restaurant and franchising operations by concept and as a result have identified Texas Roadhouse, Bubba's 33, Jagers, and retail initiatives as separate operating segments. In addition, we have identified Texas Roadhouse and Bubba's 33 as reportable segments.

## Operating Strategy

The operating strategy that underlies the growth of our restaurants is built on the following key components:

- *Offering high quality, freshly prepared food.* We place a great deal of emphasis on providing our guests with high quality, freshly prepared food. As part of our process, we have developed proprietary recipes to provide consistency in quality and taste throughout all restaurants. We expect a management level employee to inspect every entrée before it leaves the kitchen to confirm it matches the guest's order and meets our standards for quality, portion size, appearance, and presentation. In addition, we employ a team of product coaches whose function is to provide continual, hands-on training and education to our kitchen staff for the purpose of promoting consistent adherence to recipes, food preparation procedures, food safety standards, and overall food quality.
- *Creating a fun and comfortable atmosphere with a focus on high quality service.* We believe the service quality and atmosphere we establish in our restaurants is a key component for fostering repeat business. In our full-service restaurants, we focus on keeping our table-to-server ratios low to allow our servers to truly focus on their guests and serve their needs in a personal, individualized manner. Our Texas Roadhouse restaurants feature a rustic southwestern lodge décor accentuated with hand-painted murals, neon signs, and southwestern prints, rugs, and artifacts. Additionally, our restaurants continuously play upbeat country hits. Our Bubba's 33 restaurants feature walls lined with televisions playing sporting events and music videos and are decorated with sports jerseys, neon signs, and other local flair. Our fast-casual concept, Jagers, offers both drive-thru and dining room service in a modern design featuring a contemporary exterior and a comfortable and inviting dining room.
- *Owner-operator partnership model.* As part of our effort to maintain a *People-First* culture, we offer a performance-based compensation program supported by competitive benefits and health programs to our individual restaurant managers and multi-restaurant operators, who are called "managing partners" and "market partners," respectively. Each of these partners is required to sign a multi-year employment agreement and make a refundable deposit at the time of hire, that we believe reinforces an ownership mentality. The annual compensation of these partners includes a base salary plus a performance bonus, which represents a percentage of each of their respective restaurant's pre-tax income. By providing our partners with a significant stake in the success of our restaurants, we believe that we are able to attract and retain talented, experienced, and highly motivated managing and market partners.
- *Offering everyday value.* Our everyday value includes attractive price points, generous portions, and heaping sides. When we evaluate menu pricing, we focus on remaining disciplined as we balance short-term pressures with long-term growth while always keeping our guest top of mind. Prices are reviewed individually in each local market and are offered at moderate price points that we believe are as low as or lower than those offered by our competitors without sacrificing food quality. Within each menu category, we offer a choice of several price points with the goal of fulfilling each guest's budget and value expectations. Based on the results of our pricing evaluations, we will continue to take pricing actions we feel are needed while striving to maintain our value proposition.
- *Serving our communities.* We strive to be the neighborhood destination in each market in which we operate. We do not rely on national television or print advertising to promote our brands. To build brand awareness and become the hometown favorite, our partners engage with their local communities through a variety of promotional activities, such as contributing time, money, and complimentary meals to charitable, civic, and cultural programs. Additionally, we employ marketing coordinators at the restaurant and market level to develop and execute the majority of the local marketing strategies.
- *Focusing on dinner.* In nearly all of our Texas Roadhouse restaurants, we limit our operating hours to dinner only during the weekdays with approximately one half of our restaurants offering lunch on Friday. This focus on dinner allows our restaurant teams to prepare for and manage only one shift per day during the week and to prepare for the significant volumes of sales our restaurants generate.

## **Restaurant Development and Unit Economics**

We consistently evaluate opportunities to develop restaurants in new and existing markets. Our site selection process is critical to our growth strategy. In analyzing each prospective site, our real estate team and restaurant market partners devote significant time and resources to the evaluation of local market demographics, population density, household income levels, and site-specific characteristics such as visibility, accessibility, traffic generators, proximity of other retail activities and competitors, traffic counts, and parking. We work actively with experienced real estate brokers in target markets to select high quality sites and to maintain and regularly update our database of potential sites.

We design our restaurant prototypes to provide a relaxed atmosphere for our guests, while also focusing on restaurant-level returns over time. Our current prototypical Texas Roadhouse restaurant consists of a freestanding building with approximately 8,000 square feet with seating for approximately 270 to 325 guests and parking for approximately 180 vehicles either on-site or in combination with some form of off-site cross parking arrangement. Our current prototypes are adaptable to in-line and end-cap locations and/or spaces within an enclosed mall or a shopping center.

Our current prototypical Bubba's 33 restaurant consists of a freestanding building with approximately 7,600 square feet with seating for approximately 270 to 330 guests. Some locations include patio seating for approximately 60 guests. Parking is targeted for approximately 180 vehicles either on-site or in combination with some form of off-site cross parking arrangement.

Our capital investment for new restaurants, which includes an estimate of pre-opening expense and a 10x initial base rent factor for those sites that are leased, varies significantly depending on a number of factors. These factors include, but are not limited to: the concept, square footage, layout, scope of required site work, geographical location, supply chain costs, type of construction labor (union or non-union), local permitting requirements, our ability to negotiate with landowners and/or landlords, cost of liquor and other licenses, and pre-opening expense.

In 2024 and 2023, our average capital investment for Texas Roadhouse restaurants was approximately \$8.0 million. In 2024, an increase in building and furniture, fixtures, and equipment costs was offset by a decrease in site work and liquor license costs. We expect our average capital investment for restaurants to be opened in 2025 to increase to approximately \$8.6 million primarily due to increased site work costs and increased rent.

In 2024 and 2023, our average capital investment for Bubba's 33 restaurants was \$8.6 million and \$8.2 million, respectively. The increase in our 2024 average capital investment was primarily due to an increase in site work costs partially offset by a decrease in pre-opening costs. We expect our average capital investment for restaurants to be opened in 2025 to be approximately \$8.6 million.

## Existing Restaurant Locations

As of December 31, 2024, we had 666 company restaurants and 118 franchise restaurants in 49 states, one U.S. territory, and ten foreign countries as shown in the chart below.

	Number of Restaurants		
	Company	Franchise	Total
Alabama	12	—	12
Alaska	2	—	2
Arizona	22	—	22
Arkansas	9	—	9
California	8	11	19
Colorado	17	1	18
Connecticut	6	—	6
Delaware	5	—	5
Florida	48	—	48
Georgia	17	3	20
Idaho	6	—	6
Illinois	19	—	19
Indiana	30	8	38
Iowa	11	—	11
Kansas	7	1	8
Kentucky	20	3	23
Louisiana	10	1	11
Maine	3	—	3
Maryland	14	—	14
Massachusetts	10	1	11
Michigan	22	3	25
Minnesota	7	—	7
Mississippi	3	—	3
Missouri	18	—	18
Montana	2	1	3
Nebraska	4	—	4
Nevada	4	—	4
New Hampshire	4	—	4
New Jersey	10	—	10
New Mexico	9	—	9
New York	22	—	22
North Carolina	22	3	25
North Dakota	2	1	3
Ohio	38	1	39
Oklahoma	10	—	10
Oregon	2	—	2
Pennsylvania	29	6	35
Rhode Island	3	—	3
South Carolina	9	—	9
South Dakota	2	—	2
Tennessee	19	1	20
Texas	93	6	99
Utah	10	1	11
Vermont	1	—	1
Virginia	24	—	24
Washington	4	1	5
West Virginia	4	3	7
Wisconsin	11	4	15
Wyoming	2	—	2
Total domestic restaurants	666	60	726
Puerto Rico	—	1	1
Bahrain	—	1	1
China	—	1	1
South Korea	—	8	8
Kuwait	—	3	3
Mexico	—	4	4
Philippines	—	24	24
Qatar	—	1	1
Saudi Arabia	—	4	4
Taiwan	—	6	6
United Arab Emirates	—	5	5
Total international restaurants, including a U.S. territory	—	58	58
Total system-wide restaurants	666	118	784



## Food

*Menu.* Our restaurants offer a wide variety of menu items at attractive prices that are designed to appeal to a broad range of consumer tastes. At Texas Roadhouse restaurants, we offer a broad assortment of specially seasoned and aged steaks, all cooked over open grills and all but one hand-cut daily on the premises. We also offer our guests a selection of ribs, seafood, chicken, pork chops, pulled pork, and vegetable plates, and an assortment of burgers, salads, and sandwiches. Entrée prices include roasted in-shell peanuts, fresh baked yeast rolls, and most include the choice of two made-from-scratch sides. Other menu items include specialty appetizers such as the "Cactus Blossom<sup>®</sup>" and "Rattlesnake Bites". We also provide a "12 & Under" menu for children that includes a selection of smaller-sized entrées served with one side item and a beverage.

At Bubba's 33 restaurants, we offer a broad assortment of burgers, pizza, and wings as well as a wide variety of appetizers, sandwiches, and dinner entrées. Our Bubba's 33 restaurants also offer an extensive selection of ice-cold draft beer and signature cocktails. We provide a "12 & Under" menu for children that includes a selection of items, including a beverage.

At Jagers restaurants, we offer fresh, scratch-made food including double-stacked burgers, hand-breaded chicken sandwiches and chicken tenders, made-to-order fresh salads, and hand-spun milkshakes. We also provide a "12 & Under" menu for children that includes a selection of smaller-sized entrées, a side, a drink, and a cookie.

Most of our full-service restaurants feature a full bar that offers a selection of draft and bottled beer, major brands of liquor and wine, as well as made in-house margaritas and signature cocktails. Managing partners are encouraged to tailor their beer selection to include regional and local brands. In 2024, alcoholic beverages at all company restaurants accounted for 9.6% of restaurant sales.

We always strive to maintain a consistent menu at our restaurants. We continually review our menu to consider enhancements to existing menu items or the introduction of new items. We change our menu only after guest feedback and an extensive study of the operational and economic implications. To maintain our high levels of food quality and service, we generally remove one menu item for every new menu item introduced to facilitate our ability to execute high quality meals on a focused range of menu items.

We work with a third-party vendor to manage an online tool to provide nutritional information as well as help guests identify known allergens in each of our menu items. This information is available for all concepts.

*Food Quality and Safety.* We are committed to serving a varied menu of high quality, great tasting food items with an emphasis on freshness. We have developed proprietary recipes to promote consistency in quality and taste throughout all restaurants and provide a unique flavor experience to our guests. At each domestic Texas Roadhouse restaurant, a trained meat cutter hand cuts our steaks and other restaurant employees prepare our side items and yeast rolls from scratch in the restaurants daily. At both Texas Roadhouse and Bubba's 33 restaurants, we assign individual kitchen employees to the preparation of designated food items in order to focus on quality, consistency, speed, and food safety. Additionally, we expect a management level employee to inspect every entrée before it leaves the kitchen to confirm it matches the guest's order and meets our standards for quality, portion size, appearance, and presentation.

We employ a team of product coaches whose function is to provide continual, hands-on training and education to the kitchen staff in all of our restaurants for the purpose of reinforcing food quality, recipe consistency, food preparation procedures, food safety and sanitation standards, food appearance, freshness, portion size, and crisis management. The product coach team supports all of our full-service domestic restaurants.

Food safety and sanitation is of utmost importance to us. We currently utilize several additional programs to help facilitate adherence to proper food preparation procedures and food safety standards including temperature monitoring at vendor distribution centers and our daily taste and temperature procedures within each restaurant. We have a food team whose function, in conjunction with our product coaches, is to develop, enforce, and maintain programs designed to promote compliance with food safety guidelines. This includes the routine performance of a gap analysis through various tabletop exercises to identify areas of need or improvement. The food team also has incorporated technology in the food safety program which includes the use of electronic checklists that can capture and report trends and digital temperature monitoring and cooling automation.

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We perform regular food safety and sanitation audits on our restaurants and these results are reviewed by various members of operations and management. To maximize adherence to food safety protocols, we have incorporated Hazard Analysis Critical Control Points principles and critical procedures (such as hand washing) in each recipe. All restaurant managers are required to complete the American National Standards Institute Certified Food Manager training. In addition, product coaches and certain food team members are required to obtain their Certified Professional-Food Safety designation from the National Environmental Health Association.

*Procurement.* Our procurement philosophy is designed to supply fresh, quality products to our restaurants at competitive prices while maximizing operating efficiencies. We negotiate directly with suppliers for substantially all food and beverage products to maximize quality and freshness and obtain competitive prices. Food and supplies are ordered by and shipped directly to our domestic restaurants. Most food products used in the operation of our restaurants are distributed to individual restaurants through a national distribution company. We strive to qualify more than one supplier for all key food items and believe that beef of comparable quality as well as all other essential food and beverage products are available, upon short notice, from alternative qualified suppliers.

As a requirement of our quality assurance process, primary food items are purchased from qualified vendors who are regularly audited by reputable, outside inspection services confirming compliance with United States Food and Drug Administration and United States Department of Agriculture guidelines, the results of which are reviewed by our food safety team.

We are committed to building long-term partnerships with suppliers who are dedicated to delivering and producing safe, high-quality ingredients and products in a sustainable, ethical, and humane manner. All suppliers are expected to comply with our Vendor Partner Expectations that outlines our standards for vendors, which include without limitation, adherence to our food safety standards, how they conduct their business, how they treat their employees, and an expectation that our suppliers will comply with all applicable laws and regulations. We have added these Vendor Partner Expectations to various contracts with our largest suppliers and distributors and are looking for ways to incorporate them into our contracts for additional selected vendors.

We are also focused on driving innovation, efficiency, and resiliency in our supply chain by collaborating with our suppliers to improve quality, enhance visibility, eliminate waste, create redundancy, and drive additional productivity in our operations.

## **Service**

*Service Quality.* We believe that guest satisfaction and our ability to continually evaluate and improve the guest experience at each of our restaurants is important to our success. We employ a team of service coaches whose function is to provide consistent, hands-on training and education to our managers and service staff in all of our full-service domestic restaurants. This training and education reinforces service quality, teamwork, responsible alcohol service, staff attentiveness and guest interactions in the dining room, as well as the implementation of new technologies and process changes.

*Guest Satisfaction.* We receive valuable feedback from our guests through the use of guest surveys, our various websites including "texasroadhouse.com," "bubbas33.com" or "eatjaggers.com," a toll-free guest response telephone line, tabletop kiosks in the restaurant, emails, letters, social media, and personal interaction in the restaurant. We have implemented several programs to evaluate guest satisfaction, with particular attention given to food, beverage, and service quality, cleanliness, staff attitude and teamwork, and manager visibility and interaction. We continue to evaluate and implement new processes and technologies relating to guest satisfaction, including reducing guest wait times, improving host interaction with the guest, and improving the to-go experience for our guests.

*Atmosphere.* The atmosphere of our restaurants is intended to appeal to broad segments of the population. Substantially all Texas Roadhouse restaurants are of our prototype design, reflecting a rustic southwestern lodge atmosphere. The interiors feature wood walls and stained concrete floors and are decorated with hand-painted murals, neon signs, southwestern prints, rugs, and artifacts. The restaurants continuously play upbeat country hits. Guests may also view a display-baking area, where our fresh baked yeast rolls are prepared, and a meat cooler displaying fresh cut steaks. Once seated at a table, guests can enjoy free fresh baked yeast rolls along with roasted in-shell peanuts. Our Bubba's 33 restaurants feature walls lined with televisions playing a variety of sports events and music videos and are decorated with sports jerseys, neon signs, and other local flair. Our fast-casual concept, Jaggers, offers both drive-thru

and dining room service in a modern design featuring a contemporary exterior and a comfortable and inviting dining room.

## **People**

*Management Personnel.* Each of our restaurants is generally staffed with one managing partner and a combination of operations managers, kitchen managers, service managers, and assistant managers. Managing partners are single restaurant operators who have primary responsibility for the day-to-day operations of the entire restaurant. Operations managers support the managing partner in overall operations including oversight over the kitchen and service departments. Kitchen managers have primary responsibility for managing sections of the kitchen staff and certain kitchen operations including food production, preparation, execution, and quality standards. Service managers have primary responsibility for managing sections of the front of house staff and certain dining room, bar, and to-go operations including service quality and the guest experience. Assistant managers support our managing partners, operations managers, kitchen managers, and service managers in helping maintain our standards of quality and performance.

We use market partners to oversee the operation of our restaurants. Each market partner oversees a group of varying sizes of managing partners and their respective management teams. Market partners are also responsible for the hiring and development of each restaurant's management team and assisting in the site selection process. Through regular visits to the restaurants, the market partners facilitate adherence to all aspects of our concepts, strategies, and standards of quality. To further facilitate adherence to our standards of quality and to maximize uniform execution throughout the system, we employ product coaches and service coaches who regularly visit the restaurants to assist in training of both new and existing employees and to grade food and service quality. The attentive service and high quality food, which results from each restaurant having a managing partner, at least two to four managers, and the hands-on assistance of a product coach and a service coach, are critical to our success.

Managing partners and market partners are required, as a condition of employment, to sign a multi-year employment agreement. The annual compensation of our managing partners and market partners includes a base salary plus a percentage of pre-tax income of the restaurant(s) they operate or supervise. 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, that reinforces an ownership mentality. Generally, the deposits are refunded after five years of continuous service.

*Training and Development.* All restaurant employees are required to complete varying degrees of training before and during employment. Our comprehensive training program emphasizes our operating strategy, procedures, and standards, including responsible alcohol service, and is typically conducted individually at our restaurants or in groups throughout the country.

Our managing and market partners are generally required to have significant experience in the full-service restaurant industry and are generally hired at a minimum of nine months before their placement in a new or existing restaurant to allow time to fully train in all aspects of restaurant operations. All managing partners, kitchen and service managers, and other management employees are required to complete an extensive training program of up to 20 weeks, which includes training for every position in the restaurant. Trainees are validated at pre-determined points during their training by a market partner, managing partner, product coach, and service coach.

We have designated a number of our restaurants to be certified as training centers by our training department. These stores are utilized to train our new and existing managers to ensure compliance with all operating procedures and guidelines. Additionally, most restaurants are staffed with training coordinators responsible for ongoing daily training needs.

For new restaurant openings, a full team of designated trainers, each specializing in a specific restaurant position, is deployed to the restaurant at least ten days before opening. Formal employee training begins seven days before opening and follows a uniform, comprehensive training course as directed by a service coach.

## **Marketing**

Our marketing strategy aims to promote our brands while retaining a localized focus. We strive to increase comparable restaurant sales by increasing the frequency of visits by our current guests and attracting new guests to our restaurants and also by communicating and promoting our concepts' food quality, the guest experience, and community support. We accomplish these objectives through three major initiatives.

*Local Restaurant Marketing.* Given our strategy to be a neighborhood destination, local restaurant marketing is integral in developing brand awareness in each market. Managing partners are encouraged to participate in creative, community-based marketing. We also engage in a variety of promotional activities, such as contributing time, money, and complimentary meals to charitable, civic, and community events. We employ marketing coordinators at the restaurant level and marketing coaches at the market level to develop and execute the majority of the local marketing strategies.

*In-restaurant Marketing.* A significant portion of our marketing fund is spent communicating with our guests inside our restaurants through point of purchase materials. We believe special promotions such as Valentine's Day, Mother's Day, and Veterans Day drive notable repeat business. Our eight-week holiday gift card campaign is one of our most impactful promotions.

*Advertising.* Our restaurants do not rely on national television or print advertising to promote our brands. Earned local media is a critical part of our strategy that features our products and people in local television, print, and radio. Our restaurants use a permission-based email loyalty program, as well as social media and digital marketing, to promote the brand and engage with our guests. Our approach to media aligns with our focus on local store marketing and community involvement. Additionally, we continue to look for ways through various strategic initiatives to drive awareness and guest engagement with our brands. This includes the introduction of branded food and retail products that are available for purchase online or in select retailers. These products include non-royalty based food and accessories as well as licensing arrangements for frozen rolls, honey cinnamon butter, steak sauces, steak seasonings, and certain non-alcoholic beverages.

## **Restaurant Franchise Arrangements**

*Franchise Restaurants.* As of December 31, 2024, we had 22 franchisees that operated 118 Texas Roadhouse and Jaggers restaurants in 20 states, one U.S. territory, and ten foreign countries.

Our standard Texas Roadhouse domestic franchise agreement has a term of ten years with two renewal options for an additional five years each if certain conditions are satisfied. Our current form of domestic franchise agreement generally requires the franchisee to pay a franchise fee for each restaurant opened and royalties based on a percentage of gross sales. In addition, domestic Texas Roadhouse franchisees are required to pay a percentage of gross sales to a national marketing fund for system-wide promotions and related efforts. Domestically, franchise rights for our Texas Roadhouse restaurants are granted for specific restaurants only, as we have not entered into area development agreements with domestic Texas Roadhouse franchisees. We are currently not accepting new domestic Texas Roadhouse franchisees.

Internationally, we have entered into area development and franchise agreements for the development and operation of Texas Roadhouse restaurants in several foreign countries and one U.S. territory. For the existing international agreements, the franchisee is generally required to pay us a development fee for our grant of development rights in the named countries, a franchise fee for each restaurant to be opened, and royalties based on a percentage of gross sales.

We have also entered into area development and franchise agreements for Jaggers, our fast-casual concept. Our standard Jaggers domestic franchise agreement has a term of ten years with two renewal options for an additional five years each if certain conditions are satisfied. Currently, we have area development agreements in place that allow for the development and operation of Jaggers restaurants both domestically and internationally. As part of these agreements, the franchisees are required to pay us a development fee for our grant of development rights in the named territories, a franchise fee for each restaurant to be opened, and royalties based on a percentage of gross sales.

Our standard Texas Roadhouse and Jaggers domestic franchise agreements give us the right, but not the obligation, to compel a franchisee to transfer its interests to us based on pre-determined formulas included in our franchise agreements. Additionally, all of our Texas Roadhouse and Jaggers franchise agreements contain a pre-determined radius restriction prohibiting us from opening a competing restaurant within such radius.

Our area development or franchise agreements, whether domestic or international, may be terminated if the franchisee defaults in the performance of any of its obligations under the development or franchise agreement, including its obligations to develop the territory or operate its restaurants in accordance with our standards and specifications. A franchise agreement may also be terminated if a franchisee becomes insolvent, fails to make its required payments, creates a threat to the public health or safety, ceases to operate the restaurant, or misuses our trademarks.

*Franchise Compliance Assurance.* We have various systems in place to promote compliance with our systems and standards, both during the development and operation of franchise restaurants. We actively work with our franchisees to support successful franchise operations as well as compliance with our standards and procedures. During the restaurant development phase, we consent to the selection of restaurant sites and make available copies of our prototype building plans to franchisees. In addition, we ensure that the building design is in compliance with our standards. We provide training to a certain number of managers of a franchisee's first restaurant. We also provide trainers to assist in the opening of every domestic franchise restaurant and we provide trainers to assist our international franchisees in the opening of their restaurants until such time as they develop an approved restaurant opening training program. Finally, on an ongoing basis, we conduct reviews on all franchise restaurants to determine their level of effectiveness in executing our concept at a variety of operational levels. Our franchisees are required to follow the same standards and procedures regarding equipment and food purchases, preparation, and safety procedures as we maintain in our company restaurants. Reviews are conducted by seasoned operations teams and focus on key areas including health, safety, and execution proficiency. Finally, we perform initial, annual, and/or periodic due diligence from a compliance perspective on certain franchisees based on a risk assessment and evaluation of the franchise partner.

*Management Services.* We provide administrative services to certain domestic Texas Roadhouse franchise restaurants, some in which we have an ownership interest and others in which we have no ownership interest. Such administrative services may include accounting, tax, operational supervision, payroll, human resources, training, legal, and food, beverage, and equipment consulting for which we receive monthly fees. We also make available to these restaurants certain restaurant employees and employee benefits on a pass-through cost basis.

### **Information Technology**

All of our company restaurants utilize management information systems, which are designed to improve operating efficiencies, provide restaurant and Support Center management with timely access to financial and operating data, and reduce administrative time and expense. With our current information systems, we have the ability to query, report, and analyze this intelligent data on a daily, weekly, monthly, quarterly, and year-to-date basis and beyond, on a company-wide, concept, regional, market, or individual restaurant basis. Together, this enables us to closely monitor sales and operating expenses at each of our restaurants throughout all concepts. We have a number of systems and reports that provide comparative information that enables both restaurant and Support Center management to supervise the financial and operational performance of our restaurants and to recognize and understand trends in the business. Restaurant hardware and software support for all of our restaurants is provided and coordinated from the restaurant Support Center in Louisville, Kentucky.

In the course of business, we gather and maintain sensitive information from our guests, employees, partners, and business operations. To protect this information, we have created and implemented a detailed set of procedures that are informed by recognized national and international standards. We have implemented extensive detective and preventative controls designed to ensure the appropriate level of protection for the confidentiality, integrity, and availability of data stored on or transferred through our information technology resources. We guard against business interruption by maintaining a disaster recovery plan, which includes, among other things, storing critical business information off-site, maintaining a redundant data center, testing the disaster recovery plan, and providing on-site power backup. Additionally, we use a risk-based approach to create and implement a detailed set of information security policies and procedures to protect against cybersecurity threats.

In addition to cash, we accept credit cards, debit cards, and gift cards as payment at our restaurants. We have systems and processes in place that focus on the protection of our guests' credit and debit card information and other private information that we are required to protect, such as our employees' personal information. Our systems have been carefully designed and configured to safeguard against data loss or compromise. We submit our systems to regular audit and review, ensuring compliance with the requirements of Payment Card Industry Data Security Standards and to assess vulnerability in our systems. See Risk Factors in Item 1A of this Form 10-K for a discussion of risks associated with breaches of security related to confidential guest and/or employee information.

We have made several digital enhancements to improve the guest experience and better support increased volumes at our restaurants. These enhancements include a fully customized digital experience that allows our guests to get on the waitlist or place an order for pickup or curbside service and has gift card and payment functionality. We have also implemented texting systems which allows our dine-in guests to wait outside or in their cars and has improved the to-go experience. In addition, we have implemented systems that enable touchless menus and contactless payments, providing a smoother guest checkout experience and enhanced turnaround times. Finally, we have implemented digital display

systems in our kitchens that increase kitchen efficiency, allow us to handle increased volumes, and enhance the employee experience. We have installed this system in nearly half of our domestic restaurants with plans to expand to all domestic restaurants in 2025.

Additionally, in 2024, we implemented a new human capital management system. This system is an integrated, cloud solution that provides enhanced recruiting, onboarding, time management, absence management, and payroll solutions.

We believe that our current systems and practice of implementing regular updates will position us well to support our current needs and future growth. Information systems projects are prioritized based on strategic, financial, regulatory, and other business advantage criteria.

## **Competition**

Competition in the restaurant industry is intense. We compete with well-established food service companies on the basis of taste, quality, and price of the food offered, service, atmosphere, location, take-out and delivery options, as well as the overall dining experience. Our competitors include a large and diverse group of restaurant chains and individual restaurants that range from independent local operators that have opened restaurants in various markets to well-capitalized national restaurant chains. We also face competition from meal kit delivery services as well as the supermarket industry. In addition, improving product offerings of fast-casual and quick-service restaurants and better execution of to-go sales, together with negative economic conditions could cause consumers to choose less expensive alternatives. Although we believe that we compete favorably with respect to each of the above channels, other restaurants and retail establishments compete for the same casual dining guests, quality site locations, and restaurant-level employees as we do. We expect intense competition to continue across all aspects of the restaurant industry.

## **Trademarks**

We derive significant value from the ownership and use of our trademarks, service marks, trade dress, and other intellectual property rights. We rely on these to market our concepts to consumers, distinguish our brands from other restaurant concepts, establish our unique brands, and prevent consumer confusion with other restaurant concepts. Accordingly, we have implemented processes to monitor our registrations and identify any infringement of our intellectual property rights. Our registered trademarks and service marks include, among others, our trade names and logos related to certain core menu offerings. We have registered all of our significant domestic marks for our restaurants with the United States Patent and Trademark Office. We have registered or have registrations pending for our most significant trademarks and service marks in multiple foreign jurisdictions and have registered or have registrations pending on certain trademarks and service marks for different classifications relating to our retail initiatives. We have also registered various Internet domain names.

## **Government Regulation**

We are subject to a variety of federal, state, local, and international laws affecting our business. For a discussion of the risks and potential impact on our business of a failure by us to comply with applicable laws and regulations, see Item 1A, Risk Factors.

Each of our restaurants is subject to permitting and licensing requirements and regulations by a number of government authorities, which may include, among others, alcoholic beverage control, health and safety, sanitation, labor, use of packaging and materials, zoning, and public safety agencies in the state and/or municipality in which each restaurant is located. The development and operation of restaurants depends on selecting and acquiring suitable sites that satisfy our financial targets, which are subject to zoning, land use, environmental, traffic, and other regulations. We are also subject to laws and regulations relating to the preparation and sale of food, including regulations regarding product safety, nutritional content, and menu labeling.

In addition to domestic regulations, our international business exposes us to additional regulations, including antitrust and tax requirements, anti-boycott legislation, import/export and customs regulations and other international trade regulations, the USA Patriot Act, and the Foreign Corrupt Practices Act.

In order to serve alcoholic beverages in our restaurants, we must comply with alcoholic beverage control regulations which require each of our restaurants to apply to a state authority, and, in certain locations, county or



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municipal authorities, for a license or permit to sell alcoholic beverages at our restaurants. These licenses or permits must be renewed annually and may be revoked or suspended for cause at any time. We are also subject in certain states to "dram shop" statutes, which generally provide a person injured by an intoxicated person the right to recover damages from an establishment that served alcoholic beverages to the intoxicated person. Consistent with industry standards, we focus on responsible alcohol service training and carry liquor liability coverage as part of our existing comprehensive general liability insurance as well as excess umbrella coverage. Additionally, and as part of our enterprise risk management program, we have a cross-functional risk subcommittee focused solely on responsible alcohol service.

Our restaurant operations are also subject to federal and state wage and hour laws and regulations governing such matters as 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. A significant number of our hourly restaurant personnel receive tips as part of their compensation and are paid at or above a minimum wage rate after giving effect to applicable tips. We rely on our employees to accurately disclose the full amount of their tip income. We base our FICA tax reporting on the disclosures provided to us by our tipped employees.

Since 2002, we have had a Tip Rate Alternative Commitment agreement with the Internal Revenue Service. By complying with educational and other requirements of the agreement, we reduce the likelihood of potential employer-only FICA assessments for unreported or underreported tips.

Our restaurants are also subject to other federal and state labor laws and regulations governing such matters as health benefits, leaves of absence, unemployment taxes, workers' compensation, work authorization and eligibility requirements, working conditions, safety standards, equal employment opportunities, anti-discrimination and harassment, reasonable accommodation, and other similar legal requirements.

Our restaurants must comply with the applicable requirements of the Americans with Disabilities Act of 1990 ("ADA") and related state accessibility statutes. Under the ADA and related state laws, we must provide equal access to our goods and services to disabled guests. In addition, when constructing or undertaking remodeling of our restaurants, we must comply with the applicable ADA Standards for Accessible Design.

We are subject to laws relating to information security, data privacy, cashless payments, and consumer credit protection and fraud. An increasing number of governments and industry groups worldwide have established data privacy laws and standards for the protection of personal information, including social security numbers, financial information (including credit and debit card numbers), and health information.

### **Seasonality**

Our business is subject to seasonal fluctuations. Historically, sales in most of our restaurants have been higher during the winter months of each year. Holidays, changes in weather, severe weather, and similar conditions may impact sales volumes seasonally in some operating regions. As a result, our quarterly operating results and comparable restaurant sales may fluctuate due to seasonality. Accordingly, results for any one quarter are not necessarily indicative of results to be expected for any other quarter or for any year and comparable restaurant sales for any particular future period may fluctuate.

### **Human Capital Management**

At Texas Roadhouse, we take pride in being a *People-First* company. As of December 31, 2024, we employed approximately 95,000 people. This included 895 executive and administrative personnel and 3,736 restaurant management personnel, while the remainder were full and part-time hourly restaurant personnel. None of our employees are covered by a collective bargaining agreement and we consider our employee relations to be good.

Our business relies on our ability to attract and retain talented employees. To attract and retain talent, we cast a wide net, sourcing qualified candidates through multiple channels, and maintain our *People-First* culture through shared core values and a performance-based compensation program supported by competitive benefits and health programs. Further, our training and development programs are designed to provide our employees with ample opportunities to grow and develop in their careers.

Additionally, we believe that diversity of talent and experience and inclusion of all Roadies is what makes us truly Legendary. We value and welcome employees of all walks of life to share their gifts, strengths, voices, talents, and inspiration with us while working in our restaurants and Support Center, as we strive to reflect the communities we are

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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. As a result, we are committed to attracting, retaining, engaging, recognizing, and developing a workforce that mirrors the diversity of our guests and is committed to upholding our shared values. The table below shows the gender and racial and ethnic diversity of our employees as of December 31, 2024:

	December 31, 2024	
	Women	People of Color (1)
Support Center	53 %	12 %
Restaurant Managers	40 %	24 %
Hourly Restaurant Employees	57 %	44 %

- (1) Denotes employees at company restaurants and our Support Center that identify as American Indian/Alaskan Native, Asian, Black/African American, Hispanic/Latino, Native Hawaiian/Pacific Islander, or two or more races.

*Maintaining our Culture and Core Values.* In our restaurants and at our Support Center, we are committed to our shared "Core Values of Passion, Partnership, Integrity, and Fun with Purpose". These Core Values form the foundation of who we are as a company and how we interact with respect, appreciation, and fairness towards one another every day.

*Performance-based Compensation and Benefits.* We offer a performance-based compensation program to our managing partners and market partners. Each of these positions earn a base salary plus a performance bonus, which represents a percentage of each of their respective restaurant's pre-tax income. By providing our partners with a significant stake in the success of our restaurants, we believe that we are able to attract and retain talented, experienced, and highly motivated managing and market partners.

We also support our employees by offering competitive wages and benefits for eligible employees. In addition to salaries, these programs (which vary by employee level) include, among other items, bonuses, stock awards, retirement savings plans with employer matching contributions, healthcare and insurance benefits, health savings and flexible spending accounts, tuition reimbursement, paid time off, paid parental leave, and various employee assistance programs.

*Personal Development.* We motivate and develop our employees by providing them with opportunities for increased responsibilities and advancement. As a part of our overall *People-First* strategy, we are committed to providing training and development opportunities through a variety of in-person and virtual programs and classes that are offered to restaurant employees, operators, and Support Center employees, all of which are designed to give employees at all levels the tools to succeed at their current job as well as opportunities for continuous learning, networking, growth, and development. With thousands of leadership positions across our restaurants, we provide a pathway and training for thousands of individuals across the country to advance from entry-level jobs into management roles. In addition, our geographic footprint often allows us to offer our restaurant team members relocation options at similar roles due to personal circumstances.

*Employee Engagement.* We value the diverse thoughts, opinions, and feedback from our employees at all levels across the Company, which means engaging and listening as a management team to what our employees have to say. We take an expansive and strategic approach to the manner in which we solicit and receive feedback utilizing a variety of methods from in-person focus groups to large-scale surveys. Through this employee engagement, we believe these listening sessions and tools allow us a better opportunity to constructively engage with and understand our employees' strengths, opportunities, and challenges as we continue to work to evaluate and develop ways to leverage or address opportunities in our business.

*Health and Safety.* The health and safety of our employees is a top priority and we are committed to providing a safe workplace, ensuring the safety and well-being of all team members while also ensuring that we are in compliance with all laws and regulations as well as internal policies. This commitment includes the deployment of specific protocols and standards to our restaurants that focus on maintaining the health and safety of our employees.

*Andy's Outreach.* Founded in 2005, Andy's Outreach is a non-profit, tax-exempt organization whose mission is to provide financial support to employees of Texas Roadhouse and their families in times of severe hardship or crisis and in cases of tragic or catastrophic need. Andy's Outreach is mainly funded by the support of Texas Roadhouse employees through payroll contributions, a domestic franchise store that is owned by Andy's Outreach, and other fundraising efforts. Since its inception, Andy's Outreach has assisted over 24,000 employees and distributed over \$30 million.



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Additional information about our *People-First* initiatives is available through our website at [www.texasroadhouse.com](http://www.texasroadhouse.com), under the investors section.

### Corporate Sustainability

Our corporate sustainability mission is to leave every community better than we found it by focusing on four pillars – food, community, employees, and conservation. As we test and roll out new programs, we continue to build champions who are invested in furthering our sustainability efforts. Ongoing initiatives such as our meat cutter program, support of non-profits, employee development, and focus on conservation, create steady progress for our overall corporate sustainability program and are integrated into our daily operations. Additional information about our corporate sustainability mission is available through our website at [www.texasroadhouse.com](http://www.texasroadhouse.com), under the corporate sustainability section.

### Website Access to Reports

We make our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and amendments to those reports, filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act, available, free of charge on or through our website, [www.texasroadhouse.com](http://www.texasroadhouse.com), as soon as reasonably practical after we electronically file such material with, or furnish it to, the Securities and Exchange Commission ("SEC"). The SEC maintains a website at [www.sec.gov](http://www.sec.gov) that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC.

### Information about our Executive Officers

Set forth below are the name, age, position, and a brief account of the business experience of each of our executive officers. Executive officers are appointed by our Board of Directors (the "Board") and serve until their successors are appointed or until resignation or removal, in accordance with their employment agreements. There are no family relationships among any of our executive officers.

Name	Age	Position
Gerald L. Morgan	64	Chief Executive Officer
Regina A. Tobin	61	President
Christopher C. Colson	48	Chief Legal and Administrative Officer
Hernan E. Mujica	63	Chief Technology Officer
D. Christopher Monroe	58	Chief Financial Officer
Travis C. Doster	58	Chief Communications Officer

*Gerald L. Morgan.* Mr. Morgan is Chief Executive Officer of the Company, having been appointed to this position in March 2021. Mr. Morgan joined the Company in 1997, during which time he has held the positions of Managing Partner, Market Partner, and Regional Market Partner. Mr. Morgan also previously served as President from December 2020 until Ms. Tobin's appointment to President in January 2023. Mr. Morgan has nearly 40 years of restaurant management experience with Texas Roadhouse, Bennigan's Restaurants, and Burger King.

*Regina A. Tobin.* Ms. Tobin is President of the Company, having been appointed to this position in January 2023. Ms. Tobin previously served as the Company's Chief Learning and Culture Officer, a position she held from June 2021 through her appointment to President. Ms. Tobin joined the Company in 1996, during which time she has held the positions of Managing Partner, Market Partner, and Vice President of Training. Ms. Tobin has nearly 40 years of restaurant industry experience.

*Christopher C. Colson.* Mr. Colson is Chief Legal and Administrative Officer and Corporate Secretary of the Company, having been appointed to Chief Legal and Administrative Officer in January 2023 and Corporate Secretary in August 2019. Mr. Colson previously served as the Company's General Counsel, a position he held from March 2021 through his appointment to Chief Legal and Administrative Officer. Mr. Colson joined the Company in 2005, during which time he has held the positions of Senior Counsel, Associate General Counsel, and Executive Director of the Global Development Group. Mr. Colson has over 20 years of restaurant industry experience with Texas Roadhouse, Frost Brown Todd (serving as outside counsel to the Company), YUM! Brands, and as assurance staff at KPMG.

*Hernan E. Mujica.* Mr. Mujica is Chief Technology Officer of the Company, having been appointed to this position in January 2023. Mr. Mujica had been previously designated Chief Information Officer, an executive officer position that he held from June 2021 through his appointment to Chief Technology Officer. Mr. Mujica joined the Company in 2012 as Vice President of Information Technology and was subsequently promoted to Chief Information Officer. Prior to joining the Company, Mr. Mujica held senior management positions at The Home Depot and Arthur Andersen. Mr. Mujica has over 30 years of experience in both industry and consulting roles.

*D. Christopher Monroe.* Mr. Monroe is Chief Financial Officer of the Company, having been appointed to this position in June 2023 upon joining the Company. In this role, Mr. Monroe is responsible for overseeing the Company's accounting, financial reporting, investor relations, tax, treasury, internal audit, and finance functions, as well as serving as the Company's principal financial officer. Prior to joining the Company, Mr. Monroe served in various positions at Southwest Airlines, including Director of Corporate Finance, Assistant Treasurer, and Vice President Treasurer, until his promotion in 2017 to Senior Vice President of Finance and Treasurer. As Senior Vice President of Finance and Treasurer, he oversaw the overall capital strategy, planning, and structure for Southwest Airlines with responsibility for corporate insurance and risk management, as well as supply chain management and corporate sustainability. Mr. Monroe has over 35 years of finance experience.

*Travis C. Doster.* Mr. Doster is Chief Communications Officer of the Company, having been appointed to this position in November 2023. In this role, he is responsible for leading the Company's communications, marketing, events, public affairs, government relations, and corporate sustainability functions. Mr. Doster joined the Company in 2006, as the Director, then Senior Director, of Communications where he served until his promotion to Vice President of Communications in 2018. Prior to joining the Company, Mr. Doster was a Vice President at FSA Public Relations, where he and his staff provided a number of services, including public relations, crisis management, and issues management, for national clients, including, Jimmy John's Gourmet Sandwich Shops, Qdoba Mexican Grill, and Cameron Mitchell Restaurants. Mr. Doster has over 30 years of media, public relations, and industry experience.

## ITEM 1A. RISK FACTORS

Careful consideration should be given to the risks described below. If any of the risks and uncertainties described in the cautionary factors described below actually occur, our business, financial condition, results of operations, liquidity, and the trading price of our common stock could be materially and adversely affected. Moreover, we operate in a very competitive and rapidly changing environment. New factors emerge from time to time and it is not possible to predict the impact of all these factors on our business, financial condition, results of operations, or liquidity.

### **Risks Related to our Growth and Operating Strategy**

***Our growth strategy, which primarily depends on our ability to open new restaurants that are profitable, is subject to many factors, some of which are beyond our control.***

We cannot assure you that we will be able to open new restaurants that are profitable in accordance with our expansion plans. We have experienced delays in opening some of our restaurants in the past and may experience delays in the future. These delays impact the timing of new restaurant openings and the related pre-opening expenses. Delays or failures in opening new restaurants could adversely affect our growth strategy. One of our biggest challenges in executing our growth strategy may be locating and securing an adequate supply of suitable new restaurant sites that satisfy our financial targets. Competition for suitable restaurant sites in our target markets may be intense.

Once opened, we anticipate that our new restaurants will generally take several months to reach planned operating levels due to start-up inefficiencies typically associated with new restaurants. We cannot assure you that any restaurant we open will be profitable or obtain operating results similar to those of our existing restaurants. Some of our new restaurants will be located in areas where we have little or no meaningful experience. Those new markets may have smaller trade areas and different competitive conditions, consumer tastes, and discretionary spending patterns than our traditional, existing markets, which may cause our new store locations to be less successful than restaurants in our existing market areas. Restaurants opened in new markets may open at lower average weekly sales volume than restaurants opened in existing markets and may have higher restaurant-level operating expense ratios than in existing markets. Sales at restaurants opened in new markets may take longer to reach average unit volume, if at all, thereby affecting our overall profitability. Our localized marketing strategy may not result in brand awareness and guest engagement. Additionally, the opening of a new restaurant could negatively impact sales at one or more of our existing nearby restaurants, which could adversely affect our results of operations.

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Our ability to open new restaurants that are profitable will also depend on numerous other factors, many of which are beyond our control, including, but not limited to, the following:

- our ability to hire, train, and retain qualified operating personnel, especially market partners, managing partners, and/or other restaurant management personnel who can execute our business strategy and maintain our culture and brand standards;
- our ability to negotiate suitable purchase or lease terms to execute our business strategy;
- the availability and cost of construction materials, equipment and labor;
- our ability to control construction and development costs of new restaurants (including increased site, supply chain, and distribution costs);
- the potential impact of tariffs on U.S. imports, specifically building materials and restaurant equipment;
- our ability to secure required governmental approvals and permits in a timely manner, or at all;
- road construction and other factors limiting access to the restaurant;
- delays by our landlord or other developers in constructing other parts of a development adjacent to our premises in a timely manner;
- redevelopment of other parts of a development adjacent to our premises that affect the parking available for our restaurant;
- our ability to secure liquor licenses;
- competitive and economic conditions, consumer tastes and discretionary spending patterns that are different from and more difficult to predict or satisfy than in our existing markets;
- changes in federal, state, and/or local tax laws;
- the cost and availability of capital to fund construction costs and pre-opening expenses; and
- the impact of inclement weather, natural disasters, and other calamities.

***You should not rely on past changes in our average unit volume or our comparable restaurant sales as an indication of our future results of operations because they may fluctuate significantly.***

A number of factors have historically affected, and will continue to affect, our average unit volume and comparable restaurant sales, including, among other factors:

- consumer awareness and understanding of our concepts;
- our ability to execute our business strategy effectively;
- our ability to maintain higher levels of to-go sales at our restaurants;
- competition, from our competitors in the restaurant industry, our own restaurants, and/or other food service providers (such as delivery services and grocery stores);
- the impact of permanent changes in weather patterns that can cause inclement weather, natural disasters, and other calamities which impact guest traffic or product availability at our restaurants;
- consumer trends and seasonality;
- our ability to increase menu prices without adversely impacting guest traffic counts or per person average check growth;

- introduction of new menu items;
- loss of parking and/or access rights due to government action (such as eminent domain actions) or through private transactions;
- closures and/or dining rooms operating at limited capacity due to government mandated restaurant closures and/or limited availability of staff to meet our business standards;
- negative publicity regarding food safety, health concerns, quality of service, and other food or beverage related matters, including the integrity of our or our suppliers' food processing;
- general economic conditions, including an economic recession, which can affect restaurant traffic, local labor costs, and prices we pay for the food and beverage products and other supplies we use;
- legislation that impacts our suppliers' ability to maintain compliance with laws and regulations and impacts our ability to source product; and
- effects of actual or threatened terrorist attacks (including cyber and/or ransomware attacks).

Our average unit volume and comparable restaurant sales may not increase at rates achieved in the past, which may affect our sales growth and will continue to be a critical factor affecting our profitability. Our business is also subject to seasonal fluctuations. Historically, sales in most of our restaurants have been higher during the winter months of each year. Holidays, changes in weather, severe weather, and similar conditions may impact sales volumes seasonally in some operating regions. Accordingly, results for one quarter are not necessarily indicative of results to be expected for any other quarter or for any year and comparable restaurant sales for any particular future period may decrease. In the future, operating results may fall below the expectations of securities analysts and investors. In that event, the price of our common stock could decrease.

***The development and/or acquisition of additional restaurant concepts may not contribute to our growth.***

The development of additional restaurant concepts, including Bubba's 33 and Jagers, created internally or acquired as a part of our other strategic initiatives may not be as successful as our experience in the development of the Texas Roadhouse concept. These concepts may have lower brand awareness and less operating experience than most Texas Roadhouse restaurants. In addition, they may have a higher initial investment cost and/or a lower per person average check amount. As a result, the development and/or acquisition of additional restaurant concepts may not contribute to our average unit volume growth and/or profitability in an incremental way. We can provide no assurance that these units will be accepted in the markets targeted for expansion and/or that we or our franchisees will be able to achieve our targeted returns when opening new locations. In the future, we may determine not to move forward with any further expansion and/or acquisition of additional restaurant concepts. These decisions could limit or delay our overall long-term growth. Additionally, expansion and/or acquisition of additional restaurant concepts might divert our management's attention from other business concerns or initiatives and could have an adverse impact on our core Texas Roadhouse business.

***Our expansion into international markets presents increased economic, political, regulatory, and other risks.***

The entrance into international markets may not be as successful as our experience in the development of our concepts domestically or any success we have had with our concepts in other international markets. In addition, operating in international markets may require significant resources and management attention and will subject us to economic, political, and regulatory risks that are different from and incremental to those in the United States. In addition to the risks that we face in the United States, our international operations involve risks that could adversely affect our business, including:

- the need to adapt our concepts for specific cultural and language differences;
- new and different sources of competition;
- the ability to identify appropriate business partners;
- difficulties and costs associated with staffing and managing foreign operations;

- difficulties in adapting and sourcing product specifications for international restaurant locations;
- fluctuations in currency exchange rates, which could impact royalties, revenue and expenses of our international operations, and expose us to foreign currency exchange rate risk;
- difficulties in complying with local laws, regulations, and customs in foreign jurisdictions;
- unexpected changes in regulatory requirements or tariffs on goods needed to construct and/or operate our restaurants;
- political or social unrest, economic instability, and destabilization of a region;
- effects of actual or threatened terrorist attacks;
- health concerns from global pandemics;
- compliance with U.S. laws such as the Foreign Corrupt Practices Act, and similar laws in foreign jurisdictions;
- differences in the registration and/or enforceability of intellectual property and contract rights;
- adverse tax consequences;
- profit repatriation and other restrictions on the transfer of funds; and
- different and more stringent user protection, data protection, privacy, and other laws.

Our failure to manage any of these risks successfully could harm our future international operations and our overall business and results of our operations.

We are also subject to governmental regulations throughout the world impacting the way we do business with our international franchisees. These include antitrust and tax requirements, anti-boycott regulations, import/export/customs, tariffs and other international trade regulations, the USA Patriot Act, and the Foreign Corrupt Practices Act. Failure to comply with any such legal requirements could subject us to monetary liabilities and other sanctions, which could adversely impact our business and financial performance.

***Acquisition of existing restaurants from our domestic franchisees and other strategic initiatives may have unanticipated consequences that could harm our business and our financial condition.***

We plan to continue to opportunistically acquire existing restaurants from our domestic franchisees over time. Additionally, from time to time, we evaluate potential mergers, acquisitions, joint ventures, or other strategic initiatives (including retail initiatives utilizing our intellectual property or other brand extensions) to acquire or develop additional business channels or concepts, and/or change the business strategy regarding an existing concept. To successfully execute any acquisition or development strategy, we will need to identify suitable acquisition or development candidates, negotiate acceptable acquisition or development terms, and possibly obtain appropriate financing.

Any acquisition or future development that we pursue, including the on-going development of new concepts or retail initiatives utilizing our intellectual property, whether or not successfully completed, may involve risks, including:

- material adverse effects on our operating results, particularly in the fiscal quarters immediately following the acquisition or development as the restaurants are integrated into our operations;
- risks associated with entering into new domestic markets or conducting operations where we have no or limited prior experience;
- risks associated with successfully integrating new employees, processes, and systems while also maintaining our culture and brand standards;

- risks inherent in accurately assessing the value, future growth potential, strengths, weaknesses, contingent and other liabilities and potential profitability of acquisition candidates, and our ability to achieve projected economic and operating synergies, without impacting our underlying business; and
- the diversion of management's attention from other business concerns.

Future acquisitions of existing restaurants from our franchisees or other strategic partners, which may be accomplished through a cash purchase transaction, the issuance of shares of common stock, or a combination of both, could have a dilutive impact on holders of our common stock and result in the incurrence of debt and contingent liabilities and impairment charges related to goodwill and other tangible and intangible assets, any of which could harm our business and financial condition. Additionally, following a franchise acquisition, we may be required to incur substantial capital improvement costs to meet company standards, which could impact our return on such acquisition.

Additionally, we may evaluate other means to leverage our competitive strengths, including the expansion of our products across other strategic initiatives or business opportunities (including retail initiatives utilizing our intellectual property). The expansion of our products may damage our reputation if products bearing our brands are not of the same quality or value that guests associate with our concepts or if our partners are accused of any actual or alleged misconduct. In addition, we may experience dilution of the goodwill associated with our concepts as they become more common and increasingly accessible.

***Approximately 21% of our company restaurants are located in Texas and Florida and, as a result, we are sensitive to economic and other trends and developments in those states.***

As of December 31, 2024, we operated a total of 93 company restaurants in Texas and 48 company restaurants in Florida. As a result, we are particularly susceptible to adverse trends and economic conditions in those states, including any state mandated changes in minimum and tipped wage rates and economic pressures that may result in lower sales and profits at our restaurants. In addition, given our geographic concentration in these states, negative publicity regarding any of our restaurants in either Texas or Florida could have a material adverse effect on our business and operations, as could other occurrences in either Texas or Florida such as health epidemics or pandemics, local strikes, energy shortages or extreme fluctuations in energy prices, droughts, earthquakes, hurricanes, fires, or other natural disasters.

***Our franchisees could take actions that could harm our business.***

Both our domestic and international franchisees are contractually obligated to operate their restaurants in accordance with our applicable restaurant operating standards. We also provide training and support to franchisees. However, most franchisees are independent third parties that we do not control, and these franchisees own, operate, and oversee the daily operations of their restaurants. As a result, the ultimate success and quality of any franchise restaurant rests with the franchisee. If franchisees or their employees do not successfully operate restaurants or act in a manner consistent with our standards, our image and reputation could be harmed, which in turn could adversely affect our business and operating results.

***Decreased cash flow from operations, or an inability to access credit, could negatively affect our business initiatives or may result in our inability to execute our revenue, expense, and capital allocation strategies.***

Our ability to fund our operating plans and to implement our capital allocation strategies depends on sufficient cash flow from operations and/or other financing, including the use of funding under our credit facility. We also may seek access to the debt and/or equity capital markets. There can be no assurance, however, that these sources of financing will be available on terms favorable to us, or at all. Our capital allocation strategies include, but are not limited to, new restaurant development, payment of dividends, refurbishment or relocation of existing restaurants, repurchases of our common stock, and franchise acquisitions. If we experience decreased cash flow from operations, our ability to fund our operations and planned initiatives, and to take advantage of growth opportunities, may be delayed or negatively affected. In addition, these disruptions or a negative effect on our revenue could affect our ability to borrow or comply with our covenants under our credit facility. If we are unable to raise additional capital, our growth could be impeded.

***Our existing credit facility limits our ability to incur additional debt.***

The lenders' obligation to extend credit under our credit facility depends on our maintaining certain financial covenants. If we are unable to maintain these covenants, we would be unable to obtain additional financing under this

credit facility. The credit facility permits us to incur additional secured or unsecured indebtedness outside the credit facility, except for the incurrence of secured indebtedness that in the aggregate is equal to or greater than \$125.0 million and 20% of our consolidated tangible net worth or circumstances where the incurrence of secured or unsecured indebtedness would prevent us from complying with our financial covenants. If we are unable to borrow additional capital or have sufficient liquidity to either repay or refinance the then outstanding balance at the expiration of our credit facility, or upon violation of the covenants, our growth could be impeded and our financial performance could be significantly adversely affected.

***We are subject to all of the risks associated with leasing space subject to long-term non-cancelable leases, as well as risks related to renewal.***

The majority of our company restaurants are located on leased premises. Additional sites that we lease are likely to be subject to similar long-term non-cancelable leases. In connection with the relocation, other operational changes or closure of any restaurant, we may nonetheless be committed to perform on our obligations under the applicable lease including, among other things, paying the base rent and real estate taxes for the balance of the lease term. We also are subject to landlord actions that could negatively impact our business or operations.

In addition, as each of our leases expires, there can be no assurance we will be able to renew our expiring leases after the expiration of all remaining renewal options, either on commercially acceptable terms or at all. As a result, at the end of the lease term and expiration of all renewal periods, we may be unable to renew the lease without substantial additional cost, if at all. As a result, we may be required to relocate or close a restaurant, which could subject us to construction and other costs and risks and may have an adverse effect on our results of operations.

***We may be required to record impairment charges in the future.***

In accordance with accounting guidance as it relates to the impairment of long-lived assets, we make certain estimates and projections with regard to company restaurant operations, as well as our overall performance in connection with our impairment analysis for long-lived assets. When impairment triggers are deemed to exist for any company restaurant, the estimated undiscounted future cash flows for the restaurant are compared to its carrying value. If the carrying value exceeds the undiscounted cash flows, an impairment charge would be recorded equal to the difference between the carrying value and the estimated fair value.

We review the value of our goodwill on an annual basis and also when events or changes in circumstances indicate that the carrying value of goodwill may exceed its fair value. Estimates of fair value are based upon the best information available as of the date of the assessment and incorporate management assumptions about expected future cash flows and contemplate other valuation measurements and techniques.

The estimates of fair value used in these analyses require the use of judgment regarding certain assumptions and estimates of future operating results. If actual results differ from our estimates or assumptions, impairment charges may be required in the future. If impairment charges are significant, our results of operations could be adversely affected.

### **Risks Related to Consumer Discretionary Spending and Macroeconomic Conditions**

***Changes in consumer preferences and discretionary spending could adversely affect our business.***

Our success depends, in part, upon the popularity of our food products. Continued social concerns or shifts in consumer preferences away from our restaurants or food offerings, particularly beef, could harm our business. Consumer preferences regarding food sourcing in response to environmental or welfare concerns could also harm our business. Additionally, current and new medical treatments may cause consumers to avoid or consume less of our products.

Our success also depends to a significant extent on discretionary consumer spending, which is influenced by general economic conditions, including high inflationary periods, and the availability of discretionary income. Accordingly, we may experience declines in sales during economic downturns, pandemics, or other periods of uncertainty. Any material decline in the amount of discretionary spending could have a material adverse effect on our business, results of operations, financial condition, or liquidity.



***Our objective to increase sales and profits at existing restaurants could be adversely affected by macroeconomic conditions.***

In future periods, the U.S. and global economies could further suffer from a downturn in economic activity. Recessionary economic cycles, higher interest rates, higher fuel and other energy costs, sustained labor inflation, increases in commodity prices, higher levels of unemployment, higher consumer debt levels, higher tax rates and other changes in tax laws, imposition of tariffs, financial market volatility, political or military conflicts, social unrest, government spending, a low or stagnant pace of economic recovery and growth, or other economic factors that may affect consumer spending or buying habits could adversely affect the demand for our products. In addition, there is no assurance that any governmental plans to stimulate the economy will foster growth in consumer spending or buying habits. As in the past, we could experience reduced guest traffic or we may be unable or unwilling to increase the prices we charge for our products to offset higher costs or fewer transactions, either of which could reduce our sales and profit margins. Also, landlords or other tenants in the shopping centers in which some of our restaurants are located may experience difficulty as a result of macroeconomic trends or cease to operate, which could in turn negatively affect guest traffic at our restaurants. All of these factors could have a material adverse impact on our business, results of operations, financial condition, or liquidity.

**Risks Related to Government Regulation and Litigation**

***We may not be able to obtain and maintain licenses and permits necessary to operate our restaurants and compliance with governmental laws and regulations could adversely affect our operating results.***

The restaurant industry is subject to various federal, state, and local government regulations, including those relating to the sale of food and alcoholic beverages. Such regulations are subject to change from time to time, sometimes without notice to us. The failure to obtain and maintain these licenses, permits, and approvals, including liquor licenses, could adversely affect our operating results. Difficulties or failure to obtain the required licenses and approvals could delay or result in our decision to cancel the opening of new restaurants. Local authorities may revoke, suspend, or deny renewal of our liquor licenses if they determine that our conduct violates applicable regulations.

In addition to having to comply with these licensing requirements, various federal and state labor laws govern our relationship with our employees and affect operating costs. These laws include minimum and tipped wage requirements, overtime pay, meal and rest breaks, exempt classifications, health benefits, unemployment taxes, workers' compensation, work authorization and eligibility requirements, equal employment opportunities, anti-discrimination and harassment requirements, and working conditions. A number of factors could adversely affect our operating results, including:

- additional government-imposed increases in minimum and/or tipped wages, hourly and overtime pay, paid leaves of absence, sick leave, and mandated health benefits;
- increased tax reporting and tax payment requirements for employees who receive gratuities;
- any failure of our employees to comply with laws and regulations governing work authorization and eligibility requirements resulting in disruption of our work force and adverse publicity;
- a reduction in the number of states that allow gratuities to be credited toward minimum wage requirements, or a federal mandate prohibiting such credits; and
- increased government enforcement and/or litigation relating to federal and state employment laws, regulations, and requirements.

The federal Americans with Disabilities Act prohibits discrimination on the basis of disability in public accommodations and employment. Although our restaurants and other places of accommodation are designed to be accessible to the disabled, we could be required to make unexpected modifications to provide service to, or make reasonable accommodations, for disabled persons.

***We are subject to increasing legal complexity and could be party to litigation that could adversely affect us.***

Increasing legal complexity will continue to affect our operations and results. We could be subject to legal proceedings and enforcement actions that may adversely affect our business, including class actions, administrative



proceedings, government investigations, employment and personal injury claims, claims alleging violations of federal and state laws regarding consumer, workplace, and employment matters, immigration matters, wage and hour claims, discrimination and similar matters, landlord/tenant disputes, disputes with current and former suppliers, claims by current and former franchisees, data privacy claims, and intellectual property claims (including claims that we infringed upon another party's trademarks, copyrights or patents). Additionally, we are subject to Securities and Exchange Commission ("SEC") and NASDAQ reporting and disclosure requirements. Inconsistent standards imposed by state and federal governmental authorities can adversely affect our business and increase our cost of compliance and exposure to litigation which could result in significant judgments, including punitive and liquidated damages, and injunctive relief.

Occasionally, our guests file complaints or lawsuits against us alleging that we are responsible for an illness or injury they suffered as a result of a visit to our restaurants, or that we have problems with food quality or operations. As a Company, we take responsible alcohol service seriously. However, we are subject to "dram shop" statutes. These statutes generally allow a person injured by an intoxicated person to recover damages from an establishment that served alcoholic beverages to the intoxicated person. Some litigation against restaurant chains has resulted in significant judgments, including punitive damages, under dram shop statutes. Because a plaintiff may seek punitive damages, which may not be covered by insurance, this type of action could have an adverse impact on our financial condition and results of operations.

Litigation involving our relationship with franchisees and the legal distinction between our franchisees and us for employment law purposes, if determined adversely, could increase costs, negatively impact the business prospects of our franchisees, and subject us to incremental liability for their actions.

Our operating results could also be affected by the following:

- the relative level of our defense costs and nature and procedural status of pending proceedings;
- the cost and other effects of settlements, judgments, or consent decrees, which may require us to make disclosures or to take other actions that may affect perceptions of our brands and products;
- adverse results of pending or future litigation, including litigation challenging the composition and preparation of our products, or the appropriateness or accuracy of our marketing or other communication practices; and
- the scope and terms of insurance or indemnification protections that we may have (if any).

Regardless of whether any claims against us are valid or whether we are liable, claims may be expensive to defend and may divert time, attention, and money away from our operations and hurt our performance. A judgment significantly in excess of any applicable insurance coverage could have a significant adverse effect on our financial condition or results of operations. Further, adverse publicity resulting from these claims may hurt our business.

***Our current insurance may not provide adequate levels of coverage against claims.***

We self-insure a significant portion of expected losses related to employee health, workers' compensation, general liability, employment practices liability, cybersecurity, and property insurance programs. This includes our wholly-owned captive insurance company which covers certain lines of coverage. We use third-party insurance with varying retention levels to limit our exposure to significant losses. However, there are types of losses we may incur that cannot be insured against or that we believe are not economically reasonable to insure. Such damages could have a material adverse effect on our business, results of operations, and/or liquidity.

Unanticipated changes in our claims experience and/or the actuarial assumptions and management estimates underlying our reserves for these losses could result in significant increases in expense under these programs, which could have a material adverse effect on our financial condition, results of operations, and liquidity. Additionally, if our insurance costs increase, there can be no assurance we will be able to successfully offset the effect of such increases and our results of operations may be adversely affected.

***Changes in tax laws and unanticipated tax liabilities could adversely affect our financial results.***

We are primarily subject to federal, state, and local income and other taxes in the United States. Our effective income tax rate and other taxes in the future could be affected by a number of factors, including changes in the valuation of deferred tax assets and liabilities, changes in tax laws or other legislative changes, and the outcome of income tax

audits. Any significant increases in income tax rates, changes in and/or interpretations of income tax laws, or unfavorable resolution of tax matters could have a material adverse impact on our results of operations, financial condition, or liquidity.

***Failure to properly address environmental, social, and/or governance ("ESG") matters could adversely affect our brand, business, results of operations, and financial condition.***

Entities across all industries are facing increased attention related to ESG matters including packaging and waste, animal health and welfare, human rights, reproductive rights, diversity and inclusion efforts, climate change, greenhouse gases, and land, energy, and water use. In addition, we have faced enhanced pressure to not only provide expanded disclosures around ESG matters and establish goals or targets with respect to ESG matters but also pressure to scale back our programs and/or initiatives relating to the same.

Evolving consumer and investor interest and preferences as well as governmental regulation and scrutiny may result in additional disclosure, due diligence, reporting, and specific target-setting with regard to our business and supply chain that could result in additional costs to comply with such demands. However, our ESG-related programs and initiatives and disclosures relating to the same may also result in brand and/or reputational risks and demands. Failure to balance these competing demands could result in consumer or investor scrutiny and/or litigation and could have an adverse effect on our business. Establishing targets or making other public commitments due to these demands, without a full or complete understanding of the cost or operational impact of changes in our supply chain or operating model, could also adversely affect our business and financial condition. In addition, some individuals, shareholder activists, government officials, and regulators have expressed opposing views and actions with respect to ESG matters which includes the proposal or enactment of "Anti-ESG" policies and initiatives. We may face increased scrutiny, reputational risk, and other demands from these parties regarding our ESG initiatives.

#### **Risks Related to Human Capital**

***Failure to retain the services of our key management personnel, to successfully execute succession planning, or attract additional qualified personnel could harm our business.***

Our future success depends on the continued services and performance of our key management personnel and our ability to develop future successors of such personnel as a part of our succession planning. Our future performance will depend on our ability to motivate and retain these and other key officers, employees, and managers, particularly regional market partners, market partners, and managing partners. Competition for these employees is intense. The unplanned loss of the services of members of our senior management team or other key officers or managers or the inability to attract additional qualified personnel as needed could significantly harm our business. In addition, our business could suffer from any actual or alleged misconduct of any of our key personnel.

***Our business could be adversely affected by increased labor costs or labor shortages.***

Labor is a primary component in the cost of operating our business. We devote significant resources to recruiting and training our restaurant managers and hourly employees. Increased labor costs due to competition, unionization, increased minimum and tipped wages, changes in hourly and overtime pay, state unemployment rates, sick pay or other employee benefits costs (including workers' compensation and health insurance), company staffing initiatives, or otherwise any regulatory changes resulting from any of the foregoing would adversely impact our operating expenses. In addition, failure to adequately monitor and proactively respond to employee dissatisfaction could lead to poor guest satisfaction, higher turnover, litigation, and unionization efforts, which could negatively impact our results of operations.

Increased competition for qualified employees caused by a shortage in the labor pool exerts upward pressure on wages paid to attract and retain such personnel, resulting in higher labor costs, together with greater recruitment and training expense. We could suffer from significant indirect costs, including restaurant disruptions due to management or hourly labor turnover and potential delays in new restaurant openings. A shortage in the labor pool could also cause our restaurants to be required to operate with reduced staff which could negatively impact our ability to provide adequate service levels to our guests resulting in adverse guest reactions and a possible reduction in guest traffic counts. Additionally, personal or public health concerns might make some existing personnel or potential candidates reluctant to work in enclosed restaurant environments.

We have many restaurants located in states or municipalities where the minimum and/or tipped wage is greater than the federal minimum and/or tipped wage. We anticipate that additional legislation increasing minimum and/or tipped

wage standards will be enacted in future periods either federally or in state and local jurisdictions. In addition, regulatory actions which result in changes to healthcare eligibility, design, and cost structure could occur. Any increases in minimum and/or tipped wages or increases in employee benefits costs could result in sustained higher labor costs.

Our operating margin will be adversely affected to the extent that we are unable or are unwilling to offset any increase in these labor costs through higher prices on our products. Our distributors and suppliers also may be affected by higher minimum wage and benefit standards which could result in higher costs for goods and services supplied to us.

Our success depends on our ability to attract, motivate, and retain qualified employees to keep pace with our growth strategy. If we are unable to do so, our results of operations may also be adversely affected.

### **Risks Related to Technology, Privacy and Intellectual Property**

***We rely heavily on information technology, and any material failure, weakness, cybersecurity breach, or other interruption could prevent us from effectively operating our business.***

We rely heavily on information systems in all aspects of our operations, including point-of-sale systems, digital apps, financial systems, marketing programs, e-commerce, and various other processes and transactions. This reliance has significantly increased in recent years as we have had to depend to a greater extent on systems such as online ordering, contactless payments, and online waitlists as our guests are increasingly using our website and digital applications to place and pay for their orders. Our point-of-sale processing in our restaurants includes collection of cash, credit cards, debit cards, gift cards, and other processes and procedures. Our ability to efficiently and effectively manage our business depends significantly on the reliability, security, and capacity of these systems. As our business needs continue to evolve, these systems will require upgrading and maintenance over time, consequently requiring significant future commitments of resources and capital. As we become increasingly reliant on digital ordering and payment as a sales channel, our business could be negatively impacted if we are unable to successfully implement, execute, or maintain our consumer-facing digital initiatives. Additionally, the increased use of remote work has increased the susceptibility of our infrastructure to disruption.

The failure of these systems to operate effectively, maintenance problems, upgrading or transitioning to new platforms, or a material breach in the security of these systems could result in delays or errors to guest service and reduce efficiency in our operations. In addition, as we implement new technology platforms to improve productivity and overall guest experience, there can be no guarantees that these platforms will operate as reliably or be as operationally impactful as intended.

We have disaster recovery procedures and business continuity plans in place to address physical and technological crises, including tornadoes and other natural disasters, and back-up off-site locations for recovery of electronic and other forms of data information. However, if we are unable to fully implement our disaster recovery and business continuity plans, we may experience delays in recovery of data, inability to perform vital corporate functions, tardiness in required reporting and compliance, failures to adequately support field operations, and other breakdowns in normal communication and operating procedures that could have a material adverse effect on our financial condition, results of operations, and exposure to administrative and other legal claims.

Our systems may be vulnerable to a variety of threats and the rapid evolution and increased adoption of artificial intelligence technologies may intensify our cybersecurity risks. These risks can include unauthorized access, theft, use, destruction, or other compromises of our systems and can occur through a variety of methods, including attacks using malware, ransomware, denial of service attacks, or phishing incidents. While we have not had a cybersecurity incident that has had a material impact on our operations, there can be no assurances that such incidents will not occur in the future. Any such attack or disruption could cause an interruption of normal business operations, damage to our reputation, and a loss in guest confidence. Additionally, we could be subject to litigation and government enforcement actions as a result of any such failure. Any such event could cause us to incur significant unplanned expenses in excess of our insurance coverage, which could have a material impact on our financial condition and results of operations.

Additionally, our ability to expand and update our information technology infrastructure in response to our growing and changing needs could be inhibited in the event of a cybersecurity incident. This could lead to a delayed implementation of new service offerings, disruptions to guest experiences including via our website and applications, and the diversion of resources that would otherwise be invested in expanding our business and operations.

***We outsource certain business processes to third-party vendors that subject us to risks, including disruptions in business and increased costs.***

Some business processes are currently outsourced to third parties, including such processes as information technology, credit, debit, and gift card authorization and processing, insurance claims processing, unemployment claims processing, property, sales, and payroll tax filings, vendor payment processing, and other accounting processes. We continually evaluate our other business processes to determine if additional outsourcing is an appropriate option to accomplish our goals. These third-party vendors may be subject to cybersecurity risks and any interruptions or malfunctions in their operations may cause interruptions of our normal business operations for which we may have limited or no control.

We make a diligent effort to validate that all providers of outsourced services maintain customary internal controls, such as redundant processing facilities and adequate security frameworks to guard against breaches or data loss; however, there are no guarantees that failures will not occur. Failure of third parties to provide adequate services or internal controls over their processes could have an adverse effect on our results of operations, financial condition, or ability to accomplish our financial and management reporting.

***We may incur increased costs to comply with privacy and data protection laws and, if we fail to comply or our systems are compromised by a security breach, we could be subject to government enforcement actions, private litigation, and adverse publicity.***

New, modified, and existing privacy and data protection laws and regulations may result in significant costs and compliance challenges and adversely affect our business and financial condition. These privacy laws and regulations, which are constantly evolving, may be interpreted by regulatory authorities in new and differing manners, including the issuing of rulings that invalidate prior laws or regulations or increase penalties, and such interpretations may be inconsistent among jurisdictions. We may incur increased costs to comply with increasingly demanding privacy laws and regulations and such compliance may impede the development and offering of new products or services and may adversely impact the guest experience. We could also be subject to government enforcement actions, private litigation, and adverse publicity including reputational damage and loss of guest confidence.

We receive and maintain certain personal, financial, or other information about our guests, vendors, and employees. In 2024, approximately 88% of our transactions were by credit or debit cards. In addition, certain of our vendors receive and/or maintain certain personal, financial, and other information about our employees and guests on our behalf. The use and handling, including security, of this information is regulated by privacy and data protection laws and regulations in various jurisdictions, as well as by certain third-party contracts, frameworks, and industry standards, such as the Payment Card Industry Data Security Standard. Hardware, software, or other applications we develop and procure from third parties or vendor's third-party applications could be subject to vulnerabilities or cybersecurity incidents or may contain unknown defects in design or manufacture or other problems that could unexpectedly compromise information security. Unauthorized parties may also attempt to gain access to our systems and facilities through fraud, trickery, or other forms of deceiving our employees or vendors.

In addition, if our security and information systems are compromised as a result of data corruption or loss, cybersecurity incident, or a network security incident, or if our employees or vendors (or other persons or entities with which we do business with) fail to comply with such laws and regulations or fail to meet industry standards and this information is obtained by unauthorized persons or used inappropriately, it could result in liabilities and penalties and could damage our reputation, cause interruption of normal business performance, cause us to incur substantial costs, and result in a loss of guest confidence, which could adversely affect our results of operations and financial condition.

***Our failure or inability to enforce our trademarks or other proprietary rights could adversely affect our competitive position or the value of our brand.***

We own certain common law trademark rights and a number of federal and international trademark and service mark registrations, including our trade names and logos, and proprietary rights relating to certain of our core menu offerings. We believe that our trademarks and other proprietary rights are important to our success and our competitive position. Therefore, we devote appropriate resources to the protection of our trademarks and proprietary rights. However, the protective actions that we take may not be enough to prevent unauthorized usage or imitation by others, which could harm our image, brand, or competitive position and, if we commence litigation to enforce our rights, cause

us to incur significant legal fees. Our inability to register or protect our marks and other proprietary rights in foreign jurisdictions could adversely affect our competitive position in international markets.

We cannot assure you that third parties will not claim that our trademarks or menu offerings infringe upon their proprietary rights. Any such claim, whether or not it has merit, could be time-consuming, result in costly litigation, cause delays in introducing new menu items in the future or require us to enter into royalty or licensing agreements. As a result, any such claim could have a material adverse effect on our business, results of operations, financial condition, or liquidity.

### **Risks Related to the Restaurant Industry**

#### ***Changes in food and supply costs and/or availability of products could adversely affect our results of operations.***

Our profitability depends in part on our ability to anticipate and react to changes in food and supply costs and/or the availability of products necessary to operate our business, including increased costs arising from federal and/or state mandated requirements. Any increase in food prices or loss of supply, particularly proteins, could adversely affect our operating results. In addition, we are susceptible to increases in food costs as a result of factors beyond our control, such as food supply constrictions, inflationary cycles, weather conditions, food safety concerns, global pandemics, product recalls, global market and trade conditions, and government regulations including the imposition of tariffs. We cannot predict whether we will be able to anticipate and react to changing food costs and/or loss of supply by adjusting our purchasing practices, menu prices, or menu offerings, and a failure to do so could adversely affect our operating results. Extreme and/or long term increases in commodity prices could adversely affect our future results, especially if we are unable, primarily due to competitive reasons, to increase menu prices. Additionally, if there is a time lag between the increasing commodity prices and our ability to increase menu prices or if we believe the commodity price increase to be short in duration and we choose not to pass on the cost increases, our short-term results could be negatively affected. Also, if we adjust pricing there is no assurance that we will realize the full benefit of any adjustment due to changes in our guests' menu item selections and guest traffic.

We currently purchase our beef primarily from four beef suppliers coming from the United States or Canada. While we maintain relationships with additional suppliers, if any of these vendors were unable to fulfill its obligations under its contracts, we could encounter supply shortages and/or incur higher costs to secure adequate supplies, either of which would harm our business.

#### ***Our success depends on our ability to compete with many food service businesses.***

The restaurant industry is intensely competitive. We compete with many well-established food service companies on the basis of taste, quality, and price of products offered, guest service, atmosphere, location, take-out and delivery options, and overall guest experience. Our competitors include a large and diverse group of restaurant chains and individual restaurants that range from independent local operators that have opened restaurants in various markets to well-capitalized national restaurant chains. We also face competition from meal kit delivery services as well as the supermarket industry. In addition, improving product offerings of fast-casual and quick-service restaurants, together with negative economic conditions could cause consumers to choose less expensive alternatives. As our competitors expand their operations, we expect competition to intensify. We also compete with other restaurant chains and other retail establishments for quality site locations and employees. Our competitors may generate or more effectively implement business strategies that improve the value and the relevance of their brands and reputation, relative to ours. This includes our competitors' ability to adapt and respond to new technological developments, including artificial intelligence, to develop new customer insights that allows them to better respond to changing guest expectations.

#### ***The food service industry is affected by litigation and publicity concerning food quality, health, and other issues, which could cause guests to avoid our restaurants and could result in significant liabilities or litigation costs.***

Food service businesses can be adversely affected by litigation and complaints from guests, consumer groups, or government authorities resulting from food quality, illness, injury, or other health concerns or operating issues stemming from one restaurant or a limited number of restaurants. Adverse publicity about these allegations may negatively affect us, regardless of whether the allegations are true, by discouraging guests from eating at our restaurants. We could also incur significant liabilities if a lawsuit or claim results in a decision against us or litigation costs regardless of the result.

***Health, social and environmental concerns relating to the consumption or sourcing of beef or other food products could affect consumer preferences and could negatively impact our results of operations.***

Like other restaurant chains, consumer preferences could be affected by concerns about the consumption or sourcing of beef, the key ingredient in many of our menu items, or negative publicity concerning food quality and food safety, including food-borne illnesses. In addition, consumer preferences may be impacted by current and future menu-labeling requirements or social and environmental concerns about the sourcing of food products throughout our supply chain. Future regulatory action may occur which could result in further changes in the nutritional and environmental disclosure requirements. We cannot make any assurances regarding our ability to effectively respond to changes in consumer perceptions and to adapt our menu offerings to prevailing trends. The imposition of menu-labeling and food sourcing laws or regulations could have an adverse effect on our results of operations and financial position, as well as the restaurant industry in general. The labeling and sourcing requirements and any negative publicity concerning any of the food products we serve may adversely affect demand for our food and could result in a decrease in guest traffic to our restaurants. If we react to labeling or sourcing requirements or negative publicity by changing our concepts or our menu offerings or their ingredients, we may lose guests who do not prefer the new concept or products, and we may not be able to attract sufficient new guests to produce the revenue needed to make our restaurants profitable. In addition, we may have different or additional competitors for our intended guests as a result of a change in our concept and may not be able to compete successfully against those competitors. A decrease in guest traffic to our restaurants as a result of these health, social, and environmental concerns or negative publicity or as a result of a change in our menu or concept could significantly harm our business.

***Food safety and sanitation, food-borne illness, and health concerns may have an adverse effect on our business by reducing demand and increasing costs.***

Food safety and sanitation is a top priority, and we dedicate substantial resources to help our guests enjoy safe, quality food products. However, food-borne illnesses and food safety issues occur in the food industry from time to time. Any report or publicity, whether true or not, linking us to instances of food-borne illness or other food safety issues, including food tampering or contamination, could adversely affect our concepts and reputation as well as results of operations. In addition, instances of food-borne illness, food tampering, or food contamination occurring solely at restaurants of our competitors could result in negative publicity about the food service industry generally and adversely impact our revenue and profits.

Furthermore, our reliance on third-party food suppliers and distributors increases the risk that food-borne illness incidents could be caused by factors outside of our control and that multiple locations would be affected rather than a single restaurant. While we attempt to minimize the risk, we cannot assure that all food items are properly maintained during transport throughout the supply chain and that our employees will identify all products that may be spoiled and should not be used in our restaurants. If our guests become ill from food-borne illnesses, we could be forced to temporarily close some restaurants. Furthermore, any instances of food contamination, whether or not at our restaurants, could subject us or our suppliers to a food recall.

In addition, the United States and other countries have experienced, or may experience in the future, outbreaks of viruses, such as COVID-19, Hepatitis A, Norovirus, Ebola, Avian Flu, SARS, and H1N1. To the extent that a virus is food-borne, future outbreaks may adversely affect the price and availability of certain food products and cause our guests to eat less of a product which may have a significant adverse effect on our business.

***Our business could be adversely affected by our inability to respond to or effectively manage social media.***

As part of our marketing strategy, we utilize social media platforms to promote our concepts and attract and retain guests. Our strategy may not be successful, resulting in expenses incurred without improvement in guest traffic or brand relevance. In addition, a variety of risks are associated with the use of social media, including improper disclosure of proprietary information, negative comments about us, exposure of personally identifiable information, fraud, or dissemination of false information. The inappropriate use of social media platforms by our guests or employees could increase our costs, lead to litigation, or result in negative publicity that could damage our reputation and adversely affect our results of operations.

Given the marked increase in the use of social media platforms, individuals have access to a broad audience of consumers and other interested persons. The availability of information on social media platforms is virtually immediate, as is its impact. Many social media platforms immediately publish the content their subscribers and



participants post, often without filters or checks on the accuracy of the content posted. Information concerning our Company may be posted on such platforms at any time. This includes posts by social media influencers that have a significant number of followers and reach on the variety of social media platforms. Additionally, social media has increasingly been utilized to target specific companies or brands as a result of a variety of actions or inactions, or perceived actions or inactions, that are disfavored by interest groups and such campaigns can rapidly accelerate and impact consumer behavior. If we are unable to quickly and effectively respond to such reports, we may suffer declines in guest traffic. The impact may be immediate without affording us an opportunity for redress or correction. These factors could have a material adverse impact on our business.

### **Risks Related to Stock Ownership and Our Corporate Structure**

#### ***Provisions in our charter documents and Delaware law may delay or prevent our acquisition by a third party.***

Our certificate of incorporation and by-laws contain several provisions that may make it more difficult for a third party to acquire control of us without the approval of our Board. These provisions include, among other things, advance notice for raising business or making nominations at meetings and "blank check" preferred stock. Blank check preferred stock enables our Board, without approval of the shareholders, to designate and issue additional series of preferred stock with such dividend, liquidation, conversion, voting, or other rights, including the right to issue convertible securities with no limitations on conversion, as our Board may determine. The issuance of blank check preferred stock may adversely affect the voting and other rights of the holders of our common stock as our Board may designate and issue preferred stock with terms that are senior to our common stock. These provisions may make it more difficult or expensive for a third party to acquire a majority of our outstanding common stock. These provisions also may delay, prevent, or deter a merger, acquisition, tender offer, proxy contest, or other transaction that might otherwise result in our shareholders receiving a premium over the market price for their common stock. If we issue preferred shares in the future that have a preference over our common stock with respect to dividends or upon liquidation, dissolution or winding up, or if we issue preferred shares with voting rights that dilute the voting power of our common stock, the rights of our common stockholders or the market price of our common stock may be adversely affected.

The Delaware General Corporation Law prohibits us from engaging in "business combinations" with "interested shareholders" (with some exceptions) unless such transaction is approved in a prescribed manner. The existence of this provision could have an anti-takeover effect with respect to transactions not approved in advance by the Board, including discouraging attempts that might result in a premium over the market price for our common stock.

#### ***There can be no assurance that we will continue to pay dividends on our common stock or repurchase our common stock up to the maximum amounts permitted under our previously announced repurchase program.***

Payment of cash dividends on our common stock or repurchases of our common stock are subject to compliance with applicable laws and depends on, among other things, our results of operations, financial condition, level of indebtedness, capital requirements, business prospects, macro-economic conditions, and other factors that our Board may deem relevant. There can be no assurance that we will continue to pay dividends or repurchase our common stock at the same levels we have historically (if at all).

#### ***Our business could be negatively affected as a result of actions of activist shareholders, and such activism could impact the trading value of our common stock.***

We value constructive input from our shareholders and the investment community. Our Board and management team are committed to acting in the best interests of all of our shareholders. There is no assurance that the actions taken by our Board and management in seeking to maintain constructive engagement with our shareholders will be successful.

Responding to actions by activist shareholders can be costly and time-consuming, disrupting our operations, and diverting the attention of management and our employees. Such activities could interfere with our ability to execute our strategic plan. The perceived uncertainties as to our future direction also resulting from activist strategies could also affect the market price and volatility of our common stock.

***Failure to achieve and maintain effective internal control over financial reporting may negatively impact our business and our financial results.***

The Company is responsible for establishing and maintaining effective internal control over financial reporting. This includes establishing controls around the adoption of new, or changes in existing, accounting policies and practices. Despite its inherent limitations, effective internal control over financial reporting helps provide reasonable assurance regarding the reliability of financial reporting for external purposes. A significant accounting error, financial reporting failure, or material weakness in internal control over financial reporting could cause results in our consolidated financial statements that do not accurately reflect our financial condition, a loss of investor confidence, and subsequent decline in the market price of our common stock, increase our costs and regulatory scrutiny, and lead to litigation or result in negative publicity that could damage our reputation.

**ITEM 1B. UNRESOLVED STAFF COMMENTS**

None.

**ITEM 1C. CYBERSECURITY**

**Risk Management and Strategy**

In the course of our operations, the Company receives and maintains sensitive information from our guests, employees, partners, and business operations. To address cybersecurity threats to this information, the Company uses a risk-based approach to create and implement a detailed set of information security policies and procedures based on frameworks established by the National Institute of Standards and Technology. The Company's Head of Information Security manages the Company's cybersecurity efforts and leads the cybersecurity team under the direct oversight of our Chief Technology Officer. These individuals, including all members of the cybersecurity team, have an average of over 16 years of experience involving information technology, including security, auditing, compliance, systems, and programming. Additionally, the Company engages in the use of external cybersecurity experts for training, contingency planning, consultation, and process documentation.

The Company has implemented detective and preventative controls designed to ensure the appropriate level of protection for the confidentiality, integrity, and availability of data stored on or transferred through our information technology resources. The Company has a risk assessment process to identify risks associated with our use of third-party service providers and has implemented specific processes and controls designed to mitigate those identified risks. Both internal and third-party audits are performed routinely to verify that these controls are effective. Additionally, the Company has implemented companywide security awareness training programs designed to provide best practices for protecting our network and systems, and routinely leads exercises for employees to reinforce the risk and proper handling of targeted emails. The Company's Head of Information Security is responsible for developing and implementing these controls and training exercises with support from our information technology department.

The Company's enterprise risk management program has established an internal risk committee to evaluate information governance risks including risks associated with the Company's use of artificial intelligence. This committee comprises members of management of the Company's information technology, human resources, marketing, accounting, risk, procurement, training, finance, and legal functions, and is focused on performing risk assessments to identify areas of concern and implement appropriate changes to enhance its cybersecurity and privacy policies and procedures. The internal risk committee is informed of the Company's risk prevention and mitigation efforts on a regular basis. The committee is also briefed on detection and remediation of cybersecurity incidents in a timely manner following the detection of any potential events.

The Company has a crisis response team comprising senior members of various corporate functions to oversee the response to various crises including potential crises arising from cybersecurity incidents that may impact the Company and/or its vendor partners. This team conducts regular tabletop exercises to simulate responses to cybersecurity incidents. To the extent there is a cybersecurity incident impacting the Company and/or a vendor partner, the crisis response team's process would be to ensure that our Head of Information Security and Chief Technology Officer are informed immediately and that the potential impact of the incident and remedial measures arising from the incident are communicated to the executive officers of the Company.

There can be no guarantee that our policies and procedures will be effective. Although our risk factors include



further detail about the material cybersecurity risks we face and how a cybersecurity incident may affect our business strategy, results of operations, or financial condition, we believe that risks from prior cybersecurity threats, including as a result of any prior cybersecurity incident, have not materially affected or are reasonably likely to materially affect our business strategy, results of operations, or financial condition to date. We can provide no assurances that there will not be incidents in the future or that they will not materially affect us, including our business strategy, results of operations, or financial condition.

## **Governance**

The Board has authorized the audit committee to oversee the Company's risk assessment and risk management practices and strategies. This delegation includes maintaining responsibility for overseeing the Company's enterprise risk management program. As a part of this oversight role, the audit committee receives regular updates from management on cybersecurity threats and privacy risks impacting the Company, which includes benchmarking these risks versus our industry. Our Board members also engage in ad hoc conversations with management on cybersecurity-related news events, receive training specific to cybersecurity risks and threats and regularly discuss any updates to our cybersecurity risk management and strategy programs.

## **ITEM 2. PROPERTIES**

### **Properties**

Our Support Center is located in Louisville, Kentucky. We occupy this facility under a master lease with Paragon Centre Holdings, LLC, a limited liability company in which we have a minority ownership position. As of December 31, 2024, we leased 133,023 square feet. Our lease expires on October 31, 2048, including all applicable extensions.

As of December 31, 2024, we owned and operated 666 company restaurants. Of the 666 company-owned restaurants, 153 restaurants were on owned sites and 513 restaurants were on leased sites. These leased sites are classified as either land leases (where we lease the land and construct the building and leasehold improvements) or land and building or in-line space leases (where we lease the land, building, or in-line space and construct leasehold improvements as necessary). The breakdown of these leases is as follows:

Land leases	452
Land and building or in-line space leases	61
Total	513

Additional information concerning our properties and leasing arrangements is included in Note 2 and Note 8 to the Consolidated Financial Statements appearing in Part II, Item 8 of this Annual Report on Form 10-K.

## **ITEM 3. LEGAL PROCEEDINGS**

Information regarding legal proceedings is included in Note 13 to the Consolidated Financial Statements appearing in Part II, Item 8 of this Annual Report on Form 10-K.

## **ITEM 4. MINE SAFETY DISCLOSURES**

Not applicable.

## PART II

### ITEM 5. MARKET FOR THE REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Our common stock is traded on the Nasdaq Global Select Market under the symbol TXRH.

The number of holders of record of our common stock as of February 19, 2025 was 157.

On February 19, 2025, our Board declared a quarterly dividend of \$0.68 per share of common stock which will be distributed on April 1, 2025 to shareholders of record at the close of business on March 18, 2025. The declaration and payment of cash dividends on our common stock is at the discretion of our Board, and any decision to declare a dividend will be based on a number of factors including, but not limited to, earnings, financial condition, applicable covenants under our credit facility and other contractual restrictions, or other factors deemed relevant.

#### Unregistered Sales of Equity Securities

There were no equity securities sold by the Company during the period covered by this Annual Report on Form 10-K that were not registered under the Securities Act of 1933, as amended.

#### Issuer Repurchases of Securities

In 2008, our Board approved our first stock repurchase program. From inception through December 31, 2024, we have paid \$763.3 million through our authorized stock repurchase programs to repurchase 21,958,130 shares of our common stock at an average price per share of \$34.76. On March 17, 2022, the Board approved a stock repurchase program for the repurchase of up to \$300.0 million of our common stock. This stock repurchase program has no expiration date. All repurchases to date have been made through open market transactions. The timing and amount of any repurchases through this program are determined by management under parameters approved by the Board, based on an evaluation of our stock price, market conditions, and other corporate considerations, including complying with Rule 10b5-1 trading arrangements under the Exchange Act.

In 2024, we paid \$79.8 million, excluding excise taxes, to repurchase 461,662 shares of our common stock. For the fourth quarter ended December 31, 2024, we paid \$35.1 million, excluding excise taxes, to repurchase 182,748 shares of our common stock. As of December 31, 2024, \$37.1 million remained authorized for stock repurchases.

The following table includes information regarding purchases of our common stock, excluding the impact of excise taxes, made by us during the quarter ended December 31, 2024:

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number (or Approximate Dollar Value) of Shares that May Yet Be Purchased Under the Plans or Programs
September 25 to October 22	—	\$ —	—	\$ 72,194,874
October 23 to November 19	53,780	\$ 195.22	53,780	\$ 61,696,192
November 20 to December 31	128,968	\$ 190.74	128,968	\$ 37,096,422
Total	182,748		182,748	

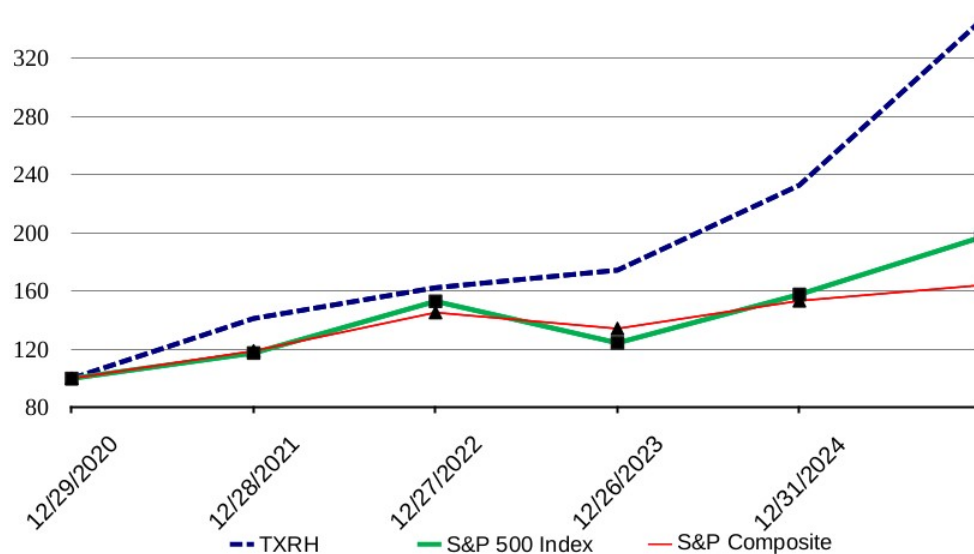
On February 19, 2025, our Board approved a stock repurchase program for the repurchase of up to \$500.0 million of our common stock. Any repurchases under this plan will be made by the Company through open market transactions. This stock repurchase program has no expiration date and replaces the previous stock repurchase program which was approved in 2022.

## Stock Performance Graph

The following graph sets forth the cumulative total shareholder return experienced by holders of the Company's common stock compared to the cumulative total return of the S&P 500 Index as well as the industry specific S&P Composite 1500 Restaurant Sub-Index for the five year period ended December 31, 2024, the last trading day of our fiscal year. The graph assumes the values of the investment in our common stock and each index was \$100 on January 1, 2020 and the reinvestment of all dividends paid during the period of the securities comprising the indices.

*Note: The stock price performance shown on the graph below does not indicate future performance.*

**Comparison of Cumulative Total Return Since January 1, 2020**



	12/31/2019	12/29/2020	12/28/2021	12/27/2022	12/26/2023	12/31/2024
Texas Roadhouse, Inc.	\$ 100.00	\$ 141.22	\$ 162.36	\$ 174.38	\$ 232.77	\$ 345.95
S&P 500	\$ 100.00	\$ 117.46	\$ 153.01	\$ 124.43	\$ 157.72	\$ 197.02
S&P Composite 1500 Restaurant Sub-Index	\$ 100.00	\$ 118.92	\$ 145.30	\$ 134.26	\$ 153.38	\$ 164.08

**ITEM 6—RESERVED**

## ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The discussion and analysis below of the financial condition and results of operations for Texas Roadhouse, Inc. (the "Company," "we," "our," and/or "us") should be read in conjunction with the consolidated financial statements and the notes to such financial statements (pages F-1 to F-27), "Forward-looking Statements" (page 3), and Risk Factors set forth in Item 1A. Further, the discussion and analysis below generally discusses 2024 items and year-to-year comparisons between 2024 and 2023. Discussions of 2023 items and year-to-year comparisons between 2023 and 2022 are not included in this Annual Report on Form 10-K and can be found in "Management's Discussion and Analysis of Financial Conditions and Results of Operations" in Part II, Item 7 of our Annual Report on Form 10-K for the fiscal year ended December 26, 2023, filed with the SEC on February 23, 2024.

### Our Company

Texas Roadhouse, Inc. is a growing restaurant company operating predominantly in the casual dining segment. Our late founder, W. Kent Taylor, started the business in 1993 with the opening of the first Texas Roadhouse restaurant in Clarksville, Indiana. Since then, we have grown to three concepts with 784 restaurants in 49 states, one U.S. territory, and ten foreign countries. As of December 31, 2024, our 784 restaurants included:

- 666 company restaurants, of which 647 were wholly-owned and 19 were majority-owned. The results of operations of company restaurants are included in our consolidated statements of income. The portion of income attributable to noncontrolling interests in company restaurants that are majority-owned is reflected in the line item net income attributable to noncontrolling interests in our consolidated statements of income. Of the 666 company restaurants, we operated 608 as Texas Roadhouse restaurants, 49 as Bubba's 33 restaurants, and nine as Jaggers restaurants.
- 118 franchise restaurants, of which 20 we have a 5.0% to 10.0% ownership interest. The income derived from our minority interests in these franchise restaurants is reported in the line item equity income from investments in unconsolidated affiliates in our consolidated statements of income. Of the 118 franchise restaurants, 56 were domestic Texas Roadhouse restaurants, four were domestic Jaggers restaurants, 57 were international Texas Roadhouse restaurants, including one restaurant in a U.S. territory, and one was an international Jaggers restaurant.

We have contractual arrangements that grant us the right to acquire at pre-determined formulas the remaining equity interests in 17 of the 19 majority-owned company restaurants and 55 of the 60 domestic franchise restaurants.

Throughout this report, we use the term "restaurants" to include Texas Roadhouse and Bubba's 33, unless otherwise noted.

### Presentation of Financial and Operating Data

We operate on a fiscal year that ends on the last Tuesday in December. Fiscal year 2024 was 53 weeks in length and, as such, the fourth quarter of fiscal 2024 was 14 weeks in length. Fiscal years 2023 and 2022 were both 52 weeks in length, and the fourth quarters were both 13 weeks in length.

### Long-term Strategies to Grow Earnings Per Share and Create Shareholder Value

Our long-term strategies with respect to increasing net income and earnings per share, along with creating shareholder value, include the following:

- *Expanding Our Restaurant Base.* We continue to evaluate opportunities to develop restaurants in existing markets and in new domestic and international markets. Domestically, we remain focused primarily on markets where we believe a significant demand for our restaurants exists because of population size, income levels, the presence of shopping and entertainment centers, and a significant employment base. In addition, we continue to pursue opportunities to acquire domestic franchise locations to expand our company restaurant base.

We have entered into area development and franchise agreements for the development and operation of Texas Roadhouse restaurants in numerous foreign countries and one U.S. territory. We have also entered into domestic and international area development agreements for Jaggers, our fast-casual concept.

In 2024, we opened 31 company restaurants while our franchise partners opened 14 restaurants. The company restaurants included 26 Texas Roadhouse restaurants, four Bubba's 33 restaurants, and one Jaggers restaurant. The franchise restaurants included 11 international Texas Roadhouse restaurants, including one restaurant in a U.S. territory, two domestic Jaggers restaurants, and our first international Jaggers restaurant.

- *Maintaining and/or Improving Restaurant Level Profitability.* We continue to focus on driving comparable restaurant sales to maintain or improve restaurant level profitability. This includes a pricing strategy that balances the impacts of inflationary pressures with our long-term value positioning. In terms of driving traffic at our restaurants, we remain focused on encouraging repeat visits by our guests and attracting new guests through our continued commitment to operational standards relating to food and service quality. To attract new guests and increase the frequency of visits of our existing guests, we continue to drive various localized marketing programs, focus on speed of service and kitchen efficiency, increase throughput by adding seats and parking at certain restaurants, and enhance the guest digital experience.

At our high volume restaurants, we continue to look for opportunities to increase our dining room capacity by adding on to our existing building and/or to increase our parking capacity by leasing or purchasing property that adjoins our site. We also continue to make a number of building modifications and/or expansions to existing restaurants in order to better accommodate increased dine-in and to-go sales. These modifications include room expansions which add additional guest seating, the addition of to-go areas, and cooler expansions to accommodate higher inventory levels.

In recent years, we have relocated several existing Texas Roadhouse locations at or near the end of their associated lease or as a result of eminent domain which allowed us to move to a better site, update them to a current prototypical design, construct a larger building with more seats and greater number of available parking spaces, accommodate increased to-go sales, and/or obtain more favorable lease terms. We continue to evaluate these opportunities particularly as it relates to older locations with strong sales.

- *Leveraging Our Scalable Infrastructure.* To support our growth, we have made investments in our infrastructure across all critical functions, including the development of new strategic initiatives. Our ability to leverage our infrastructure in future years by growing our general and administrative costs at a slower rate than our revenue will depend, in part, on our new restaurant openings, our comparable restaurant sales growth rate going forward, and the level of investment we continue to make in our infrastructure.
- *Returning Capital to Shareholders.* We continue to evaluate opportunities to return capital to our shareholders, including the payment of dividends and the repurchase of common stock. In 2011, our Board declared our first quarterly dividend of \$0.08 per share of common stock which has consistently grown over time. On February 19, 2025, the Board declared a quarterly cash dividend of \$0.68 per share of common stock, representing an 11% increase compared to the quarterly dividend declared in the prior year period.

In 2008, the Board approved our first stock repurchase program. On February 19, 2025, our Board approved a stock repurchase program for the repurchase of up to \$500 million of our common stock. This stock repurchase program has no expiration date and replaces the previous stock repurchase program of \$300 million which was approved on March 17, 2022.

In 2024, we paid \$79.8 million, excluding excise taxes, to repurchase 461,662 shares of our common stock. From inception through December 31, 2024, we have paid \$763.3 million through our authorized stock repurchase programs to repurchase 21,958,130 shares of our common stock at an average price per share of \$34.76.

## **Key Measures We Use To Evaluate Our Company**

Key measures we use to evaluate and assess our business include the following:

- *Comparable Restaurant Sales.* Comparable restaurant sales reflect the change in sales for all company restaurants across all concepts, unless otherwise noted, over the same period of the prior year for the

comparable restaurant base. We define the comparable restaurant base to include those restaurants open for a full 18 months before the beginning of the period measured excluding restaurants permanently closed during the period, if applicable. Comparable restaurant sales can be impacted by changes in guest traffic counts or by changes in the per person average check amount. Menu price changes, the mix of menu items sold, and the mix of dine-in versus to-go sales can affect the per person average check amount.

- *Average Unit Volume.* Average unit volume represents the average annual restaurant sales for Texas Roadhouse and Bubba's 33 restaurants open for a full six months before the beginning of the period measured excluding sales of restaurants permanently closed during the period, if applicable. Historically, average unit volume growth is less than comparable restaurant sales growth which indicates that newer restaurants are operating with sales growth levels lower than the company average. At times, average unit volume growth may be more than comparable restaurant sales growth which indicates that newer restaurants are operating with sales growth levels higher than company average.
- *Store Weeks and New Restaurant Openings.* Store weeks represent the number of weeks that all company restaurants across all concepts, unless otherwise noted, were open during the reporting period. Store weeks include weeks in which a restaurant is temporarily closed. Store week growth is driven by new restaurant openings and franchise acquisitions. New restaurant openings reflect the number of restaurants opened during a particular fiscal period, excluding store relocations. We consider store openings that occur simultaneously with a store closure in the same trade area to be a relocation.
- *Restaurant Margin.* Restaurant margin (in dollars, as a percentage of restaurant and other sales, and per store week) represents restaurant and other sales less restaurant-level operating costs, including food and beverage costs, labor, rent, and other operating costs. Restaurant margin is not a measurement determined in accordance with U.S. generally accepted accounting principles ("GAAP") and should not be considered in isolation, or as an alternative, to income from operations. This non-GAAP measure is not indicative of overall company performance and profitability in that this measure does not accrue directly to the benefit of shareholders due to the nature of the costs excluded. Restaurant margin is widely regarded as a useful metric by which to evaluate core restaurant-level operating efficiency and performance over various reporting periods on a consistent basis.

In calculating restaurant margin, we exclude certain non-restaurant-level costs that support operations, but do not have a direct impact on restaurant-level operational efficiency and performance, including general and administrative expenses. We exclude pre-opening expenses as they occur at irregular intervals and would impact comparability to prior period results. We exclude depreciation and amortization expenses, substantially all of which relate to restaurant-level assets, as they represent a non-cash charge for the investment in our restaurants. We exclude impairment and closure expenses as we believe this provides a clearer perspective of the Company's ongoing operating performance and a more useful comparison to prior period results. Restaurant margin as presented may not be comparable to other similarly titled measures of other companies in our industry. A reconciliation of income from operations to restaurant margin is included in the Results of Operations section below.

## Other Key Definitions

*Restaurant and Other Sales.* Restaurant sales include gross food and beverage sales, net of promotions and discounts, for all company restaurants. Sales taxes collected from customers and remitted to governmental authorities are accounted for on a net basis and therefore are excluded from restaurant sales in our consolidated statements of income. Other sales primarily include the net impact of the amortization of third-party gift card fees and gift card breakage income and content revenue related to our tabletop kiosk devices.

*Franchise Royalties and Fees.* Franchise royalties consist of royalties, as defined in our franchise agreement, paid to us by our domestic and international franchisees. Domestic and international franchisees also typically pay an initial franchise fee and/or development fee for each new restaurant or territory. Revenues related to our royalty-based retail products are also included within franchise royalties and fees.

*Food and Beverage Costs.* Food and beverage costs consist of the costs of raw materials and ingredients used in the preparation of food and beverage products sold in our company restaurants. Approximately half of our food and beverage costs relate to beef.

*Restaurant Labor Expenses.* Restaurant labor expenses include all direct and indirect labor costs incurred in operations except for profit sharing incentive compensation expenses earned by our restaurant managing partners and market partners. These profit sharing expenses are reflected in restaurant other operating expenses. Restaurant labor expenses also include share-based compensation expense related to restaurant-level employees.

*Restaurant Rent Expense.* Restaurant rent expense includes all rent, except pre-opening rent, associated with the leasing of real estate and includes base, percentage, and straight-line rent expense.

*Restaurant Other Operating Expenses.* Restaurant other operating expenses consist of all other restaurant-level operating costs, the major components of which are supplies, profit sharing incentive compensation for our restaurant managing partners and market partners, utilities, credit card fees, general liability insurance, advertising, repairs and maintenance, property taxes, and outside services.

*Pre-opening Expenses.* Pre-opening expenses, which are charged to operations as incurred, consist of expenses incurred before the opening of a new or relocated restaurant and consist principally of opening and training team compensation and benefits, travel expenses, rent, food, beverage, and other initial supplies and expenses. The majority of pre-opening costs incurred relate to the hiring and training of employees due to the significant investment we make in training our people. Pre-opening costs vary by location depending on a number of factors, including the size and physical layout of each location; the number of management and hourly employees required to operate each restaurant; the availability of qualified restaurant staff members; the cost of travel and lodging for different geographic areas; the timing of the restaurant opening; and the extent of unexpected delays, if any, in obtaining final licenses and permits to open each restaurant.

*Depreciation and Amortization Expenses.* Depreciation and amortization expenses include the depreciation of fixed assets and amortization of intangibles with definite lives, substantially all of which relates to restaurant-level assets.

*Impairment and Closure Costs, Net.* Impairment and closure costs, net include any impairment of long-lived assets, including property and equipment, operating lease right-of-use assets, and goodwill, and expenses associated with the closure of a restaurant. Closure costs also include any gains or losses associated with a relocated restaurant or the sale of a closed restaurant and/or assets held for sale as well as lease costs associated with closed or relocated restaurants.

*General and Administrative Expenses.* General and administrative expenses comprise expenses associated with corporate and administrative functions that support development and restaurant operations and provide an infrastructure to support future growth. This includes salary, incentive-based and share-based compensation expense related to executive officers and Support Center employees, salary and share-based compensation expense related to market partners, software hosting fees, professional fees, group insurance, and the realized and unrealized holding gains and losses related to the investments in our deferred compensation plan.

*Interest Income, Net.* Interest income, net includes earnings on cash and cash equivalents and is reduced by interest expense, net of capitalized interest, on our debt or financing obligations including the amortization of loan fees, as applicable.

*Equity Income from Investments in Unconsolidated Affiliates.* Equity income includes our percentage share of net income earned by unconsolidated affiliates and our share of any gain on the acquisition of these affiliates. As of December 31, 2024 and December 26, 2023, we owned a 5.0% to 10.0% equity interest in 20 domestic franchise restaurants.

*Net Income Attributable to Noncontrolling Interests.* Net income attributable to noncontrolling interests represents the portion of income attributable to the other owners of the majority-owned restaurants. Our consolidated subsidiaries include 19 and 20 majority-owned restaurants as of December 31, 2024 and December 26, 2023, respectively.

## **2024 Financial Highlights**

Total revenue increased \$741.7 million or 16.0% to \$5.4 billion in 2024 compared to \$4.6 billion in 2023 primarily due to an increase in comparable restaurant sales and an increase in store weeks. Comparable restaurant sales and store weeks increased 8.5% and 7.5%, respectively, at company restaurants in 2024. The increase in comparable restaurant sales was due to an increase in guest traffic along with an increase in per person average check. The increase in store weeks was due to new store openings and the benefit of the additional week in 2024. The additional week added \$114.7 million in revenue and a 2% benefit to store week growth.

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Net income increased \$128.7 million or 42.2% to \$433.6 million in 2024 compared to \$304.9 million in 2023 primarily due to higher restaurant margin dollars, as described below, partially offset by higher depreciation and amortization expenses and higher general and administrative expenses. Diluted earnings per share increased 42.5% to \$6.47 from \$4.54 in the prior year primarily due to the increase in net income. Diluted earnings per share growth was positively impacted by approximately 5% as a result of the additional week.

Restaurant margin dollars increased \$207.8 million or 29.4% to \$915.8 million in 2024 compared to \$708.0 million in 2023 primarily due to higher sales. Restaurant margin, as a percentage of restaurant and other sales, increased to 17.1% in 2024 compared to 15.4% in 2023. The increase in restaurant margin, as a percentage of restaurant and other sales, was primarily driven by higher sales. The benefit of a higher average guest check and labor productivity more than offset wage and other labor inflation of 4.6% and commodity inflation of 0.7%.

In addition, capital allocation spend in 2024 included capital expenditures of \$354.3 million, dividends of \$162.9 million, and repurchases of common stock of \$79.8 million.



**Results of Operations**  
(in thousands)

	Fiscal Year Ended			
	December 31, 2024		December 26, 2023	
	\$	%	\$	%
(In thousands)				
Consolidated Statements of Income:				
Revenue:				
Restaurant and other sales	5,341,853	99.4	4,604,554	99.4
Franchise royalties and fees	31,479	0.6	27,118	0.6
Total revenue	5,373,332	100.0	4,631,672	100.0
Costs and expenses:				
(As a percentage of restaurant and other sales)				
Restaurant operating costs (excluding depreciation and amortization shown separately below):				
Food and beverage	1,785,119	33.4	1,593,852	34.6
Labor	1,764,740	33.1	1,539,124	33.4
Rent	80,560	1.5	72,766	1.6
Other operating	795,657	14.9	690,848	15.0
(As a percentage of total revenue)				
Pre-opening	28,090	0.5	29,234	0.6
Depreciation and amortization	178,157	3.3	153,202	3.3
Impairment and closure, net	1,226	NM	275	NM
General and administrative	223,264	4.2	198,382	4.3
Total costs and expenses	4,856,813	90.4	4,277,683	92.4
Income from operations	516,519	9.6	353,989	7.6
Interest income, net	6,774	0.1	2,984	0.1
Equity income from investments in unconsolidated affiliates	1,197	NM	1,351	NM
Income before taxes	524,490	9.8	358,324	7.7
Income tax expense	80,145	1.5	44,649	1.0
Net income including noncontrolling interests	444,345	8.3	313,675	6.8
Net income attributable to noncontrolling interests	10,753	0.2	8,799	0.2
Net income attributable to Texas Roadhouse, Inc. and subsidiaries	433,592	8.1	304,876	6.6

NM – Not meaningful

**Reconciliation of Income from Operations to Restaurant Margin**  
(\$ In thousands, except restaurant margin \$ per store week)

	Fiscal Year Ended	
	December 31, 2024	December 26, 2023
Income from operations	\$ 516,519	\$ 353,989
Less:		
Franchise royalties and fees	31,479	27,118
Add:		
Pre-opening	28,090	29,234
Depreciation and amortization	178,157	153,202
Impairment and closure, net	1,226	275
General and administrative	223,264	198,382
Restaurant margin	<u>\$ 915,777</u>	<u>\$ 707,964</u>
Restaurant margin \$/store week	\$ 26,572	\$ 22,090
Restaurant margin (as a percentage of restaurant and other sales)	17.1%	15.4%

**Restaurant Unit Activity**

	Total	Texas Roadhouse	Bubba's 33	Jaggers
Balance at December 26, 2023	741	686	45	10
Company openings	31	26	4	1
Franchise openings - Domestic	2	—	—	2
Franchise openings - International (1)	12	11	—	1
Franchise closings - International	(2)	(2)	—	—
Balance at December 31, 2024	<u>784</u>	<u>721</u>	<u>49</u>	<u>14</u>

	December 31, 2024	December 26, 2023
Company - Texas Roadhouse	608	582
Company - Bubba's 33	49	45
Company - Jaggers	9	8
Total company	666	635
Franchise - Texas Roadhouse - Domestic	56	56
Franchise - Jaggers - Domestic	4	2
Franchise - Texas Roadhouse - International (1)	57	48
Franchise - Jaggers - International	1	-
Total franchise	118	106
Total	<u>784</u>	<u>741</u>

(1) Includes a U.S. territory.

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*Restaurant and Other Sales*

Restaurant and other sales increased 16.0% in 2024 compared to 2023. The following table summarizes certain key drivers and/or attributes of restaurant sales at company restaurants for the periods presented. Company restaurant count activity is shown in the restaurant unit activity table above.

	2024	2023
Company Restaurants:		
Increase in store weeks	7.5 %	5.8 %
Increase in average unit volume (1)	7.8 %	9.7 %
Other (2)	0.8 %	— %
Total increase in restaurant sales	16.1 %	15.5 %
Other sales	(0.1)%	(0.1)%
Total increase in restaurant and other sales	16.0 %	15.4 %
Store weeks	34,464	32,050
Comparable restaurant sales	8.5 %	10.1 %
Texas Roadhouse restaurants:		
Store weeks	31,548	29,528
Comparable restaurant sales	8.6 %	10.3 %
Average unit volume (in thousands) (1)	\$ 8,488	\$ 7,642
Average unit volume, 2023 adjusted (in thousands) (3)	\$ 8,488	\$ 7,824
Weekly sales by group:		
Comparable restaurants (549 and 527 units)	\$ 160,365	\$ 147,274
Average unit volume restaurants (17 and 22 units)	\$ 153,321	\$ 139,688
Restaurants less than six months old (42 and 33 units)	\$ 142,067	\$ 146,614
Bubba's 33 restaurants:		
Store weeks	2,485	2,167
Comparable restaurant sales	5.5 %	5.5 %
Average unit volume (in thousands) (1)	\$ 6,276	\$ 5,921
Average unit volume, 2023 adjusted (in thousands) (3)	\$ 6,276	\$ 6,048
Weekly sales by group:		
Comparable restaurants (37 and 34 units)	\$ 120,354	\$ 113,972
Average unit volume restaurants (4 and 3 units)	\$ 100,477	\$ 112,698
Restaurants less than six months old (8 and 8 units)	\$ 125,511	\$ 114,312

- (1) Average unit volume restaurants include restaurants open a full six to 18 months before the beginning of the period measured, excluding sales from restaurants permanently closed during the period, if applicable.
- (2) Includes the impact of the year-over-year change in sales volume of all Jagers restaurants, along with Texas Roadhouse and Bubba's 33 restaurants open less than six months before the beginning of the period measured and, if applicable, the impact of restaurants permanently closed or acquired during the period.
- (3) For comparative purposes, 2023 was adjusted to include 53 weeks.

The increase in restaurant sales for 2024 was primarily attributable to an increase in store weeks and an increase in comparable restaurant sales. The increase in store weeks was driven by the opening of new restaurants and the 2% benefit of the additional week in 2024. The increase in comparable restaurant sales growth was driven by an increase in guest traffic count along with an increase in our per person average check as shown in the table below.

	2024	2023
Guest traffic counts	4.4 %	5.4 %
Per person average check	4.1 %	4.7 %
Comparable restaurant sales growth	8.5 %	10.1 %

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To-go sales as a percentage of restaurant sales were 12.8% in 2024 compared to 12.6% in 2023 and average weekly to-go sales were \$19,940 in 2024 compared to \$18,088 in 2023.

Per person average check for 2024 includes the benefit of menu price increases of approximately 2.2% and 0.9% implemented in Q2 2024 and Q4 2024, respectively. We implemented menu price increases of approximately 2.2% and 2.7% in Q2 2023 and Q4 2023, respectively. In addition, we plan to implement a menu price increase of approximately 1.4% in early April.

In 2024, we opened 31 company restaurants, which included 26 Texas Roadhouse restaurants, four Bubba's 33 restaurants, and one Jagers restaurant. In 2024, we had store week growth of approximately 7.5% across all concepts, including a benefit of 2% from the additional week. In 2025, we expect store week growth of approximately 5% across all concepts, including a benefit of 2% from the acquisition of 13 domestic franchise restaurants at the beginning of our 2025 fiscal year.

Other sales primarily include the net impact of the amortization of third-party gift card fees and gift card breakage income and content revenue related to our tabletop kiosk devices. The net impact of these items was \$(9.8) million and \$(5.4) million for 2024 and 2023, respectively. The change was driven primarily by increased third-party gift card fee amortization from increased gift card sales and a decrease in our breakage adjustment recorded in 2024 of \$0.6 million compared to \$3.7 million recorded in 2023. The breakage adjustments relate to changes in our estimate of gift card breakage due to a shift in our historic redemption pattern which indicated that the percentage of gift cards sold that are not expected to be redeemed had increased.

### *Franchise Royalties and Fees*

Franchise royalties and fees increased by \$4.4 million or 16.1% compared to 2023. The increases were due to comparable franchise restaurant sales growth and new store openings partially offset by \$1.5 million related to the reclassification of certain items that were reported in general and administrative expenses in our consolidated statement of income in 2023. Franchise comparable restaurant sales increased 6.4% in 2024.

In 2024, our franchise partners opened 11 international Texas Roadhouse restaurants, including one in a U.S. territory, two domestic Jagers restaurants, and one international Jagers restaurant. In addition, two international Texas Roadhouse restaurants closed during the year.

### *Food and Beverage Costs*

Food and beverage costs, as a percentage of restaurant and other sales, decreased to 33.4% in 2024 compared to 34.6% in 2023. The decrease was primarily driven by the benefit of a higher average guest check partially offset by commodity inflation of 0.7% in 2024 primarily due to higher beef costs.

In 2025, we expect commodity inflation of 3% to 4% for the year with prices locked for approximately 40% of our forecasted costs and the remainder subject to floating market prices.

### *Restaurant Labor Expenses*

Restaurant labor expenses, as a percentage of restaurant and other sales, decreased to 33.1% in 2024 compared to 33.4% in 2023. The decrease was primarily driven by the benefit of a higher guest check and labor productivity partially offset by wage and other labor inflation of 4.6% in 2024. Wage and other labor inflation was driven by higher wage and benefit expense due to labor market pressures along with increases in state-mandated minimum and tipped wage rates and increased investment in our people.

In 2025, we anticipate our labor costs will continue to be pressured by wage and other labor inflation of 4% to 5%.

### *Restaurant Rent Expense*

Restaurant rent expense, as a percentage of restaurant and other sales, decreased to 1.5% in 2024 compared to 1.6% in 2023. The decrease was driven by the increase in average unit volume partially offset by higher rent expense at our newer restaurants.

### *Restaurant Other Operating Expenses*

Restaurant other operating expenses, as a percentage of restaurant and other sales, decreased to 14.9% in 2024 compared to 15.0% in 2023. The decrease was driven by the increase in average unit volume partially offset by higher incentive compensation expense and higher general liability insurance expense. The increase in incentive compensation expense was due to favorable operating results and the increase in general liability insurance expense was due to unfavorable claims experience and an increase in retention levels.

### *Restaurant Pre-opening Expenses*

Pre-opening expenses were \$28.1 million in 2024 compared to \$29.2 million in 2023. Pre-opening costs will fluctuate from period to period based on the specific pre-opening costs incurred for each restaurant, the number and timing of restaurant openings, and the number and timing of restaurant managers hired.

### *Depreciation and Amortization Expenses*

Depreciation and amortization expenses, as a percentage of revenue, were 3.3% in both 2024 and in 2023. The increase in average unit volume was offset by higher depreciation expense at our newer restaurants.

### *Impairment and Closure Costs, Net*

Impairment and closure costs, net were \$1.2 million and \$0.3 million in 2024 and 2023, respectively. In 2024, impairment and closure costs, net included \$0.8 million related to the impairment of a building at a previously relocated store and \$0.4 million related to ongoing closure costs for stores which have been relocated. In 2023, impairment and closure costs, net primarily related to ongoing closure costs for stores which have been relocated.

### *General and Administrative Expenses*

General and administrative expenses, as a percentage of total revenue, decreased to 4.2% in 2024 compared to 4.3% in 2023. The decrease was driven by the increase in average unit volume and a separation payout of \$2.6 million in Q1 2023, related to the retirement of an executive officer, partially offset by higher restricted stock expense and incentive compensation expense. The increase in restricted stock expense was primarily due to shifting our restricted stock grants from quarterly to annually.

### *Interest Income, Net*

Interest income, net was \$6.8 million in 2024 compared to \$3.0 million in 2023. The increase was driven by increased earnings on our cash and cash equivalents and decreased borrowings on our revolving credit facility in 2024.

### *Equity Income from Investments in Unconsolidated Affiliates*

Equity income was \$1.2 million in 2024 compared to \$1.4 million in 2023. The decrease in 2024 was primarily driven by a \$0.6 million gain on the acquisition of four of these affiliates in 2023 partially offset by increased earnings on these remaining affiliates.

### *Income Tax Expense*

Our effective tax rate increased to 15.3% in 2024 compared to 12.5% in 2023. The increase was driven by a decrease in the impact of the FICA tip tax credit, due to increased profitability. In 2025, we expect an effective tax rate of 15% to 16% based on forecasted operating results.

### *Segment Information*

We manage our restaurant and franchising operations by concept and as a result have identified Texas Roadhouse, Bubba's 33, Jagers, and our retail initiatives as separate operating segments. Our reportable segments are Texas Roadhouse and Bubba's 33. The Texas Roadhouse reportable segment includes the results of our company and franchise Texas Roadhouse restaurants. The Bubba's 33 reportable segment includes the results of our company Bubba's 33 restaurants. Our remaining operating segments, which include the results of our company and franchise Jagers restaurants and our retail initiatives, are included in Other. In addition, corporate-related assets, depreciation and amortization, and capital expenditures are also included in Other.

Management uses restaurant margin as the primary measure for assessing performance of our segments. Restaurant margin (in dollars and as a percentage of restaurant and other sales) represents restaurant and other sales less restaurant-level operating costs, including food and beverage costs, labor, rent, and other operating costs. Restaurant margin is used by our chief operating decision maker to evaluate restaurant-level operating efficiency and performance. A reconciliation of income from operations to restaurant margin is included in the Results of Operations section above.

The following table presents a summary of restaurant margin by segment (in thousands):

	Fiscal Year Ended					
	December 31, 2024			December 26, 2023		
Texas Roadhouse	\$	864,999	17.3 %	\$	671,158	15.5 %
Bubba's 33		46,422	15.6		33,942	13.7
Other		4,356	13.8		2,864	11.2
Total	\$	915,777	17.1 %	\$	707,964	15.4 %

In our Texas Roadhouse reportable segment, restaurant margin dollars increased \$193.8 million or 28.9% in 2024. The increase was primarily due to higher sales and improved labor productivity partially offset by wage and other labor inflation as well as higher general liability insurance expense.

In our Bubba's 33 reportable segment, restaurant margin dollars increased \$12.5 million or 36.8% in 2024. The increase was primarily due to higher sales and improved labor productivity partially offset by wage and other labor inflation.

### Liquidity and Capital Resources

The following table presents a summary of our net cash provided by (used in) operating, investing, and financing activities (in thousands):

	Fiscal Year Ended	
	December 31, 2024	December 26, 2023
Net cash provided by operating activities	\$ 753,629	\$ 564,984
Net cash used in investing activities	(336,901)	(367,167)
Net cash used in financing activities	(275,749)	(267,432)
Net increase (decrease) in cash and cash equivalents	\$ 140,979	\$ (69,615)

Net cash provided by operating activities was \$753.6 million in 2024 compared to \$565.0 million in 2023. The increase was primarily due to an increase in net income, an increase in depreciation and amortization expense, and a favorable change in working capital.

Our operations have not required significant working capital and, like many restaurant companies, we have been able to operate with negative working capital, if necessary. Sales are primarily for cash, and restaurant operations do not require significant inventories or receivables. In addition, we receive trade credit for the purchase of food, beverages, and supplies, thereby reducing the need for incremental working capital to support growth.

Net cash used in investing activities was \$336.9 million in 2024 compared to \$367.2 million in 2023. The decrease was primarily due to the acquisition of franchise stores in 2023 partially offset by an increase in capital expenditures in 2024.

We require capital principally for the development of new company restaurants, the refurbishment or relocation of existing restaurants, and the acquisition of franchise restaurants, as applicable. We either lease our restaurant site locations under operating leases for periods generally of five to 30 years (including renewal periods) or purchase the land when appropriate. As of December 31, 2024, 153 of the 666 company restaurants have been developed on land which we own.

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The following table presents a summary of capital expenditures (in thousands):

	Fiscal Year Ended	
	December 31, 2024	December 26, 2023
New company restaurants	\$ 198,367	\$ 201,234
Refurbishment or expansion of existing restaurants	122,905	119,785
Relocation of existing restaurants	25,633	20,629
Capital expenditures related to Support Center office	7,436	5,386
Total capital expenditures	<u>\$ 354,341</u>	<u>\$ 347,034</u>

Our future capital requirements will primarily depend on the number and mix of new restaurants we open, the timing of those openings, and the restaurant prototype developed in a given fiscal year. These requirements will include costs directly related to opening, maintaining, or relocating restaurants and may also include costs necessary to ensure that our infrastructure is able to support a larger restaurant base.

We intend to satisfy our capital requirements over the next 12 months with cash on hand, net cash provided by operating activities, and if needed, funds available under our revolving credit facility. In 2025, we expect capital expenditures of approximately \$400 million.

Net cash used in financing activities was \$275.7 million in 2024 compared to \$267.4 million in 2023. The increase is primarily due to an increase in share repurchases and an increase in our quarterly dividend payments partially offset by the \$50 million repayment of our revolving credit facility in 2023.

On March 17, 2022, our Board approved a stock repurchase program for the repurchase of up to \$300.0 million of our common stock. This stock repurchase program has no expiration date. All repurchases to date under our stock repurchase programs have been made through open market transactions.

In 2024, we paid \$79.8 million, excluding excise taxes, to repurchase 461,662 shares of our common stock. In 2023, we paid \$50.0 million, excluding excise taxes, to repurchase 455,026 shares of our common stock. As of December 31, 2024, \$37.1 million remained under our authorized stock repurchase program.

On February 19, 2025, our Board approved a stock repurchase program for the repurchase of up to \$500.0 million of our common stock. Any repurchases under this plan will be made by the Company through open market transactions. This stock repurchase program has no expiration date and replaces the previous stock repurchase program which was approved in 2022.

On February 14, 2024, our Board authorized the payment of a quarterly dividend of \$0.61 per share of common stock compared to the quarterly dividend of \$0.55 per share of common stock declared in 2023. The payment of quarterly dividends totaled \$162.9 million and \$147.2 million in 2024 and 2023, respectively. On February 19, 2025, our Board declared a quarterly cash dividend of \$0.68 per share of common stock.

We paid distributions of \$10.4 million and \$8.0 million in 2024 and 2023, respectively, to equity holders of our majority-owned company restaurants.

We maintain a revolving credit facility (the "credit facility") with a syndicate of commercial lenders led by JPMorgan Chase Bank, N.A. and PNC Bank, N.A. The credit facility is an unsecured, revolving credit agreement and has a borrowing capacity of up to \$300.0 million with the option to increase by an additional \$200.0 million subject to certain limitations, including approval by the syndicate of lenders. The credit facility has a maturity date of May 1, 2026.

As of December 31, 2024, we had no outstanding borrowings under the credit facility and had \$296.8 million of availability, net of \$3.2 million of outstanding letters of credit. As of December 26, 2023, we had no outstanding balance on the credit facility and had \$295.3 million of availability, net of \$4.7 million of outstanding letters of credit.

The interest rate for the credit facility as of December 31, 2024 and December 26, 2023 was 5.47% and 6.23%, respectively.

The lenders' obligation to extend credit pursuant to the credit facility depends on us maintaining certain financial covenants, including a minimum consolidated fixed charge coverage ratio and a maximum consolidated leverage ratio.



The credit facility permits us to incur additional secured or unsecured indebtedness, except for the incurrence of secured indebtedness that in the aggregate is equal to or greater than \$125.0 million and 20% of our consolidated tangible net worth. We were in compliance with all financial covenants as of December 31, 2024.

### Contractual Obligations

The following table summarizes the amount of payments due under specified contractual obligations as of December 31, 2024 (in thousands):

	Payments Due by Period				
	Total	Less than 1 year	1 - 3 Years	3 - 5 Years	More than 5 years
Obligations under finance leases	2,758	31	72	89	2,566
Interest (1)	3,893	312	615	599	2,367
Real estate operating lease obligations	1,472,259	79,801	163,025	167,477	1,061,956
Capital obligations	243,569	243,569	—	—	—
Total contractual obligations (2)	<u>\$ 1,722,479</u>	<u>\$ 323,713</u>	<u>\$ 163,712</u>	<u>\$ 168,165</u>	<u>\$ 1,066,889</u>

- (1) Includes interest on our financing leases and assumes a constant interest rate until maturity.
- (2) Unrecognized tax benefits under Accounting Standards Codification 740, *Income Taxes*, are not significant and excluded from this amount.

We have no material minimum purchase commitments with our vendors that extend beyond a year. Refer to Notes 5, 8, and 13 to the consolidated financial statements for details of contractual obligations.

### Guarantees

As of December 31, 2024 and December 26, 2023, we were contingently liable for \$9.4 million and \$10.4 million, respectively, for seven lease guarantees. These amounts represent the maximum potential liability of future payments under the guarantees. In the event of default, the indemnity and default clauses in our assignment agreements govern our ability to pursue and recover damages incurred. No material liabilities have been recorded as of December 31, 2024 or December 26, 2023, as the likelihood of default was deemed to be less than probable and the fair value of the guarantees is not considered significant.

### Critical Accounting Policies and Estimates

The above discussion and analysis of our financial condition and results of operations are based upon our consolidated financial statements, which have been prepared in accordance with GAAP. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenue and expenses, and disclosures of contingent assets and liabilities. Our significant accounting policies are described in Note 2 to the accompanying consolidated financial statements. Critical accounting policies are those that we believe are most important to portraying our financial condition and results of operations and also require the greatest amount of subjective or complex judgments by management. Judgments or uncertainties regarding the application of these policies may result in significantly different amounts being reported under different conditions or using different assumptions. We consider the following policies to be the most critical in understanding the judgments that are involved in preparing the consolidated financial statements.

*Impairment of Long-lived Assets.* We evaluate long-lived assets to be held and used in the business, such as property and equipment, operating lease right-of-use assets, and intangible assets subject to amortization, for impairment whenever events and circumstances indicate that the carrying amount of a restaurant may not be recoverable. For the purposes of this evaluation, we define the asset group at the individual restaurant level. When we evaluate the restaurants, cash flows are the primary indicator of impairment. Recoverability of assets to be held and used is measured by comparison of the carrying amount of the restaurant to estimated undiscounted future cash flows expected to be generated by the restaurant.

Under our policies, trailing 12-month cash flow results under a predetermined amount at the individual restaurant level signals a potential impairment. In our evaluation of restaurants that do not meet the cash flow threshold, we estimate future undiscounted cash flows from operating the restaurant over the remaining useful life of the primary asset, which is the building or the operating lease right-of-use asset. In the estimation of future cash flows, we consider the

period of time the restaurant has been open, the trend of operations over such period, and future periods and expectations for future sales growth. We limit assumptions about important factors such as trend of future operations and sales growth to those that are supportable based upon our plans for the restaurant and actual results at comparable restaurants. Both qualitative and quantitative information are considered when evaluating for potential impairments. As we assess the ongoing expected cash flows and carrying amounts of our long-lived assets, these factors could cause us to realize a material impairment charge. Based on our reviews performed on the cash flows of our restaurants, the carrying amount associated with restaurants deemed at risk for impairment is not material to our consolidated financial statements.

If assets are determined to be impaired, we measure the impairment charge by calculating the amount by which the asset carrying amount exceeds its estimated fair value. The determination of asset fair value is also subject to significant judgment. We generally measure estimated fair value by discounting estimated future cash flows. When fair value is measured by discounting estimated future cash flows, the assumptions used are consistent with what we believe hypothetical market participants would use. We also use a discount rate that is commensurate with the risk inherent in the projected cash flows. If these assumptions change in the future, we may be required to record impairment charges for these assets.

In 2024, we recorded impairment and closure costs, net of \$1.2 million which related to the impairment of a building at a previously relocated store and ongoing closure costs for stores which have relocated. Refer to Note 17 in the consolidated financial statements for further discussion regarding impairment and closure costs recorded in 2024, 2023, and 2022.

*Goodwill.* Goodwill is tested annually for impairment and is tested more frequently if events and circumstances indicate that the asset might be impaired. An impairment loss is recognized to the extent that the carrying amount exceeds the fair value of the reporting unit, up to the amount of goodwill recorded. Goodwill is required to be tested for impairment at the reporting unit level, or the level of internal reporting that reflects the way in which an entity manages its businesses. A reporting unit is defined as an operating segment, or one level below an operating segment. Our reporting units are at the concept level. An entity may first assess qualitative factors in order to determine whether it is more likely than not that the fair value of the reporting unit is less than its carrying amount. The entity may also elect to bypass the qualitative assessment and determine the fair value of the reporting unit and compare it to its carrying amount. The fair value of the reporting unit may be based on several valuation approaches including capitalization of earnings, discounted cash flows, comparable public company market multiples, and comparable acquisition market multiples.

At December 31, 2024, our Texas Roadhouse reporting unit had allocated goodwill of \$169.7 million. No other reporting units had goodwill balances.

In performing the qualitative assessment, we reviewed factors such as macroeconomic conditions, industry and market considerations, cost factors, changes in management or key personnel, sustained decreases in share price, and the overall financial performance of the Company's Texas Roadhouse reporting unit. As a result of the qualitative assessment, no indicators of impairment were identified, and no additional indicators of impairment were identified through the end of the fourth quarter that would require additional testing. Changes in circumstances existing at the measurement date or at other times in the future could result in an impairment loss.

### **Effects of Inflation**

During recent years, we have operated during periods of inflation, led primarily by wage and other labor inflation and commodity inflation. Some of the impacts of inflation have been offset by menu price increases and other adjustments. Whether we are able and/or choose to continue to offset the effects of inflation will determine to what extent, if any, inflation affects our restaurant profitability in future periods.

#### **ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

We are exposed to market risk from changes in interest rates on variable rate debt and changes in commodity prices. Our exposure to interest rate fluctuations is limited to our outstanding bank debt. The terms of the credit facility require us to pay interest on outstanding borrowings at the Term Secured Overnight Financing Rate ("SOFR"), plus a fixed adjustment of 0.10% and a variable adjustment of 0.875% to 1.875% depending on our leverage ratio. As of December 31, 2024, we had no outstanding borrowings on our credit facility.

In an effort to secure high quality, low-cost ingredients used in the products sold in our restaurants, we employ various purchasing and pricing contract techniques. When purchasing certain types of commodities, we may be subject to prevailing market conditions resulting in unpredictable price volatility. For certain commodities, we may also enter into contracts for terms of one year or less that are either fixed price agreements or fixed volume agreements where the price is negotiated with reference to fluctuating market prices. We currently do not use financial instruments to hedge commodity prices, but we will continue to evaluate their effectiveness. Extreme and/or long-term increases in commodity prices could adversely affect our future results, especially if we are unable, primarily due to competitive reasons, to increase menu prices. Additionally, if there is a time lag between the increasing commodity prices and our ability to increase menu prices or if we believe the commodity price increase to be short in duration and we choose not to pass on the cost increases, our short-term financial results could be negatively affected.

We are subject to business risk as our beef supply is highly dependent upon four vendors. If these vendors are unable to fulfill their obligations under their contracts, we may encounter supply shortages and/or higher costs to secure adequate supply and a possible loss of sales, any of which would harm our business.

#### **ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY FINANCIAL DATA**

See Index to Consolidated Financial Statements at Item 15.

#### **ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE**

None.

## **ITEM 9A. CONTROLS AND PROCEDURES**

### **Evaluation of disclosure controls and procedures**

We have evaluated the effectiveness of the design and operation of our disclosure controls and procedures pursuant to, and as defined in, Rules 13a-15(e) and 15d-15(e) under the Exchange Act, as of the end of the period covered by this report. Based on the evaluation, performed under the supervision and with the participation of our management, including the Chief Executive Officer (the "CEO") and the Chief Financial Officer (the "CFO"), our management, including the CEO and CFO, concluded that our disclosure controls and procedures were effective as of December 31, 2024.

### **Changes in internal control**

There were no changes in the Company's internal control over financial reporting that occurred during the quarter ended December 31, 2024 that materially affected or are reasonably likely to materially affect, the Company's internal control over financial reporting.

### **Management's Report on Internal Control over Financial Reporting**

Under Section 404 of the Sarbanes-Oxley Act of 2002, our management is required to assess the effectiveness of the Company's internal control over financial reporting as of the end of each fiscal year and report, based on that assessment, whether the Company's internal control over financial reporting is effective.

Management of the Company is responsible for establishing and maintaining adequate internal control over financial reporting. As defined in Exchange Act Rule 13a-15(f), internal control over financial reporting is a process designed by, or under the supervision of, our principal executive and principal financial officers and effected by our Board of Directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Therefore, internal control over financial reporting determined to be effective can provide only reasonable assurance with respect to financial statement preparation and may not prevent or detect all misstatements.

Under the supervision and with the participation of our management, including our CEO and CFO, we assessed the effectiveness of the Company's internal control over financial reporting as of the end of the period covered by this report. In this assessment, the Company applied criteria based on the "Internal Control—Integrated Framework (2013)" issued by the Committee of Sponsoring Organizations of the Treadway Commission. These criteria are in the areas of control environment, risk assessment, control activities, information and communication, and monitoring. The Company's assessment included documenting, evaluating and testing the design and operating effectiveness of its internal control over financial reporting. Based upon this evaluation, our management concluded that our internal control over financial reporting was effective as of December 31, 2024.

KPMG LLP, the independent registered public accounting firm that audited our Consolidated Financial Statements included in the Annual Report on Form 10-K, has also audited the effectiveness of the Company's internal control over financial reporting as of December 31, 2024 as stated in their report at F-3.

## ITEM 9B. OTHER INFORMATION

### *Rule 10b5-1 Trading Plans*

In accordance with the disclosure requirement set forth in Item 408 of Regulation S-K, the following table discloses any executive officer or director who is subject to the filing requirements of Section 16 of the Exchange Act that adopted a Rule 10b5-1 trading arrangement during the fourth quarter ended December 31, 2024. These trading arrangements are intended to satisfy the affirmative defense conditions of Rule 10b5-1(c).

Name	Title	Adoption Date	End Date (1)	Aggregate Number of Securities to be Sold
Gerald L. Morgan	Chief Executive Officer	11/14/2024	5/14/2026	20,000
Regina A. Tobin	President	11/18/2024	11/18/2025	3,370

(1) A trading plan may expire on such earlier date that all transactions under the trading plan are completed.

Other than as disclosed above, no other executive officer or director adopted, modified, or terminated a Rule 10b5-1 or a non-Rule 10b5-1 trading arrangement during the 14 weeks ended December 31, 2024.

## ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

None.

## PART III

## ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Information regarding our directors is incorporated herein by reference to the information set forth under "Election of Directors" in our Definitive Proxy Statement to be dated on or about April 4, 2025.

Information regarding our executive officers has been included in Part I of this Annual Report under the caption "Executive Officers of the Company."

Information regarding our corporate governance is incorporated herein by reference to the information set forth in our Definitive Proxy Statement to be dated on or about April 4, 2025.

## ITEM 11. EXECUTIVE COMPENSATION

Incorporated by reference from our Definitive Proxy Statement to be dated on or about April 4, 2025.

## ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

Incorporated by reference from our Definitive Proxy Statement to be dated on or about April 4, 2025.

### Equity Compensation Plan Information

As of December 31, 2024, shares of common stock authorized for issuance under our equity compensation plans are summarized in the following table. Refer to Note 14 to the Consolidated Financial Statements for a description of the plans.

Plan Category	Shares to Be Issued Upon Vest Date (1)	Shares Available for Future Grants
Plans approved by shareholders	441,190	6,219,382
Plans not approved by shareholders	—	—
Total	441,190	6,219,382

(1) Total number of shares consist of 410,890 restricted stock units and 30,300 performance stock units. Shares in this column are excluded from the Shares Available for Future Grants column.

**ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE**

Incorporated by reference from our Definitive Proxy Statement to be dated on or about April 4, 2025.

**ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES**

Incorporated by reference from our Definitive Proxy Statement to be dated on or about April 4, 2025.

## PART IV

### ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

#### 1. Consolidated Financial Statements

Description	Page Number in Report
<a href="#">Reports of Independent Registered Public Accounting Firm</a> (PCAOB ID: 185)	F-1
<a href="#">Consolidated Balance Sheets as of December 31, 2024 and December 26, 2023</a>	F-4
<a href="#">Consolidated Statements of Income for the years ended December 31, 2024, December 26, 2023 and December 27, 2022</a>	F-5
<a href="#">Consolidated Statements of Stockholders' Equity for the years ended December 31, 2024, December 26, 2023, and December 27, 2022</a>	F-6
<a href="#">Consolidated Statements of Cash Flows for the years ended December 31, 2024, December 26, 2023, and December 27, 2022</a>	F-7
<a href="#">Notes to Consolidated Financial Statements</a>	F-8

#### 2. Financial Statement Schedules

Omitted due to inapplicability or because required information is shown in our Consolidated Financial Statements or Notes thereto.

#### 3. Exhibits

Exhibit No.	Description
3.1	<a href="#">Restated Certificate of Incorporation for Texas Roadhouse, Inc. dated as of May 16, 2024 (incorporated by reference to Exhibit 3.2 of the Registrant's Current Report on Form 8-K May 16, 2024)</a>
3.2	<a href="#">Amended and Restated Bylaws for Texas Roadhouse, Inc. dated as of May 16, 2024 (incorporated by reference to Exhibit 3.3 to the Registrant's Current Report on Form 8-K dated May 16, 2024)</a>
4.1	<a href="#">Description of Securities</a>
10.1*	<a href="#">Form of Indemnification Agreement for Director and Executive Officer (incorporated by reference to Exhibit 10.1 of Registrant's Annual Report on Form 10-K for the year ended December 28, 2021)</a>
10.2	<a href="#">Form of Limited Partnership Agreement and Operating Agreement for certain company-managed Texas Roadhouse restaurants, including schedule of the owners of such restaurants and the aggregate interests held by directors, executive officers and 5% stockholders who are parties to such an agreement (incorporated by reference to Exhibit 10.10 to the Registration Statement on Form S-1 of Registrant)</a>
10.3	<a href="#">Form of Franchise Agreement and Preliminary Agreement for a Texas Roadhouse restaurant franchise, including schedule of directors, executive officers and 5% stockholders which have entered into either agreement (incorporated by reference to Exhibit 10.14 to the Registration Statement on Form S-1 of Registrant)</a>
10.4	<a href="#">Schedule of the owners of company-managed Texas Roadhouse restaurants and the aggregate interests held by directors, executive officers and 5% stockholders who are parties to Limited Partnership Agreements and Operating Agreements as of December 31, 2024 the form of which is set forth in Exhibit 10.2 of this Form 10-K</a>
10.5	<a href="#">Schedule of the directors, executive officers and 5% stockholders which have entered into Franchise Agreements or Preliminary Agreements for a Texas Roadhouse Franchise as of December 31, 2024 the form of which is set forth in Exhibit 10.3 of this Form 10-K</a>
10.6*	<a href="#">Texas Roadhouse, Inc. 2013 Long-Term Incentive Plan (incorporated by reference from Appendix A to the Texas Roadhouse, Inc. Proxy Statement on Schedule 14A filed with the Securities and Exchange Commission on April 5, 2013)</a>
10.7*	<a href="#">Amended and Restated Form of Restricted Stock Unit Award Agreement under the Texas Roadhouse, Inc. 2013 Long-Term Incentive Plan for non-officers (incorporated by reference to Exhibit 10.41 to the Registrant's Annual Report on Form 10-K for the year ended December 30, 2014)</a>
10.8*	<a href="#">Second Amended and Restated Deferred Compensation Plan of Texas Roadhouse Management Corp., as amended December 19, 2007 and December 31, 2008 (incorporated by reference to Exhibit 10.42 to the Registrant's Annual Report on Form 10-K for the year ended December 30, 2014)</a>



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Exhibit No.	Description
10.9*	<a href="#">Third Amended and Restated Deferred Compensation Plan of Texas Roadhouse Management Corp., effective January 1, 2010 (incorporated by reference to Exhibit 10.43 to the Registrant's Annual Report on Form 10-K for the year ended December 30, 2014)</a>
10.10	<a href="#">Master Lease Agreement dated October 26, 2018 between Paragon Centre Holdings, LLC and Texas Roadhouse Holdings LLC (incorporated by reference to Exhibit 10.2 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended September 25, 2018)</a>
10.11	<a href="#">Amended and Restated Credit Agreement dated as of August 7, 2017, by and among Texas Roadhouse Inc., and the lenders named therein and JPMorgan Chase Bank, N.A., as Administrative Agent (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K dated August 7, 2017)</a>
10.12	<a href="#">Assignment and Assumption Agreement between Texas Roadhouse Holdings LLC and Texas Roadhouse, Inc. dated October 26, 2018 (incorporated by reference to Exhibit 10.27 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2019)</a>
10.13	<a href="#">First Amendment to Paragon Centre Master Lease Agreement between Paragon Centre Holdings, LLC and Texas Roadhouse, Inc. dated December 13, 2019 (incorporated by reference to Exhibit 10.28 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2019)</a>
10.14	<a href="#">First Amendment to Amended and Restated Credit Agreement, dated as of May 11, 2020, by and among Texas Roadhouse, Inc., and the lenders named therein and JPMorgan Chase Bank, N.A. as Administrative Agent (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on 8-K dated May 11, 2020)</a>
10.15	<a href="#">Second Amendment to Amended and Restated Credit Agreement dated as of May 4, 2021 by and among Texas Roadhouse, Inc. and the lenders named therein and JPMorgan Chase Bank, N.A. as Administrative Agent (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K dated May 4, 2021)</a>
10.16*	<a href="#">Texas Roadhouse, Inc. 2021 Long-Term Incentive Plan (incorporated by reference from Appendix A to the Texas Roadhouse, Inc. Proxy Statement on Schedule 14A filed with the Securities and Exchange Commission on April 2, 2021)</a>
10.17*	<a href="#">Form of Texas Roadhouse, Inc. 2021 Long-Term Incentive Plan Performance Stock Unit Award Agreement (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K dated June 15, 2021)</a>
10.18*	<a href="#">Form of Texas Roadhouse, Inc. 2021 Long-Term Incentive Plan Restricted Stock Unit Award Agreement (Officers) (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K dated June 15, 2021)</a>
10.19*	<a href="#">Form of Texas Roadhouse, Inc. 2021 Long-Term Incentive Plan Restricted Stock Unit Award Agreement (Member of Board of Directors) (incorporated by reference to Exhibit 10.1 of Registrant's Current Report on Form 8-K dated June 15, 2021)</a>
10.20*	<a href="#">Employment Agreement between Texas Roadhouse Management Corp. and Christopher C. Colson dated December 27, 2024</a>
10.21*	<a href="#">Employment Agreement between Texas Roadhouse Management Corp. and Travis C. Doster dated December 27, 2024</a>
10.22*	<a href="#">Employment Agreement between Texas Roadhouse Management Corp. and David Christopher Monroe dated December 27, 2024</a>
10.23*	<a href="#">Employment Agreement between Texas Roadhouse Management Corp. and Gerald L. Morgan dated December 27, 2024</a>
10.24*	<a href="#">Employment Agreement between Texas Roadhouse Management Corp. and Hernan E. Mujica dated December 27, 2024</a>
10.25*	<a href="#">Employment Agreement between Texas Roadhouse Management Corp. and Regina A. Tobin dated December 27, 2024</a>
10.26	<a href="#">Amendment No. 3 to Amended and Restated Credit Agreement dated May 19, 2023 by and among Texas Roadhouse, Inc., the lenders named therein and JPMorgan Chase Bank, N.A., as Administrative Agent (incorporated by reference to Exhibit 10.1 to Registrant's Current Report on Form 8-K dated May 19, 2023)</a>
10.27*	<a href="#">Form of Texas Roadhouse, Inc. 2021 Long-Term Incentive Plan Restricted Stock Unit Award Agreement (Non-Officers) (incorporated by reference to Exhibit 10.2 to Registrant's of the Registrant's Quarterly Report on Form 10-Q for the period ended September 26, 2023)</a>
19.1	<a href="#">Texas Roadhouse, Inc. Stock Trading Policy</a>

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Exhibit No.	Description
21.1	<a href="#">List of Subsidiaries</a>
23.1	<a href="#">Consent of KPMG LLP, Independent Registered Public Accounting Firm</a>
31.1	<a href="#">Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</a>
31.2	<a href="#">Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</a>
31.3	<a href="#">Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</a>
32.1	<a href="#">Certifications pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</a>
97*	<a href="#">Texas Roadhouse, Inc. Policy for Recovery of Incentive Compensation for Executive Officers dated November 9, 2023</a>
101	The following financial statements from the Texas Roadhouse, Inc. Annual Report on Form 10-K for the year ended December 31, 2024, filed February 28, 2025, formatted in inline eXtensible Business Reporting Language (iXBRL): (i) Consolidated Balance Sheets, (ii) Consolidated Statements of Income, (iii) Consolidated Statements of Stockholders' Equity, (iv) Consolidated Statements of Cash Flows, and (v) the Notes to the Consolidated Financial Statements.
104	Cover page, formatted in iXBRL and contained in Exhibit 101.

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\* Management contract or compensatory plan or arrangement required to be filed as an exhibit to Form 10-K.

**ITEM 16. FORM 10-K SUMMARY**

Not applicable.

**SIGNATURES**

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

TEXAS ROADHOUSE, INC.

By: /s/ GERALD L. MORGAN  
*Chief Executive Officer; Director*  
Date: February 28, 2025

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, this Annual Report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

<b>Signature</b>	<b>Title</b>	<b>Date</b>
<u>/s/ GERALD L. MORGAN</u> Gerald L. Morgan	Chief Executive Officer, Director (Principal Executive Officer)	February 28, 2025
<u>/s/ D. CHRISTOPHER MONROE</u> D. Christopher Monroe	Chief Financial Officer (Principal Financial Officer)	February 28, 2025
<u>/s/ KEITH V. HUMPICH</u> Keith V. Humpich	Vice President of Finance (Principal Accounting Officer)	February 28, 2025
<u>/s/ GREGORY N. MOORE</u> Gregory N. Moore	Chairman of the Board, Director	February 28, 2025
<u>/s/ JANE GROTE ABELL</u> Jane Grote Abell	Director	February 28, 2025
<u>/s/ MICHAEL A. CRAWFORD</u> Michael A. Crawford	Director	February 28, 2025
<u>/s/ DONNA E. EPPS</u> Donna E. Epps	Director	February 28, 2025
<u>/s/ WAYNE L. JONES</u> Wayne L. Jones	Director	February 28, 2025
<u>/s/ CURTIS A. WARFIELD</u> Curtis A. Warfield	Director	February 28, 2025
<u>/s/ KATHLEEN M. WIDMER</u> Kathleen M. Widmer	Director	February 28, 2025
<u>/s/ JAMES R. ZARLEY</u> James R. Zarley	Director	February 28, 2025

## **Report of Independent Registered Public Accounting Firm**

To the Stockholders and Board of Directors  
Texas Roadhouse, Inc.:

### *Opinion on the Consolidated Financial Statements*

We have audited the accompanying consolidated balance sheets of Texas Roadhouse, Inc. and subsidiaries (the Company) as of December 31, 2024 and December 26, 2023, the related consolidated statements of income, stockholders' equity, and cash flows for each of the years in the three-year period ended December 31, 2024, and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and December 26, 2023, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2024, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2024, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated February 28, 2025 expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting.

### *Basis for Opinion*

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

### *Critical Audit Matter*

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of a critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

### *Potential indicators of impairment of long-lived assets*

As discussed in Note 2 to the consolidated financial statements, the Company assesses long-lived assets, primarily related to restaurants held and used in the business, including property and equipment and right-of-use assets, for potential impairment whenever events or changes in circumstances indicate that the carrying amount of a restaurant, or asset group, may not be recoverable. Trailing 12-month cash flows under predetermined amounts at the individual restaurant level are the Company's primary indicator that the carrying amount of a restaurant may not be recoverable. Property and equipment, net of accumulated depreciation, and the operating lease right-of-use assets, net as of December 31, 2024 were \$1,617.7 million and \$769.9 million, respectively.

We identified the assessment of the Company's determination of potential indicators of impairment of long-lived assets as a critical audit matter. Subjective auditor judgement was required to evaluate the events or circumstances

indicating the carrying amount of an asset group may not be recoverable, including the determination of the cash flow thresholds and the utilization of trailing 12-month cash flows to identify a potential impairment trigger.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls over the Company's long-lived asset impairment process, including controls relating to determination and identification of potential indicators of impairment. We evaluated the Company's methodology of using trailing 12-month cash flow results under predetermined thresholds at the individual restaurant level as a potential indicator of impairment. Specifically, we evaluated the Company's assessment of the factors considered, including the cash flows at the individual restaurant level and the cash flow thresholds used in the Company's analysis. We tested that those restaurants with trailing 12-month cash flows were evaluated for potential impairment triggers, and we compared trailing 12-month cash flows used in the Company's analysis to historical financial data. We also assessed other events and circumstances that could have been indicative of a potential impairment trigger by reviewing management's development reports and related meeting minutes and the board of directors meeting minutes.

/s/ KPMG LLP

We have served as the Company's auditor since 1998.

Louisville, Kentucky  
February 28, 2025

## Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors  
Texas Roadhouse, Inc.:

### *Opinion on Internal Control Over Financial Reporting*

We have audited Texas Roadhouse, Inc. and subsidiaries' (the Company) internal control over financial reporting as of December 31, 2024, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2024, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2024 and December 26, 2023, the related consolidated statements of income, stockholders' equity, and cash flows for each of the years in the three-year period ended December 31, 2024, and the related notes (collectively, the consolidated financial statements), and our report dated February 28, 2025 expressed an unqualified opinion on those consolidated financial statements.

### *Basis for Opinion*

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

### *Definition and Limitations of Internal Control Over Financial Reporting*

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ KPMG LLP

Louisville, Kentucky  
February 28, 2025

**Texas Roadhouse, Inc. and Subsidiaries**  
**Consolidated Balance Sheets**  
(in thousands, except share and per share data)

	December 31, 2024	December 26, 2023
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 245,225	\$ 104,246
Receivables, net of allowance for doubtful accounts of \$7 at December 31, 2024 and \$35 at December 26, 2023	193,170	175,474
Inventories, net	40,756	38,320
Prepaid income taxes	—	3,262
Prepaid expenses and other current assets	37,417	35,172
Total current assets	516,568	356,474
Property and equipment, net of accumulated depreciation of \$1,223,064 at December 31, 2024 and \$1,078,855 at December 26, 2023	1,617,673	1,474,722
Operating lease right-of-use assets, net	769,865	694,014
Goodwill	169,684	169,684
Intangible assets, net of accumulated amortization of \$23,147 at December 31, 2024 and \$20,929 at December 26, 2023	1,265	3,483
Other assets	115,724	94,999
Total assets	\$ 3,190,779	\$ 2,793,376
<b>Liabilities and Stockholders' Equity</b>		
Current liabilities:		
Current portion of operating lease liabilities	\$ 28,172	\$ 27,411
Accounts payable	144,791	131,638
Deferred revenue-gift cards	401,198	373,913
Accrued wages	101,981	68,062
Income taxes payable	2,986	112
Accrued taxes and licenses	56,824	42,758
Other accrued liabilities	92,178	101,540
Total current liabilities	828,130	745,434
Operating lease liabilities, net of current portion	826,300	743,476
Restricted stock and other deposits	9,288	8,893
Deferred tax liabilities, net	8,184	23,104
Other liabilities	145,154	114,958
Total liabilities	1,817,056	1,635,865
Texas Roadhouse, Inc. and subsidiaries stockholders' equity:		
Preferred stock (\$0.001 par value, 1,000,000 shares authorized; no shares issued or outstanding)	—	—
Common stock (\$0.001 par value, 100,000,000 shares authorized, 66,574,626 and 66,789,464 shares issued and outstanding at December 31, 2024 and December 26, 2023, respectively)	67	67
Retained earnings	1,358,280	1,141,595
Total Texas Roadhouse, Inc. and subsidiaries stockholders' equity	1,358,347	1,141,662
Noncontrolling interests	15,376	15,849
Total equity	1,373,723	1,157,511
Total liabilities and equity	\$ 3,190,779	\$ 2,793,376

See accompanying Notes to Consolidated Financial Statements.



**Texas Roadhouse, Inc. and Subsidiaries**

**Consolidated Statements of Income**

**(in thousands, except per share data)**

	<b>Fiscal Year Ended</b>		
	<b>December 31, 2024</b>	<b>December 26, 2023</b>	<b>December 27, 2022</b>
Revenue:			
Restaurant and other sales	\$ 5,341,853	\$ 4,604,554	\$ 3,988,791
Franchise royalties and fees	31,479	27,118	26,128
Total revenue	<u>5,373,332</u>	<u>4,631,672</u>	<u>4,014,919</u>
Costs and expenses:			
Restaurant operating costs (excluding depreciation and amortization shown separately below):			
Food and beverage	1,785,119	1,593,852	1,378,192
Labor	1,764,740	1,539,124	1,319,959
Rent	80,560	72,766	66,834
Other operating	795,657	690,848	596,305
Pre-opening	28,090	29,234	21,883
Depreciation and amortization	178,157	153,202	137,237
Impairment and closure, net	1,226	275	1,600
General and administrative	223,264	198,382	172,712
Total costs and expenses	<u>4,856,813</u>	<u>4,277,683</u>	<u>3,694,722</u>
Income from operations	516,519	353,989	320,197
Interest income (expense), net	6,774	2,984	(124)
Equity income from investments in unconsolidated affiliates	1,197	1,351	1,239
Income before taxes	<u>524,490</u>	<u>358,324</u>	<u>321,312</u>
Income tax expense	80,145	44,649	43,715
Net income including noncontrolling interests	<u>444,345</u>	<u>313,675</u>	<u>277,597</u>
Less: Net income attributable to noncontrolling interests	<u>10,753</u>	<u>8,799</u>	<u>7,779</u>
Net income attributable to Texas Roadhouse, Inc. and subsidiaries	<u>\$ 433,592</u>	<u>\$ 304,876</u>	<u>\$ 269,818</u>
Net income per common share attributable to Texas Roadhouse, Inc. and subsidiaries:			
Basic	<u>\$ 6.50</u>	<u>\$ 4.56</u>	<u>\$ 3.99</u>
Diluted	<u>\$ 6.47</u>	<u>\$ 4.54</u>	<u>\$ 3.97</u>
Weighted average shares outstanding:			
Basic	<u>66,752</u>	<u>66,893</u>	<u>67,643</u>
Diluted	<u>67,011</u>	<u>67,149</u>	<u>67,920</u>
Cash dividends declared per share	<u>\$ 2.44</u>	<u>\$ 2.20</u>	<u>\$ 1.84</u>

See accompanying Notes to Consolidated Financial Statements.

**Texas Roadhouse, Inc. and Subsidiaries**  
**Consolidated Statements of Stockholders' Equity**  
(tabular amounts in thousands, except share data)

	Shares	Par Value	Additional Paid-in Capital	Retained Earnings	Total Texas Roadhouse, Inc. and Subsidiaries	Noncontrolling Interests	Total
Balance, December 28, 2021	69,382,418	\$ 69	\$ 114,504	\$ 943,551	\$ 1,058,124	\$ 15,360	\$ 1,073,484
Net income	—	—	—	269,818	269,818	7,779	277,597
Distributions to noncontrolling interest holders	—	—	—	—	—	(7,775)	(7,775)
Acquisition of noncontrolling interest	—	—	(1,395)	—	(1,395)	(340)	(1,735)
Dividends declared (\$1.84 per share)	—	—	—	(124,137)	(124,137)	—	(124,137)
Shares issued under share-based compensation plans including tax effects	474,771	—	—	—	—	—	—
Indirect repurchase of shares for minimum tax withholdings	(149,873)	—	(13,576)	—	(13,576)	—	(13,576)
Repurchase of shares of common stock	(2,734,005)	(2)	(123,057)	(89,800)	(212,859)	—	(212,859)
Share-based compensation	—	—	36,663	—	36,663	—	36,663
Balance, December 27, 2022	66,973,311	\$ 67	\$ 13,139	\$ 999,432	\$ 1,012,638	\$ 15,024	\$ 1,027,662
Net income	—	—	—	304,876	304,876	8,799	313,675
Distributions to noncontrolling interest holders	—	—	—	—	—	(7,974)	(7,974)
Dividends declared (\$2.20 per share)	—	—	—	(147,182)	(147,182)	—	(147,182)
Shares issued under share-based compensation plans including tax effects	391,793	—	—	—	—	—	—
Indirect repurchase of shares for minimum tax withholdings	(120,614)	—	(12,688)	—	(12,688)	—	(12,688)
Repurchase of shares of common stock, including excise taxes	(455,026)	—	(34,681)	(15,531)	(50,212)	—	(50,212)
Share-based compensation	—	—	34,230	—	34,230	—	34,230
Balance, December 26, 2023	66,789,464	\$ 67	\$ —	\$ 1,141,595	\$ 1,141,662	\$ 15,849	\$ 1,157,511
Net income	—	—	—	433,592	433,592	10,753	444,345
Distributions to noncontrolling interest holders	—	—	—	—	—	(10,361)	(10,361)
Acquisition of noncontrolling interest, net of deferred taxes	—	—	(3,297)	—	(3,297)	(865)	(4,162)
Dividends declared (\$2.44 per share)	—	—	—	(162,864)	(162,864)	—	(162,864)
Shares issued under share-based compensation plans including tax effects	358,077	—	—	—	—	—	—
Indirect repurchase of shares for minimum tax withholdings	(111,253)	—	(17,608)	—	(17,608)	—	(17,608)
Repurchase of shares of common stock, including excise taxes	(461,662)	—	(26,150)	(54,043)	(80,193)	—	(80,193)
Share-based compensation	—	—	47,055	—	47,055	—	47,055
Balance, December 31, 2024	66,574,626	\$ 67	\$ —	\$ 1,358,280	\$ 1,358,347	\$ 15,376	\$ 1,373,723

See accompanying Notes to Consolidated Financial Statements.

**Texas Roadhouse, Inc. and Subsidiaries**  
**Consolidated Statements of Cash Flows**  
(in thousands)

	Fiscal Year Ended		
	December 31, 2024	December 26, 2023	December 27, 2022
<b>Cash flows from operating activities:</b>			
Net income including noncontrolling interests	\$ 444,345	\$ 313,675	\$ 277,597
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	178,157	153,202	137,237
Deferred income taxes	(13,803)	3,115	9,456
Loss on disposition of assets	3,572	3,783	5,206
Impairment and closure costs	845	200	1,770
Equity income from investments in unconsolidated affiliates	(1,197)	(1,351)	(1,239)
Distributions of income received from investments in unconsolidated affiliates	1,133	689	1,022
Provision for doubtful accounts	(28)	(14)	33
Share-based compensation expense	47,055	34,230	36,663
Changes in operating working capital, net of acquisitions:			
Receivables	(17,668)	(24,420)	11,062
Inventories	(2,436)	105	(6,099)
Prepaid expenses and other current assets	(2,245)	(5,612)	(6,540)
Other assets	(20,097)	(22,617)	5,775
Accounts payable	13,142	23,083	5,408
Deferred revenue—gift cards	27,285	37,347	33,799
Accrued wages	33,919	13,518	(10,172)
Prepaid income taxes and income taxes payable	6,136	1,514	5,953
Accrued taxes and licenses	14,393	6,581	1,889
Other accrued liabilities	2,842	(3,460)	2,147
Operating lease right-of-use assets and lease liabilities	8,085	6,313	5,268
Other liabilities	30,194	25,103	(4,510)
Net cash provided by operating activities	<u>753,629</u>	<u>564,984</u>	<u>511,725</u>
<b>Cash flows from investing activities:</b>			
Capital expenditures—property and equipment	(354,341)	(347,034)	(246,121)
Acquisitions of franchise restaurants, net of cash acquired	—	(39,153)	(33,069)
Proceeds from sale of investments in unconsolidated affiliates	—	627	316
Proceeds from sale of property and equipment	1,441	2,110	2,269
Proceeds from sale leaseback transactions	15,999	16,283	12,871
Net cash used in investing activities	<u>(336,901)</u>	<u>(367,167)</u>	<u>(263,734)</u>
<b>Cash flows from financing activities:</b>			
Payments on revolving credit facility	—	(50,000)	(50,000)
Distributions to noncontrolling interest holders	(10,361)	(7,974)	(7,775)
Acquisitions of noncontrolling interests	(5,279)	—	(1,735)
Proceeds from restricted stock and other deposits, net	366	405	307
Indirect repurchase of shares for minimum tax withholdings	(17,608)	(12,688)	(13,576)
Repurchase of shares of common stock, including excise taxes as applicable	(80,003)	(49,993)	(212,859)
Dividends paid to shareholders	(162,864)	(147,182)	(124,137)
Net cash used in financing activities	<u>(275,749)</u>	<u>(267,432)</u>	<u>(409,775)</u>
Net increase (decrease) in cash and cash equivalents	140,979	(69,615)	(161,784)
Cash and cash equivalents—beginning of period	104,246	173,861	335,645
Cash and cash equivalents—end of period	<u>\$ 245,225</u>	<u>\$ 104,246</u>	<u>\$ 173,861</u>
<b>Supplemental disclosures of cash flow information:</b>			
Interest paid, net of amounts capitalized	\$ 891	\$ 1,119	\$ 1,547
Income taxes paid	\$ 87,333	\$ 39,861	\$ 25,910
Capital expenditures included in current liabilities	\$ 34,509	\$ 47,550	\$ 34,689

See accompanying Notes to Consolidated Financial Statements.

**Texas Roadhouse, Inc. and Subsidiaries**

**Notes to Consolidated Financial Statements**

**(Tabular amounts in thousands, except share and per share data)**

**(1) Description of Business**

Texas Roadhouse, Inc. and subsidiaries in which we have a controlling interest (collectively, the "Company," "we," "our," and/or "us"), is a growing restaurant company operating predominantly in the casual dining segment. Our late founder, W. Kent Taylor, started the business in 1993 with the opening of the first Texas Roadhouse restaurant in Clarksville, Indiana.

The Company maintains three restaurant concepts operating as Texas Roadhouse, Bubba's 33, and Jagers. As of December 31, 2024, we owned and operated 666 restaurants and franchised an additional 118 restaurants in 49 states, one U.S. territory, and ten foreign countries. Of the 118 franchise restaurants, there were 60 domestic and 58 international restaurants, including one in a U.S. territory. As of December 26, 2023, we owned and operated 635 restaurants and franchised an additional 106 restaurants in 49 states and ten foreign countries. Of the 106 franchise restaurants, 58 were domestic and 48 were international restaurants.

**(2) Summary of Significant Accounting Policies**

***Principles of Consolidation***

The accompanying consolidated financial statements present the financial position, results of operations, and cash flows of the Company. All significant intercompany balances and transactions have been eliminated in consolidation.

As of December 31, 2024 and December 26, 2023, we owned a majority interest in 19 and 20 company restaurants, respectively. The operating results of these majority-owned restaurants are consolidated and the portion of income attributable to noncontrolling interests is recorded in the line item net income attributable to noncontrolling interests in our consolidated statements of income.

As of December 31, 2024 and December 26, 2023, we owned a 5.0% to 10.0% equity interest in 20 domestic franchise restaurants. These unconsolidated restaurants are accounted for using the equity method. Our investments in these unconsolidated affiliates are included in other assets in our consolidated balance sheets, and our percentage share of net income earned by these unconsolidated affiliates is recorded in the line item equity income from investments in unconsolidated affiliates in our consolidated statements of income.

***Fiscal Year***

We utilize a 52 or 53 week accounting period that typically ends on the last Tuesday in December. We utilize a 13 week accounting period for quarterly reporting purposes, except in years containing 53 weeks when the fourth quarter contains 14 weeks. Fiscal year 2024 was 53 weeks in length and fiscal years 2023 and 2022 were 52 weeks in length. In fiscal year 2024, the additional week increased restaurant and other sales by \$114.7 million and increased net income by approximately 5% in our consolidated statements of income.

***Use of Estimates***

We have made a number of estimates and assumptions relating to the reporting of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reporting of revenue and expenses during the period to prepare these consolidated financial statements in conformity with U.S. generally accepted accounting principles ("GAAP"). Significant items subject to such estimates and assumptions include the valuation of property and equipment, goodwill, lease liabilities and right-of-use assets, obligations related to insurance reserves, legal reserves, income taxes, and gift card breakage and fees. Actual results could differ from those estimates.

**Texas Roadhouse, Inc. and Subsidiaries**

**Notes to Consolidated Financial Statements**

**(Tabular amounts in thousands, except share and per share data)**

***Segment Reporting***

Operating segments are defined as components of a company that engage in business activities from which it may earn revenue and incur expenses, and for which separate financial information is available and is regularly reviewed by the chief operating decision maker ("CODM") to assess the performance of the individual segments and make decisions about resources to be allocated to the segments. The Company's operating segments have been identified in accordance with the provisions of Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") ASC 280, *Segment Reporting*, as amended by ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosure*.

We have identified Texas Roadhouse, Bubba's 33, Jagers, and our retail initiatives as separate operating segments. In addition, we have identified Texas Roadhouse and Bubba's 33 as reportable segments. For further discussion of segment reporting, refer to Note 19.

***Cash and Cash Equivalents***

We consider all highly liquid debt instruments with original maturities of three months or less to be cash equivalents. Cash and cash equivalents also include receivables from credit card companies as these balances are highly liquid in nature and are settled within two to three business days. These amounted to \$49.4 million and \$27.8 million at December 31, 2024 and December 26, 2023, respectively.

***Receivables***

Receivables consist principally of amounts due from retail gift card providers, certain franchise restaurants for reimbursement of labor costs, pre-opening, and other expenses, and franchise restaurants for royalties and advertising fees.

Receivables are recorded at the invoiced amount and do not bear interest. The allowance for doubtful accounts is our best estimate of the amount of probable credit losses in our existing accounts receivable. We determine the allowance based on historical collection experience, adjusted for current and forecasted economic conditions and other factors such as credit risk or industry trends, and the age of receivables. We review our allowance for doubtful accounts quarterly. Past due balances over 120 days are reviewed individually for collectability. Account balances are charged off against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote.

***Inventories***

Inventories, consisting principally of food, beverages, and supplies, are valued at the lower of cost (first-in, first-out) or net realizable value.

***Property and Equipment***

Property and equipment are stated at cost less accumulated depreciation. Expenditures for major renewals and betterments are capitalized while expenditures for maintenance and repairs are expensed as incurred. Depreciation is computed on property and equipment, including assets located on leased properties, over the shorter of the estimated useful lives of the related assets or the underlying lease term using the straight-line method. In most cases, assets on leased properties are depreciated over a period of time which includes both the initial term of the lease and one or more option periods.

**Texas Roadhouse, Inc. and Subsidiaries****Notes to Consolidated Financial Statements****(Tabular amounts in thousands, except share and per share data)**

The estimated useful lives are:

Land improvements	10 - 25 years
Buildings and leasehold improvements	10 - 25 years
Furniture, fixtures and equipment	3 - 10 years

The cost of purchasing transferable liquor licenses through open markets in jurisdictions with a limited number of authorized liquor licenses are capitalized as indefinite-lived assets and included in Property and equipment, net.

***Cloud Computing Arrangements***

The Company capitalizes cloud computing implementation costs and amortizes these costs on a straight-line basis over the term of the related service agreement, including renewal periods that are reasonably certain to be exercised. Capitalized cloud computing implementation costs were \$5.9 million and \$3.0 million, net of accumulated amortization, as of December 31, 2024 and December 26, 2023, respectively. These costs are included in prepaid expenses and other current assets and other assets in our consolidated balance sheets. Related amortization expense was \$3.9 million, \$1.4 million, and \$1.0 million for the years ended December 31, 2024, December 26, 2023, and December 27, 2022, respectively, and is included in general and administrative expenses in our consolidated statements of income.

***Leases***

We recognize operating lease right-of-use assets and operating lease liabilities for real estate leases, including our restaurant leases and Support Center lease, as well as certain restaurant equipment leases based on the present value of the lease payments over the lease term. At lease inception, we include option periods that we are reasonably certain to exercise in the lease term. To determine if an option is reasonably certain to be exercised, we analyze the economic penalties that would be imposed from a failure to renew a lease, including the loss of our investment in leasehold improvements or the loss of future cash flows. We estimate the present value of lease payments based on our incremental borrowing rate which considers our estimated credit rating for a secured or collateralized instrument and corresponds to the underlying lease term. In addition, operating lease right-of-use assets are reduced for accrued rent and increased for any initial direct costs recognized at lease inception. For real estate and restaurant equipment leases commencing in 2019 and later, we account for lease and non-lease components as a single lease component. Reductions of the right-of-use asset and the changes in the lease liability are included within the changes in operating lease right-of-use assets and lease liabilities in our consolidated statements of cash flows.

Certain of our operating leases contain predetermined fixed escalations of the minimum rent over the lease term. For these leases, we recognize the related total rent expense on a straight-line basis over the lease term. We may receive rent concessions or leasehold improvement incentives upon opening a restaurant that is subject to a lease which we consider when determining straight-line rent expense. We also may receive rent holidays, which would begin on the possession date and end when the store opens, during which no cash rent payments are typically due under the terms of the lease. Rent holidays are included in the lease term when determining straight-line rent expense.

Certain of our operating leases contain clauses that provide for additional contingent rent based on a percentage of sales greater than certain specified target amounts. We recognize contingent rent expense as variable rent expense prior to the achievement of the specified target that triggers the contingent rent, provided achievement of the target is considered probable. In addition, certain of our operating leases have variable escalations of the minimum rent that depend on an index or rate. For these leases, we recognize operating lease right-of-use assets and operating lease liabilities based on the index or rate at the commencement date. Any subsequent changes to the index or rate are recognized as variable rent expense when the escalation is determinable.

Sale-leasebacks are transactions through which we sell previously acquired land at fair value and subsequently enter into a lease agreement on the same land. The resulting lease agreement is evaluated to determine classification as an operating or finance lease and is recorded based on the lease classification. Refer to Note 8 for further discussion of leases.

**Texas Roadhouse, Inc. and Subsidiaries**

**Notes to Consolidated Financial Statements**

**(Tabular amounts in thousands, except share and per share data)**

***Goodwill***

Goodwill represents the excess of cost over fair value of assets of businesses acquired. In accordance with ASC 350, *Intangibles—Goodwill and Other* ("ASC 350"), goodwill is not subject to amortization and is evaluated for impairment on an annual basis, or sooner if an event or other circumstance indicates that goodwill may be impaired. The annual assessment date is the first day of our fourth quarter.

ASC 350 requires that goodwill be tested for impairment at the reporting unit level, or the level of internal reporting that reflects the way in which an entity manages its businesses. A reporting unit is defined as an operating segment, or one level below an operating segment. Our goodwill reporting units are at the concept or operating segment level.

As stated in ASC 350, an entity may first assess qualitative factors in order to determine if it is necessary to perform the quantitative test. In 2024 and 2023, we elected to perform a qualitative assessment for our annual review of goodwill. This review included evaluating factors such as macroeconomic conditions, industry and market considerations, cost factors, changes in management or key personnel, sustained decreases in share price, and the overall financial performance of the Company's reporting units at the concept level. As a result of the qualitative assessment, no indicators of impairment were identified, and no additional indicators of impairment were identified through the end of the fiscal year that would require additional testing.

In 2024, 2023, and 2022, we determined there was no goodwill impairment. Refer to Note 7 for additional information related to goodwill and intangible assets.

***Other Assets***

Other assets consist primarily of deferred compensation plan assets, capitalized cloud computing implementation costs, investments in unconsolidated affiliates, and deposits. For further discussion of the deferred compensation plan, refer to Note 15 and Note 16.

***Impairment or Disposal of Long-lived Assets***

In accordance with ASC 360, *Property, Plant, and Equipment*, long-lived assets to be held and used in the business, such as property and equipment, operating lease right-of-use assets, and intangible assets subject to amortization, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. For the purposes of this evaluation, we define the asset group at the individual restaurant level. When we evaluate the restaurants, cash flows are the primary indicator of impairment.

Recoverability of assets to be held and used is measured by a comparison of the carrying amount of the restaurant to estimated undiscounted future cash flows expected to be generated by the restaurant. Under our policies, trailing 12-month cash flow results under a predetermined amount at the individual restaurant level signals potential impairment. In our evaluation of restaurants that do not meet the cash flow threshold, we estimate future undiscounted cash flows from operating the restaurant over its remaining useful life, which can be for a period of over 20 years. In the estimation of future cash flows, we consider the period of time the restaurant has been open, the trend of operations over such period, and future periods and expectations of future sales growth. Assumptions about important factors such as the trend of future operations and sales growth are limited to those that are supportable based upon the plans for the restaurant and actual results at comparable restaurants.

If the carrying amount of the restaurant exceeds its estimated undiscounted future cash flows, an impairment charge is recognized by the amount by which the carrying amount exceeds the estimated fair value of the assets. We generally measure fair value by discounting estimated future cash flows. When fair value is measured by discounting estimated future cash flows, the assumptions used are consistent with what we believe hypothetical market participants would use. We also use a discount rate that is commensurate with the risk inherent in the projected cash flows. The adjusted carrying amounts of assets to be held and used are depreciated over their remaining useful life. Refer to Note 17 for further discussion of amounts recorded as part of our impairment analysis.



**Texas Roadhouse, Inc. and Subsidiaries**

**Notes to Consolidated Financial Statements**

**(Tabular amounts in thousands, except share and per share data)**

***Insurance Reserves***

We self-insure a significant portion of expected losses related to employee health, workers' compensation, general liability, employment practices liability, cybersecurity, and property claims. This includes our wholly-owned captive insurance company which covers certain lines of coverage. We use third-party insurance with varying retention levels to limit our exposure to significant losses.

We record a liability for unresolved claims and for an estimate of incurred but not reported claims based on historical experience. The estimated liability is based on a number of assumptions and factors regarding economic conditions, the frequency and severity of claims, and claim development history and settlement practices. Our assumptions are reviewed, monitored, and adjusted when warranted by changing circumstances.

***Revenue Recognition***

We recognize revenue in accordance with ASC 606, *Revenue from Contracts with Customers*, which requires an entity to allocate the transaction price received from customers to each separate and distinct performance obligation and recognize revenue as these performance obligations are satisfied. We recognize revenue from company restaurant sales when food and beverage products are sold. Restaurant sales include gross food and beverage sales, net of promotions and discounts, for all company restaurants. Sales taxes collected from customers and remitted to governmental authorities are accounted for on a net basis and therefore are excluded from restaurant sales in the consolidated statements of income.

We record deferred revenue for gift cards that have been sold but not yet redeemed. When the gift cards are redeemed, we recognize restaurant sales and reduce deferred revenue. For some of the gift cards that are sold we have determined that, based on our historic gift card redemption patterns, the likelihood of redemption is remote. For these gift cards, we record a breakage adjustment as a component of restaurant and other sales in the consolidated statements of income and reduce deferred revenue by the amount never expected to be redeemed. We use historic gift card redemption patterns to determine the breakage rate to utilize and recognize the expected breakage amount in a manner generally consistent with the actual redemption pattern of the associated gift card. We review the breakage rate on an annual basis, or sooner if circumstances indicate that the rate may have significantly changed and update the rate as needed. In addition, we incur fees on all gift cards that are sold through third-party retailers. These fees are also deferred and generally recorded consistent with the actual redemption pattern of the associated gift cards and are recorded as a component of restaurant and other sales in the consolidated statements of income.

We also recognize revenue from our franchising of Texas Roadhouse and Jagers restaurants. This includes franchise royalties and domestic marketing and advertising fees, initial and upfront franchise fees, domestic and international development agreements, and supervisory and administrative service fees. We recognize franchise royalties and domestic marketing and advertising fees as franchise restaurant sales occur. For initial and upfront franchise fees and fees from development agreements, because the services we provide related to these fees do not contain separate and distinct performance obligations from the franchise right, these fees are recognized on a straight-line basis over the term of the associated franchise agreement. We recognize fees from supervision and administrative services as incurred.

***Income Taxes***

We account for income taxes in accordance with ASC 740, *Income Taxes*, under which deferred assets and liabilities are recognized based upon anticipated future tax consequences attributable to differences between financial statement carrying values of assets and liabilities and their respective tax bases. We recognize both interest and penalties on unrecognized tax benefits as part of income tax expense. A valuation allowance is established to reduce the carrying value of deferred tax assets if it is considered more likely than not that such assets will not be realized. Any change in the valuation allowance would be charged to income in the period such determination was made. For all years presented, no valuation allowances have been recorded.

**Texas Roadhouse, Inc. and Subsidiaries**

**Notes to Consolidated Financial Statements**

**(Tabular amounts in thousands, except share and per share data)**

***Advertising***

We have a domestic system-wide marketing and advertising fund. We maintain control of the marketing and advertising fund and, as such, have consolidated the fund's activity for all the years presented. Domestic company and franchise restaurants are required to remit a designated portion of sales to the advertising fund. Advertising contributions related to company restaurants are expensed as incurred and recorded as a component of other operating costs in our consolidated statements of income. Advertising contributions received from our franchisees are recorded as a component of franchise royalties and fees in our consolidated statements of income. The associated advertising expenses are recorded as incurred within general and administrative expenses in our consolidated statements of income.

Other costs related to local restaurant area marketing initiatives are included in other operating costs in our consolidated statements of income. These costs and the company restaurant advertising contribution amounted to \$31.8 million, \$28.3 million, and \$25.0 million for the years ended December 31, 2024, December 26, 2023, and December 27, 2022, respectively.

***Pre-opening Expenses***

Pre-opening expenses, which are charged to operations as incurred, consist of expenses incurred before the opening of a new or relocated restaurant and consist principally of opening team and training team compensation and benefits, travel expenses, rent, food, beverage, and other initial supplies and expenses.

***Fair Value of Financial Instruments***

Fair value is defined as the price that we would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants on the measurement date. ASC 820, *Fair Value Measurement*, establishes a framework for measuring fair value and expands disclosures about fair value measurements. This includes a three-level hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs in measuring fair value. The valuation hierarchy is based upon the transparency of inputs to the valuation of an asset or liability on the measurement date.

Level 1	Inputs based on quoted prices in active markets for identical assets.
Level 2	Inputs other than quoted prices included within Level 1 that are observable for the assets, either directly or indirectly.
Level 3	Inputs that are unobservable for the asset.

Fair value measurements are separately disclosed by level within the fair value hierarchy. Refer to Note 16 for further discussion of fair value measurement.

***Recently Adopted Accounting Pronouncements***

In November 2023, the FASB issued ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosure*. This ASU primarily provides enhanced disclosures about significant segment expenses including requiring segment disclosures to include a description of other segment items by reportable segment and any additional measures of a segment's profit or loss used by the CODM when deciding how to allocate resources. The ASU also requires all annual disclosures currently required by Topic 280 to be included in interim periods as well as the title of the CODM and an explanation of how the CODM uses the reported measure of segment profit or loss in assessing performance and allocating resources. The amendments in this update are effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. We adopted this guidance during the fourth quarter of the 2024 fiscal year and provided additional detail and disclosures in our segment reporting disclosures. Refer to Note 19 for further discussion of segment reporting.

# Texas Roadhouse, Inc. and Subsidiaries

## Notes to Consolidated Financial Statements

(Tabular amounts in thousands, except share and per share data)

### Recently Issued Accounting Pronouncements

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*. This ASU primarily provides enhanced disclosures about an entity's income tax including requiring consistent categories and greater disaggregation of the information included in the rate reconciliation and income taxes paid disaggregated by jurisdiction. The amendments in this update are effective for fiscal years beginning after December 15, 2024, and interim periods within fiscal years beginning after December 15, 2025. We are currently assessing the impact of this new standard on our income tax disclosures and expect to provide additional detail and disclosures under this new guidance.

In November 2024, the FASB issued ASU 2024-03, *Income Statement – Reporting Comprehensive Income (Subtopic 220-40): Disaggregation of Income Statement Expenses*. This ASU primarily provides enhanced disclosures about the components of expenses within the income statement including purchases of inventory, employee compensation, depreciation, and intangible asset amortization. The amendments in this update are effective for fiscal years beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027. We are currently assessing the impact of this new standard on our disclosures and expect to provide additional detail and disclosures under this new guidance.

### (3) Revenue

The following table disaggregates our revenue by major source:

	Fiscal Year Ended		
	December 31, 2024	December 26, 2023	December 27, 2022
Restaurant and other sales	\$ 5,341,853	\$ 4,604,554	\$ 3,988,791
Franchise royalties	28,342	24,169	23,058
Franchise fees	3,137	2,949	3,070
Total revenue	<u>\$ 5,373,332</u>	<u>\$ 4,631,672</u>	<u>\$ 4,014,919</u>

The following table presents a rollforward of deferred revenue-gift cards:

	Fiscal Year Ended	
	December 31, 2024	December 26, 2023
Beginning balance	\$ 373,913	\$ 335,403
Gift card activations, net of third-party fees	479,244	420,047
Gift card redemptions and breakage	(451,959)	(381,537)
Ending balance	<u>\$ 401,198</u>	<u>\$ 373,913</u>

We recognized restaurant sales of \$234.0 million for the year ended December 31, 2024 related to amounts in deferred revenue as of December 26, 2023. We recognized restaurant sales of \$209.2 million for the year ended December 26, 2023 related to amounts in deferred revenue as of December 27, 2022.

### (4) Acquisitions

On December 28, 2022, the first day of the 2023 fiscal year, we completed the acquisition of eight franchise Texas Roadhouse restaurants located in Maryland and Delaware, including four in which we previously held a 5.0% equity interest. Pursuant to the terms of the acquisition agreements, we paid a total purchase price of \$39.1 million, net of cash acquired. The transactions in which we held an equity interest were accounted for as step acquisitions, and we recorded a gain of \$0.6 million on our previous investments in equity income from investments in unconsolidated affiliates in the consolidated statements of income.

**Texas Roadhouse, Inc. and Subsidiaries****Notes to Consolidated Financial Statements****(Tabular amounts in thousands, except share and per share data)**

These transactions were accounted for using the acquisition method as defined in ASC 805, *Business Combinations*. These acquisitions are consistent with our long-term strategy to increase net income and earnings per share.

The following table summarizes the consideration paid for these acquisitions and the estimated fair value of the assets acquired and the liabilities assumed at the acquisition date, which are adjusted for final measurement-period adjustments.

Inventory	\$ 410
Property and equipment	17,763
Operating lease right-of-use assets	4,775
Goodwill	20,067
Intangible assets	1,700
Other assets	293
Deferred revenue-gift cards	(1,164)
Current portion of operating lease liabilities	(110)
Operating lease liabilities, net of current portion	(4,665)
	<u>\$ 39,069</u>

Intangible assets represent reacquired franchise rights which are being amortized over a weighted-average useful life of 2.2 years. We expect all of the goodwill will be deductible for tax purposes and believe the resulting amount of goodwill reflects the benefit of sales and unit growth opportunities as well as the benefit of the assembled workforce of the acquired restaurants.

**(5) Long-term Debt**

We maintain a revolving credit facility (the "credit facility") with a syndicate of commercial lenders led by JPMorgan Chase Bank, N.A. and PNC Bank, N.A. The credit facility is an unsecured, revolving credit agreement and has a borrowing capacity of up to \$300.0 million with the option to increase by an additional \$200.0 million subject to certain limitations, including approval by the syndicate of commercial lenders. The credit facility has a maturity date of May 1, 2026.

We are required to pay interest on outstanding borrowings at the Term Secured Overnight Financing Rate ("SOFR"), plus a fixed adjustment of 0.10% and a variable adjustment of 0.875% to 1.875% depending on our consolidated leverage ratio.

As of December 31, 2024, we had no outstanding borrowings under the credit facility and had \$296.8 million of availability, net of \$3.2 million of outstanding letters of credit. As of December 26, 2023, we had no outstanding borrowings under the credit facility and had \$295.3 million of availability, net of \$4.7 million of outstanding letters of credit.

The interest rate for the credit facility as of December 31, 2024 and December 26, 2023 was 5.47% and 6.23%, respectively.

The lenders' obligation to extend credit pursuant to the credit facility depends on us maintaining certain financial covenants, including a minimum consolidated fixed charge coverage ratio and a maximum consolidated leverage ratio. The credit facility permits us to incur additional secured or unsecured indebtedness, except for the incurrence of secured indebtedness that in the aggregate is equal to or greater than \$125.0 million and 20% of our consolidated tangible net worth. We were in compliance with all financial covenants as of December 31, 2024.

**Texas Roadhouse, Inc. and Subsidiaries**

**Notes to Consolidated Financial Statements**

(Tabular amounts in thousands, except share and per share data)

**(6) Property and Equipment, Net**

Property and equipment were as follows:

	<u>December 31, 2024</u>	<u>December 26, 2023</u>
Land and improvements	\$ 174,027	\$ 165,919
Buildings and leasehold improvements	1,523,169	1,369,400
Furniture, fixtures, and equipment	1,027,644	908,489
Construction in progress	98,662	93,527
Liquor licenses	17,235	16,242
	<u>2,840,737</u>	<u>2,553,577</u>
Accumulated depreciation and amortization	(1,223,064)	(1,078,855)
Total property and equipment, net	<u>\$ 1,617,673</u>	<u>\$ 1,474,722</u>

For the year ended December 31, 2024, there was no interest capitalized in connection with restaurant construction. For the years ended December 26, 2023 and December 27, 2022, the amount of interest capitalized in connection with restaurant construction was \$0.5 million and \$1.3 million, respectively.

**(7) Goodwill and Intangible Assets**

All of our goodwill and intangible assets reside within the Texas Roadhouse reportable segment. The gross carrying amounts of goodwill and intangible assets were as follows:

	<u>Goodwill</u>	<u>Intangible Assets</u>
Balance as of December 27, 2022	\$ 148,732	\$ 5,607
Additions	20,952	900
Amortization expense	—	(3,024)
Balance as of December 26, 2023	\$ 169,684	\$ 3,483
Additions	—	—
Amortization expense	—	(2,218)
Balance as of December 31, 2024	<u>\$ 169,684</u>	<u>\$ 1,265</u>

As of December 31, 2024, the gross carrying amount and accumulated amortization of the intangible assets were \$24.4 million and \$23.1 million, respectively. As of December 26, 2023, the gross carrying amount and accumulated amortization of the intangible assets were \$24.4 million and \$20.9 million, respectively.

Intangible assets consist of reacquired franchise rights. We amortize reacquired franchise rights on a straight-line basis over the remaining term of the franchise operating agreements, which varies by franchise agreement. Amortization expense for the next three years is expected to range from zero to \$1.2 million. Refer to Note 4 for discussion of the acquisitions completed for the year ended December 26, 2023.

**Texas Roadhouse, Inc. and Subsidiaries****Notes to Consolidated Financial Statements****(Tabular amounts in thousands, except share and per share data)****(8) Leases**

We recognize right-of-use assets and lease liabilities for both real estate and equipment leases that have a term in excess of one year. As of December 31, 2024 and December 26, 2023, these amounts were as follows:

	December 31, 2024		
	Real estate	Equipment	Total
Operating lease right-of-use assets	\$ 764,135	\$ 5,730	\$ 769,865
Current portion of operating lease liabilities	26,501	1,671	28,172
Operating lease liabilities, net of current portion	823,240	3,060	826,300
Total operating lease liabilities	<u>\$ 849,741</u>	<u>\$ 4,731</u>	<u>\$ 854,472</u>

	December 26, 2023		
	Real estate	Equipment	Total
Operating lease right-of-use assets	\$ 686,271	\$ 7,743	\$ 694,014
Current portion of operating lease liabilities	25,812	1,599	27,411
Operating lease liabilities, net of current portion	740,446	3,030	743,476
Total operating lease liabilities	<u>\$ 766,258</u>	<u>\$ 4,629</u>	<u>\$ 770,887</u>

**Texas Roadhouse, Inc. and Subsidiaries**

**Notes to Consolidated Financial Statements**

(Tabular amounts in thousands, except share and per share data)

Information related to our real estate operating leases for the fiscal years ended December 31, 2024 and December 26, 2023 were as follows:

Real estate costs	Fiscal Year Ended	
	December 31, 2024	December 26, 2023
Operating lease	\$ 82,739	\$ 75,068
Variable lease	7,007	5,079
Total lease costs	<u>\$ 89,746</u>	<u>\$ 80,147</u>

Real estate lease liabilities maturity analysis	December 31, 2024
2025	\$ 79,801
2026	80,985
2027	82,040
2028	83,220
2029	84,257
Thereafter	1,061,956
Total	<u>1,472,259</u>
Less interest	622,518
Total discounted operating lease liabilities	<u>\$ 849,741</u>

Real estate leases other information	Fiscal Year Ended	
	December 31, 2024	December 26, 2023
Cash paid for amounts included in measurement of operating lease liabilities	\$ 74,654	\$ 68,755
Right-of-use assets obtained in exchange for new operating lease liabilities	\$ 104,548	\$ 83,310
Weighted-average remaining lease term (years)	17.35	17.71
Weighted-average discount rate	6.53 %	6.49 %

Operating lease payments exclude \$48.0 million of future minimum lease payments for executed real estate leases of which we have not yet taken possession. In addition to the above operating leases, as of December 31, 2024, we had two finance leases with a right-of-use asset balance and lease liability balance of \$1.9 million and \$2.8 million, respectively. As of December 26, 2023, we had two finance leases with a right-of-use asset balance and lease liability balance of \$2.0 million and \$2.8 million, respectively. The right-of-use asset balance is included as a component of other assets and the lease liability balance as a component of other liabilities in the consolidated balance sheets.

In 2024, we entered into five sale leaseback transactions that generated proceeds of \$16.0 million and no gain or loss was recognized on these transactions. In 2023, we entered into six sale leaseback that generated proceeds of \$16.3 million and no gain or loss was recognized on these transactions. The resulting operating leases are included in the operating lease right-of-use assets and lease liabilities noted above.



**Texas Roadhouse, Inc. and Subsidiaries**

**Notes to Consolidated Financial Statements**

(Tabular amounts in thousands, except share and per share data)

**(9) Income Taxes**

Components of our income tax expense for the years ended December 31, 2024, December 26, 2023, and December 27, 2022 were as follows:

	Fiscal Year Ended		
	December 31, 2024	December 26, 2023	December 27, 2022
Current:			
Federal	\$ 63,816	\$ 21,694	\$ 15,549
State	28,992	19,105	18,120
Foreign	1,140	735	590
Total current	93,948	41,534	34,259
Deferred:			
Federal	(11,096)	4,518	9,664
State	(2,707)	(1,403)	(208)
Total deferred	(13,803)	3,115	9,456
Income tax expense	\$ 80,145	\$ 44,649	\$ 43,715

Our pre-tax income is substantially derived from domestic restaurants.

A reconciliation of the statutory federal income tax rate to our effective tax rate for December 31, 2024, December 26, 2023, and December 27, 2022 is as follows:

	Fiscal Year Ended		
	December 31, 2024	December 26, 2023	December 27, 2022
Tax at statutory federal rate	21.0 %	21.0 %	21.0 %
State and local tax, net of federal benefit	3.6	3.6	3.7
FICA tip tax credit	(8.7)	(11.1)	(10.5)
Work opportunity tax credit	(0.5)	(1.0)	(1.3)
Share-based compensation	(0.9)	(0.5)	(0.1)
Net income attributable to noncontrolling interests	(0.4)	(0.4)	(0.4)
Officers compensation	0.6	0.6	0.7
Other	0.6	0.3	0.5
Total	15.3 %	12.5 %	13.6 %

**Texas Roadhouse, Inc. and Subsidiaries**

**Notes to Consolidated Financial Statements**

**(Tabular amounts in thousands, except share and per share data)**

Components of deferred tax liabilities, net were as follows:

	<u>December 31, 2024</u>	<u>December 26, 2023</u>
Deferred tax assets:		
Deferred revenue—gift cards	\$ 35,915	\$ 32,999
Insurance reserves	11,768	8,351
Other reserves	2,027	1,884
Share-based compensation	7,635	5,241
Operating lease liabilities	212,341	191,422
Deferred compensation	26,241	21,697
Tax credit carryforwards	—	45
Other assets	4,430	3,907
Total deferred tax asset	<u>300,357</u>	<u>265,546</u>
Deferred tax liabilities:		
Property and equipment	(91,161)	(90,638)
Goodwill and intangibles	(8,693)	(9,116)
Operating lease right-of-use asset	(191,065)	(171,999)
Other liabilities	(17,622)	(16,897)
Total deferred tax liability	<u>(308,541)</u>	<u>(288,650)</u>
Net deferred tax liability	<u>\$ (8,184)</u>	<u>\$ (23,104)</u>

We have not provided a valuation allowance for any of our deferred tax assets as their realization is more likely than not.

A reconciliation of the beginning and ending liability for unrecognized tax benefits was as follows:

Balance at December 27, 2022	\$ 3,925
Additions to tax positions related to prior years	964
Additions to tax positions related to current year	139
Reductions due to statute expiration	(246)
Reductions due to exam settlement	—
Balance at December 26, 2023	4,782
Additions to tax positions related to prior years	317
Additions to tax positions related to current year	383
Reductions due to statute expiration	—
Reductions due to exam settlement	(221)
Balance at December 31, 2024	<u>\$ 5,261</u>

As of December 31, 2024 and December 26, 2023, the amount of unrecognized tax benefits that would impact the effective tax rate if recognized was \$2.9 million and \$2.5 million, respectively.

As of December 31, 2024 and December 26, 2023, the total amount of accrued penalties and interest related to uncertain tax provisions was recognized as a part of income tax expense and these amounts were not material.

All entities for which unrecognized tax benefits exist as of December 31, 2024 possess a December tax year-end. As a result, as of December 31, 2024, the tax years ended December 26, 2023, December 27, 2022, and December 28, 2021 remain subject to examination by all tax jurisdictions. As of December 31, 2024, no audits were in process by a tax jurisdiction that, if completed during the next twelve months, would be expected to result in a material change to our unrecognized tax benefits. Additionally, as of December 31, 2024, no event occurred that is likely to result in a significant increase or decrease in the unrecognized tax benefits through December 30, 2025.

## Texas Roadhouse, Inc. and Subsidiaries

### Notes to Consolidated Financial Statements

(Tabular amounts in thousands, except share and per share data)

#### (10) Preferred Stock

Our Board of Directors (the "Board") is authorized, without further vote or action by the holders of common stock, to issue from time to time up to an aggregate of 1,000,000 shares of preferred stock in one or more series. Each series of preferred stock will have the number of shares, designations, preferences, voting powers, qualifications, and special or relative rights or privileges as shall be determined by the Board, which may include, but are not limited to, dividend rights, voting rights, redemption and sinking fund provisions, liquidation preferences, conversion rights, and preemptive rights. There were no shares of preferred stock outstanding as of December 31, 2024 and December 26, 2023.

#### (11) Stock Repurchase Program

On March 17, 2022, our Board approved a stock repurchase program for the repurchase of up to \$300.0 million of our common stock. This stock repurchase program has no expiration date. All repurchases to date under our stock repurchase programs have been made through open market transactions. The timing and the amount of any repurchases are determined by management under parameters approved by the Board, based on an evaluation of our stock price, market conditions, and other corporate considerations, including complying with Rule 10b5-1 trading arrangements under the Securities Exchange Act of 1934, as amended.

For the year ended December 31, 2024, we paid \$79.8 million, excluding excise taxes, to repurchase 461,662 shares of our common stock. For the year ended December 26, 2023, we paid \$50.0 million, excluding excise taxes, to repurchase 455,026 shares of our common stock. As of December 31, 2024, we had \$37.1 million remaining under our authorized stock repurchase program. Refer to Note 20 for further discussion of our authorized stock repurchase program.

#### (12) Earnings Per Share

The share and net income per share data for all periods presented are based on the historical weighted-average shares outstanding. The diluted earnings per share calculations show the effect of the weighted-average restricted stock units outstanding from our equity incentive plans. Performance stock units are not included in the diluted earnings per share calculation until the performance-based criteria have been met. Refer to Note 14 for further discussion of our equity incentive plans.

For all periods presented, the weighted-average shares of nonvested stock units that were outstanding but not included in the computation of diluted earnings per share because they would have had an anti-dilutive effect were not significant.

The following table sets forth the calculation of earnings per share and weighted average shares outstanding as presented in the accompanying consolidated statements of income:

	Fiscal Year Ended		
	December 31, 2024	December 26, 2023	December 27, 2022
Net income attributable to Texas Roadhouse, Inc. and subsidiaries	\$ 433,592	\$ 304,876	\$ 269,818
Basic EPS:			
Weighted-average common shares outstanding	66,752	66,893	67,643
Basic EPS	\$ 6.50	\$ 4.56	\$ 3.99
Diluted EPS:			
Weighted-average common shares outstanding	66,752	66,893	67,643
Dilutive effect of nonvested stock units	259	256	277
Shares-diluted	67,011	67,149	67,920
Diluted EPS	\$ 6.47	\$ 4.54	\$ 3.97

**Texas Roadhouse, Inc. and Subsidiaries**

**Notes to Consolidated Financial Statements**

**(Tabular amounts in thousands, except share and per share data)**

**(13) Commitments and Contingencies**

The estimated cost of completing capital project commitments at December 31, 2024 and December 26, 2023 was \$243.6 million and \$237.4 million, respectively.

As of December 31, 2024 and December 26, 2023, we are contingently liable for \$9.4 million and \$10.4 million, respectively, for seven lease guarantees. These amounts represent the maximum potential liability of future payments under the guarantees. In the event of default, the indemnity and default clauses in our assignment agreements govern our ability to pursue and recover damages incurred. No liabilities have been recorded as of December 31, 2024 or December 26, 2023, as the likelihood of default was deemed to be less than probable and the fair value of the guarantees is not considered significant.

During the year ended December 31, 2024, we bought our beef primarily from four suppliers. Although there are a limited number of beef suppliers, we believe that other suppliers could provide a similar product on comparable terms. We have no material minimum purchase commitments with our vendors that extend beyond a year.

Occasionally, we are a defendant in litigation arising in the ordinary course of business, including "slip and fall" accidents, employment related claims, dram shop statutes related to our service of alcohol, and claims from guests or employees alleging illness, injury or food quality, health, or operational concerns. None of these types of litigation, most of which are covered by insurance, has had a material effect on us and, as of the date of this report, we are not party to any litigation that we believe could have a material adverse effect on our business.

**(14) Share-based Compensation**

On May 13, 2021, our shareholders approved the Texas Roadhouse, Inc. 2021 Long-Term Incentive Plan (the "Plan"). The Plan provides for the granting of various forms of equity awards including options, stock appreciation rights, full value awards, and performance-based awards.

The Company provides restricted stock units ("RSUs") to employees as a form of share-based compensation. A RSU is the conditional right to receive one share of common stock upon satisfaction of the vesting requirement. In addition to RSUs, the Company provides performance stock units ("PSUs") to certain members of management as a form of share-based compensation. A PSU is the conditional right to receive one share of common stock upon meeting a performance obligation along with the satisfaction of the vesting requirement.

The following table summarizes share-based compensation expense recorded in the accompanying consolidated statements of income:

	Fiscal Year Ended		
	December 31, 2024	December 26, 2023	December 27, 2022
Labor expense	\$ 16,277	\$ 11,470	\$ 10,656
General and administrative expense	30,778	22,760	26,007
Total share-based compensation expense	<u>\$ 47,055</u>	<u>\$ 34,230</u>	<u>\$ 36,663</u>

We recognize expense for RSUs and PSUs over the vesting term based on the grant date fair value of the award. We record forfeitures as they occur. Activity for our share-based compensation by type of grant for the fiscal year ended December 31, 2024 is presented below.

**Texas Roadhouse, Inc. and Subsidiaries**

**Notes to Consolidated Financial Statements**

(Tabular amounts in thousands, except share and per share data)

*Summary Details for RSUs*

	Shares	Weighted-Average Grant Date Fair Value	Weighted-Average Remaining Contractual Term (years)	Aggregate Intrinsic Value
Outstanding at December 26, 2023	442,327	\$ 98.41		
Granted	306,099	158.64		
Forfeited	(22,733)	123.05		
Vested	(314,803)	99.10		
Outstanding at December 31, 2024	410,890	\$ 141.43	0.9	\$ 74,052

As of December 31, 2024, with respect to unvested RSUs, there was \$25.1 million of unrecognized compensation cost that is expected to be recognized over a weighted-average period of 0.9 years. The vesting terms of all RSUs range from 1.0 to 5.0 years. The total intrinsic value of RSUs vested during the years ended December 31, 2024, December 26, 2023, and December 27, 2022 was \$49.9 million, \$37.8 million, and \$37.1 million, respectively. The excess tax benefit associated with vested RSUs for the years ended December 31, 2024, December 26, 2023, and December 27, 2022 was \$4.4 million, \$1.7 million, and \$0.4 million, respectively, which was recognized in the income tax provision.

*Summary Details for PSUs*

	Shares	Weighted-Average Grant Date Fair Value	Weighted-Average Remaining Contractual Term (years)	Aggregate Intrinsic Value
Outstanding at December 26, 2023	35,700	\$ 94.61		
Granted	28,600	118.30		
Performance shares adjustment (1)	9,274	94.17		
Forfeited	—	—		
Vested	(43,274)	94.17		
Outstanding at December 31, 2024	30,300	\$ 117.46	0.1	\$ 5,460

(1) Additional shares from the January 2023 PSU grant that vested in January 2024 due to exceeding the initial 100% target.

We grant PSUs to certain members of management subject the achievement of certain earnings targets, which determine the number of units to vest at the end of the vesting period. Share-based compensation expense is recognized for the number of units expected to vest at the end of the period and is expensed beginning on the grant date and through the performance period. For each grant, PSUs vest after meeting the performance and service conditions. The total intrinsic value of PSUs vested during the years ended December 31, 2024, December 26, 2023, and December 27, 2022 was \$6.4 million, \$3.3 million, and \$5.4 million, respectively.

On January 8, 2025, approximately 41,000 shares vested related to the January 2024 PSU grant and are expected to be distributed in February 2025. As of December 31, 2024, with respect to unvested PSUs, there was \$0.1 million of unrecognized compensation cost that is expected to be recognized over a weighted-average period of 0.1 years. The allowable excess tax benefit associated with vested PSUs for the years ended December 31, 2024, December 26, 2023, and December 27, 2022 was not significant.

**(15) Employee Benefit Plans**

We have a defined contribution benefit plan ("401(k) Plan") that is available to our Support Center employees and managers in our restaurants who meet certain compensation and eligibility requirements. The 401(k) Plan allows participating employees to defer the receipt of a portion of their compensation and contribute such amount to one or more investment options, and the Company matches a certain percentage of the employee contributions. For the year ended December 31, 2024, company contributions totaling \$8.4 million and \$2.1 million were recorded in labor expense

**Texas Roadhouse, Inc. and Subsidiaries****Notes to Consolidated Financial Statements**

(Tabular amounts in thousands, except share and per share data)

and general and administrative expense, respectively, within the consolidated statements of income. For the year ended December 26, 2023, company contributions totaling \$7.1 million and \$1.8 million were recorded in labor expense and general and administrative expense, respectively, within the consolidated statements of income.

We also have a deferred compensation plan which allows highly compensated employees to defer a portion of their compensation and contribute such amounts to one or more investment funds held in a rabbi trust. Beginning in 2023, we implemented a company match of a certain percentage of the employee contributions to the deferred compensation plan. For the years ended December 31, 2024 and December 26, 2023, company contributions totaling \$1.6 million and \$1.5 million were recorded in labor expense and general and administrative expense, respectively, within the consolidated statements of income. Refer to Note 16 for further discussion on the fair value measurement of the deferred compensation plan assets and liabilities.

**(16) Fair Value Measurement**

At December 31, 2024 and December 26, 2023, the fair values of cash and cash equivalents, accounts receivable, and accounts payable approximated their carrying values based on the short-term nature of these instruments. There were no transfers among levels within the fair value hierarchy during the year ended December 31, 2024.

The following table presents the fair values for our financial assets and liabilities measured on a recurring basis:

	Fair Value Measurements		
	Level	December 31, 2024	December 26, 2023
Deferred compensation plan—assets	1	\$ 101,071	\$ 81,316
Deferred compensation plan—liabilities	1	\$ (101,071)	\$ (81,222)

We report the accounts of the deferred compensation plan in other assets and the corresponding liability in other liabilities in our consolidated balance sheets. These investments are considered trading securities and are reported at fair value based on quoted market prices. The realized and unrealized holding gains and losses related to these investments, as well as the offsetting compensation expense, are recorded in general and administrative expense in the consolidated statements of income.

**(17) Impairment and Closure Costs**

We recorded impairment and closure costs of \$1.2 million, \$0.3 million and \$1.6 million for the years ended December 31, 2024, December 26, 2023, and December 27, 2022, respectively.

Impairment and closure costs in 2024 included \$0.8 million related to the impairment of a building at a previously relocated store and \$0.4 million related to ongoing closure costs for stores which have been relocated.

Impairment and closure costs in 2023 included \$0.3 million related to ongoing closure costs for stores which have been relocated.

Impairment and closure costs in 2022 included \$1.7 million related to the impairment of the land, building, and operating lease right-of-use assets at three restaurants, two of which were relocated and \$0.6 million related to ongoing closure costs. This was partially offset by a \$0.7 million gain on the sale of land and building that was previously classified as assets held for sale.

**(18) Related Party Transactions**

As of December 31, 2024, December 26, 2023 and December 27, 2022, we had four franchise restaurants and one majority-owned company restaurant owned in part by a current officer of the Company. We recognized revenue of \$2.1 million, \$2.0 million, and \$1.8 million for the years ended December 31, 2024, December 26, 2023, and December 27, 2022, respectively, related to the four franchise restaurants.

**Texas Roadhouse, Inc. and Subsidiaries**

**Notes to Consolidated Financial Statements**

**(Tabular amounts in thousands, except share and per share data)**

**(19) Segment Information**

Our CODM is the Chief Executive Officer. The CODM assesses the performance of the business and allocates resources at the concept level and as a result we have identified Texas Roadhouse, Bubba's 33, Jagers, and our retail initiatives as separate operating segments. Our reportable segments are Texas Roadhouse and Bubba's 33. The Texas Roadhouse reportable segment includes the results of our company and franchise Texas Roadhouse restaurants. The Bubba's 33 reportable segment includes the results of our company Bubba's 33 restaurants. Our remaining operating segments, which include the results of our company and franchise Jagers restaurants and the results of our retail initiatives, are included in Other. In addition, corporate-related assets, depreciation and amortization, and capital expenditures are also included in Other.

The CODM uses restaurant margin as the primary financial measure for assessing the performance of our segments. Restaurant margin represents restaurant and other sales less restaurant-level operating costs, including food and beverage costs, labor, rent, and other operating costs. Restaurant margin is also used by our CODM to evaluate core restaurant-level operating efficiency and performance, assist in the evaluation of operating trends over time, and in making capital allocation decisions. Capital allocation decisions include approving new store openings and the refurbishment or relocation of existing restaurants.

In calculating restaurant margin, we exclude certain non-restaurant-level costs that support operations, including pre-opening and general and administrative expenses, but do not have a direct impact on restaurant-level operational efficiency and performance. We exclude pre-opening expenses as they occur at irregular intervals and would impact comparability to prior period results. We exclude depreciation and amortization expenses, substantially all of which relate to restaurant-level assets, as it represents a non-cash charge for the investment in our restaurants. We exclude impairment and closure expenses as we believe this provides a clearer perspective of the Company's ongoing operating performance and a more useful comparison to prior period results. Restaurant margin as presented may not be comparable to other similarly titled measures of other companies in our industry.

Restaurant and other sales for all operating segments are derived primarily from food and beverage sales. We do not rely on any major customer as a source of sales and the customers and assets of our reportable segments are located predominantly in the United States. There are no material transactions between reportable segments.

**Texas Roadhouse, Inc. and Subsidiaries**

**Notes to Consolidated Financial Statements**

**(Tabular amounts in thousands, except share and per share data)**

The following tables reconcile our segment results to our consolidated results reported in accordance with GAAP:

	<b>Fiscal Year Ended December 31, 2024</b>			
	<b>Texas Roadhouse</b>	<b>Bubba's 33</b>	<b>Other</b>	<b>Total</b>
Restaurant and other sales	\$ 5,012,707	\$ 297,608	\$ 31,538	\$ 5,341,853
Restaurant operating costs (excluding depreciation and amortization):				
Food and Beverage	1,691,302	83,701	10,116	1,785,119
Labor	1,646,437	108,306	9,997	1,764,740
Rent	72,060	7,677	823	80,560
Other Operating	737,909	51,502	6,246	795,657
Restaurant margin	<u>\$ 864,999</u>	<u>\$ 46,422</u>	<u>\$ 4,356</u>	<u>\$ 915,777</u>
Depreciation and amortization	\$ 149,934	\$ 16,447	\$ 11,776	\$ 178,157
Segment assets	2,488,679	255,320	446,780	3,190,779
Capital expenditures	304,259	38,557	11,525	354,341

	<b>Fiscal Year Ended December 26, 2023</b>			
	<b>Texas Roadhouse</b>	<b>Bubba's 33</b>	<b>Other</b>	<b>Total</b>
Restaurant and other sales	\$ 4,331,823	\$ 247,195	\$ 25,536	\$ 4,604,554
Restaurant operating costs (excluding depreciation and amortization):				
Food and Beverage	1,514,421	71,101	8,330	1,593,852
Labor	1,438,802	92,241	8,081	1,539,124
Rent	65,519	6,624	623	72,766
Other Operating	641,923	43,287	5,638	690,848
Restaurant margin	<u>\$ 671,158</u>	<u>\$ 33,942</u>	<u>\$ 2,864</u>	<u>\$ 707,964</u>
Depreciation and amortization	\$ 126,719	\$ 14,210	\$ 12,273	\$ 153,202
Segment assets	2,290,213	232,086	271,077	2,793,376
Capital expenditures	306,599	27,908	12,527	347,034

	<b>Fiscal Year Ended December 27, 2022</b>			
	<b>Texas Roadhouse</b>	<b>Bubba's 33</b>	<b>Other</b>	<b>Total</b>
Restaurant and other sales	\$ 3,762,884	\$ 211,690	\$ 14,217	\$ 3,988,791
Restaurant operating costs (excluding depreciation and amortization):				
Food and Beverage	1,306,658	66,237	5,297	1,378,192
Labor	1,239,257	76,178	4,524	1,319,959
Rent	60,837	5,712	285	66,834
Other Operating	555,935	36,629	3,741	596,305
Restaurant margin	<u>\$ 600,197</u>	<u>\$ 26,934</u>	<u>\$ 370</u>	<u>\$ 627,501</u>
Depreciation and amortization	\$ 112,546	\$ 13,012	\$ 11,679	\$ 137,237
Capital expenditures	204,662	30,625	10,834	246,121



**Texas Roadhouse, Inc. and Subsidiaries**

**Notes to Consolidated Financial Statements**

**(Tabular amounts in thousands, except share and per share data)**

A reconciliation of restaurant margin to income from operations is presented below. We do not allocate interest income (expense), net and equity income from investments in unconsolidated affiliates to reportable segments.

	<b>Fiscal Year Ended</b>		
	<b>December 31, 2024</b>	<b>December 26, 2023</b>	<b>December 27, 2022</b>
Restaurant margin	\$ 915,777	\$ 707,964	\$ 627,501
Add:			
Franchise royalties and fees	31,479	27,118	26,128
Less:			
Pre-opening	28,090	29,234	21,883
Depreciation and amortization	178,157	153,202	137,237
Impairment and closure, net	1,226	275	1,600
General and administrative	223,264	198,382	172,712
Income from operations	<u>\$ 516,519</u>	<u>\$ 353,989</u>	<u>\$ 320,197</u>

**(20) Subsequent Events**

On January 1, 2025, we completed the acquisition of 13 domestic franchise restaurants. Pursuant to the terms of the acquisition agreements, we paid an aggregate purchase price of approximately \$78 million. We expect to complete the preliminary purchase price allocations relating to these transactions in the first quarter of fiscal year 2025.

On February 19, 2025, our Board approved a stock repurchase program for the repurchase of up to \$500.0 million of our common stock. This new stock repurchase program commenced on February 24, 2025 and any repurchases under such plan will be made by the Company through open market transactions. This stock repurchase program has no expiration date and replaces the previous stock repurchase program of \$300 million which was approved on March 17, 2022.

## DESCRIPTION OF SECURITIES

As of December 31, 2024, Texas Roadhouse, Inc. (“TXRH”) had one class of securities registered under Section 12 of the Securities Exchange Act of 1934 (the “Exchange Act”): Common Stock of \$0.001 par value. TXRH also has Preferred Stock that is not registered under the Exchange Act. No Preferred Stock is currently issued and outstanding.

The following description of the terms of our Common Stock is not complete and is subject to, and qualified in its entirety to, the Certificate of Incorporation (the “Certificate”) of TXRH, the Bylaws (the “Bylaws”) of TXRH, and the General Corporation Law of the State of Delaware. We recommend that shareholders (existing or potential) review the full copies of the Certificate and the Bylaws to have a complete description of the terms of our Common Stock. Copies of the Certificate and the Bylaws have been filed with the Securities and Exchange Commission.

Under the Certificate, the total number of shares of Common Stock that are authorized for issuance are 100,000,000 shares, and the total number of shares of Preferred Stock that are authorized for issuance are 1,000,000 shares of \$0.001 par value.

### Voting Rights

Each share of Common Stock is entitled to one vote on matters presented to the shareholders of TXRH and there is no cumulative voting with respect to the election of the board of directors of TXRH.

### Dividend Rights

Subject to any preferential rights of any shares of Preferred Stock then outstanding, and applicable requirements of law, each share of Common Stock is entitled to dividends from funds legally available therefor if, as and when declared by the board of directors of TXRH.

### Liquidation Rights

In the event of a dissolution of TXRH, after payment or provision for payment of debts and other liabilities and subject to the rights of any Preferred Stock then outstanding, each share of Common Stock shall have equal rights and will share, pro rata, in the distribution of the net assets of TXRH.

### Other Rights

Shares of Common Stock are not convertible into any other class of TXRH’s capital stock. The holders of Common Stock are not entitled to any preemptive right to subscribe for or purchase any shares or other securities of TXRH, and the Common Stock is not subject to redemption or sinking fund provisions.

### Listing and Transfer Agent

The Common Stock is listed on The Nasdaq Stock Market and trades under the symbol “TXRH.” Computershare Investor Services LLC is the transfer agent and registrar for the Common Stock.

### Anti-Takeover Provisions

Various provisions contained in the Certificate, the Bylaws, and Delaware law could delay or discourage some transactions involving an actual or potential change in control. The provisions set forth within the Certificate and/or the Bylaws include:

- 1) The Certificate authorizes the board of directors to establish one or more series of Preferred Stock, the terms of which can be determined by the board of directors at the time of issuance without shareholder approval. To the extent the TXRH board of directors exercises this authority granted in the Certificate, the fixing of the relative rights, preferences and limitations of shares of Preferred Stock, vis-a-vis the Common Stock, could have the effect of modifying the rights of holders of Common Stock.
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- 2) The Bylaws limit the right of shareholders holding shares representing less than 25% of the voting power of the then outstanding voting stock of TXRH to call a special meeting of the shareholders. Under the Bylaws, special meetings of shareholders may only be called by the board of directors, the chairman of the board of directors, the chief executive officer, the president, or the secretary upon written request by shareholders owning shares representing not less than 25% of the votes entitled to be cast by the holders of all voting stock of TXRH then outstanding.
- 3) The Bylaws provide that the board of directors, and not the shareholders, may fill any vacancies on the board of directors, including vacancies resulting from a board of directors resolution to increase the number of directors.
- 4) The Bylaws establish advance notice procedures and other requirements for shareholders to submit nominations to the board of directors and other proposals to be presented to the shareholders for a vote.
- 5) The Certificate provides that the affirmative vote of the holders of more than 50% of the voting power of the then outstanding voting stock is required to amend certain provisions of the Bylaws, including those set forth above.

In addition, TXRH is subject to Section 203 of the Delaware General Corporations Law. Section 203 provides that, subject to limited exceptions, persons that (without prior approval of the board of directors) acquire, or are affiliated with a person that acquires, more than 15% of the outstanding voting stock of a Delaware corporation shall not engage in any business combination with that corporation, including by merger, consolidation or acquisitions of additional shares, for a three-year period following the date on which that person or its affiliate becomes the holder of more than 15% of the corporation's outstanding voting stock.

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**Schedule of the Owners of Company-Managed Texas Roadhouse Restaurants and the  
Interests Held by Directors, Executive Officers and 5% Stockholders Who Are Parties to  
Limited Partnership Agreements and Operating Agreements**

As of December 31, 2024

<b>Entity Name</b>	<b>Restaurant Location</b>	<b>Percentage of Holdings' Interest</b>	<b>Actual Management Fee Charged</b>	<b>Percentage Owned by Executive Officers, Directors &amp; 5% Stockholders</b>
Texas Roadhouse of Brownsville, Ltd.	Brownsville, TX	5.09 %	0.5 %	3.06 %(1)
Texas Roadhouse of Mansfield, Ltd.	Mansfield, TX	52.5 %	3.5 %	34.5 %(1)
Roadhouse of McKinney, Ltd.	McKinney, TX	5.0 %	0.5 %	2.0 %(1)

(1) The ownership percentages listed for these restaurants are owned by Gerald L. Morgan, the Company's Chief Executive Officer.

**Schedule of the Directors, Executive Officers and 5% Stockholders which have entered into Franchise Agreements or Preliminary Agreements for a Texas Roadhouse Restaurant**

As of December 31, 2024

	<u>Name and Ownership</u>	<u>Franchise Agt. Signed</u>	<u>Franchise Fee (1)</u>	<u>Royalty Rate</u>
BROWNSVILLE, TX TEXAS ROADHOUSE OF BROWNSVILLE, LTD. 6040 DUTCHMANS LANE LOUISVILLE, KY 40205	Gerald Morgan (3.06%)	02/23/2023	\$ 15,000	4.0 %
EL CAJON, CA TXRH EL CAJON, LLC 103 FLETCHER PARKWAY EL CAJON, CA 92020	Gerald Morgan (2.0%)	03/26/2019	\$ 40,000	4.0 %
MCKINNEY, TX ROADHOUSE OF MCKINNEY, LTD. 6040 DUTCHMANS LANE LOUISVILLE, KY 40205	Gerald Morgan (2.0%)	07/16/2024	\$ 15,000	4.0 %
OCEANSIDE, CA TXRH OCEANSIDE, LLC 2735 VISTA WAY OCEANSIDE, CA 92054	Gerald Morgan (2.0%)	10/28/2015	\$ 40,000	4.0 %

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(1) This fee represents the renewal fee to be paid and/or has been paid by the applicable franchisee upon the renewal of the applicable Franchise Agreement.

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**EMPLOYMENT AGREEMENT**  
**(Christopher C. Colson)**

**THIS EMPLOYMENT AGREEMENT** (this “*Agreement*”) is made and entered into this 27th day of December, 2024 by and between **CHRISTOPHER C. COLSON**, whose address is 7107 Windham Parkway, Prospect, Kentucky 40059 (“*Executive*”), and **TEXAS ROADHOUSE MANAGEMENT CORP.**, a Kentucky corporation having its principal office at 6040 Dutchmans Lane, Louisville, Kentucky 40205 (the “*Company*”).

**WITNESSETH:**

**WHEREAS**, the Company desires, on the terms and conditions stated herein, to continue to employ Executive as the Chief Legal and Administrative Officer and Corporate Secretary pursuant to a written employment agreement; and

**WHEREAS**, Executive desires, on the terms and conditions stated herein, to continue to be employed by the Company pursuant to a written employment agreement.

**NOW, THEREFORE**, in consideration of the foregoing recitals, and of the promises, covenants, terms, and conditions contained herein, the parties hereto, intending to be legally bound, agree as follows:

**AGREEMENT**

**1. Employment.**

(a) The Company hereby agrees to continue to employ Executive as the Chief Legal and Administrative Officer and Corporate Secretary, and Executive hereby accepts such continued employment with the Company, subject to the terms and conditions set forth in this Agreement.

(b) Executive affirms and represents that Executive is under no obligation, including non-competition and/or non-solicitation agreements, to any former employer or other party that restricts or is in any way inconsistent with Executive’s acceptance of employment and Executive’s subsequent employment with the Company, or is inconsistent with the promises Executive is making in this Agreement.

(c) The parties acknowledge that Executive has been employed by the Company pursuant to that certain Employment Agreement dated March 31, 2021, as amended by that certain First Amendment to Employment Agreement dated January 9, 2023 (collectively, the “*Prior Employment Agreement*”). Executive and the Company each desire to replace the Prior Employment Agreement with this Agreement. Executive therefore agrees that Executive’s Prior Employment Agreement is superseded and replaced by this Agreement and that Executive’s Prior Employment Agreement is of no further force and effect as of the Employment Date defined in Section 2 below. Executive further agrees that Executive is not entitled to any compensation arising from the voluntary termination of the Prior Employment Agreement.

**2. Term of Employment.** Unless earlier terminated as hereinafter provided, the initial employment term shall be for a period beginning on January 8, 2025 (the “*Employment Date*”) and ending three (3) years following the Employment Date (such period referred to as the “*Initial Term*”). Unless (i) either party gives written notice at least sixty (60) days before expiration of the Initial Term or any Additional Term that they wish to cease the terms of this Agreement being applicable to Executive’s continued employment and such employment will then continue “*at will*” (*i.e.*, be terminable by either

Executive or the Company at any time and for any reason, with or without cause), and subject to such terms and conditions established by the Company from time to time, or (ii) Executive's employment is earlier terminated as hereinafter provided, the term of Executive's employment under this Agreement will be automatically extended after the Initial Term, under the terms contained herein, on a year-to-year basis (such one-year periods referred to as "***Additional Terms***"). For purposes of this Agreement, the term "***Employment Term***" shall mean the Initial Term plus all Additional Terms.

3. **Duties.** While Executive is employed by the Company during the Employment Term, Executive shall be employed as the Chief Legal and Administrative Officer and Corporate Secretary of Texas Roadhouse, Inc., and such other titles as the Company may designate, and shall perform such duties and responsibilities as the Company shall assign to Executive from time to time, including duties and responsibilities relating to the Company or Affiliates (as hereinafter defined) and certain officer positions of Affiliates as and if determined by the Company. Executive shall report to the Chief Executive Officer of Texas Roadhouse, Inc. or to such other person as designated by the Chief Executive Officer of Texas Roadhouse, Inc. and/or the Board of Directors of Texas Roadhouse, Inc. (the "***Board***") (as the same may change from time to time). Executive will faithfully and to the best of Executive's ability perform Executive's employment duties at such places and times as the Company may reasonably prescribe. Except when approved in advance by the Company, and except during vacation periods and reasonable periods of absence due to sickness, personal injury or other disability, Executive will devote Executive's full-time attention throughout Executive's Employment Term to Executive's services as the Chief Legal and Administrative Officer and Corporate Secretary. Executive will render services exclusively to the Company during the Employment Term, except that Executive may engage in other material business activity if such service is approved in writing by the Board. Executive may participate in charitable activities and personal investment activities to a reasonable extent, and Executive may serve as a director of business organizations as approved by the Board, so long as such activities and directorships do not interfere with the performance of Executive's duties and responsibilities under this Agreement. Executive will always act in a manner that is in the best interests of the Company, and will use Executive's best efforts, skill and ability to promote the profitable growth of the Company.

4. **Compensation.**

(a) **Salary.** As compensation for Executive's services under this Agreement, the Company will pay Executive a base salary at the annual rate set forth on **Exhibit "A"** per fiscal year, or such higher amount as may be determined by the Compensation Committee of the Board on an annual basis thereafter ("***Base Salary***"). Once increased, Base Salary may not be decreased during the Employment Term except for decreases that are applied generally to other executives of the Company, in an amount no greater than ten percent (10%). Such Base Salary will be paid in installments at regular intervals in accordance with the Company's payroll practices and procedures.

(b) **Incentive Bonus.** For each full fiscal year during the Employment Term, Executive shall be eligible for an incentive bonus, to be paid no less frequently than annually if and to the extent Executive remains employed on its date of payment, based upon achievement of defined goals established by the Compensation Committee of the Board and in accordance with the terms of any incentive plan of the Company in effect from time to time (the "***Incentive Bonus***").

(i) The level of achievement of the objectives each fiscal year and the amount payable as Incentive Bonus shall be determined in good faith by the Compensation Committee of the Board. Any Incentive Bonus earned for a fiscal year shall be paid to Executive in a single lump sum on or before the date that is 2<sup>1</sup>/<sub>2</sub> months following the last day of such fiscal year.

(ii) Subject to the achievement of the goals established by the Compensation Committee, as determined by the Compensation Committee, for each fiscal year of this Agreement, Executive shall be eligible for an annual target incentive bonus of at least the amount set forth on Exhibit “A”, or such higher amount as may be established by the Compensation Committee of the Board from time to time.

(c) Equity Incentive Plan. Executive will be eligible to participate in the Texas Roadhouse, Inc. 2021 Long Term Incentive Plan or any successor plan thereto at a level and with such awards and conditions as the Compensation Committee of the Board may from time to time grant.

(d) Benefits. During the Employment Term, Executive will be entitled to participate in all employee benefit plans and programs of the Company that are available to employees generally to the extent that Executive meets the eligibility requirements for each individual plan or program. The Company provides no assurance as to the adoption or continuance of any particular employee benefit plan or program, and Executive’s participation in any such plan or program shall be subject to the provisions, rules and regulations applicable thereto.

(i) Deferred Compensation. During the Employment Term, Executive will be eligible to participate in the Company’s then-current Deferred Compensation Plan, subject to the terms of such plan, as those terms may be amended from time to time by the Company in its sole discretion (including terms related to any applicable Company matching program relating to the same to the extent approved by the Compensation Committee).

(ii) Vacations. Executive shall be entitled to be absent from Executive’s duties for the Company by reason of vacation for a period of four (4) weeks per fiscal year. Executive’s vacation time each fiscal year will accrue in accordance with the Company’s normal policies and procedures. Executive shall coordinate Executive’s vacation schedule with the Company so as not to impose an undue burden on the Company.

(e) Expenses. During the Employment Term, the Company shall reimburse Executive for all reasonable and necessary out-of-pocket business, travel and entertainment expenses incurred by Executive in the performance of Executive’s duties and responsibilities, subject to the Company’s normal policies and procedures for expense verification, documentation and reimbursement intervals. Any reimbursements made under this Section 4(e) must be submitted for payment timely such that it can be paid no later than the last day of Executive’s taxable year following the taxable year in which the expense is incurred, or such expense will not be reimbursable.

(f) Clawback Provisions. Notwithstanding any other provision in this Agreement to the contrary, any compensation paid or payable to Executive pursuant to this Agreement or any other agreement or arrangement with the Company shall be subject to recovery or reduction in future payments in lieu of recovery pursuant to any Company clawback policy in effect from time to time, whether adopted before or after the date of this Agreement. In furtherance of the foregoing, (A) Executive acknowledges and agrees that Executive has read, understands, and agrees to be bound by the terms of that certain Texas Roadhouse, Inc. Policy for Recovery of Incentive Compensation dated November 9, 2023 (which was previously provided to Executive and which is incorporated herein by reference) (the “**Existing Clawback Policy**”), and (B) the Existing Clawback Policy shall apply to certain portions of Executive’s compensation in the manner specifically described therein. In the event the Company elects, in its sole and absolute discretion, to amend, modify, replace and/or revise the Existing Clawback Policy at any time during the Employment Term, Executive agrees to execute and deliver to the Company an acknowledgement and agreement confirming Executive’s compliance with such revised clawback policy.



5. **Termination.**

(a) This Agreement and Executive's employment will terminate if any of the following occurs: (i) termination by the Company for Cause (as hereinafter defined); (ii) termination by the Company without Cause; (iii) resignation by Executive for Good Reason (as hereinafter defined); (iv) resignation by Executive without Good Reason; (v) Executive's death or long-term disability; and/or (vi) Executive's retirement.

(b) **Termination by the Company for Cause.** The Company may terminate this Agreement and Executive's employment for Cause at any time without any advance notice, except as provided below. The decision to terminate Executive's employment for Cause shall be in the sole discretion of the Company. If the Company terminates this Agreement for Cause, the Company shall pay to Executive only: (i) the Base Salary through the Date of Termination; (ii) any Incentive Bonus not yet paid for any fiscal year that ended before the Date of Termination; (iii) any accrued paid time off that might be due in accordance with policies of the Company in effect from time to time, and (iv) any expenses owed to Executive under Section 4(f) above, less any monies Executive owes to the Company as of the Date of Termination, to the extent permitted by applicable law (the "***Base Termination Payments***"). The Company shall have no severance obligations under this Agreement (including the obligation to pay Separation Pay) in the event of a termination for Cause.

(c) **Termination by Company without Cause.** If the Company terminates this Agreement without Cause, Executive will be entitled to: (i) the Base Termination Payments; and (ii) Separation Pay (as hereinafter defined) calculated and paid in accordance with Section 6 below.

(d) **Resignation by Executive for Good Reason.** If Executive resigns for Good Reason, Executive will be entitled to: (i) the Base Termination Payments; and (ii) Separation Pay calculated and paid in accordance with Section 6 below.

(e) **Resignation by Executive Without Good Reason.** If Executive resigns without Good Reason, Executive will be entitled only to the Base Termination Payment. The Company shall have no severance obligations under this Agreement (including the obligation to pay Separation Pay) in the event of a resignation without Good Reason.

(f) **Executive's Death or Long-Term Disability.** This Agreement will automatically terminate upon Executive's death or long-term disability. In the event of Executive's death, the Company shall pay the Base Termination Payments to Executive's estate. In the event of Executive's long-term disability, Executive will be entitled to the Base Termination Payments. In either case, the Company shall have no severance obligations under this Agreement (including the obligation to pay Separation Pay).

(g) **Executive's Retirement.** If Executive retires, Executive will be entitled only to the Base Termination Payment. The Company shall have no severance obligations under this Agreement (including the obligation to pay Separation Pay) in the event of a retirement.

6. **Separation Payment.**

(a) **Amount of Separation Pay.** Subject to the terms and conditions of this Agreement (including the release condition in Section 6(c) below and delayed start as provided in that subsection and Section 23(c) below), in the event the Company terminates this Agreement without Cause or Executive resigns with Good Reason within twelve (12) months following a Change in Control, the Company shall

pay the following amounts to Executive (as applicable, the “**Separation Pay**”) in intervals as determined by the Company:

(i) Termination by Company without Cause. (A) an amount equal to one (1) times Executive’s then current Base Salary (less applicable withholdings), plus (B) an Incentive Bonus for the year in which the Date of Termination occurs, equal to Executive’s target bonus for that year (less applicable withholdings), prorated based on the number of days in the fiscal year elapsed before the Date of Termination, payable at the same time that Incentive Bonuses for such periods are payable to other executive employees whose employment did not end, plus (C) to the extent Executive is enrolled in the Company’s insurance plan(s) as of the Date of Termination, an amount equal to the approximate cost of monthly premiums (less applicable withholdings) for a twelve (12) month period for ongoing medical, dental, and vision insurance via a timely election made under the Company’s health plan to the Consolidated Omnibus Reconciliation Act (COBRA) or otherwise.

(ii) Resignation by Executive for Good Reason. (A) an amount equal to one and one-half (1.5) times Executive’s current Base Salary (less applicable withholdings), plus (B) an amount equal to one and one-half (1.5) times Executive’s then target Incentive Bonus (less applicable withholdings), plus (C) an Incentive Bonus for the year in which the Date of Termination occurs, equal to Executive’s target bonus for that year (less applicable withholdings), prorated based on the number of days in the fiscal year elapsed before the Date of Termination, payable at the same time that Incentive Bonuses for such periods are payable to other executive employees whose employment did not end, plus (D) to the extent Executive is enrolled in the Company’s insurance plan(s) as of the Date of Termination, an amount equal to the approximate cost of monthly premiums (less applicable withholdings) for an eighteen (18) month period for ongoing medical, dental, and vision insurance via a timely election made under the Company’s health plan to the Consolidated Omnibus Reconciliation Act (COBRA) or otherwise.

Nothing in this Section 6(a) shall be deemed to limit and/or prohibit the payment of amounts that otherwise would be payable to Executive for unvested service-based restricted stock units and/or performance-based restricted stock units previously awarded to Executive subject to the previously executed stock unit agreement(s).

(b) The Company is not obligated to pay the Separation Pay to Executive unless Executive has signed a full release of claims against the Company and its Affiliates that is in a form and scope acceptable to the Company (the “**Release**”), and all applicable consideration periods and rescission periods provided by law have expired. Executive must execute and deliver the Release to the Company no later than the date specified by the Company. The Release will be delivered by the Company to Executive at least twenty-one (21) days (forty-five (45) days where Executive is required to be given forty-five (45) days to review and consider the Release) before the deadline set for its return. If the period of time to consider and revoke the Release spans two (2) tax years, then, in no event may separation pay be paid until the second (2nd) such tax year, even if the Release is signed and nonrevocable sooner.

(c) Further, Executive shall not be entitled to Separation Pay if Executive fails to return all Company property within Executive’s possession or control and settle all expenses owed to the Company on or before the date the Release is executed and returned to the Company.

(d) If Executive, at any time before all Separation Pay due under this Agreement is paid, fails to comply with restrictive covenants in this Agreement or any other agreement with the Company, the Company may cease payment and any further amounts due shall be deemed a “disputed payment” for purposes of Code Section 409A-2(g) payable only as and if required as a result of the claim and dispute resolution provisions in Section 17 below.

(e) In no event shall Executive be obligated to seek other employment or take any other action by way of mitigation of the amounts, benefits and other compensation payable or otherwise provided to Executive after Executive's Date of Termination.

7. **Definitions.** In addition to terms capitalized and defined in the context where first used, the following terms shall have the meanings indicated below:

(a) Termination for "**Cause**" means a termination by the Company for one (1) or more of the following reasons, as stated in a written notice of termination:

(i) Executive's conviction of, or being charged with having committed, a felony;

(ii) Executive's acts of dishonesty or moral turpitude that are detrimental to the business of the Company;

(iii) Executive's failure to obey the reasonable and lawful directions of the Company, including, without limitation, the Company's policies and procedures (including the Company's policies prohibiting discrimination, harassment, and retaliation), and the Texas Roadhouse, Inc. Code of Conduct;

(iv) Executive's failure to perform Executive's obligations under this Agreement;

(v) Executive's willful breach of any agreement or covenant of this Agreement or any fiduciary duty owed to the Company; and/or

(vi) Executive's unsatisfactory performance of Executive's duties after: (A) Executive has received written notice of the general nature of the unsatisfactory performance and (B) Executive has failed to cure the unsatisfactory performance within thirty (30) days thereafter to the satisfaction of the Company. If, during this thirty (30) day timeframe, the Company determines that Executive is not making reasonable good faith efforts to cure the deficiencies to the satisfaction of the Company, the Company has the right to immediately terminate Executive's employment. If the Company determines that Executive cured the unsatisfactory performance before the conclusion of the thirty (30) day timeframe, any recurrence of the same or similar unsatisfactory performance within twelve (12) months of the conclusion of the thirty (30) day timeframe shall constitute "**Cause**" for Executive's termination, and Executive's employment may be terminated with no further or additional opportunity to cure the unsatisfactory performance.

(b) A "**Change in Control**" means that one of the following events has taken place:

(i) consummation of a merger or consolidation of the Company with any other entity, other than a merger or consolidation that would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving or resulting entity) more than fifty percent (50%) of the combined voting power of the surviving or resulting entity outstanding immediately after such merger or consolidation;

(ii) consummation of a sale or disposition of all or substantially all of the assets of the Company (other than such a sale or disposition immediately after which such assets will be owned directly or indirectly by the stockholders of the Company in substantially the same proportions as their ownership of the common stock of the Company immediately before such sale or disposition); or

(iii) any Person becomes the beneficial owner (as determined pursuant to Section 13(d) of the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”)) of securities representing in excess of fifty percent (50%) of the aggregate voting power of the outstanding securities of the Company as required to be disclosed in a report on Schedule 13D of the Exchange Act.

Notwithstanding anything in the foregoing to the contrary, the Board shall have full and final authority, in its sole discretion, to determine conclusively whether a Change in Control shall have occurred pursuant to the above definition, the date of the occurrence of such Change in Control, and any incidental matters relating thereto.

For purposes of this Section 7(b), the term “**Company**” means Texas Roadhouse, Inc.

(c) “**Code**” means the Internal Revenue Code of 1986, as amended.

(d) “**Date of Termination**” means (A) if Executive’s employment is terminated by the Company or by Executive other than for Good Reason, the date of receipt of the notice of termination or any later date specified therein (which date shall be not more than thirty (30) days after giving such notice), as the case may be, (B) if Executive’s employment is terminated by Executive for Good Reason, the thirtieth (30th) day following receipt by the Company of the notice of termination for Good Reason if the Company fails to cure the condition giving rise to Good Reason during the thirty (30) day cure period, or any later date specified therein, as the case may be, provided that such date may not be more than sixty (60) days following the Company’s receipt of the notice of termination.

(e) “**Good Reason**” given by Executive in a notice of termination must be based on one (1) or more of the following circumstances following a Change in Control:

(i) the assignment to Executive of a different title or job responsibilities that result in a substantial decrease in the level of responsibility from those in effect immediately before the Change in Control;

(ii) a reduction by the Company or the surviving company in Executive’s base pay as in effect immediately before the Change in Control;

(iii) a significant reduction by the Company or the surviving company in total benefits available to Executive under cash incentive, stock incentive and other employee benefit plans after the Change in Control compared to the total package of such benefits as in effect before the Change in Control;

(iv) the requirement by the Company or the surviving company that Executive be based more than fifty (50) miles from where Executive’s office is located immediately before the Change in Control, except for required travel on Company business to an extent substantially consistent with the business travel obligations which Executive undertook on behalf of the Company before the Change in Control; or

(v) the failure by the Company to obtain from any Successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company (“**Successor**”) an agreement to assume obligations under this Agreement.

*Provided, however*, that Good Reason shall not exist unless the reason set forth is not cured within thirty (30) days after Executive has delivered written notice of such condition to the Company and/or to such Successor. Further, in each case, Executive must give the Company notice of the condition within

ninety (90) days of the initial existence of the condition, and the separation from service must occur within sixty (60) days following notice of termination, or the termination will not be considered to be for Good Reason.

(f) “**Person**” has the meaning ascribed to such term in Section 3(a)(9) of the Exchange Act and used in Sections 13(d) and 14(d) thereof, including a “group” as defined in Section 13(d) thereof.

8. **Cooperation.** Executive agrees to cooperate fully with the Company, its attorneys and representatives in any litigation, arbitration or administrative proceeding related to Executive’s current or former employment with the Company. Without limiting the foregoing, Executive agrees (a) to meet with the Company’s representatives, counsel, or other designees at mutually convenient times and places related to any items within the scope of this provision; (b) to provide truthful testimony regarding same to any court, agency, or other adjudicatory body; and (c) to provide the Company with notice of contact by any non-governmental adverse party or such adverse party’s representative, except as may be required by law. The Company will use reasonable efforts to schedule Executive’s cooperation in a manner that avoids causing Executive any undue hardship. Executive’s obligation to cooperate under this Section 8 extends for five (5) years from the last date on which Executive receives any compensation under this Agreement or any amendment and restatement or successor hereto. Nothing herein will prevent Executive from providing truthful responses, under oath, in response to a subpoena from any judicial or governmental authority. Further, nothing herein shall require Executive to cooperate with the Company regarding any charge or litigation in which Executive is a charging or complaining party, or any confidential investigation by a government agency.

9. **Confidentiality and Nondisparagement.**

(a) **Confidentiality Covenant.** Executive agrees:

(i) Executive’s employment creates a relationship in which the Company places confidence and trust in Executive with respect to certain information pertaining to the business of the Company and its Affiliates that Executive may receive during Executive’s employment by the Company.

(ii) Without the written consent of the Company, Executive will not use for Executive’s benefit or disclose at any time during or after Executive’s employment, except to the extent required by Executive’s duties, to the extent of Executive’s obligations under Section 14, or as permitted below, any information Executive obtains or develops while employed by the Company regarding any actual or potential recipes, suppliers, products, services, employees, documents pertaining to the Company or any of its Affiliates (including, without limitation, this Agreement, franchise agreements, employment agreements and joint venture agreements), financial affairs, systems, applications, or methods of marketing, service or procurement of the Company or any of its Affiliates, or any confidential matter regarding the business of the Company or any of its Affiliates, except information that at the time is generally known to the public or is required to be disclosed by law or legal process, other than as a result of disclosure by Executive not permitted under this Agreement (collectively, “**Confidential Information**”).

(iii) At Executive’s request, the Company will tell Executive, in writing, whether or not the Company considers any particular item of information to be Confidential Information. Executive agrees to contact the Company before Executive discloses any information that Executive acquired during Executive’s employment to determine whether the Company considers the information to be Confidential Information.

(iv) Upon Executive's termination, Executive will promptly return to the Company all documents and papers (including all copies, stored electronically or otherwise) relating to Confidential Information and other physical property in Executive's possession that belongs to the Company or any of its Affiliates.

(v) Nothing in this provision prevents Executive from communicating with, filing a charge or complaint with, providing documents or information voluntarily or in response to a subpoena or other information request to, or from participating in or otherwise cooperating in an investigation or proceeding conducted by a governmental agency, including but not limited to, the Securities and Exchange Commission, the U.S. Equal Employment Opportunity Commission, or any similar federal, state, or local agency charged with the enforcement of any laws, and Executive shall not need to notify the Company or seek permission before communicating with any such governmental agency.

(b) Binding Effect. Executive agrees that the provisions of this Section 9 are binding upon Executive's heirs, successors and legal representatives.

(c) Obligations Additive. Executive acknowledges that the obligations imposed by this Section 9 are in addition to, and not in place of, any obligations imposed by applicable statutory or common law.

(d) Nondisparagement. Executive shall not at any time during the Employment Term or for a period of two (2) years after Executive's employment ends, disparage the Company, any of its Affiliates and any of their respective officers and directors.

10. **Intellectual Property.**

(a) Disclosure and Assignment. As used herein, "**Creations**" means writings, works of authorship, recipes, formulas, ideas, concepts, inventions, discoveries, and improvements, whether patented, patentable or not and whether copyrighted, copyrightable, or not. Furthermore, as used herein, "**Employment Creations**" means any and all Creations created, prepared, produced, authored, amended, conceived or reduced to practice by Executive whether solely or in collaboration with others while he or she is employed by the Company that: (i) relate in any way to the Company's business; or (ii) relate to the Company's actual or contemplated business, research, or development; or (iii) result from any work performed by Executive for the Company. Executive acknowledges that, by reason of being employed by the Company at the relevant times, to the extent permitted by law, every copyrightable Employment Creation, regardless of whether copyright protection is sought or preserved by the Company, shall be a "**work made for hire**" as defined in 17 U.S.C. §101, and the Company shall own all rights in and to such Employment Creation throughout the world except to the extent such ownership is waived in writing by the Board. To the extent the preceding sentence does not apply, as of the Effective Date, Executive agrees to transfer and assign and hereby transfers and assigns to the Company (or its designee) all right, title, and interest of Executive in and to every Employment Creation. Executive further agrees to transfer and assign and hereby transfers and assigns to the Company all Creations created, prepared, produced, authored, amended, conceived or reduced to practice by Executive within one (1) year following Executive's termination of employment with the Company (whether voluntary or otherwise), if the Creation is a result of Company's Confidential Information obtained by Executive during Executive's employment with the Company (collectively, "**Post-Employment Creations**"). Executive shall communicate promptly and disclose to the Company, in such form as the Company may request, all information, details, and data pertaining to each Employment Creation and each Post-Employment Creation. Nothing contained in this Agreement shall be construed to reduce or limit the Company's rights, title, or interest in any Employment

Creations or Post-Employment Creations so as to be less in any respect than that the Company would have had in the absence of this Agreement except to the extent such ownership is waived in writing by the Board.

(b) Moral Rights. To the extent any copyrights are assigned under this Agreement, Executive hereby irrevocably waives, to the extent permitted by applicable law, any and all claims Executive may now or hereafter have in any jurisdiction to all rights of paternity, integrity, disclosure, and withdrawal and any other rights that may be known as “*moral rights*” with respect to all Employment Creations and Post-Employment Creations and all intellectual property rights therein.

(c) Trademarks. All right, title, and interest in and to any and all trademarks, trade names, service marks, and logos adopted, used, or considered for use by the Company during Executive’s employment (whether or not developed by Executive) to identify the Company’s business or other goods or services (collectively, the “*Marks*”), together with the goodwill appurtenant thereto, and all other materials, ideas, or other property conceived, created, developed, adopted, or improved by Executive solely or jointly during Executive’s employment by the Company and relating to its business shall be owned exclusively by the Company. Executive shall not have, and will not claim to have, any right, title, or interest of any kind in or to the Marks or such other property.

(d) Further Assurances and Documentation. During and after Executive’s employment, Executive shall, for no additional consideration, reasonably cooperate with the Company to (i) apply for, obtain, perfect, and transfer to the Company the Employment Creations and Post-Employment Creations and any intellectual property rights therein in any jurisdiction in the world; and (ii) maintain, protect, and enforce the same, including, without limitation, executing and delivering to the Company such formal transfers and assignments, applications, oaths, declarations, affidavits, waivers, and such other documents as the Company may request to permit the Company (or its designee) to file and prosecute such registration applications and other documents it deems useful to protect or enforce its rights under this Agreement. The Company will pay all of Executive’s reasonable expenses in connection with this cooperation.

(e) Non-Applicability. Executive is hereby notified that this Section 10 does not apply to any Creation for which no equipment, supplies, facility, Confidential Information, or other trade secret information of the Company was used and which was developed entirely on Executive’s own time, unless (i) the Creation relates in any way to (A) the business of the Company, or (B) the Company’s actual or contemplated business, research, or development; or (ii) the Creation results from any work performed by Executive for the Company.

(f) No License. Executive understands that this Agreement does not, and shall not be construed to, grant Executive any license or right of any nature with respect to any Employment Creations, or any Post-Employment Creations, or any Confidential Information, materials, recipes, software, or other tools made available to Executive by the Company.

11. **Non-Competition and Non-Solicitation.**

(a) During the Employment Term, Executive shall faithfully serve the Company to the best of Executive’s ability, shall use Executive’s best endeavors to promote the interest and welfare thereof, and shall devote the whole of Executive’s time, attention and abilities to such duties. By way of example and not limitation, this means that during the Employment Term, Executive will not do or say anything that: (i) could advance an interest of any existing or prospective competitor of the Company or any of its Affiliates in any way; or (ii) will or may injure an interest of the Company or any of its Affiliates in its relationship and dealings with existing or potential suppliers or customers.

(b) During Executive's employment and for two (2) years following the termination of Executive's employment (whether under this Agreement or during a successor or "*at will*" employment period):

(i) Executive shall not, directly or indirectly, on Executive's own behalf or on behalf of any person or entity other than the Company, including without limitation as a proprietor, principal, agent, partner, officer, director, stockholder, employee, member of any association, consultant or otherwise, engage in any business that is directly competitive with the business of the Company, including without limitation any business that operates one or more full-service, casual dining steakhouse restaurants within the United States or any foreign country in which the Company or its franchisees or its joint venture partners is operating or in which Executive knows the Company or its franchisees or its joint venture partners proposes to open within twenty-four (24) months. The provisions of this Section shall also apply to any business which is directly competitive with any other business which the Company or an Affiliate acquires or develops during Executive's employment with the Company.

(ii) Except as required in the performance of Executive's duties as an employee of the Company, Executive shall not, directly or indirectly, (A) hire, engage or solicit or induce or attempt to induce to cease working for the Company, any person who is then an employee of the Company or who was an employee of the Company during the six (6) month period immediately preceding Executive's termination of employment with the Company, nor (B) solicit, request, advise, induce or attempt to induce any vendor, supplier or other business contact of the Company to cancel, curtail, cease doing business with, or otherwise adversely change its relationship with the Company.

(c) For the purposes of this Agreement, the phrase "*proposes to open*" a restaurant includes all locations for which active, bona fide negotiations to secure a fee or leasehold interest with the intention of establishing a restaurant are being conducted. Mere ownership, whether through direct or indirect stock holdings or otherwise, of one percent (1%) or less of a business shall not constitute a violation of the restriction in Section 11(b)(i) above, unless a greater amount is approved in writing by the Board. Executive is deemed to engage in a business if Executive expects to acquire a proprietary interest in a business or to be made an employee, officer, director, manager, consultant, independent contractor, advisor or otherwise of such business at any time after such possibility has been discussed with any officer, director, employee, agent, or promoter of such business.

(d) Executive agrees that Executive's experience, capabilities and circumstances are such that these provisions will not prevent Executive from earning a livelihood. Executive further agrees that the limitations set forth in this Section (including, without limitation, any time or territorial limitations) are reasonable and properly required for the adequate protection of the businesses of the Company and its Affiliates. The covenants made by Executive in this Section (and in Sections 8, 9, 10 and 17) will survive the expiration or termination of this Agreement.

12. **Injunctive Relief.** Executive acknowledges and agrees that the provisions of the forgoing Sections 8, 9, 10 and 11 are reasonable and necessary to protect legitimate interests of the Company and that a remedy at law for any breach or threatened breach of the provisions of Sections 8, 9, 10 and 11 would be inadequate, and so Executive agrees that the Company and any of its Affiliates are entitled to injunctive relief in addition to any other available rights and remedies in cases of any such breach or threatened breach of those Sections. In addition, Executive acknowledges and agrees that an action for an injunction under Sections 8, 9, 10 and 11 may only be brought in the state or federal courts located in Louisville, Kentucky. Executive irrevocably accepts the venue and jurisdiction of those courts for the purposes of any such suit



for an injunction, and further irrevocably waives any claim that any such suit has been brought in an inconvenient forum.

13. **Non-Assignability.** The services to be provided by Executive are personal in nature and therefore neither Executive or Executive's beneficiaries or legal representatives may assign this Agreement or any right or interest under this Agreement. Any attempt, voluntary or involuntary, to effect any such action will be null, void and of no effect. The Company may assign or delegate this Agreement or any rights and interests under this Agreement to any Affiliate or to any successor to the Company, and Executive will be bound by such assignment or delegation.

14. **Notification to Future Employers.** Executive will notify any future employer of Executive's obligations under the provisions of Sections 8, 9, 10 and 11.

15. **Affiliate.** For the purposes of this Agreement, the term "***Affiliate***" or "***Affiliates***" means (i) Texas Roadhouse, Inc. and each corporation, limited liability company, partnership, or other entity that directly or indirectly, controls Texas Roadhouse, Inc., (ii) is controlled, directly or indirectly, by Texas Roadhouse, Inc., or (iii) is under common control, directly or indirectly, with Texas Roadhouse, Inc., as well as any entity that owns, operates, manages, licenses or franchises a Texas Roadhouse, Bubba's 33, or Jagers (or any future Texas Roadhouse or Affiliate) restaurant concept.

16. **Notices.** Any notice required under this Agreement must be given in writing and either delivered in person, via email or by first class certified or registered mail, if to the Company, at the Company's principal place of business: Attn: Texas Roadhouse Legal Department, 6040 Dutchmans Lane, Louisville, Kentucky 40205, and if to Executive, at Executive's home address most recently filed with the Company, or to such other address as either party has designated in writing to the other party.

17. **Dispute Resolution.**

(a) **Arbitration Agreement.** Except as provided in Section 12 and below, all disputes, claims, or controversies between Executive and the Company or any of its Affiliates, or any of their employees, arising out of or in any way related to (i) this Agreement, (ii) the breach, termination, enforcement, interpretation, or validity thereof, or (iii) Executive's Employment, shall be resolved by arbitration in Louisville, Kentucky, or in an alternate, mutually-convenient location of the parties' choosing, by one arbitrator, who shall be a lawyer or retired judge with at least ten years' experience. Executive and the Company and its Affiliates agree to arbitrate those claims whether they arise in contract or tort, assert violations of statutes, regulations, or ordinances, or are based on other legal or equitable theories. Arbitration shall proceed under the rules and procedures of the American Arbitration Association, including its procedures for dispositive motion practice. The parties to the arbitration shall use good faith efforts to complete the arbitration within one hundred fifty (150) days of the appointment of the arbitrator. In any arbitration that Executive commences, the Company will pay the arbitrator's fees if Executive prevails, or if other applicable law requires the Company to do so. It is expressly agreed that this Agreement evidences a transaction in interstate commerce and that this Section 17(a) is governed by the Federal Arbitration Act. This agreement to arbitrate does not apply to claims for workers' compensation or unemployment insurance, or any other claims that are not legally subject to private arbitration.

(b) Waiver of Jury Trial and Class or Multiparty Claims. **Executive and the Company and its Affiliates voluntarily and knowingly waive any right to a jury trial.** In addition, Executive acknowledges that Executive's relationship with the Company is unique and that there are and will be differences from the relationships the Company may have with other employees or executives. Therefore, any arbitration shall be conducted and resolved on an individual basis only and not on a class-wide, multiple plaintiff or claimant, consolidated or similar basis.

(c) Limitations Period; Deadline to Assert Claims. Executive and the Company and its Affiliates agree that arbitration of any disputes, claims, or controversies shall be initiated within one year of the act or occurrence giving rise to the dispute, claim or controversy, even though that deadline is or may be shorter than the period provided by statutes of limitations that would apply in the absence of this Section. Any claim that is not asserted in an arbitration within one (1) year of the act or occurrence giving rise to it shall be deemed waived.

(d) Governing Law & Forum. This Agreement is governed by Federal Arbitration Act and the laws of the Commonwealth of Kentucky without regard to its conflicts of law provisions. If Executive timely and validly rejects Section 17(a), or otherwise files any claim against the Company or any of its Affiliates that is not subject to Section 17(a), Executive agrees that the state or federal courts located in Jefferson County, Kentucky shall be the exclusive forum for such a claim.

18. Severability. Executive agrees that if any the arbitrator or court of competent jurisdiction will finally hold that any provision of Sections 8, 9, 10, 11 or 17 is void or constitutes an unreasonable restriction against Executive, the provisions of such Sections 8, 9, 10, 11 or 17 will not be rendered void but will apply to such extent as such arbitrator or court may judicially determine constitutes a reasonable restriction under the circumstances. If any part of this Agreement other than Sections 8, 9, 10, 11 or 17 is held by an arbitrator or court of competent jurisdiction to be invalid, illegal or incapable of being enforced in whole or in part by reason of any rule of law or public policy, such part will be deemed to be severed from the remainder of this Agreement for the purpose only of the particular legal proceedings in question and such part and all other covenants and provisions of this Agreement will in every other respect continue in full force and effect and no covenant or provision will be deemed dependent upon any other covenant or provision.

19. Waiver. Failure to insist upon strict compliance with any of the terms, covenants or conditions is not a waiver of such term, covenant or condition, nor will any waiver or relinquishment of any right or power be deemed a waiver or relinquishment of such right or power.

20. Nature of Relationship. This Agreement creates an employee-employer relationship. The parties do not intend for this Agreement to create a legal or equitable partnership, a joint venture, or any other relationship.

21. Entire Agreement; Modifications. This Agreement represents the entire agreement between the parties regarding the subject matter and supersedes all prior oral or written proposals, understandings, and other commitments between the parties related to Executive's employment by the Company and Affiliates, except for any written stock option or stock award agreement between Executive and the Company. This Agreement is binding upon and benefits the parties, their heirs, legal representatives, successors, and permitted assigns. This Agreement may be modified or amended only by an instrument in writing signed by both parties.

22. Beneficial Ownership of Liquor Licenses. If a local or state law requires Executive to be the owner of the liquor license, or to be a member of the entity that owns the liquor license, Executive

acknowledges and agree that such ownership is solely for the benefit of the owner of the restaurant and/or the entity holding the liquor license and that Executive is not entitled to compensation relating to the ownership of any liquor license, or relating to the ownership of any member interest in an entity owning a liquor license. Upon termination of Executive's employment, Executive will relinquish ownership of the liquor license upon request of the Company or the owner of the restaurant, and Executive will surrender, without compensation, any membership interest in an entity owning a liquor license. Executive will execute and deliver any documents that the Company requests in order to effect such transfer of ownership promptly and without consideration.

23. **Tax Matters.**

(a) **Withholding.** Notwithstanding any other provision of this Agreement, the Company may withhold from amounts payable under this Agreement all federal, state, local and foreign taxes that the Company determines are required to be withheld by applicable laws or regulations.

(b) **409A Compliance Intent.** This Agreement is intended to provide for compensation that is exempt from Code Section 409A as separation pay (up to the Code Section 409A limit) or as a short-term deferral, and to be compliant with Code Section 409A with respect to additional compensation under this Agreement. This Agreement shall be interpreted, construed, and administered in accordance with this intent, provided that the Company does not promise or warrant any tax treatment of compensation. Executive is responsible for obtaining advice regarding all questions to federal, state, or local income, estate, payroll, or other tax consequences arising from participation herein. This Agreement shall not be amended or terminated in a manner that would accelerate or delay payment of severance pay or bonus pay except as permitted under Treasury Regulations under Code Section 409A.

(c) **Six Month Delay.** Notwithstanding anything herein to the contrary, if Executive is a "specified employee" within the meaning of Treasury Regulation Section 1.409A-1(i) (or any successor thereto) on the Date of Termination, any payments under this Agreement that are triggered by termination of employment and which are not exempt as separation pay under Treasury Regulation Section 1.409A-1(b)(9) or as short-term deferral pay, shall not begin to be paid until six months after the Date of Termination, and at that time, Executive will receive in one lump sum payment of all the payments (without interest) that would have otherwise been paid to Executive during the first six (6) months following Executive's Date of Termination. The Company shall determine, consistent with any guidance issued under Code Section 409A, the portion of payments that are required to be delayed, if any.

(d) **Termination Must be within 409A to Trigger Payments.** For purposes of the timing of payments triggered by the termination, termination shall not be considered to have occurred until the date Executive and the Company reasonably anticipate that (i) Executive will not perform any further services for the Company or any other entity considered a single employer with the Company under Code Section 414(b) or (c) (but substituting fifty percent (50%) for eighty percent (80%) in the application thereof) (the "***Employer Group***"), or (ii) the level of bona fide services Executive will perform for the Employer Group after that date will permanently decrease to less than twenty percent (20%) of the average level of bona fide services performed over the previous thirty-six (36) months (or if shorter over the duration of service). For this purpose, service performed as an employee or as an independent contractor is counted, except that service as a member of the board of directors of an Employer Group entity is not counted unless termination benefits under this Agreement are aggregated with benefits under any other Employer Group plan or agreement in which Executive also participates as a director. Executive will not be treated as having a termination of Executive's employment while he is on military leave, sick leave or other bona fide leave of absence if the leave does not exceed six months or, if longer, the period during which Executive has a reemployment right under statute or contract. If a bona fide leave of absence extends beyond six months,

Executive's employment will be considered to terminate on the first day after the end of such six-month period, or on the day after Executive's statutory or contractual reemployment right lapses, if later. The Company will determine when Executive's Date of Termination occurs based on all relevant facts and circumstances, in accordance with Treasury Regulation Section 1.409A-1(h).

(e) Code Section 280G Cap. If the separation pay described in Section 6(a) plus the value of any other compensation or benefits payable pursuant to any other plan or program of the Company that are deemed to be paid or transferred in connection with the Change in Control (the "**CIC Benefits**") are payable to Executive in connection with a Change in Control and, if paid, could subject Executive to an excise tax under Code Section 4999 and any similar tax imposed by state or local law as well as any interest and penalties with respect to such tax(es) (the "**Excise Tax**"), then notwithstanding the provisions of Section 6, the Company shall reduce the CIC Benefits (the "**Benefit Reduction**") to \$1.00 below the amount necessary to result in Executive not being subject to the Excise Tax. Executive shall bear all expense of, and be solely responsible for, any Excise Tax should no Benefit Reduction be made. The determination of whether any such Benefit Reduction shall be imposed shall be made by a nationally recognized public accounting firm selected by the Company and reasonably acceptable to Executive, and such determination shall be binding on both Executive and the Company. Such accounting firm shall be engaged by and paid by the Company and shall promptly give the Company and Executive a copy of the detailed calculation of any Benefit Reduction.

**[signature page follows]**

**SIGNED:**

Dated: December 27, 2024

**EXECUTIVE:**

/s/Christopher C. Colson  
Signature

Christopher C. Colson  
Printed Name

**COMPANY:**

**TEXAS ROADHOUSE MANAGEMENT CORP.,**  
a Kentucky corporation

Dated: December 27, 2024

By: /s/Gerald L. Morgan  
Gerald L. Morgan, President

TXRH Executive Employment Agreement – Colson  
Signature Page

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**Exhibit “A”**

**Year 1**

**Base Salary:** \$630,000

**Incentive Bonus target:** \$525,000

**Equity Incentive Grant:**

**A. Service Based Restricted Stock Units:** Executive will receive a grant of service based restricted stock units equal to \$472,500 divided by the closing sales price on January 7, 2025 on the Nasdaq Global Select Market, with such quotient being rounded up or down to the nearest 100 shares. These service based restricted stock units will be subject to certain conditions and limitations set forth in separate RSU Agreements. These service based restricted stock units will be granted on January 8, 2025 and will vest on January 8, 2026, provided Executive is still employed by the Company as of the vesting date.

**B. Performance Based Restricted Stock Units:** Executive will receive a three year grant of performance based restricted stock units as described below equal to \$1,417,500 divided by the closing sales price on January 7, 2025 on the Nasdaq Global Select Market, with such quotient being rounded up or down to the nearest 100 shares, relating to your 2025 fiscal year service, 2026 fiscal year service, and 2027 fiscal year service, respectively. These performance based restricted stock units will be subject to certain conditions and limitations set forth in separate PSU Agreements. These performance based restricted stock units will be granted on January 8, 2025 and will vest in accordance with the table described below, provided Executive is still employed by the Company as of the vesting date and subject to the achievement of defined goals set forth in the table below.

Target \$ of Performance-Based Restricted Stock Units	Portion of Target Grant Based on EPS Performance Goal	Portion of Target Grant Based on Pre- tax Profit Goal	Minimum \$ of Performance-Based Restricted Stock Units	Maximum \$ of Performance-Based Restricted Stock Units	Vesting Date for Portion of Performance Based Restricted Stock Units
472,500	50%	50%	0	945,000	January 8, 2026
472,500	50%	50%	0	945,000	January 8, 2027
472,500	50%	50%	0	945,000	January 8, 2028

**EMPLOYMENT AGREEMENT**  
**(Travis C. Doster)**

**THIS EMPLOYMENT AGREEMENT** (this “**Agreement**”) is made and entered into this 27th day of December, 2024 by and between **TRAVIS C. DOSTER**, whose address is 6103 Innes Trace, Louisville, Kentucky 40222 (“**Executive**”), and **TEXAS ROADHOUSE MANAGEMENT CORP.**, a Kentucky corporation having its principal office at 6040 Dutchmans Lane, Louisville, Kentucky 40205 (the “**Company**”).

**WITNESSETH:**

**WHEREAS**, the Company desires, on the terms and conditions stated herein, to continue to employ Executive as the Chief Communications Officer pursuant to a written employment agreement; and

**WHEREAS**, Executive desires, on the terms and conditions stated herein, to continue to be employed by the Company pursuant to a written employment agreement.

**NOW, THEREFORE**, in consideration of the foregoing recitals, and of the promises, covenants, terms, and conditions contained herein, the parties hereto, intending to be legally bound, agree as follows:

**AGREEMENT**

1. **Employment.**

(a) The Company hereby agrees to continue to employ Executive as the Chief Communications Officer, and Executive hereby accepts such continued employment with the Company, subject to the terms and conditions set forth in this Agreement.

(b) Executive affirms and represents that Executive is under no obligation, including non-competition and/or non-solicitation agreements, to any former employer or other party that restricts or is in any way inconsistent with Executive’s acceptance of employment and Executive’s subsequent employment with the Company, or is inconsistent with the promises Executive is making in this Agreement.

(c) The parties acknowledge that Executive has been employed by the Company pursuant to that certain Employment Agreement dated November 9, 2023 (the “**Prior Employment Agreement**”). Executive and the Company each desire to replace the Prior Employment Agreement with this Agreement. Executive therefore agrees that Executive’s Prior Employment Agreement is superseded and replaced by this Agreement and that Executive’s Prior Employment Agreement is of no further force and effect as of the Employment Date defined in Section 2 below. Executive further agrees that Executive is not entitled to any compensation arising from the voluntary termination of the Prior Employment Agreement.

2. **Term of Employment.** Unless earlier terminated as hereinafter provided, the initial employment term shall be for a period beginning on January 8, 2025 (the “**Employment Date**”) and ending three (3) years following the Employment Date (such period referred to as the “**Initial Term**”). Unless (i) either party gives written notice at least sixty (60) days before expiration of the Initial Term or any Additional Term that they wish to cease the terms of this Agreement being applicable to Executive’s continued employment and such employment will then continue “**at will**” (*i.e.*, be terminable by either Executive or the Company at any time and for any reason, with or without cause), and subject to such terms and conditions established by the Company from time to time, or (ii) Executive’s employment is

earlier terminated as hereinafter provided, the term of Executive's employment under this Agreement will be automatically extended after the Initial Term, under the terms contained herein, on a year-to-year basis (such one-year periods referred to as "**Additional Terms**"). For purposes of this Agreement, the term "**Employment Term**" shall mean the Initial Term plus all Additional Terms.

3. **Duties.** While Executive is employed by the Company during the Employment Term, Executive shall be employed as the Chief Communications Officer of Texas Roadhouse, Inc., and such other titles as the Company may designate, and shall perform such duties and responsibilities as the Company shall assign to Executive from time to time, including duties and responsibilities relating to the Company or Affiliates (as hereinafter defined) and certain officer positions of Affiliates as and if determined by the Company. Executive shall report to the Chief Executive Officer of Texas Roadhouse, Inc. or to such other person as designated by the Chief Executive Officer of Texas Roadhouse, Inc. and/or the Board of Directors of Texas Roadhouse, Inc. (the "**Board**") (as the same may change from time to time). Executive will faithfully and to the best of Executive's ability perform Executive's employment duties at such places and times as the Company may reasonably prescribe. Except when approved in advance by the Company, and except during vacation periods and reasonable periods of absence due to sickness, personal injury or other disability, Executive will devote Executive's full-time attention throughout Executive's Employment Term to Executive's services as the Chief Communications Officer. Executive will render services exclusively to the Company during the Employment Term, except that Executive may engage in other material business activity if such service is approved in writing by the Board. Executive may participate in charitable activities and personal investment activities to a reasonable extent, and Executive may serve as a director of business organizations as approved by the Board, so long as such activities and directorships do not interfere with the performance of Executive's duties and responsibilities under this Agreement. Executive will always act in a manner that is in the best interests of the Company, and will use Executive's best efforts, skill and ability to promote the profitable growth of the Company.

4. **Compensation.**

(a) **Salary.** As compensation for Executive's services under this Agreement, the Company will pay Executive a base salary at the annual rate set forth on **Exhibit "A"** per fiscal year, or such higher amount as may be determined by the Compensation Committee of the Board on an annual basis thereafter ("**Base Salary**"). Once increased, Base Salary may not be decreased during the Employment Term except for decreases that are applied generally to other executives of the Company, in an amount no greater than ten percent (10%). Such Base Salary will be paid in installments at regular intervals in accordance with the Company's payroll practices and procedures.

(b) **Incentive Bonus.** For each full fiscal year during the Employment Term, Executive shall be eligible for an incentive bonus, to be paid no less frequently than annually if and to the extent Executive remains employed on its date of payment, based upon achievement of defined goals established by the Compensation Committee of the Board and in accordance with the terms of any incentive plan of the Company in effect from time to time (the "**Incentive Bonus**").

(i) The level of achievement of the objectives each fiscal year and the amount payable as Incentive Bonus shall be determined in good faith by the Compensation Committee of the Board. Any Incentive Bonus earned for a fiscal year shall be paid to Executive in a single lump sum on or before the date that is 2<sup>1</sup>/<sub>2</sub> months following the last day of such fiscal year.

(ii) Subject to the achievement of the goals established by the Compensation Committee, as determined by the Compensation Committee, for each fiscal year of this Agreement, Executive shall be eligible for an annual target incentive bonus of at least the amount set forth on **Exhibit**



“A”, or such higher amount as may be established by the Compensation Committee of the Board from time to time.

(c) Equity Incentive Plan. Executive will be eligible to participate in the Texas Roadhouse, Inc. 2021 Long Term Incentive Plan or any successor plan thereto at a level and with such awards and conditions as the Compensation Committee of the Board may from time to time grant.

(d) Benefits. During the Employment Term, Executive will be entitled to participate in all employee benefit plans and programs of the Company that are available to employees generally to the extent that Executive meets the eligibility requirements for each individual plan or program. The Company provides no assurance as to the adoption or continuance of any particular employee benefit plan or program, and Executive’s participation in any such plan or program shall be subject to the provisions, rules and regulations applicable thereto.

(i) Deferred Compensation. During the Employment Term, Executive will be eligible to participate in the Company’s then-current Deferred Compensation Plan, subject to the terms of such plan, as those terms may be amended from time to time by the Company in its sole discretion (including terms related to any applicable Company matching program relating to the same to the extent approved by the Compensation Committee).

(ii) Vacations. Executive shall be entitled to be absent from Executive’s duties for the Company by reason of vacation for a period of four (4) weeks per fiscal year. Executive’s vacation time each fiscal year will accrue in accordance with the Company’s normal policies and procedures. Executive shall coordinate Executive’s vacation schedule with the Company so as not to impose an undue burden on the Company.

(e) Expenses. During the Employment Term, the Company shall reimburse Executive for all reasonable and necessary out-of-pocket business, travel and entertainment expenses incurred by Executive in the performance of Executive’s duties and responsibilities, subject to the Company’s normal policies and procedures for expense verification, documentation and reimbursement intervals. Any reimbursements made under this Section 4(e) must be submitted for payment timely such that it can be paid no later than the last day of Executive’s taxable year following the taxable year in which the expense is incurred, or such expense will not be reimbursable.

(f) Clawback Provisions. Notwithstanding any other provision in this Agreement to the contrary, any compensation paid or payable to Executive pursuant to this Agreement or any other agreement or arrangement with the Company shall be subject to recovery or reduction in future payments in lieu of recovery pursuant to any Company clawback policy in effect from time to time, whether adopted before or after the date of this Agreement. In furtherance of the foregoing, (A) Executive acknowledges and agrees that Executive has read, understands, and agrees to be bound by the terms of that certain Texas Roadhouse, Inc. Policy for Recovery of Incentive Compensation dated November 9, 2023 (which was previously provided to Executive and which is incorporated herein by reference) (the “**Existing Clawback Policy**”), and (B) the Existing Clawback Policy shall apply to certain portions of Executive’s compensation in the manner specifically described therein. In the event the Company elects, in its sole and absolute discretion, to amend, modify, replace and/or revise the Existing Clawback Policy at any time during the Employment Term, Executive agrees to execute and deliver to the Company an acknowledgement and agreement confirming Executive’s compliance with such revised clawback policy.

5. **Termination.**

(a) This Agreement and Executive's employment will terminate if any of the following occurs: (i) termination by the Company for Cause (as hereinafter defined); (ii) termination by the Company without Cause; (iii) resignation by Executive for Good Reason (as hereinafter defined); (iv) resignation by Executive without Good Reason; (v) Executive's death or long-term disability; and/or (vi) Executive's retirement.

(b) **Termination by the Company for Cause.** The Company may terminate this Agreement and Executive's employment for Cause at any time without any advance notice, except as provided below. The decision to terminate Executive's employment for Cause shall be in the sole discretion of the Company. If the Company terminates this Agreement for Cause, the Company shall pay to Executive only: (i) the Base Salary through the Date of Termination; (ii) any Incentive Bonus not yet paid for any fiscal year that ended before the Date of Termination; (iii) any accrued paid time off that might be due in accordance with policies of the Company in effect from time to time, and (iv) any expenses owed to Executive under Section 4(f) above, less any monies Executive owes to the Company as of the Date of Termination, to the extent permitted by applicable law (the "***Base Termination Payments***"). The Company shall have no severance obligations under this Agreement (including the obligation to pay Separation Pay) in the event of a termination for Cause.

(c) **Termination by Company without Cause.** If the Company terminates this Agreement without Cause, Executive will be entitled to: (i) the Base Termination Payments; and (ii) Separation Pay (as hereinafter defined) calculated and paid in accordance with Section 6 below.

(d) **Resignation by Executive for Good Reason.** If Executive resigns for Good Reason, Executive will be entitled to: (i) the Base Termination Payments; and (ii) Separation Pay calculated and paid in accordance with Section 6 below.

(e) **Resignation by Executive Without Good Reason.** If Executive resigns without Good Reason, Executive will be entitled only to the Base Termination Payment. The Company shall have no severance obligations under this Agreement (including the obligation to pay Separation Pay) in the event of a resignation without Good Reason.

(f) **Executive's Death or Long-Term Disability.** This Agreement will automatically terminate upon Executive's death or long-term disability. In the event of Executive's death, the Company shall pay the Base Termination Payments to Executive's estate. In the event of Executive's long-term disability, Executive will be entitled to the Base Termination Payments. In either case, the Company shall have no severance obligations under this Agreement (including the obligation to pay Separation Pay).

(g) **Executive's Retirement.** If Executive retires, Executive will be entitled only to the Base Termination Payment. The Company shall have no severance obligations under this Agreement (including the obligation to pay Separation Pay) in the event of a retirement.

6. **Separation Payment.**

(a) **Amount of Separation Pay.** Subject to the terms and conditions of this Agreement (including the release condition in Section 6(c) below and delayed start as provided in that subsection and Section 23(c) below), in the event the Company terminates this Agreement without Cause or Executive resigns with Good Reason within twelve (12) months following a Change in Control, the Company shall

pay the following amounts to Executive (as applicable, the “**Separation Pay**”) in intervals as determined by the Company:

(i) Termination by Company without Cause. (A) an amount equal to one (1) times Executive’s then current Base Salary (less applicable withholdings), plus (B) an Incentive Bonus for the year in which the Date of Termination occurs, equal to Executive’s target bonus for that year (less applicable withholdings), prorated based on the number of days in the fiscal year elapsed before the Date of Termination, payable at the same time that Incentive Bonuses for such periods are payable to other executive employees whose employment did not end, plus (C) to the extent Executive is enrolled in the Company’s insurance plan(s) as of the Date of Termination, an amount equal to the approximate cost of monthly premiums (less applicable withholdings) for a twelve (12) month period for ongoing medical, dental, and vision insurance via a timely election made under the Company’s health plan to the Consolidated Omnibus Reconciliation Act (COBRA) or otherwise.

(ii) Resignation by Executive for Good Reason. (A) an amount equal to one and one-half (1.5) times Executive’s current Base Salary (less applicable withholdings), plus (B) an amount equal to one and one-half (1.5) times Executive’s then target Incentive Bonus (less applicable withholdings), plus (C) an Incentive Bonus for the year in which the Date of Termination occurs, equal to Executive’s target bonus for that year (less applicable withholdings), prorated based on the number of days in the fiscal year elapsed before the Date of Termination, payable at the same time that Incentive Bonuses for such periods are payable to other executive employees whose employment did not end, plus (D) to the extent Executive is enrolled in the Company’s insurance plan(s) as of the Date of Termination, an amount equal to the approximate cost of monthly premiums (less applicable withholdings) for an eighteen (18) month period for ongoing medical, dental, and vision insurance via a timely election made under the Company’s health plan to the Consolidated Omnibus Reconciliation Act (COBRA) or otherwise.

Nothing in this Section 6(a) shall be deemed to limit and/or prohibit the payment of amounts that otherwise would be payable to Executive for unvested service-based restricted stock units and/or performance-based restricted stock units previously awarded to Executive subject to the previously executed stock unit agreement(s).

(b) The Company is not obligated to pay the Separation Pay to Executive unless Executive has signed a full release of claims against the Company and its Affiliates that is in a form and scope acceptable to the Company (the “**Release**”), and all applicable consideration periods and rescission periods provided by law have expired. Executive must execute and deliver the Release to the Company no later than the date specified by the Company. The Release will be delivered by the Company to Executive at least twenty-one (21) days (forty-five (45) days where Executive is required to be given forty-five (45) days to review and consider the Release) before the deadline set for its return. If the period of time to consider and revoke the Release spans two (2) tax years, then, in no event may separation pay be paid until the second (2nd) such tax year, even if the Release is signed and nonrevocable sooner.

(c) Further, Executive shall not be entitled to Separation Pay if Executive fails to return all Company property within Executive’s possession or control and settle all expenses owed to the Company on or before the date the Release is executed and returned to the Company.

(d) If Executive, at any time before all Separation Pay due under this Agreement is paid, fails to comply with restrictive covenants in this Agreement or any other agreement with the Company, the Company may cease payment and any further amounts due shall be deemed a “disputed payment” for purposes of Code Section 409A-2(g) payable only as and if required as a result of the claim and dispute resolution provisions in Section 17 below.

(e) In no event shall Executive be obligated to seek other employment or take any other action by way of mitigation of the amounts, benefits and other compensation payable or otherwise provided to Executive after Executive's Date of Termination.

7. **Definitions.** In addition to terms capitalized and defined in the context where first used, the following terms shall have the meanings indicated below:

(a) Termination for "**Cause**" means a termination by the Company for one (1) or more of the following reasons, as stated in a written notice of termination:

- (i) Executive's conviction of, or being charged with having committed, a felony;
- (ii) Executive's acts of dishonesty or moral turpitude that are detrimental to the business of the Company;
- (iii) Executive's failure to obey the reasonable and lawful directions of the Company, including, without limitation, the Company's policies and procedures (including the Company's policies prohibiting discrimination, harassment, and retaliation), and the Texas Roadhouse, Inc. Code of Conduct;
- (iv) Executive's failure to perform Executive's obligations under this Agreement;
- (v) Executive's willful breach of any agreement or covenant of this Agreement or any fiduciary duty owed to the Company; and/or
- (vi) Executive's unsatisfactory performance of Executive's duties after: (A) Executive has received written notice of the general nature of the unsatisfactory performance and (B) Executive has failed to cure the unsatisfactory performance within thirty (30) days thereafter to the satisfaction of the Company. If, during this thirty (30) day timeframe, the Company determines that Executive is not making reasonable good faith efforts to cure the deficiencies to the satisfaction of the Company, the Company has the right to immediately terminate Executive's employment. If the Company determines that Executive cured the unsatisfactory performance before the conclusion of the thirty (30) day timeframe, any recurrence of the same or similar unsatisfactory performance within twelve (12) months of the conclusion of the thirty (30) day timeframe shall constitute "**Cause**" for Executive's termination, and Executive's employment may be terminated with no further or additional opportunity to cure the unsatisfactory performance.

(b) A "**Change in Control**" means that one of the following events has taken place:

- (i) consummation of a merger or consolidation of the Company with any other entity, other than a merger or consolidation that would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving or resulting entity) more than fifty percent (50%) of the combined voting power of the surviving or resulting entity outstanding immediately after such merger or consolidation;
- (ii) consummation of a sale or disposition of all or substantially all of the assets of the Company (other than such a sale or disposition immediately after which such assets will be owned directly or indirectly by the stockholders of the Company in substantially the same proportions as their ownership of the common stock of the Company immediately before such sale or disposition); or

(iii) any Person becomes the beneficial owner (as determined pursuant to Section 13(d) of the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”)) of securities representing in excess of fifty percent (50%) of the aggregate voting power of the outstanding securities of the Company as required to be disclosed in a report on Schedule 13D of the Exchange Act.

Notwithstanding anything in the foregoing to the contrary, the Board shall have full and final authority, in its sole discretion, to determine conclusively whether a Change in Control shall have occurred pursuant to the above definition, the date of the occurrence of such Change in Control, and any incidental matters relating thereto.

For purposes of this Section 7(b), the term “**Company**” means Texas Roadhouse, Inc.

(c) “**Code**” means the Internal Revenue Code of 1986, as amended.

(d) “**Date of Termination**” means (A) if Executive’s employment is terminated by the Company or by Executive other than for Good Reason, the date of receipt of the notice of termination or any later date specified therein (which date shall be not more than thirty (30) days after giving such notice), as the case may be, (B) if Executive’s employment is terminated by Executive for Good Reason, the thirtieth (30th) day following receipt by the Company of the notice of termination for Good Reason if the Company fails to cure the condition giving rise to Good Reason during the thirty (30) day cure period, or any later date specified therein, as the case may be, provided that such date may not be more than sixty (60) days following the Company’s receipt of the notice of termination.

(e) “**Good Reason**” given by Executive in a notice of termination must be based on one (1) or more of the following circumstances following a Change in Control:

(i) the assignment to Executive of a different title or job responsibilities that result in a substantial decrease in the level of responsibility from those in effect immediately before the Change in Control;

(ii) a reduction by the Company or the surviving company in Executive’s base pay as in effect immediately before the Change in Control;

(iii) a significant reduction by the Company or the surviving company in total benefits available to Executive under cash incentive, stock incentive and other employee benefit plans after the Change in Control compared to the total package of such benefits as in effect before the Change in Control;

(iv) the requirement by the Company or the surviving company that Executive be based more than fifty (50) miles from where Executive’s office is located immediately before the Change in Control, except for required travel on Company business to an extent substantially consistent with the business travel obligations which Executive undertook on behalf of the Company before the Change in Control; or

(v) the failure by the Company to obtain from any Successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company (“**Successor**”) an agreement to assume obligations under this Agreement.

*Provided, however,* that Good Reason shall not exist unless the reason set forth is not cured within thirty (30) days after Executive has delivered written notice of such condition to the Company and/or to such Successor. Further, in each case, Executive must give the Company notice of the condition within

ninety (90) days of the initial existence of the condition, and the separation from service must occur within sixty (60) days following notice of termination, or the termination will not be considered to be for Good Reason.

(f) “**Person**” has the meaning ascribed to such term in Section 3(a)(9) of the Exchange Act and used in Sections 13(d) and 14(d) thereof, including a “group” as defined in Section 13(d) thereof.

8. **Cooperation.** Executive agrees to cooperate fully with the Company, its attorneys and representatives in any litigation, arbitration or administrative proceeding related to Executive’s current or former employment with the Company. Without limiting the foregoing, Executive agrees (a) to meet with the Company’s representatives, counsel, or other designees at mutually convenient times and places related to any items within the scope of this provision; (b) to provide truthful testimony regarding same to any court, agency, or other adjudicatory body; and (c) to provide the Company with notice of contact by any non-governmental adverse party or such adverse party’s representative, except as may be required by law. The Company will use reasonable efforts to schedule Executive’s cooperation in a manner that avoids causing Executive any undue hardship. Executive’s obligation to cooperate under this Section 8 extends for five (5) years from the last date on which Executive receives any compensation under this Agreement or any amendment and restatement or successor hereto. Nothing herein will prevent Executive from providing truthful responses, under oath, in response to a subpoena from any judicial or governmental authority. Further, nothing herein shall require Executive to cooperate with the Company regarding any charge or litigation in which Executive is a charging or complaining party, or any confidential investigation by a government agency.

9. **Confidentiality and Nondisparagement.**

(a) **Confidentiality Covenant.** Executive agrees:

(i) Executive’s employment creates a relationship in which the Company places confidence and trust in Executive with respect to certain information pertaining to the business of the Company and its Affiliates that Executive may receive during Executive’s employment by the Company.

(ii) Without the written consent of the Company, Executive will not use for Executive’s benefit or disclose at any time during or after Executive’s employment, except to the extent required by Executive’s duties, to the extent of Executive’s obligations under Section 14, or as permitted below, any information Executive obtains or develops while employed by the Company regarding any actual or potential recipes, suppliers, products, services, employees, documents pertaining to the Company or any of its Affiliates (including, without limitation, this Agreement, franchise agreements, employment agreements and joint venture agreements), financial affairs, systems, applications, or methods of marketing, service or procurement of the Company or any of its Affiliates, or any confidential matter regarding the business of the Company or any of its Affiliates, except information that at the time is generally known to the public or is required to be disclosed by law or legal process, other than as a result of disclosure by Executive not permitted under this Agreement (collectively, “**Confidential Information**”).

(iii) At Executive’s request, the Company will tell Executive, in writing, whether or not the Company considers any particular item of information to be Confidential Information. Executive agrees to contact the Company before Executive discloses any information that Executive acquired during Executive’s employment to determine whether the Company considers the information to be Confidential Information.

(iv) Upon Executive's termination, Executive will promptly return to the Company all documents and papers (including all copies, stored electronically or otherwise) relating to Confidential Information and other physical property in Executive's possession that belongs to the Company or any of its Affiliates.

(v) Nothing in this provision prevents Executive from communicating with, filing a charge or complaint with, providing documents or information voluntarily or in response to a subpoena or other information request to, or from participating in or otherwise cooperating in an investigation or proceeding conducted by a governmental agency, including but not limited to, the Securities and Exchange Commission, the U.S. Equal Employment Opportunity Commission, or any similar federal, state, or local agency charged with the enforcement of any laws, and Executive shall not need to notify the Company or seek permission before communicating with any such governmental agency.

(b) Binding Effect. Executive agrees that the provisions of this Section 9 are binding upon Executive's heirs, successors and legal representatives.

(c) Obligations Additive. Executive acknowledges that the obligations imposed by this Section 9 are in addition to, and not in place of, any obligations imposed by applicable statutory or common law.

(d) Nondisparagement. Executive shall not at any time during the Employment Term or for a period of two (2) years after Executive's employment ends, disparage the Company, any of its Affiliates and any of their respective officers and directors.

10. Intellectual Property.

(a) Disclosure and Assignment. As used herein, "**Creations**" means writings, works of authorship, recipes, formulas, ideas, concepts, inventions, discoveries, and improvements, whether patented, patentable or not and whether copyrighted, copyrightable, or not. Furthermore, as used herein, "**Employment Creations**" means any and all Creations created, prepared, produced, authored, amended, conceived or reduced to practice by Executive whether solely or in collaboration with others while he or she is employed by the Company that: (i) relate in any way to the Company's business; or (ii) relate to the Company's actual or contemplated business, research, or development; or (iii) result from any work performed by Executive for the Company. Executive acknowledges that, by reason of being employed by the Company at the relevant times, to the extent permitted by law, every copyrightable Employment Creation, regardless of whether copyright protection is sought or preserved by the Company, shall be a "**work made for hire**" as defined in 17 U.S.C. §101, and the Company shall own all rights in and to such Employment Creation throughout the world except to the extent such ownership is waived in writing by the Board. To the extent the preceding sentence does not apply, as of the Effective Date, Executive agrees to transfer and assign and hereby transfers and assigns to the Company (or its designee) all right, title, and interest of Executive in and to every Employment Creation. Executive further agrees to transfer and assign and hereby transfers and assigns to the Company all Creations created, prepared, produced, authored, amended, conceived or reduced to practice by Executive within one (1) year following Executive's termination of employment with the Company (whether voluntary or otherwise), if the Creation is a result of Company's Confidential Information obtained by Executive during Executive's employment with the Company (collectively, "**Post-Employment Creations**"). Executive shall communicate promptly and disclose to the Company, in such form as the Company may request, all information, details, and data pertaining to each Employment Creation and each Post-Employment Creation. Nothing contained in this Agreement shall be construed to reduce or limit the Company's rights, title, or interest in any Employment

Creations or Post-Employment Creations so as to be less in any respect than that the Company would have had in the absence of this Agreement except to the extent such ownership is waived in writing by the Board.

(b) Moral Rights. To the extent any copyrights are assigned under this Agreement, Executive hereby irrevocably waives, to the extent permitted by applicable law, any and all claims Executive may now or hereafter have in any jurisdiction to all rights of paternity, integrity, disclosure, and withdrawal and any other rights that may be known as “*moral rights*” with respect to all Employment Creations and Post-Employment Creations and all intellectual property rights therein.

(c) Trademarks. All right, title, and interest in and to any and all trademarks, trade names, service marks, and logos adopted, used, or considered for use by the Company during Executive’s employment (whether or not developed by Executive) to identify the Company’s business or other goods or services (collectively, the “*Marks*”), together with the goodwill appurtenant thereto, and all other materials, ideas, or other property conceived, created, developed, adopted, or improved by Executive solely or jointly during Executive’s employment by the Company and relating to its business shall be owned exclusively by the Company. Executive shall not have, and will not claim to have, any right, title, or interest of any kind in or to the Marks or such other property.

(d) Further Assurances and Documentation. During and after Executive’s employment, Executive shall, for no additional consideration, reasonably cooperate with the Company to (i) apply for, obtain, perfect, and transfer to the Company the Employment Creations and Post-Employment Creations and any intellectual property rights therein in any jurisdiction in the world; and (ii) maintain, protect, and enforce the same, including, without limitation, executing and delivering to the Company such formal transfers and assignments, applications, oaths, declarations, affidavits, waivers, and such other documents as the Company may request to permit the Company (or its designee) to file and prosecute such registration applications and other documents it deems useful to protect or enforce its rights under this Agreement. The Company will pay all of Executive’s reasonable expenses in connection with this cooperation.

(e) Non-Applicability. Executive is hereby notified that this Section 10 does not apply to any Creation for which no equipment, supplies, facility, Confidential Information, or other trade secret information of the Company was used and which was developed entirely on Executive’s own time, unless (i) the Creation relates in any way to (A) the business of the Company, or (B) the Company’s actual or contemplated business, research, or development; or (ii) the Creation results from any work performed by Executive for the Company.

(f) No License. Executive understands that this Agreement does not, and shall not be construed to, grant Executive any license or right of any nature with respect to any Employment Creations, or any Post-Employment Creations, or any Confidential Information, materials, recipes, software, or other tools made available to Executive by the Company.

11. **Non-Competition and Non-Solicitation**.

(a) During the Employment Term, Executive shall faithfully serve the Company to the best of Executive’s ability, shall use Executive’s best endeavors to promote the interest and welfare thereof, and shall devote the whole of Executive’s time, attention and abilities to such duties. By way of example and not limitation, this means that during the Employment Term, Executive will not do or say anything that: (i) could advance an interest of any existing or prospective competitor of the Company or any of its Affiliates in any way; or (ii) will or may injure an interest of the Company or any of its Affiliates in its relationship and dealings with existing or potential suppliers or customers.



(b) During Executive's employment and for two (2) years following the termination of Executive's employment (whether under this Agreement or during a successor or "*at will*" employment period):

(i) Executive shall not, directly or indirectly, on Executive's own behalf or on behalf of any person or entity other than the Company, including without limitation as a proprietor, principal, agent, partner, officer, director, stockholder, employee, member of any association, consultant or otherwise, engage in any business that is directly competitive with the business of the Company, including without limitation any business that operates one or more full-service, casual dining steakhouse restaurants within the United States or any foreign country in which the Company or its franchisees or its joint venture partners is operating or in which Executive knows the Company or its franchisees or its joint venture partners proposes to open within twenty-four (24) months. The provisions of this Section shall also apply to any business which is directly competitive with any other business which the Company or an Affiliate acquires or develops during Executive's employment with the Company.

(ii) Except as required in the performance of Executive's duties as an employee of the Company, Executive shall not, directly or indirectly, (A) hire, engage or solicit or induce or attempt to induce to cease working for the Company, any person who is then an employee of the Company or who was an employee of the Company during the six (6) month period immediately preceding Executive's termination of employment with the Company, nor (B) solicit, request, advise, induce or attempt to induce any vendor, supplier or other business contact of the Company to cancel, curtail, cease doing business with, or otherwise adversely change its relationship with the Company.

(c) For the purposes of this Agreement, the phrase "*proposes to open*" a restaurant includes all locations for which active, bona fide negotiations to secure a fee or leasehold interest with the intention of establishing a restaurant are being conducted. Mere ownership, whether through direct or indirect stock holdings or otherwise, of one percent (1%) or less of a business shall not constitute a violation of the restriction in Section 11(b)(i) above, unless a greater amount is approved in writing by the Board. Executive is deemed to engage in a business if Executive expects to acquire a proprietary interest in a business or to be made an employee, officer, director, manager, consultant, independent contractor, advisor or otherwise of such business at any time after such possibility has been discussed with any officer, director, employee, agent, or promoter of such business.

(d) Executive agrees that Executive's experience, capabilities and circumstances are such that these provisions will not prevent Executive from earning a livelihood. Executive further agrees that the limitations set forth in this Section (including, without limitation, any time or territorial limitations) are reasonable and properly required for the adequate protection of the businesses of the Company and its Affiliates. The covenants made by Executive in this Section (and in Sections 8, 9, 10 and 17) will survive the expiration or termination of this Agreement.

12. **Injunctive Relief.** Executive acknowledges and agrees that the provisions of the forgoing Sections 8, 9, 10 and 11 are reasonable and necessary to protect legitimate interests of the Company and that a remedy at law for any breach or threatened breach of the provisions of Sections 8, 9, 10 and 11 would be inadequate, and so Executive agrees that the Company and any of its Affiliates are entitled to injunctive relief in addition to any other available rights and remedies in cases of any such breach or threatened breach of those Sections. In addition, Executive acknowledges and agrees that an action for an injunction under Sections 8, 9, 10 and 11 may only be brought in the state or federal courts located in Louisville, Kentucky. Executive irrevocably accepts the venue and jurisdiction of those courts for the purposes of any such suit

for an injunction, and further irrevocably waives any claim that any such suit has been brought in an inconvenient forum.

13. **Non-Assignability.** The services to be provided by Executive are personal in nature and therefore neither Executive or Executive's beneficiaries or legal representatives may assign this Agreement or any right or interest under this Agreement. Any attempt, voluntary or involuntary, to effect any such action will be null, void and of no effect. The Company may assign or delegate this Agreement or any rights and interests under this Agreement to any Affiliate or to any successor to the Company, and Executive will be bound by such assignment or delegation.

14. **Notification to Future Employers.** Executive will notify any future employer of Executive's obligations under the provisions of Sections 8, 9, 10 and 11.

15. **Affiliate.** For the purposes of this Agreement, the term "***Affiliate***" or "***Affiliates***" means (i) Texas Roadhouse, Inc. and each corporation, limited liability company, partnership, or other entity that directly or indirectly, controls Texas Roadhouse, Inc., (ii) is controlled, directly or indirectly, by Texas Roadhouse, Inc., or (iii) is under common control, directly or indirectly, with Texas Roadhouse, Inc., as well as any entity that owns, operates, manages, licenses or franchises a Texas Roadhouse, Bubba's 33, or Jagers (or any future Texas Roadhouse or Affiliate) restaurant concept.

16. **Notices.** Any notice required under this Agreement must be given in writing and either delivered in person, via email or by first class certified or registered mail, if to the Company, at the Company's principal place of business: Attn: Texas Roadhouse Legal Department, 6040 Dutchmans Lane, Louisville, Kentucky 40205, and if to Executive, at Executive's home address most recently filed with the Company, or to such other address as either party has designated in writing to the other party.

17. **Dispute Resolution.**

(a) **Arbitration Agreement.** Except as provided in Section 12 and below, all disputes, claims, or controversies between Executive and the Company or any of its Affiliates, or any of their employees, arising out of or in any way related to (i) this Agreement, (ii) the breach, termination, enforcement, interpretation, or validity thereof, or (iii) Executive's Employment, shall be resolved by arbitration in Louisville, Kentucky, or in an alternate, mutually-convenient location of the parties' choosing, by one arbitrator, who shall be a lawyer or retired judge with at least ten years' experience. Executive and the Company and its Affiliates agree to arbitrate those claims whether they arise in contract or tort, assert violations of statutes, regulations, or ordinances, or are based on other legal or equitable theories. Arbitration shall proceed under the rules and procedures of the American Arbitration Association, including its procedures for dispositive motion practice. The parties to the arbitration shall use good faith efforts to complete the arbitration within one hundred fifty (150) days of the appointment of the arbitrator. In any arbitration that Executive commences, the Company will pay the arbitrator's fees if Executive prevails, or if other applicable law requires the Company to do so. It is expressly agreed that this Agreement evidences a transaction in interstate commerce and that this Section 17(a) is governed by the Federal Arbitration Act. This agreement to arbitrate does not apply to claims for workers' compensation or unemployment insurance, or any other claims that are not legally subject to private arbitration.

(b) Waiver of Jury Trial and Class or Multiparty Claims. **Executive and the Company and its Affiliates voluntarily and knowingly waive any right to a jury trial.** In addition, Executive acknowledges that Executive's relationship with the Company is unique and that there are and will be differences from the relationships the Company may have with other employees or executives. Therefore, any arbitration shall be conducted and resolved on an individual basis only and not on a class-wide, multiple plaintiff or claimant, consolidated or similar basis.

(c) Limitations Period; Deadline to Assert Claims. Executive and the Company and its Affiliates agree that arbitration of any disputes, claims, or controversies shall be initiated within one year of the act or occurrence giving rise to the dispute, claim or controversy, even though that deadline is or may be shorter than the period provided by statutes of limitations that would apply in the absence of this Section. Any claim that is not asserted in an arbitration within one (1) year of the act or occurrence giving rise to it shall be deemed waived.

(d) Governing Law & Forum. This Agreement is governed by Federal Arbitration Act and the laws of the Commonwealth of Kentucky without regard to its conflicts of law provisions. If Executive timely and validly rejects Section 17(a), or otherwise files any claim against the Company or any of its Affiliates that is not subject to Section 17(a), Executive agrees that the state or federal courts located in Jefferson County, Kentucky shall be the exclusive forum for such a claim.

18. Severability. Executive agrees that if any the arbitrator or court of competent jurisdiction will finally hold that any provision of Sections 8, 9, 10, 11 or 17 is void or constitutes an unreasonable restriction against Executive, the provisions of such Sections 8, 9, 10, 11 or 17 will not be rendered void but will apply to such extent as such arbitrator or court may judicially determine constitutes a reasonable restriction under the circumstances. If any part of this Agreement other than Sections 8, 9, 10, 11 or 17 is held by an arbitrator or court of competent jurisdiction to be invalid, illegal or incapable of being enforced in whole or in part by reason of any rule of law or public policy, such part will be deemed to be severed from the remainder of this Agreement for the purpose only of the particular legal proceedings in question and such part and all other covenants and provisions of this Agreement will in every other respect continue in full force and effect and no covenant or provision will be deemed dependent upon any other covenant or provision.

19. Waiver. Failure to insist upon strict compliance with any of the terms, covenants or conditions is not a waiver of such term, covenant or condition, nor will any waiver or relinquishment of any right or power be deemed a waiver or relinquishment of such right or power.

20. Nature of Relationship. This Agreement creates an employee-employer relationship. The parties do not intend for this Agreement to create a legal or equitable partnership, a joint venture, or any other relationship.

21. Entire Agreement; Modifications. This Agreement represents the entire agreement between the parties regarding the subject matter and supersedes all prior oral or written proposals, understandings, and other commitments between the parties related to Executive's employment by the Company and Affiliates, except for any written stock option or stock award agreement between Executive and the Company. This Agreement is binding upon and benefits the parties, their heirs, legal representatives, successors, and permitted assigns. This Agreement may be modified or amended only by an instrument in writing signed by both parties.

22. Beneficial Ownership of Liquor Licenses. If a local or state law requires Executive to be the owner of the liquor license, or to be a member of the entity that owns the liquor license, Executive

acknowledges and agree that such ownership is solely for the benefit of the owner of the restaurant and/or the entity holding the liquor license and that Executive is not entitled to compensation relating to the ownership of any liquor license, or relating to the ownership of any member interest in an entity owning a liquor license. Upon termination of Executive's employment, Executive will relinquish ownership of the liquor license upon request of the Company or the owner of the restaurant, and Executive will surrender, without compensation, any membership interest in an entity owning a liquor license. Executive will execute and deliver any documents that the Company requests in order to effect such transfer of ownership promptly and without consideration.

23. **Tax Matters.**

(a) **Withholding.** Notwithstanding any other provision of this Agreement, the Company may withhold from amounts payable under this Agreement all federal, state, local and foreign taxes that the Company determines are required to be withheld by applicable laws or regulations.

(b) **409A Compliance Intent.** This Agreement is intended to provide for compensation that is exempt from Code Section 409A as separation pay (up to the Code Section 409A limit) or as a short-term deferral, and to be compliant with Code Section 409A with respect to additional compensation under this Agreement. This Agreement shall be interpreted, construed, and administered in accordance with this intent, provided that the Company does not promise or warrant any tax treatment of compensation. Executive is responsible for obtaining advice regarding all questions to federal, state, or local income, estate, payroll, or other tax consequences arising from participation herein. This Agreement shall not be amended or terminated in a manner that would accelerate or delay payment of severance pay or bonus pay except as permitted under Treasury Regulations under Code Section 409A.

(c) **Six Month Delay.** Notwithstanding anything herein to the contrary, if Executive is a "specified employee" within the meaning of Treasury Regulation Section 1.409A-1(i) (or any successor thereto) on the Date of Termination, any payments under this Agreement that are triggered by termination of employment and which are not exempt as separation pay under Treasury Regulation Section 1.409A-1(b)(9) or as short-term deferral pay, shall not begin to be paid until six months after the Date of Termination, and at that time, Executive will receive in one lump sum payment of all the payments (without interest) that would have otherwise been paid to Executive during the first six (6) months following Executive's Date of Termination. The Company shall determine, consistent with any guidance issued under Code Section 409A, the portion of payments that are required to be delayed, if any.

(d) **Termination Must be within 409A to Trigger Payments.** For purposes of the timing of payments triggered by the termination, termination shall not be considered to have occurred until the date Executive and the Company reasonably anticipate that (i) Executive will not perform any further services for the Company or any other entity considered a single employer with the Company under Code Section 414(b) or (c) (but substituting fifty percent (50%) for eighty percent (80%) in the application thereof) (the "***Employer Group***"), or (ii) the level of bona fide services Executive will perform for the Employer Group after that date will permanently decrease to less than twenty percent (20%) of the average level of bona fide services performed over the previous thirty-six (36) months (or if shorter over the duration of service). For this purpose, service performed as an employee or as an independent contractor is counted, except that service as a member of the board of directors of an Employer Group entity is not counted unless termination benefits under this Agreement are aggregated with benefits under any other Employer Group plan or agreement in which Executive also participates as a director. Executive will not be treated as having a termination of Executive's employment while he is on military leave, sick leave or other bona fide leave of absence if the leave does not exceed six months or, if longer, the period during which Executive has a reemployment right under statute or contract. If a bona fide leave of absence extends beyond six months,

Executive's employment will be considered to terminate on the first day after the end of such six-month period, or on the day after Executive's statutory or contractual reemployment right lapses, if later. The Company will determine when Executive's Date of Termination occurs based on all relevant facts and circumstances, in accordance with Treasury Regulation Section 1.409A-1(h).

(e) Code Section 280G Cap. If the separation pay described in Section 6(a) plus the value of any other compensation or benefits payable pursuant to any other plan or program of the Company that are deemed to be paid or transferred in connection with the Change in Control (the "**CIC Benefits**") are payable to Executive in connection with a Change in Control and, if paid, could subject Executive to an excise tax under Code Section 4999 and any similar tax imposed by state or local law as well as any interest and penalties with respect to such tax(es) (the "**Excise Tax**"), then notwithstanding the provisions of Section 6, the Company shall reduce the CIC Benefits (the "**Benefit Reduction**") to \$1.00 below the amount necessary to result in Executive not being subject to the Excise Tax. Executive shall bear all expense of, and be solely responsible for, any Excise Tax should no Benefit Reduction be made. The determination of whether any such Benefit Reduction shall be imposed shall be made by a nationally recognized public accounting firm selected by the Company and reasonably acceptable to Executive, and such determination shall be binding on both Executive and the Company. Such accounting firm shall be engaged by and paid by the Company and shall promptly give the Company and Executive a copy of the detailed calculation of any Benefit Reduction.

[signature page follows]

**SIGNED:**

Dated: December 27, 2024

**EXECUTIVE:**

/s/Travis C. Doster  
Signature

Travis C. Doster  
Printed Name

**COMPANY:**

**TEXAS ROADHOUSE MANAGEMENT CORP.,**  
a Kentucky corporation

Dated: December 27, 2024

By: /s/Gerald L. Morgan  
Gerald L. Morgan, President

**Exhibit “A”**

**Year 1**

**Base Salary:** \$630,000

**Incentive Bonus target:** \$525,000

**Equity Incentive Grant:**

**A. Service Based Restricted Stock Units:** Executive will receive a grant of service based restricted stock units equal to \$472,500 divided by the closing sales price on January 7, 2025 on the Nasdaq Global Select Market, with such quotient being rounded up or down to the nearest 100 shares. These service based restricted stock units will be subject to certain conditions and limitations set forth in separate RSU Agreements. These service based restricted stock units will be granted on January 8, 2025 and will vest on January 8, 2026, provided Executive is still employed by the Company as of the vesting date.

**B. Performance Based Restricted Stock Units:** Executive will receive a three year grant of performance based restricted stock units as described below equal to \$1,417,500 divided by the closing sales price on January 7, 2025 on the Nasdaq Global Select Market, with such quotient being rounded up or down to the nearest 100 shares, relating to your 2025 fiscal year service, 2026 fiscal year service, and 2027 fiscal year service, respectively. These performance based restricted stock units will be subject to certain conditions and limitations set forth in separate PSU Agreements. These performance based restricted stock units will be granted on January 8, 2025 and will vest in accordance with the table described below, provided Executive is still employed by the Company as of the vesting date and subject to the achievement of defined goals set forth in the table below.

Target \$ of Performance-Based Restricted Stock Units	Portion of Target Grant Based on EPS Performance Goal	Portion of Target Grant Based on Pre- tax Profit Goal	Minimum \$ of Performance-Based Restricted Stock Units	Maximum \$ of Performance-Based Restricted Stock Units	Vesting Date for Portion of Performance Based Restricted Stock Units
472,500	50%	50%	0	945,000	January 8, 2026
472,500	50%	50%	0	945,000	January 8, 2027
472,500	50%	50%	0	945,000	January 8, 2028

**EMPLOYMENT AGREEMENT**  
**(David Christopher Monroe)**

**THIS EMPLOYMENT AGREEMENT** (this “*Agreement*”) is made and entered into this 27th day of December, 2024 by and between **DAVID CHRISTOPHER MONROE**, whose address is 6114 Maddox Boulevard, Prospect, Kentucky 40059 (“*Executive*”), and **TEXAS ROADHOUSE MANAGEMENT CORP.**, a Kentucky corporation having its principal office at 6040 Dutchmans Lane, Louisville, Kentucky 40205 (the “*Company*”).

**WITNESSETH:**

**WHEREAS**, the Company desires, on the terms and conditions stated herein, to continue to employ Executive as the Chief Financial Officer pursuant to a written employment agreement; and

**WHEREAS**, Executive desires, on the terms and conditions stated herein, to continue to be employed by the Company pursuant to a written employment agreement.

**NOW, THEREFORE**, in consideration of the foregoing recitals, and of the promises, covenants, terms, and conditions contained herein, the parties hereto, intending to be legally bound, agree as follows:

**AGREEMENT**

**1.     Employment.**

(a)     The Company hereby agrees to continue to employ Executive as the Chief Financial Officer, and Executive hereby accepts such continued employment with the Company, subject to the terms and conditions set forth in this Agreement.

(b)     Executive affirms and represents that Executive is under no obligation, including non-competition and/or non-solicitation agreements, to any former employer or other party that restricts or is in any way inconsistent with Executive’s acceptance of employment and Executive’s subsequent employment with the Company, or is inconsistent with the promises Executive is making in this Agreement.

(c)     The parties acknowledge that Executive has been employed by the Company pursuant to that certain Employment Agreement dated May 17, 2023 but having an effective date of June 28, 2023 (the “*Prior Employment Agreement*”). Executive and the Company each desire to replace the Prior Employment Agreement with this Agreement. Executive therefore agrees that Executive’s Prior Employment Agreement is superseded and replaced by this Agreement and that Executive’s Prior Employment Agreement is of no further force and effect as of the Employment Date defined in Section 2 below. Executive further agrees that Executive is not entitled to any compensation arising from the voluntary termination of the Prior Employment Agreement.

2.     **Term of Employment.** Unless earlier terminated as hereinafter provided, the initial employment term shall be for a period beginning on January 8, 2025 (the “*Employment Date*”) and ending three (3) years following the Employment Date (such period referred to as the “*Initial Term*”). Unless (i) either party gives written notice at least sixty (60) days before expiration of the Initial Term or any Additional Term that they wish to cease the terms of this Agreement being applicable to Executive’s continued employment and such employment will then continue “*at will*” (*i.e.*, be terminable by either Executive or the Company at any time and for any reason, with or without cause), and subject to such



terms and conditions established by the Company from time to time, or (ii) Executive's employment is earlier terminated as hereinafter provided, the term of Executive's employment under this Agreement will be automatically extended after the Initial Term, under the terms contained herein, on a year-to-year basis (such one-year periods referred to as "**Additional Terms**"). For purposes of this Agreement, the term "**Employment Term**" shall mean the Initial Term plus all Additional Terms.

3. **Duties.** While Executive is employed by the Company during the Employment Term, Executive shall be employed as the Chief Financial Officer of Texas Roadhouse, Inc., and such other titles as the Company may designate, and shall perform such duties and responsibilities as the Company shall assign to Executive from time to time, including duties and responsibilities relating to the Company or Affiliates (as hereinafter defined) and certain officer positions of Affiliates as and if determined by the Company. Executive shall report to the Chief Executive Officer of Texas Roadhouse, Inc. or to such other person as designated by the Chief Executive Officer of Texas Roadhouse, Inc. and/or the Board of Directors of Texas Roadhouse, Inc. (the "**Board**") (as the same may change from time to time). Executive will faithfully and to the best of Executive's ability perform Executive's employment duties at such places and times as the Company may reasonably prescribe. Except when approved in advance by the Company, and except during vacation periods and reasonable periods of absence due to sickness, personal injury or other disability, Executive will devote Executive's full-time attention throughout Executive's Employment Term to Executive's services as the Chief Financial Officer. Executive will render services exclusively to the Company during the Employment Term, except that Executive may engage in other material business activity if such service is approved in writing by the Board. Executive may participate in charitable activities and personal investment activities to a reasonable extent, and Executive may serve as a director of business organizations as approved by the Board, so long as such activities and directorships do not interfere with the performance of Executive's duties and responsibilities under this Agreement. Executive will always act in a manner that is in the best interests of the Company, and will use Executive's best efforts, skill and ability to promote the profitable growth of the Company.

4. **Compensation.**

(a) **Salary.** As compensation for Executive's services under this Agreement, the Company will pay Executive a base salary at the annual rate set forth on **Exhibit "A"** per fiscal year, or such higher amount as may be determined by the Compensation Committee of the Board on an annual basis thereafter ("**Base Salary**"). Once increased, Base Salary may not be decreased during the Employment Term except for decreases that are applied generally to other executives of the Company, in an amount no greater than ten percent (10%). Such Base Salary will be paid in installments at regular intervals in accordance with the Company's payroll practices and procedures.

(b) **Incentive Bonus.** For each full fiscal year during the Employment Term, Executive shall be eligible for an incentive bonus, to be paid no less frequently than annually if and to the extent Executive remains employed on its date of payment, based upon achievement of defined goals established by the Compensation Committee of the Board and in accordance with the terms of any incentive plan of the Company in effect from time to time (the "**Incentive Bonus**").

(i) The level of achievement of the objectives each fiscal year and the amount payable as Incentive Bonus shall be determined in good faith by the Compensation Committee of the Board. Any Incentive Bonus earned for a fiscal year shall be paid to Executive in a single lump sum on or before the date that is 2 $\frac{1}{2}$  months following the last day of such fiscal year.

(ii) Subject to the achievement of the goals established by the Compensation Committee, as determined by the Compensation Committee, for each fiscal year of this Agreement,

Executive shall be eligible for an annual target incentive bonus of at least the amount set forth on **Exhibit “A”**, or such higher amount as may be established by the Compensation Committee of the Board from time to time.

(c) Equity Incentive Plan. Executive will be eligible to participate in the Texas Roadhouse, Inc. 2021 Long Term Incentive Plan or any successor plan thereto at a level and with such awards and conditions as the Compensation Committee of the Board may from time to time grant.

(d) Benefits. During the Employment Term, Executive will be entitled to participate in all employee benefit plans and programs of the Company that are available to employees generally to the extent that Executive meets the eligibility requirements for each individual plan or program. The Company provides no assurance as to the adoption or continuance of any particular employee benefit plan or program, and Executive’s participation in any such plan or program shall be subject to the provisions, rules and regulations applicable thereto.

(i) Deferred Compensation. During the Employment Term, Executive will be eligible to participate in the Company’s then-current Deferred Compensation Plan, subject to the terms of such plan, as those terms may be amended from time to time by the Company in its sole discretion (including terms related to any applicable Company matching program relating to the same to the extent approved by the Compensation Committee).

(ii) Vacations. Executive shall be entitled to be absent from Executive’s duties for the Company by reason of vacation for a period of four (4) weeks per fiscal year. Executive’s vacation time each fiscal year will accrue in accordance with the Company’s normal policies and procedures. Executive shall coordinate Executive’s vacation schedule with the Company so as not to impose an undue burden on the Company.

(e) Expenses. During the Employment Term, the Company shall reimburse Executive for all reasonable and necessary out-of-pocket business, travel and entertainment expenses incurred by Executive in the performance of Executive’s duties and responsibilities, subject to the Company’s normal policies and procedures for expense verification, documentation and reimbursement intervals. Any reimbursements made under this Section 4(e) must be submitted for payment timely such that it can be paid no later than the last day of Executive’s taxable year following the taxable year in which the expense is incurred, or such expense will not be reimbursable.

(f) Clawback Provisions. Notwithstanding any other provision in this Agreement to the contrary, any compensation paid or payable to Executive pursuant to this Agreement or any other agreement or arrangement with the Company shall be subject to recovery or reduction in future payments in lieu of recovery pursuant to any Company clawback policy in effect from time to time, whether adopted before or after the date of this Agreement. In furtherance of the foregoing, (A) Executive acknowledges and agrees that Executive has read, understands, and agrees to be bound by the terms of that certain Texas Roadhouse, Inc. Policy for Recovery of Incentive Compensation dated November 9, 2023 (which was previously provided to Executive and which is incorporated herein by reference) (the “**Existing Clawback Policy**”), and (B) the Existing Clawback Policy shall apply to certain portions of Executive’s compensation in the manner specifically described therein. In the event the Company elects, in its sole and absolute discretion, to amend, modify, replace and/or revise the Existing Clawback Policy at any time during the Employment Term, Executive agrees to execute and deliver to the Company an acknowledgement and agreement confirming Executive’s compliance with such revised clawback policy.

5. **Termination.**

(a) This Agreement and Executive's employment will terminate if any of the following occurs: (i) termination by the Company for Cause (as hereinafter defined); (ii) termination by the Company without Cause; (iii) resignation by Executive for Good Reason (as hereinafter defined); (iv) resignation by Executive without Good Reason; (v) Executive's death or long-term disability; and/or (vi) Executive's retirement.

(b) **Termination by the Company for Cause.** The Company may terminate this Agreement and Executive's employment for Cause at any time without any advance notice, except as provided below. The decision to terminate Executive's employment for Cause shall be in the sole discretion of the Company. If the Company terminates this Agreement for Cause, the Company shall pay to Executive only: (i) the Base Salary through the Date of Termination; (ii) any Incentive Bonus not yet paid for any fiscal year that ended before the Date of Termination; (iii) any accrued paid time off that might be due in accordance with policies of the Company in effect from time to time, and (iv) any expenses owed to Executive under Section 4(f) above, less any monies Executive owes to the Company as of the Date of Termination, to the extent permitted by applicable law (the "***Base Termination Payments***"). The Company shall have no severance obligations under this Agreement (including the obligation to pay Separation Pay) in the event of a termination for Cause.

(c) **Termination by Company without Cause.** If the Company terminates this Agreement without Cause, Executive will be entitled to: (i) the Base Termination Payments; and (ii) Separation Pay (as hereinafter defined) calculated and paid in accordance with Section 6 below.

(d) **Resignation by Executive for Good Reason.** If Executive resigns for Good Reason, Executive will be entitled to: (i) the Base Termination Payments; and (ii) Separation Pay calculated and paid in accordance with Section 6 below.

(e) **Resignation by Executive Without Good Reason.** If Executive resigns without Good Reason, Executive will be entitled only to the Base Termination Payment. The Company shall have no severance obligations under this Agreement (including the obligation to pay Separation Pay) in the event of a resignation without Good Reason.

(f) **Executive's Death or Long-Term Disability.** This Agreement will automatically terminate upon Executive's death or long-term disability. In the event of Executive's death, the Company shall pay the Base Termination Payments to Executive's estate. In the event of Executive's long-term disability, Executive will be entitled to the Base Termination Payments. In either case, the Company shall have no severance obligations under this Agreement (including the obligation to pay Separation Pay).

(g) **Executive's Retirement.** If Executive retires, Executive will be entitled only to the Base Termination Payment. The Company shall have no severance obligations under this Agreement (including the obligation to pay Separation Pay) in the event of a retirement.

6. **Separation Payment.**

(a) **Amount of Separation Pay.** Subject to the terms and conditions of this Agreement (including the release condition in Section 6(c) below and delayed start as provided in that subsection and Section 23(c) below), in the event the Company terminates this Agreement without Cause or Executive resigns with Good Reason within twelve (12) months following a Change in Control, the Company shall

pay the following amounts to Executive (as applicable, the “**Separation Pay**”) in intervals as determined by the Company:

(i) Termination by Company without Cause. (A) an amount equal to one (1) times Executive’s then current Base Salary (less applicable withholdings), plus (B) an Incentive Bonus for the year in which the Date of Termination occurs, equal to Executive’s target bonus for that year (less applicable withholdings), prorated based on the number of days in the fiscal year elapsed before the Date of Termination, payable at the same time that Incentive Bonuses for such periods are payable to other executive employees whose employment did not end, plus (C) to the extent Executive is enrolled in the Company’s insurance plan(s) as of the Date of Termination, an amount equal to the approximate cost of monthly premiums (less applicable withholdings) for a twelve (12) month period for ongoing medical, dental, and vision insurance via a timely election made under the Company’s health plan to the Consolidated Omnibus Reconciliation Act (COBRA) or otherwise.

(ii) Resignation by Executive for Good Reason. (A) an amount equal to one and one-half (1.5) times Executive’s current Base Salary (less applicable withholdings), plus (B) an amount equal to one and one-half (1.5) times Executive’s then target Incentive Bonus (less applicable withholdings), plus (C) an Incentive Bonus for the year in which the Date of Termination occurs, equal to Executive’s target bonus for that year (less applicable withholdings), prorated based on the number of days in the fiscal year elapsed before the Date of Termination, payable at the same time that Incentive Bonuses for such periods are payable to other executive employees whose employment did not end, plus (D) to the extent Executive is enrolled in the Company’s insurance plan(s) as of the Date of Termination, an amount equal to the approximate cost of monthly premiums (less applicable withholdings) for an eighteen (18) month period for ongoing medical, dental, and vision insurance via a timely election made under the Company’s health plan to the Consolidated Omnibus Reconciliation Act (COBRA) or otherwise.

Nothing in this Section 6(a) shall be deemed to limit and/or prohibit the payment of amounts that otherwise would be payable to Executive for unvested service-based restricted stock units and/or performance-based restricted stock units previously awarded to Executive subject to the previously executed stock unit agreement(s).

(b) The Company is not obligated to pay the Separation Pay to Executive unless Executive has signed a full release of claims against the Company and its Affiliates that is in a form and scope acceptable to the Company (the “**Release**”), and all applicable consideration periods and rescission periods provided by law have expired. Executive must execute and deliver the Release to the Company no later than the date specified by the Company. The Release will be delivered by the Company to Executive at least twenty-one (21) days (forty-five (45) days where Executive is required to be given forty-five (45) days to review and consider the Release) before the deadline set for its return. If the period of time to consider and revoke the Release spans two (2) tax years, then, in no event may separation pay be paid until the second (2nd) such tax year, even if the Release is signed and nonrevocable sooner.

(c) Further, Executive shall not be entitled to Separation Pay if Executive fails to return all Company property within Executive’s possession or control and settle all expenses owed to the Company on or before the date the Release is executed and returned to the Company.

(d) If Executive, at any time before all Separation Pay due under this Agreement is paid, fails to comply with restrictive covenants in this Agreement or any other agreement with the Company, the Company may cease payment and any further amounts due shall be deemed a “disputed payment” for purposes of Code Section 409A-2(g) payable only as and if required as a result of the claim and dispute resolution provisions in Section 17 below.

(e) In no event shall Executive be obligated to seek other employment or take any other action by way of mitigation of the amounts, benefits and other compensation payable or otherwise provided to Executive after Executive's Date of Termination.

7. **Definitions.** In addition to terms capitalized and defined in the context where first used, the following terms shall have the meanings indicated below:

(a) Termination for "**Cause**" means a termination by the Company for one (1) or more of the following reasons, as stated in a written notice of termination:

(i) Executive's conviction of, or being charged with having committed, a felony;

(ii) Executive's acts of dishonesty or moral turpitude that are detrimental to the business of the Company;

(iii) Executive's failure to obey the reasonable and lawful directions of the Company, including, without limitation, the Company's policies and procedures (including the Company's policies prohibiting discrimination, harassment, and retaliation), and the Texas Roadhouse, Inc. Code of Conduct;

(iv) Executive's failure to perform Executive's obligations under this Agreement;

(v) Executive's willful breach of any agreement or covenant of this Agreement or any fiduciary duty owed to the Company; and/or

(vi) Executive's unsatisfactory performance of Executive's duties after: (A) Executive has received written notice of the general nature of the unsatisfactory performance and (B) Executive has failed to cure the unsatisfactory performance within thirty (30) days thereafter to the satisfaction of the Company. If, during this thirty (30) day timeframe, the Company determines that Executive is not making reasonable good faith efforts to cure the deficiencies to the satisfaction of the Company, the Company has the right to immediately terminate Executive's employment. If the Company determines that Executive cured the unsatisfactory performance before the conclusion of the thirty (30) day timeframe, any recurrence of the same or similar unsatisfactory performance within twelve (12) months of the conclusion of the thirty (30) day timeframe shall constitute "**Cause**" for Executive's termination, and Executive's employment may be terminated with no further or additional opportunity to cure the unsatisfactory performance.

(b) A "**Change in Control**" means that one of the following events has taken place:

(i) consummation of a merger or consolidation of the Company with any other entity, other than a merger or consolidation that would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving or resulting entity) more than fifty percent (50%) of the combined voting power of the surviving or resulting entity outstanding immediately after such merger or consolidation;

(ii) consummation of a sale or disposition of all or substantially all of the assets of the Company (other than such a sale or disposition immediately after which such assets will be owned directly or indirectly by the stockholders of the Company in substantially the same proportions as their ownership of the common stock of the Company immediately before such sale or disposition); or

(iii) any Person becomes the beneficial owner (as determined pursuant to Section 13(d) of the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”)) of securities representing in excess of fifty percent (50%) of the aggregate voting power of the outstanding securities of the Company as required to be disclosed in a report on Schedule 13D of the Exchange Act.

Notwithstanding anything in the foregoing to the contrary, the Board shall have full and final authority, in its sole discretion, to determine conclusively whether a Change in Control shall have occurred pursuant to the above definition, the date of the occurrence of such Change in Control, and any incidental matters relating thereto.

For purposes of this Section 7(b), the term “**Company**” means Texas Roadhouse, Inc.

(c) “**Code**” means the Internal Revenue Code of 1986, as amended.

(d) “**Date of Termination**” means (A) if Executive’s employment is terminated by the Company or by Executive other than for Good Reason, the date of receipt of the notice of termination or any later date specified therein (which date shall be not more than thirty (30) days after giving such notice), as the case may be, (B) if Executive’s employment is terminated by Executive for Good Reason, the thirtieth (30th) day following receipt by the Company of the notice of termination for Good Reason if the Company fails to cure the condition giving rise to Good Reason during the thirty (30) day cure period, or any later date specified therein, as the case may be, provided that such date may not be more than sixty (60) days following the Company’s receipt of the notice of termination.

(e) “**Good Reason**” given by Executive in a notice of termination must be based on one (1) or more of the following circumstances following a Change in Control:

(i) the assignment to Executive of a different title or job responsibilities that result in a substantial decrease in the level of responsibility from those in effect immediately before the Change in Control;

(ii) a reduction by the Company or the surviving company in Executive’s base pay as in effect immediately before the Change in Control;

(iii) a significant reduction by the Company or the surviving company in total benefits available to Executive under cash incentive, stock incentive and other employee benefit plans after the Change in Control compared to the total package of such benefits as in effect before the Change in Control;

(iv) the requirement by the Company or the surviving company that Executive be based more than fifty (50) miles from where Executive’s office is located immediately before the Change in Control, except for required travel on Company business to an extent substantially consistent with the business travel obligations which Executive undertook on behalf of the Company before the Change in Control; or

(v) the failure by the Company to obtain from any Successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company (“**Successor**”) an agreement to assume obligations under this Agreement.

*Provided, however*, that Good Reason shall not exist unless the reason set forth is not cured within thirty (30) days after Executive has delivered written notice of such condition to the Company and/or to such Successor. Further, in each case, Executive must give the Company notice of the condition within

ninety (90) days of the initial existence of the condition, and the separation from service must occur within sixty (60) days following notice of termination, or the termination will not be considered to be for Good Reason.

(f) “**Person**” has the meaning ascribed to such term in Section 3(a)(9) of the Exchange Act and used in Sections 13(d) and 14(d) thereof, including a “group” as defined in Section 13(d) thereof.

8. **Cooperation.** Executive agrees to cooperate fully with the Company, its attorneys and representatives in any litigation, arbitration or administrative proceeding related to Executive’s current or former employment with the Company. Without limiting the foregoing, Executive agrees (a) to meet with the Company’s representatives, counsel, or other designees at mutually convenient times and places related to any items within the scope of this provision; (b) to provide truthful testimony regarding same to any court, agency, or other adjudicatory body; and (c) to provide the Company with notice of contact by any non-governmental adverse party or such adverse party’s representative, except as may be required by law. The Company will use reasonable efforts to schedule Executive’s cooperation in a manner that avoids causing Executive any undue hardship. Executive’s obligation to cooperate under this Section 8 extends for five (5) years from the last date on which Executive receives any compensation under this Agreement or any amendment and restatement or successor hereto. Nothing herein will prevent Executive from providing truthful responses, under oath, in response to a subpoena from any judicial or governmental authority. Further, nothing herein shall require Executive to cooperate with the Company regarding any charge or litigation in which Executive is a charging or complaining party, or any confidential investigation by a government agency.

9. **Confidentiality and Nondisparagement.**

(a) **Confidentiality Covenant.** Executive agrees:

(i) Executive’s employment creates a relationship in which the Company places confidence and trust in Executive with respect to certain information pertaining to the business of the Company and its Affiliates that Executive may receive during Executive’s employment by the Company.

(ii) Without the written consent of the Company, Executive will not use for Executive’s benefit or disclose at any time during or after Executive’s employment, except to the extent required by Executive’s duties, to the extent of Executive’s obligations under Section 14, or as permitted below, any information Executive obtains or develops while employed by the Company regarding any actual or potential recipes, suppliers, products, services, employees, documents pertaining to the Company or any of its Affiliates (including, without limitation, this Agreement, franchise agreements, employment agreements and joint venture agreements), financial affairs, systems, applications, or methods of marketing, service or procurement of the Company or any of its Affiliates, or any confidential matter regarding the business of the Company or any of its Affiliates, except information that at the time is generally known to the public or is required to be disclosed by law or legal process, other than as a result of disclosure by Executive not permitted under this Agreement (collectively, “**Confidential Information**”).

(iii) At Executive’s request, the Company will tell Executive, in writing, whether or not the Company considers any particular item of information to be Confidential Information. Executive agrees to contact the Company before Executive discloses any information that Executive acquired during Executive’s employment to determine whether the Company considers the information to be Confidential Information.

(iv) Upon Executive's termination, Executive will promptly return to the Company all documents and papers (including all copies, stored electronically or otherwise) relating to Confidential Information and other physical property in Executive's possession that belongs to the Company or any of its Affiliates.

(v) Nothing in this provision prevents Executive from communicating with, filing a charge or complaint with, providing documents or information voluntarily or in response to a subpoena or other information request to, or from participating in or otherwise cooperating in an investigation or proceeding conducted by a governmental agency, including but not limited to, the Securities and Exchange Commission, the U.S. Equal Employment Opportunity Commission, or any similar federal, state, or local agency charged with the enforcement of any laws, and Executive shall not need to notify the Company or seek permission before communicating with any such governmental agency.

(b) Binding Effect. Executive agrees that the provisions of this Section 9 are binding upon Executive's heirs, successors and legal representatives.

(c) Obligations Additive. Executive acknowledges that the obligations imposed by this Section 9 are in addition to, and not in place of, any obligations imposed by applicable statutory or common law.

(d) Nondisparagement. Executive shall not at any time during the Employment Term or for a period of two (2) years after Executive's employment ends, disparage the Company, any of its Affiliates and any of their respective officers and directors.

#### 10. Intellectual Property.

(a) Disclosure and Assignment. As used herein, "**Creations**" means writings, works of authorship, recipes, formulas, ideas, concepts, inventions, discoveries, and improvements, whether patented, patentable or not and whether copyrighted, copyrightable, or not. Furthermore, as used herein, "**Employment Creations**" means any and all Creations created, prepared, produced, authored, amended, conceived or reduced to practice by Executive whether solely or in collaboration with others while he or she is employed by the Company that: (i) relate in any way to the Company's business; or (ii) relate to the Company's actual or contemplated business, research, or development; or (iii) result from any work performed by Executive for the Company. Executive acknowledges that, by reason of being employed by the Company at the relevant times, to the extent permitted by law, every copyrightable Employment Creation, regardless of whether copyright protection is sought or preserved by the Company, shall be a "**work made for hire**" as defined in 17 U.S.C. §101, and the Company shall own all rights in and to such Employment Creation throughout the world except to the extent such ownership is waived in writing by the Board. To the extent the preceding sentence does not apply, as of the Effective Date, Executive agrees to transfer and assign and hereby transfers and assigns to the Company (or its designee) all right, title, and interest of Executive in and to every Employment Creation. Executive further agrees to transfer and assign and hereby transfers and assigns to the Company all Creations created, prepared, produced, authored, amended, conceived or reduced to practice by Executive within one (1) year following Executive's termination of employment with the Company (whether voluntary or otherwise), if the Creation is a result of Company's Confidential Information obtained by Executive during Executive's employment with the Company (collectively, "**Post-Employment Creations**"). Executive shall communicate promptly and disclose to the Company, in such form as the Company may request, all information, details, and data pertaining to each Employment Creation and each Post-Employment Creation. Nothing contained in this Agreement shall be construed to reduce or limit the Company's rights, title, or interest in any Employment



Creations or Post-Employment Creations so as to be less in any respect than that the Company would have had in the absence of this Agreement except to the extent such ownership is waived in writing by the Board.

(b) Moral Rights. To the extent any copyrights are assigned under this Agreement, Executive hereby irrevocably waives, to the extent permitted by applicable law, any and all claims Executive may now or hereafter have in any jurisdiction to all rights of paternity, integrity, disclosure, and withdrawal and any other rights that may be known as “*moral rights*” with respect to all Employment Creations and Post-Employment Creations and all intellectual property rights therein.

(c) Trademarks. All right, title, and interest in and to any and all trademarks, trade names, service marks, and logos adopted, used, or considered for use by the Company during Executive’s employment (whether or not developed by Executive) to identify the Company’s business or other goods or services (collectively, the “*Marks*”), together with the goodwill appurtenant thereto, and all other materials, ideas, or other property conceived, created, developed, adopted, or improved by Executive solely or jointly during Executive’s employment by the Company and relating to its business shall be owned exclusively by the Company. Executive shall not have, and will not claim to have, any right, title, or interest of any kind in or to the Marks or such other property.

(d) Further Assurances and Documentation. During and after Executive’s employment, Executive shall, for no additional consideration, reasonably cooperate with the Company to (i) apply for, obtain, perfect, and transfer to the Company the Employment Creations and Post-Employment Creations and any intellectual property rights therein in any jurisdiction in the world; and (ii) maintain, protect, and enforce the same, including, without limitation, executing and delivering to the Company such formal transfers and assignments, applications, oaths, declarations, affidavits, waivers, and such other documents as the Company may request to permit the Company (or its designee) to file and prosecute such registration applications and other documents it deems useful to protect or enforce its rights under this Agreement. The Company will pay all of Executive’s reasonable expenses in connection with this cooperation.

(e) Non-Applicability. Executive is hereby notified that this Section 10 does not apply to any Creation for which no equipment, supplies, facility, Confidential Information, or other trade secret information of the Company was used and which was developed entirely on Executive’s own time, unless (i) the Creation relates in any way to (A) the business of the Company, or (B) the Company’s actual or contemplated business, research, or development; or (ii) the Creation results from any work performed by Executive for the Company.

(f) No License. Executive understands that this Agreement does not, and shall not be construed to, grant Executive any license or right of any nature with respect to any Employment Creations, or any Post-Employment Creations, or any Confidential Information, materials, recipes, software, or other tools made available to Executive by the Company.

11. **Non-Competition and Non-Solicitation.**

(a) During the Employment Term, Executive shall faithfully serve the Company to the best of Executive’s ability, shall use Executive’s best endeavors to promote the interest and welfare thereof, and shall devote the whole of Executive’s time, attention and abilities to such duties. By way of example and not limitation, this means that during the Employment Term, Executive will not do or say anything that: (i) could advance an interest of any existing or prospective competitor of the Company or any of its Affiliates in any way; or (ii) will or may injure an interest of the Company or any of its Affiliates in its relationship and dealings with existing or potential suppliers or customers.

(b) During Executive's employment and for two (2) years following the termination of Executive's employment (whether under this Agreement or during a successor or "*at will*" employment period):

(i) Executive shall not, directly or indirectly, on Executive's own behalf or on behalf of any person or entity other than the Company, including without limitation as a proprietor, principal, agent, partner, officer, director, stockholder, employee, member of any association, consultant or otherwise, engage in any business that is directly competitive with the business of the Company, including without limitation any business that operates one or more full-service, casual dining steakhouse restaurants within the United States or any foreign country in which the Company or its franchisees or its joint venture partners is operating or in which Executive knows the Company or its franchisees or its joint venture partners proposes to open within twenty-four (24) months. The provisions of this Section shall also apply to any business which is directly competitive with any other business which the Company or an Affiliate acquires or develops during Executive's employment with the Company.

(ii) Except as required in the performance of Executive's duties as an employee of the Company, Executive shall not, directly or indirectly, (A) hire, engage or solicit or induce or attempt to induce to cease working for the Company, any person who is then an employee of the Company or who was an employee of the Company during the six (6) month period immediately preceding Executive's termination of employment with the Company, nor (B) solicit, request, advise, induce or attempt to induce any vendor, supplier or other business contact of the Company to cancel, curtail, cease doing business with, or otherwise adversely change its relationship with the Company.

(c) For the purposes of this Agreement, the phrase "*proposes to open*" a restaurant includes all locations for which active, bona fide negotiations to secure a fee or leasehold interest with the intention of establishing a restaurant are being conducted. Mere ownership, whether through direct or indirect stock holdings or otherwise, of one percent (1%) or less of a business shall not constitute a violation of the restriction in Section 11(b)(i) above, unless a greater amount is approved in writing by the Board. Executive is deemed to engage in a business if Executive expects to acquire a proprietary interest in a business or to be made an employee, officer, director, manager, consultant, independent contractor, advisor or otherwise of such business at any time after such possibility has been discussed with any officer, director, employee, agent, or promoter of such business.

(d) Executive agrees that Executive's experience, capabilities and circumstances are such that these provisions will not prevent Executive from earning a livelihood. Executive further agrees that the limitations set forth in this Section (including, without limitation, any time or territorial limitations) are reasonable and properly required for the adequate protection of the businesses of the Company and its Affiliates. The covenants made by Executive in this Section (and in Sections 8, 9, 10 and 17) will survive the expiration or termination of this Agreement.

12. **Injunctive Relief.** Executive acknowledges and agrees that the provisions of the forgoing Sections 8, 9, 10 and 11 are reasonable and necessary to protect legitimate interests of the Company and that a remedy at law for any breach or threatened breach of the provisions of Sections 8, 9, 10 and 11 would be inadequate, and so Executive agrees that the Company and any of its Affiliates are entitled to injunctive relief in addition to any other available rights and remedies in cases of any such breach or threatened breach of those Sections. In addition, Executive acknowledges and agrees that an action for an injunction under Sections 8, 9, 10 and 11 may only be brought in the state or federal courts located in Louisville, Kentucky. Executive irrevocably accepts the venue and jurisdiction of those courts for the purposes of any such suit

for an injunction, and further irrevocably waives any claim that any such suit has been brought in an inconvenient forum.

13. **Non-Assignability.** The services to be provided by Executive are personal in nature and therefore neither Executive or Executive's beneficiaries or legal representatives may assign this Agreement or any right or interest under this Agreement. Any attempt, voluntary or involuntary, to effect any such action will be null, void and of no effect. The Company may assign or delegate this Agreement or any rights and interests under this Agreement to any Affiliate or to any successor to the Company, and Executive will be bound by such assignment or delegation.

14. **Notification to Future Employers.** Executive will notify any future employer of Executive's obligations under the provisions of Sections 8, 9, 10 and 11.

15. **Affiliate.** For the purposes of this Agreement, the term "***Affiliate***" or "***Affiliates***" means (i) Texas Roadhouse, Inc. and each corporation, limited liability company, partnership, or other entity that directly or indirectly, controls Texas Roadhouse, Inc., (ii) is controlled, directly or indirectly, by Texas Roadhouse, Inc., or (iii) is under common control, directly or indirectly, with Texas Roadhouse, Inc., as well as any entity that owns, operates, manages, licenses or franchises a Texas Roadhouse, Bubba's 33, or Jagers (or any future Texas Roadhouse or Affiliate) restaurant concept.

16. **Notices.** Any notice required under this Agreement must be given in writing and either delivered in person, via email or by first class certified or registered mail, if to the Company, at the Company's principal place of business: Attn: Texas Roadhouse Legal Department, 6040 Dutchmans Lane, Louisville, Kentucky 40205, and if to Executive, at Executive's home address most recently filed with the Company, or to such other address as either party has designated in writing to the other party.

17. **Dispute Resolution.**

(a) **Arbitration Agreement.** Except as provided in Section 12 and below, all disputes, claims, or controversies between Executive and the Company or any of its Affiliates, or any of their employees, arising out of or in any way related to (i) this Agreement, (ii) the breach, termination, enforcement, interpretation, or validity thereof, or (iii) Executive's Employment, shall be resolved by arbitration in Louisville, Kentucky, or in an alternate, mutually-convenient location of the parties' choosing, by one arbitrator, who shall be a lawyer or retired judge with at least ten years' experience. Executive and the Company and its Affiliates agree to arbitrate those claims whether they arise in contract or tort, assert violations of statutes, regulations, or ordinances, or are based on other legal or equitable theories. Arbitration shall proceed under the rules and procedures of the American Arbitration Association, including its procedures for dispositive motion practice. The parties to the arbitration shall use good faith efforts to complete the arbitration within one hundred fifty (150) days of the appointment of the arbitrator. In any arbitration that Executive commences, the Company will pay the arbitrator's fees if Executive prevails, or if other applicable law requires the Company to do so. It is expressly agreed that this Agreement evidences a transaction in interstate commerce and that this Section 17(a) is governed by the Federal Arbitration Act. This agreement to arbitrate does not apply to claims for workers' compensation or unemployment insurance, or any other claims that are not legally subject to private arbitration.

(b) Waiver of Jury Trial and Class or Multiparty Claims. **Executive and the Company and its Affiliates voluntarily and knowingly waive any right to a jury trial.** In addition, Executive acknowledges that Executive's relationship with the Company is unique and that there are and will be differences from the relationships the Company may have with other employees or executives. Therefore, any arbitration shall be conducted and resolved on an individual basis only and not on a class-wide, multiple plaintiff or claimant, consolidated or similar basis.

(c) Limitations Period; Deadline to Assert Claims. Executive and the Company and its Affiliates agree that arbitration of any disputes, claims, or controversies shall be initiated within one year of the act or occurrence giving rise to the dispute, claim or controversy, even though that deadline is or may be shorter than the period provided by statutes of limitations that would apply in the absence of this Section. Any claim that is not asserted in an arbitration within one (1) year of the act or occurrence giving rise to it shall be deemed waived.

(d) Governing Law & Forum. This Agreement is governed by Federal Arbitration Act and the laws of the Commonwealth of Kentucky without regard to its conflicts of law provisions. If Executive timely and validly rejects Section 17(a), or otherwise files any claim against the Company or any of its Affiliates that is not subject to Section 17(a), Executive agrees that the state or federal courts located in Jefferson County, Kentucky shall be the exclusive forum for such a claim.

18. Severability. Executive agrees that if any the arbitrator or court of competent jurisdiction will finally hold that any provision of Sections 8, 9, 10, 11 or 17 is void or constitutes an unreasonable restriction against Executive, the provisions of such Sections 8, 9, 10, 11 or 17 will not be rendered void but will apply to such extent as such arbitrator or court may judicially determine constitutes a reasonable restriction under the circumstances. If any part of this Agreement other than Sections 8, 9, 10, 11 or 17 is held by an arbitrator or court of competent jurisdiction to be invalid, illegal or incapable of being enforced in whole or in part by reason of any rule of law or public policy, such part will be deemed to be severed from the remainder of this Agreement for the purpose only of the particular legal proceedings in question and such part and all other covenants and provisions of this Agreement will in every other respect continue in full force and effect and no covenant or provision will be deemed dependent upon any other covenant or provision.

19. Waiver. Failure to insist upon strict compliance with any of the terms, covenants or conditions is not a waiver of such term, covenant or condition, nor will any waiver or relinquishment of any right or power be deemed a waiver or relinquishment of such right or power.

20. Nature of Relationship. This Agreement creates an employee-employer relationship. The parties do not intend for this Agreement to create a legal or equitable partnership, a joint venture, or any other relationship.

21. Entire Agreement; Modifications. This Agreement represents the entire agreement between the parties regarding the subject matter and supersedes all prior oral or written proposals, understandings, and other commitments between the parties related to Executive's employment by the Company and Affiliates, except for any written stock option or stock award agreement between Executive and the Company. This Agreement is binding upon and benefits the parties, their heirs, legal representatives, successors, and permitted assigns. This Agreement may be modified or amended only by an instrument in writing signed by both parties.

22. Beneficial Ownership of Liquor Licenses. If a local or state law requires Executive to be the owner of the liquor license, or to be a member of the entity that owns the liquor license, Executive

acknowledges and agree that such ownership is solely for the benefit of the owner of the restaurant and/or the entity holding the liquor license and that Executive is not entitled to compensation relating to the ownership of any liquor license, or relating to the ownership of any member interest in an entity owning a liquor license. Upon termination of Executive's employment, Executive will relinquish ownership of the liquor license upon request of the Company or the owner of the restaurant, and Executive will surrender, without compensation, any membership interest in an entity owning a liquor license. Executive will execute and deliver any documents that the Company requests in order to effect such transfer of ownership promptly and without consideration.

23. **Tax Matters.**

(a) **Withholding.** Notwithstanding any other provision of this Agreement, the Company may withhold from amounts payable under this Agreement all federal, state, local and foreign taxes that the Company determines are required to be withheld by applicable laws or regulations.

(b) **409A Compliance Intent.** This Agreement is intended to provide for compensation that is exempt from Code Section 409A as separation pay (up to the Code Section 409A limit) or as a short-term deferral, and to be compliant with Code Section 409A with respect to additional compensation under this Agreement. This Agreement shall be interpreted, construed, and administered in accordance with this intent, provided that the Company does not promise or warrant any tax treatment of compensation. Executive is responsible for obtaining advice regarding all questions to federal, state, or local income, estate, payroll, or other tax consequences arising from participation herein. This Agreement shall not be amended or terminated in a manner that would accelerate or delay payment of severance pay or bonus pay except as permitted under Treasury Regulations under Code Section 409A.

(c) **Six Month Delay.** Notwithstanding anything herein to the contrary, if Executive is a "specified employee" within the meaning of Treasury Regulation Section 1.409A-1(i) (or any successor thereto) on the Date of Termination, any payments under this Agreement that are triggered by termination of employment and which are not exempt as separation pay under Treasury Regulation Section 1.409A-1(b)(9) or as short-term deferral pay, shall not begin to be paid until six months after the Date of Termination, and at that time, Executive will receive in one lump sum payment of all the payments (without interest) that would have otherwise been paid to Executive during the first six (6) months following Executive's Date of Termination. The Company shall determine, consistent with any guidance issued under Code Section 409A, the portion of payments that are required to be delayed, if any.

(d) **Termination Must be within 409A to Trigger Payments.** For purposes of the timing of payments triggered by the termination, termination shall not be considered to have occurred until the date Executive and the Company reasonably anticipate that (i) Executive will not perform any further services for the Company or any other entity considered a single employer with the Company under Code Section 414(b) or (c) (but substituting fifty percent (50%) for eighty percent (80%) in the application thereof) (the "**Employer Group**"), or (ii) the level of bona fide services Executive will perform for the Employer Group after that date will permanently decrease to less than twenty percent (20%) of the average level of bona fide services performed over the previous thirty-six (36) months (or if shorter over the duration of service). For this purpose, service performed as an employee or as an independent contractor is counted, except that service as a member of the board of directors of an Employer Group entity is not counted unless termination benefits under this Agreement are aggregated with benefits under any other Employer Group plan or agreement in which Executive also participates as a director. Executive will not be treated as having a termination of Executive's employment while he is on military leave, sick leave or other bona fide leave of absence if the leave does not exceed six months or, if longer, the period during which Executive has a reemployment right under statute or contract. If a bona fide leave of absence extends beyond six months,

Executive's employment will be considered to terminate on the first day after the end of such six-month period, or on the day after Executive's statutory or contractual reemployment right lapses, if later. The Company will determine when Executive's Date of Termination occurs based on all relevant facts and circumstances, in accordance with Treasury Regulation Section 1.409A-1(h).

(e) Code Section 280G Cap. If the separation pay described in Section 6(a) plus the value of any other compensation or benefits payable pursuant to any other plan or program of the Company that are deemed to be paid or transferred in connection with the Change in Control (the "**CIC Benefits**") are payable to Executive in connection with a Change in Control and, if paid, could subject Executive to an excise tax under Code Section 4999 and any similar tax imposed by state or local law as well as any interest and penalties with respect to such tax(es) (the "**Excise Tax**"), then notwithstanding the provisions of Section 6, the Company shall reduce the CIC Benefits (the "**Benefit Reduction**") to \$1.00 below the amount necessary to result in Executive not being subject to the Excise Tax. Executive shall bear all expense of, and be solely responsible for, any Excise Tax should no Benefit Reduction be made. The determination of whether any such Benefit Reduction shall be imposed shall be made by a nationally recognized public accounting firm selected by the Company and reasonably acceptable to Executive, and such determination shall be binding on both Executive and the Company. Such accounting firm shall be engaged by and paid by the Company and shall promptly give the Company and Executive a copy of the detailed calculation of any Benefit Reduction.

**[signature page follows]**

**SIGNED:**

Dated: December 27, 2024

**EXECUTIVE:**

/s/David Christopher Monroe  
Signature

David Christopher Monroe  
Printed Name

**COMPANY:**

**TEXAS ROADHOUSE MANAGEMENT CORP.,**  
a Kentucky corporation

Dated: December 27, 2024

By: /s/Gerald L. Morgan  
Gerald L. Morgan, President

**Exhibit “A”**

**Year 1**

**Base Salary:** \$630,000

**Incentive Bonus target:** \$525,000

**Equity Incentive Grant:**

**A. Service Based Restricted Stock Units:** Executive will receive a grant of service based restricted stock units equal to \$472,500 divided by the closing sales price on January 7, 2025 on the Nasdaq Global Select Market, with such quotient being rounded up or down to the nearest 100 shares. These service based restricted stock units will be subject to certain conditions and limitations set forth in separate RSU Agreements. These service based restricted stock units will be granted on January 8, 2025 and will vest on January 8, 2026, provided Executive is still employed by the Company as of the vesting date.

**B. Performance Based Restricted Stock Units:** Executive will receive a three year grant of performance based restricted stock units as described below equal to \$1,417,500 divided by the closing sales price on January 7, 2025 on the Nasdaq Global Select Market, with such quotient being rounded up or down to the nearest 100 shares, relating to your 2025 fiscal year service, 2026 fiscal year service, and 2027 fiscal year service, respectively. These performance based restricted stock units will be subject to certain conditions and limitations set forth in separate PSU Agreements. These performance based restricted stock units will be granted on January 8, 2025 and will vest in accordance with the table described below, provided Executive is still employed by the Company as of the vesting date and subject to the achievement of defined goals set forth in the table below.

<b>Target \$ of Performance-Based Restricted Stock Units</b>	<b>Portion of Target Grant Based on EPS Performance Goal</b>	<b>Portion of Target Grant Based on Pre- tax Profit Goal</b>	<b>Minimum \$ of Performance-Based Restricted Stock Units</b>	<b>Maximum \$ of Performance-Based Restricted Stock Units</b>	<b>Vesting Date for Portion of Performance Based Restricted Stock Units</b>
472,500	50%	50%	0	945,000	January 8, 2026
472,500	50%	50%	0	945,000	January 8, 2027
472,500	50%	50%	0	945,000	January 8, 2028



**EMPLOYMENT AGREEMENT**  
**(Gerald L. Morgan)**

**THIS EMPLOYMENT AGREEMENT** (this “**Agreement**”) is made and entered into this 27th day of December, 2024 by and between **GERALD L. MORGAN**, whose address is 1589 Conner Station Road, Simpsonville, Kentucky 40067 (“**Executive**”), and **TEXAS ROADHOUSE MANAGEMENT CORP.**, a Kentucky corporation having its principal office at 6040 Dutchmans Lane, Louisville, Kentucky 40205 (the “**Company**”).

**WITNESSETH:**

**WHEREAS**, the Company desires, on the terms and conditions stated herein, to continue to employ Executive as the Chief Executive Officer pursuant to a written employment agreement; and

**WHEREAS**, Executive desires, on the terms and conditions stated herein, to continue to be employed by the Company pursuant to a written employment agreement.

**NOW, THEREFORE**, in consideration of the foregoing recitals, and of the promises, covenants, terms, and conditions contained herein, the parties hereto, intending to be legally bound, agree as follows:

**AGREEMENT**

1. **Employment.**

(a) The Company hereby agrees to continue to employ Executive as the Chief Executive Officer, and Executive hereby accepts such continued employment with the Company, subject to the terms and conditions set forth in this Agreement.

(b) Executive affirms and represents that Executive is under no obligation, including non-competition and/or non-solicitation agreements, to any former employer or other party that restricts or is in any way inconsistent with Executive’s acceptance of employment and Executive’s subsequent employment with the Company, or is inconsistent with the promises Executive is making in this Agreement.

(c) The parties acknowledge that Executive has been employed by the Company pursuant to that certain Employment Agreement dated December 30, 2020 with an effective date of January 8, 2021, as amended by that certain First Amendment to Employment Agreement dated March 31, 2021, as further amended by that certain Second Amendment to Employment Agreement dated January 9, 2023, and as further amended by that certain Third Amendment to Employment Agreement dated May 22, 2024 (collectively, the “**Prior Employment Agreement**”). Executive and the Company each desire to replace the Prior Employment Agreement with this Agreement. Executive therefore agrees that Executive’s Prior Employment Agreement is superseded and replaced by this Agreement and that Executive’s Prior Employment Agreement is of no further force and effect as of the Employment Date defined in Section 2 below. Executive further agrees that Executive is not entitled to any compensation arising from the voluntary termination of the Prior Employment Agreement.

2. **Term of Employment.** Unless earlier terminated as hereinafter provided, the initial employment term shall be for a period beginning on January 8, 2025 (the “**Employment Date**”) and ending three (3) years following the Employment Date (such period referred to as the “**Initial Term**”). Unless (i) either party gives written notice at least sixty (60) days before expiration of the Initial Term or any

Additional Term that they wish to cease the terms of this Agreement being applicable to Executive's continued employment and such employment will then continue "***at will***" (i.e., be terminable by either Executive or the Company at any time and for any reason, with or without cause), and subject to such terms and conditions established by the Company from time to time, or (ii) Executive's employment is earlier terminated as hereinafter provided, the term of Executive's employment under this Agreement will be automatically extended after the Initial Term, under the terms contained herein, on a year-to-year basis (such one-year periods referred to as "***Additional Terms***"). For purposes of this Agreement, the term "***Employment Term***" shall mean the Initial Term plus all Additional Terms.

3. **Duties.** While Executive is employed by the Company during the Employment Term, Executive shall be employed as the Chief Executive Officer of Texas Roadhouse, Inc., and such other titles as the Company may designate, and shall perform such duties and responsibilities as the Company shall assign to Executive from time to time, including duties and responsibilities relating to the Company or Affiliates (as hereinafter defined) and certain officer positions of Affiliates as and if determined by the Company. Executive shall report to the Board of Directors of Texas Roadhouse, Inc. (the "***Board***"). Executive will faithfully and to the best of Executive's ability perform Executive's employment duties at such places and times as the Company may reasonably prescribe. Except when approved in advance by the Company, and except during vacation periods and reasonable periods of absence due to sickness, personal injury or other disability, Executive will devote Executive's full-time attention throughout Executive's Employment Term to Executive's services as the Chief Executive Officer. Executive will render services exclusively to the Company during the Employment Term, except that Executive may engage in other material business activity if such service is approved in writing by the Board. Executive may participate in charitable activities and personal investment activities to a reasonable extent, and Executive may serve as a director of business organizations as approved by the Board, so long as such activities and directorships do not interfere with the performance of Executive's duties and responsibilities under this Agreement. Executive will always act in a manner that is in the best interests of the Company, and will use Executive's best efforts, skill and ability to promote the profitable growth of the Company.

4. **Compensation.**

(a) **Salary.** As compensation for Executive's services under this Agreement, the Company will pay Executive a base salary at the annual rate set forth on **Exhibit "A"** per fiscal year, or such higher amount as may be determined by the Compensation Committee of the Board on an annual basis thereafter ("***Base Salary***"). Once increased, Base Salary may not be decreased during the Employment Term except for decreases that are applied generally to other executives of the Company, in an amount no greater than ten percent (10%). Such Base Salary will be paid in installments at regular intervals in accordance with the Company's payroll practices and procedures.

(b) **Incentive Bonus.** For each full fiscal year during the Employment Term, Executive shall be eligible for an incentive bonus, to be paid no less frequently than annually if and to the extent Executive remains employed on its date of payment, based upon achievement of defined goals established by the Compensation Committee of the Board and in accordance with the terms of any incentive plan of the Company in effect from time to time (the "***Incentive Bonus***").

(i) The level of achievement of the objectives each fiscal year and the amount payable as Incentive Bonus shall be determined in good faith by the Compensation Committee of the Board. Any Incentive Bonus earned for a fiscal year shall be paid to Executive in a single lump sum on or before the date that is 2½ months following the last day of such fiscal year.

(ii) Subject to the achievement of the goals established by the Compensation Committee, as determined by the Compensation Committee, for each fiscal year of this Agreement, Executive shall be eligible for an annual target incentive bonus of at least the amount set forth on Exhibit "A", or such higher amount as may be established by the Compensation Committee of the Board from time to time.

(c) Equity Incentive Plan. Executive will be eligible to participate in the Texas Roadhouse, Inc. 2021 Long Term Incentive Plan or any successor plan thereto at a level and with such awards and conditions as the Compensation Committee of the Board may from time to time grant.

(d) Benefits. During the Employment Term, Executive will be entitled to participate in all employee benefit plans and programs of the Company that are available to employees generally to the extent that Executive meets the eligibility requirements for each individual plan or program. The Company provides no assurance as to the adoption or continuance of any particular employee benefit plan or program, and Executive's participation in any such plan or program shall be subject to the provisions, rules and regulations applicable thereto.

(i) Deferred Compensation. During the Employment Term, Executive will be eligible to participate in the Company's then-current Deferred Compensation Plan, subject to the terms of such plan, as those terms may be amended from time to time by the Company in its sole discretion (including terms related to any applicable Company matching program relating to the same to the extent approved by the Compensation Committee).

(ii) Vacations. Executive shall be entitled to be absent from Executive's duties for the Company by reason of vacation for a period of four (4) weeks per fiscal year. Executive's vacation time each fiscal year will accrue in accordance with the Company's normal policies and procedures. Executive shall coordinate Executive's vacation schedule with the Company so as not to impose an undue burden on the Company.

(e) Expenses. During the Employment Term, the Company shall reimburse Executive for all reasonable and necessary out-of-pocket business, travel and entertainment expenses incurred by Executive in the performance of Executive's duties and responsibilities, subject to the Company's normal policies and procedures for expense verification, documentation and reimbursement intervals. Any reimbursements made under this Section 4(e) must be submitted for payment timely such that it can be paid no later than the last day of Executive's taxable year following the taxable year in which the expense is incurred, or such expense will not be reimbursable.

(f) Clawback Provisions. Notwithstanding any other provision in this Agreement to the contrary, any compensation paid or payable to Executive pursuant to this Agreement or any other agreement or arrangement with the Company shall be subject to recovery or reduction in future payments in lieu of recovery pursuant to any Company clawback policy in effect from time to time, whether adopted before or after the date of this Agreement. In furtherance of the foregoing, (A) Executive acknowledges and agrees that Executive has read, understands, and agrees to be bound by the terms of that certain Texas Roadhouse, Inc. Policy for Recovery of Incentive Compensation dated November 9, 2023 (which was previously provided to Executive and which is incorporated herein by reference) (the "**Existing Clawback Policy**"), and (B) the Existing Clawback Policy shall apply to certain portions of Executive's compensation in the manner specifically described therein. In the event the Company elects, in its sole and absolute discretion, to amend, modify, replace and/or revise the Existing Clawback Policy at any time during the Employment Term, Executive agrees to execute and deliver to the Company an acknowledgement and agreement confirming Executive's compliance with such revised clawback policy.

5. **Termination.**

(a) This Agreement and Executive's employment will terminate if any of the following occurs: (i) termination by the Company for Cause (as hereinafter defined); (ii) termination by the Company without Cause; (iii) resignation by Executive for Good Reason (as hereinafter defined); (iv) resignation by Executive without Good Reason; (v) Executive's death or long-term disability; and/or (vi) Executive's retirement.

(b) **Termination by the Company for Cause.** The Company may terminate this Agreement and Executive's employment for Cause at any time without any advance notice, except as provided below. The decision to terminate Executive's employment for Cause shall be in the sole discretion of the Company. If the Company terminates this Agreement for Cause, the Company shall pay to Executive only: (i) the Base Salary through the Date of Termination; (ii) any Incentive Bonus not yet paid for any fiscal year that ended before the Date of Termination; (iii) any accrued paid time off that might be due in accordance with policies of the Company in effect from time to time, and (iv) any expenses owed to Executive under Section 4(f) above, less any monies Executive owes to the Company as of the Date of Termination, to the extent permitted by applicable law (the "***Base Termination Payments***"). The Company shall have no severance obligations under this Agreement (including the obligation to pay Separation Pay) in the event of a termination for Cause.

(c) **Termination by Company without Cause.** If the Company terminates this Agreement without Cause, Executive will be entitled to: (i) the Base Termination Payments; and (ii) Separation Pay (as hereinafter defined) calculated and paid in accordance with Section 6 below.

(d) **Resignation by Executive for Good Reason.** If Executive resigns for Good Reason, Executive will be entitled to: (i) the Base Termination Payments; and (ii) Separation Pay calculated and paid in accordance with Section 6 below.

(e) **Resignation by Executive Without Good Reason.** If Executive resigns without Good Reason, Executive will be entitled only to the Base Termination Payment. The Company shall have no severance obligations under this Agreement (including the obligation to pay Separation Pay) in the event of a resignation without Good Reason.

(f) **Executive's Death or Long-Term Disability.** This Agreement will automatically terminate upon Executive's death or long-term disability. In the event of Executive's death, the Company shall pay the Base Termination Payments to Executive's estate. In the event of Executive's long-term disability, Executive will be entitled to the Base Termination Payments. In either case, the Company shall have no severance obligations under this Agreement (including the obligation to pay Separation Pay).

(g) **Executive's Retirement.** If Executive retires, Executive will be entitled only to the Base Termination Payment. The Company shall have no severance obligations under this Agreement (including the obligation to pay Separation Pay) in the event of a retirement.

6. **Separation Payment.**

(a) **Amount of Separation Pay.** Subject to the terms and conditions of this Agreement (including the release condition in Section 6(c) below and delayed start as provided in that subsection and Section 23(c) below), in the event the Company terminates this Agreement without Cause or Executive resigns with Good Reason within twelve (12) months following a Change in Control, the Company shall

pay the following amounts to Executive (as applicable, the “**Separation Pay**”) in intervals as determined by the Company:

(i) Termination by Company without Cause. (A) an amount equal to two (2) times Executive’s then current Base Salary (less applicable withholdings), plus (B) an Incentive Bonus for the year in which the Date of Termination occurs, equal to Executive’s target bonus for that year (less applicable withholdings), prorated based on the number of days in the fiscal year elapsed before the Date of Termination, payable at the same time that Incentive Bonuses for such periods are payable to other executive employees whose employment did not end, plus (C) to the extent Executive is enrolled in the Company’s insurance plan(s) as of the Date of Termination, an amount equal to the approximate cost of monthly premiums (less applicable withholdings) for an eighteen (18) month period for ongoing medical, dental, and vision insurance via a timely election made under the Company’s health plan to the Consolidated Omnibus Reconciliation Act (COBRA) or otherwise.

(ii) Resignation by Executive for Good Reason. (A) an amount equal to two (2) times Executive’s current Base Salary (less applicable withholdings), plus (B) an amount equal to two (2) times Executive’s then target Incentive Bonus (less applicable withholdings), plus (C) an Incentive Bonus for the year in which the Date of Termination occurs, equal to Executive’s target bonus for that year (less applicable withholdings), prorated based on the number of days in the fiscal year elapsed before the Date of Termination, payable at the same time that Incentive Bonuses for such periods are payable to other executive employees whose employment did not end, plus (D) to the extent Executive is enrolled in the Company’s insurance plan(s) as of the Date of Termination, an amount equal to the approximate cost of monthly premiums (less applicable withholdings) for an eighteen (18) month period for ongoing medical, dental, and vision insurance via a timely election made under the Company’s health plan to the Consolidated Omnibus Reconciliation Act (COBRA) or otherwise.

Nothing in this Section 6(a) shall be deemed to limit and/or prohibit the payment of amounts that otherwise would be payable to Executive for unvested service-based restricted stock units and/or performance-based restricted stock units previously awarded to Executive subject to the previously executed stock unit agreement(s).

(b) The Company is not obligated to pay the Separation Pay to Executive unless Executive has signed a full release of claims against the Company and its Affiliates that is in a form and scope acceptable to the Company (the “**Release**”), and all applicable consideration periods and rescission periods provided by law have expired. Executive must execute and deliver the Release to the Company no later than the date specified by the Company. The Release will be delivered by the Company to Executive at least twenty-one (21) days (forty-five (45) days where Executive is required to be given forty-five (45) days to review and consider the Release) before the deadline set for its return. If the period of time to consider and revoke the Release spans two (2) tax years, then, in no event may separation pay be paid until the second (2nd) such tax year, even if the Release is signed and nonrevocable sooner.

(c) Further, Executive shall not be entitled to Separation Pay if Executive fails to return all Company property within Executive’s possession or control and settle all expenses owed to the Company on or before the date the Release is executed and returned to the Company.

(d) If Executive, at any time before all Separation Pay due under this Agreement is paid, fails to comply with restrictive covenants in this Agreement or any other agreement with the Company, the Company may cease payment and any further amounts due shall be deemed a “disputed payment” for purposes of Code Section 409A-2(g) payable only as and if required as a result of the claim and dispute resolution provisions in Section 17 below.

(e) In no event shall Executive be obligated to seek other employment or take any other action by way of mitigation of the amounts, benefits and other compensation payable or otherwise provided to Executive after Executive's Date of Termination.

7. **Definitions.** In addition to terms capitalized and defined in the context where first used, the following terms shall have the meanings indicated below:

(a) Termination for "**Cause**" means a termination by the Company for one (1) or more of the following reasons, as stated in a written notice of termination:

- (i) Executive's conviction of, or being charged with having committed, a felony;
- (ii) Executive's acts of dishonesty or moral turpitude that are detrimental to the business of the Company;
- (iii) Executive's failure to obey the reasonable and lawful directions of the Company, including, without limitation, the Company's policies and procedures (including the Company's policies prohibiting discrimination, harassment, and retaliation), and the Texas Roadhouse, Inc. Code of Conduct;
- (iv) Executive's failure to perform Executive's obligations under this Agreement;
- (v) Executive's willful breach of any agreement or covenant of this Agreement or any fiduciary duty owed to the Company; and/or
- (vi) Executive's unsatisfactory performance of Executive's duties after: (A) Executive has received written notice of the general nature of the unsatisfactory performance and (B) Executive has failed to cure the unsatisfactory performance within thirty (30) days thereafter to the satisfaction of the Company. If, during this thirty (30) day timeframe, the Company determines that Executive is not making reasonable good faith efforts to cure the deficiencies to the satisfaction of the Company, the Company has the right to immediately terminate Executive's employment. If the Company determines that Executive cured the unsatisfactory performance before the conclusion of the thirty (30) day timeframe, any recurrence of the same or similar unsatisfactory performance within twelve (12) months of the conclusion of the thirty (30) day timeframe shall constitute "**Cause**" for Executive's termination, and Executive's employment may be terminated with no further or additional opportunity to cure the unsatisfactory performance.

(b) A "**Change in Control**" means that one of the following events has taken place:

- (i) consummation of a merger or consolidation of the Company with any other entity, other than a merger or consolidation that would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving or resulting entity) more than fifty percent (50%) of the combined voting power of the surviving or resulting entity outstanding immediately after such merger or consolidation;
- (ii) consummation of a sale or disposition of all or substantially all of the assets of the Company (other than such a sale or disposition immediately after which such assets will be owned directly or indirectly by the stockholders of the Company in substantially the same proportions as their ownership of the common stock of the Company immediately before such sale or disposition); or

(iii) any Person becomes the beneficial owner (as determined pursuant to Section 13(d) of the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”)) of securities representing in excess of fifty percent (50%) of the aggregate voting power of the outstanding securities of the Company as required to be disclosed in a report on Schedule 13D of the Exchange Act.

Notwithstanding anything in the foregoing to the contrary, the Board shall have full and final authority, in its sole discretion, to determine conclusively whether a Change in Control shall have occurred pursuant to the above definition, the date of the occurrence of such Change in Control, and any incidental matters relating thereto.

For purposes of this Section 7(b), the term “**Company**” means Texas Roadhouse, Inc.

(c) “**Code**” means the Internal Revenue Code of 1986, as amended.

(d) “**Date of Termination**” means (A) if Executive’s employment is terminated by the Company or by Executive other than for Good Reason, the date of receipt of the notice of termination or any later date specified therein (which date shall be not more than thirty (30) days after giving such notice), as the case may be, (B) if Executive’s employment is terminated by Executive for Good Reason, the thirtieth (30th) day following receipt by the Company of the notice of termination for Good Reason if the Company fails to cure the condition giving rise to Good Reason during the thirty (30) day cure period, or any later date specified therein, as the case may be, provided that such date may not be more than sixty (60) days following the Company’s receipt of the notice of termination.

(e) “**Good Reason**” given by Executive in a notice of termination must be based on one (1) or more of the following circumstances following a Change in Control:

(i) the assignment to Executive of a different title or job responsibilities that result in a substantial decrease in the level of responsibility from those in effect immediately before the Change in Control;

(ii) a reduction by the Company or the surviving company in Executive’s base pay as in effect immediately before the Change in Control;

(iii) a significant reduction by the Company or the surviving company in total benefits available to Executive under cash incentive, stock incentive and other employee benefit plans after the Change in Control compared to the total package of such benefits as in effect before the Change in Control;

(iv) the requirement by the Company or the surviving company that Executive be based more than fifty (50) miles from where Executive’s office is located immediately before the Change in Control, except for required travel on Company business to an extent substantially consistent with the business travel obligations which Executive undertook on behalf of the Company before the Change in Control; or

(v) the failure by the Company to obtain from any Successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company (“**Successor**”) an agreement to assume obligations under this Agreement.

*Provided, however,* that Good Reason shall not exist unless the reason set forth is not cured within thirty (30) days after Executive has delivered written notice of such condition to the Company and/or to such Successor. Further, in each case, Executive must give the Company notice of the condition within

ninety (90) days of the initial existence of the condition, and the separation from service must occur within sixty (60) days following notice of termination, or the termination will not be considered to be for Good Reason.

(f) “**Person**” has the meaning ascribed to such term in Section 3(a)(9) of the Exchange Act and used in Sections 13(d) and 14(d) thereof, including a “group” as defined in Section 13(d) thereof.

8. **Cooperation.** Executive agrees to cooperate fully with the Company, its attorneys and representatives in any litigation, arbitration or administrative proceeding related to Executive’s current or former employment with the Company. Without limiting the foregoing, Executive agrees (a) to meet with the Company’s representatives, counsel, or other designees at mutually convenient times and places related to any items within the scope of this provision; (b) to provide truthful testimony regarding same to any court, agency, or other adjudicatory body; and (c) to provide the Company with notice of contact by any non-governmental adverse party or such adverse party’s representative, except as may be required by law. The Company will use reasonable efforts to schedule Executive’s cooperation in a manner that avoids causing Executive any undue hardship. Executive’s obligation to cooperate under this Section 8 extends for five (5) years from the last date on which Executive receives any compensation under this Agreement or any amendment and restatement or successor hereto. Nothing herein will prevent Executive from providing truthful responses, under oath, in response to a subpoena from any judicial or governmental authority. Further, nothing herein shall require Executive to cooperate with the Company regarding any charge or litigation in which Executive is a charging or complaining party, or any confidential investigation by a government agency.

9. **Confidentiality and Nondisparagement.**

(a) **Confidentiality Covenant.** Executive agrees:

(i) Executive’s employment creates a relationship in which the Company places confidence and trust in Executive with respect to certain information pertaining to the business of the Company and its Affiliates that Executive may receive during Executive’s employment by the Company.

(ii) Without the written consent of the Company, Executive will not use for Executive’s benefit or disclose at any time during or after Executive’s employment, except to the extent required by Executive’s duties, to the extent of Executive’s obligations under Section 14, or as permitted below, any information Executive obtains or develops while employed by the Company regarding any actual or potential recipes, suppliers, products, services, employees, documents pertaining to the Company or any of its Affiliates (including, without limitation, this Agreement, franchise agreements, employment agreements and joint venture agreements), financial affairs, systems, applications, or methods of marketing, service or procurement of the Company or any of its Affiliates, or any confidential matter regarding the business of the Company or any of its Affiliates, except information that at the time is generally known to the public or is required to be disclosed by law or legal process, other than as a result of disclosure by Executive not permitted under this Agreement (collectively, “**Confidential Information**”).

(iii) At Executive’s request, the Company will tell Executive, in writing, whether or not the Company considers any particular item of information to be Confidential Information. Executive agrees to contact the Company before Executive discloses any information that Executive acquired during Executive’s employment to determine whether the Company considers the information to be Confidential Information.



(iv) Upon Executive's termination, Executive will promptly return to the Company all documents and papers (including all copies, stored electronically or otherwise) relating to Confidential Information and other physical property in Executive's possession that belongs to the Company or any of its Affiliates.

(v) Nothing in this provision prevents Executive from communicating with, filing a charge or complaint with, providing documents or information voluntarily or in response to a subpoena or other information request to, or from participating in or otherwise cooperating in an investigation or proceeding conducted by a governmental agency, including but not limited to, the Securities and Exchange Commission, the U.S. Equal Employment Opportunity Commission, or any similar federal, state, or local agency charged with the enforcement of any laws, and Executive shall not need to notify the Company or seek permission before communicating with any such governmental agency.

(b) Binding Effect. Executive agrees that the provisions of this Section 9 are binding upon Executive's heirs, successors and legal representatives.

(c) Obligations Additive. Executive acknowledges that the obligations imposed by this Section 9 are in addition to, and not in place of, any obligations imposed by applicable statutory or common law.

(d) Nondisparagement. Executive shall not at any time during the Employment Term or for a period of two (2) years after Executive's employment ends, disparage the Company, any of its Affiliates and any of their respective officers and directors.

10. Intellectual Property.

(a) Disclosure and Assignment. As used herein, "**Creations**" means writings, works of authorship, recipes, formulas, ideas, concepts, inventions, discoveries, and improvements, whether patented, patentable or not and whether copyrighted, copyrightable, or not. Furthermore, as used herein, "**Employment Creations**" means any and all Creations created, prepared, produced, authored, amended, conceived or reduced to practice by Executive whether solely or in collaboration with others while he or she is employed by the Company that: (i) relate in any way to the Company's business; or (ii) relate to the Company's actual or contemplated business, research, or development; or (iii) result from any work performed by Executive for the Company. Executive acknowledges that, by reason of being employed by the Company at the relevant times, to the extent permitted by law, every copyrightable Employment Creation, regardless of whether copyright protection is sought or preserved by the Company, shall be a "**work made for hire**" as defined in 17 U.S.C. §101, and the Company shall own all rights in and to such Employment Creation throughout the world except to the extent such ownership is waived in writing by the Board. To the extent the preceding sentence does not apply, as of the Effective Date, Executive agrees to transfer and assign and hereby transfers and assigns to the Company (or its designee) all right, title, and interest of Executive in and to every Employment Creation. Executive further agrees to transfer and assign and hereby transfers and assigns to the Company all Creations created, prepared, produced, authored, amended, conceived or reduced to practice by Executive within one (1) year following Executive's termination of employment with the Company (whether voluntary or otherwise), if the Creation is a result of Company's Confidential Information obtained by Executive during Executive's employment with the Company (collectively, "**Post-Employment Creations**"). Executive shall communicate promptly and disclose to the Company, in such form as the Company may request, all information, details, and data pertaining to each Employment Creation and each Post-Employment Creation. Nothing contained in this Agreement shall be construed to reduce or limit the Company's rights, title, or interest in any Employment

Creations or Post-Employment Creations so as to be less in any respect than that the Company would have had in the absence of this Agreement except to the extent such ownership is waived in writing by the Board.

(b) Moral Rights. To the extent any copyrights are assigned under this Agreement, Executive hereby irrevocably waives, to the extent permitted by applicable law, any and all claims Executive may now or hereafter have in any jurisdiction to all rights of paternity, integrity, disclosure, and withdrawal and any other rights that may be known as “*moral rights*” with respect to all Employment Creations and Post-Employment Creations and all intellectual property rights therein.

(c) Trademarks. All right, title, and interest in and to any and all trademarks, trade names, service marks, and logos adopted, used, or considered for use by the Company during Executive’s employment (whether or not developed by Executive) to identify the Company’s business or other goods or services (collectively, the “*Marks*”), together with the goodwill appurtenant thereto, and all other materials, ideas, or other property conceived, created, developed, adopted, or improved by Executive solely or jointly during Executive’s employment by the Company and relating to its business shall be owned exclusively by the Company. Executive shall not have, and will not claim to have, any right, title, or interest of any kind in or to the Marks or such other property.

(d) Further Assurances and Documentation. During and after Executive’s employment, Executive shall, for no additional consideration, reasonably cooperate with the Company to (i) apply for, obtain, perfect, and transfer to the Company the Employment Creations and Post-Employment Creations and any intellectual property rights therein in any jurisdiction in the world; and (ii) maintain, protect, and enforce the same, including, without limitation, executing and delivering to the Company such formal transfers and assignments, applications, oaths, declarations, affidavits, waivers, and such other documents as the Company may request to permit the Company (or its designee) to file and prosecute such registration applications and other documents it deems useful to protect or enforce its rights under this Agreement. The Company will pay all of Executive’s reasonable expenses in connection with this cooperation.

(e) Non-Applicability. Executive is hereby notified that this Section 10 does not apply to any Creation for which no equipment, supplies, facility, Confidential Information, or other trade secret information of the Company was used and which was developed entirely on Executive’s own time, unless (i) the Creation relates in any way to (A) the business of the Company, or (B) the Company’s actual or contemplated business, research, or development; or (ii) the Creation results from any work performed by Executive for the Company.

(f) No License. Executive understands that this Agreement does not, and shall not be construed to, grant Executive any license or right of any nature with respect to any Employment Creations, or any Post-Employment Creations, or any Confidential Information, materials, recipes, software, or other tools made available to Executive by the Company.

11. **Non-Competition and Non-Solicitation**.

(a) During the Employment Term, Executive shall faithfully serve the Company to the best of Executive’s ability, shall use Executive’s best endeavors to promote the interest and welfare thereof, and shall devote the whole of Executive’s time, attention and abilities to such duties. By way of example and not limitation, this means that during the Employment Term, Executive will not do or say anything that: (i) could advance an interest of any existing or prospective competitor of the Company or any of its Affiliates in any way; or (ii) will or may injure an interest of the Company or any of its Affiliates in its relationship and dealings with existing or potential suppliers or customers.

(b) During Executive's employment and for two (2) years following the termination of Executive's employment (whether under this Agreement or during a successor or "*at will*" employment period):

(i) Executive shall not, directly or indirectly, on Executive's own behalf or on behalf of any person or entity other than the Company, including without limitation as a proprietor, principal, agent, partner, officer, director, stockholder, employee, member of any association, consultant or otherwise, engage in any business that is directly competitive with the business of the Company, including without limitation any business that operates one or more full-service, casual dining steakhouse restaurants within the United States or any foreign country in which the Company or its franchisees or its joint venture partners is operating or in which Executive knows the Company or its franchisees or its joint venture partners proposes to open within twenty-four (24) months. The provisions of this Section shall also apply to any business which is directly competitive with any other business which the Company or an Affiliate acquires or develops during Executive's employment with the Company.

(ii) Except as required in the performance of Executive's duties as an employee of the Company, Executive shall not, directly or indirectly, (A) hire, engage or solicit or induce or attempt to induce to cease working for the Company, any person who is then an employee of the Company or who was an employee of the Company during the six (6) month period immediately preceding Executive's termination of employment with the Company, nor (B) solicit, request, advise, induce or attempt to induce any vendor, supplier or other business contact of the Company to cancel, curtail, cease doing business with, or otherwise adversely change its relationship with the Company.

(c) For the purposes of this Agreement, the phrase "*proposes to open*" a restaurant includes all locations for which active, bona fide negotiations to secure a fee or leasehold interest with the intention of establishing a restaurant are being conducted. Mere ownership, whether through direct or indirect stock holdings or otherwise, of one percent (1%) or less of a business shall not constitute a violation of the restriction in Section 11(b)(i) above, unless a greater amount is approved in writing by the Board. Executive is deemed to engage in a business if Executive expects to acquire a proprietary interest in a business or to be made an employee, officer, director, manager, consultant, independent contractor, advisor or otherwise of such business at any time after such possibility has been discussed with any officer, director, employee, agent, or promoter of such business.

(d) Executive agrees that Executive's experience, capabilities and circumstances are such that these provisions will not prevent Executive from earning a livelihood. Executive further agrees that the limitations set forth in this Section (including, without limitation, any time or territorial limitations) are reasonable and properly required for the adequate protection of the businesses of the Company and its Affiliates. The covenants made by Executive in this Section (and in Sections 8, 9, 10 and 17) will survive the expiration or termination of this Agreement.

12. **Injunctive Relief.** Executive acknowledges and agrees that the provisions of the forgoing Sections 8, 9, 10 and 11 are reasonable and necessary to protect legitimate interests of the Company and that a remedy at law for any breach or threatened breach of the provisions of Sections 8, 9, 10 and 11 would be inadequate, and so Executive agrees that the Company and any of its Affiliates are entitled to injunctive relief in addition to any other available rights and remedies in cases of any such breach or threatened breach of those Sections. In addition, Executive acknowledges and agrees that an action for an injunction under Sections 8, 9, 10 and 11 may only be brought in the state or federal courts located in Louisville, Kentucky. Executive irrevocably accepts the venue and jurisdiction of those courts for the purposes of any such suit

for an injunction, and further irrevocably waives any claim that any such suit has been brought in an inconvenient forum.

13. **Non-Assignability.** The services to be provided by Executive are personal in nature and therefore neither Executive or Executive's beneficiaries or legal representatives may assign this Agreement or any right or interest under this Agreement. Any attempt, voluntary or involuntary, to effect any such action will be null, void and of no effect. The Company may assign or delegate this Agreement or any rights and interests under this Agreement to any Affiliate or to any successor to the Company, and Executive will be bound by such assignment or delegation.

14. **Notification to Future Employers.** Executive will notify any future employer of Executive's obligations under the provisions of Sections 8, 9, 10 and 11.

15. **Affiliate.** For the purposes of this Agreement, the term "***Affiliate***" or "***Affiliates***" means (i) Texas Roadhouse, Inc. and each corporation, limited liability company, partnership, or other entity that directly or indirectly, controls Texas Roadhouse, Inc., (ii) is controlled, directly or indirectly, by Texas Roadhouse, Inc., or (iii) is under common control, directly or indirectly, with Texas Roadhouse, Inc., as well as any entity that owns, operates, manages, licenses or franchises a Texas Roadhouse, Bubba's 33, or Jagers (or any future Texas Roadhouse or Affiliate) restaurant concept.

16. **Notices.** Any notice required under this Agreement must be given in writing and either delivered in person, via email or by first class certified or registered mail, if to the Company, at the Company's principal place of business: Attn: Texas Roadhouse Legal Department, 6040 Dutchmans Lane, Louisville, Kentucky 40205, and if to Executive, at Executive's home address most recently filed with the Company, or to such other address as either party has designated in writing to the other party.

17. **Dispute Resolution.**

(a) **Arbitration Agreement.** Except as provided in Section 12 and below, all disputes, claims, or controversies between Executive and the Company or any of its Affiliates, or any of their employees, arising out of or in any way related to (i) this Agreement, (ii) the breach, termination, enforcement, interpretation, or validity thereof, or (iii) Executive's Employment, shall be resolved by arbitration in Louisville, Kentucky, or in an alternate, mutually-convenient location of the parties' choosing, by one arbitrator, who shall be a lawyer or retired judge with at least ten years' experience. Executive and the Company and its Affiliates agree to arbitrate those claims whether they arise in contract or tort, assert violations of statutes, regulations, or ordinances, or are based on other legal or equitable theories. Arbitration shall proceed under the rules and procedures of the American Arbitration Association, including its procedures for dispositive motion practice. The parties to the arbitration shall use good faith efforts to complete the arbitration within one hundred fifty (150) days of the appointment of the arbitrator. In any arbitration that Executive commences, the Company will pay the arbitrator's fees if Executive prevails, or if other applicable law requires the Company to do so. It is expressly agreed that this Agreement evidences a transaction in interstate commerce and that this Section 17(a) is governed by the Federal Arbitration Act. This agreement to arbitrate does not apply to claims for workers' compensation or unemployment insurance, or any other claims that are not legally subject to private arbitration.

(b) Waiver of Jury Trial and Class or Multiparty Claims. **Executive and the Company and its Affiliates voluntarily and knowingly waive any right to a jury trial.** In addition, Executive acknowledges that Executive's relationship with the Company is unique and that there are and will be differences from the relationships the Company may have with other employees or executives. Therefore, any arbitration shall be conducted and resolved on an individual basis only and not on a class-wide, multiple plaintiff or claimant, consolidated or similar basis.

(c) Limitations Period; Deadline to Assert Claims. Executive and the Company and its Affiliates agree that arbitration of any disputes, claims, or controversies shall be initiated within one year of the act or occurrence giving rise to the dispute, claim or controversy, even though that deadline is or may be shorter than the period provided by statutes of limitations that would apply in the absence of this Section. Any claim that is not asserted in an arbitration within one (1) year of the act or occurrence giving rise to it shall be deemed waived.

(d) Governing Law & Forum. This Agreement is governed by Federal Arbitration Act and the laws of the Commonwealth of Kentucky without regard to its conflicts of law provisions. If Executive timely and validly rejects Section 17(a), or otherwise files any claim against the Company or any of its Affiliates that is not subject to Section 17(a), Executive agrees that the state or federal courts located in Jefferson County, Kentucky shall be the exclusive forum for such a claim.

18. Severability. Executive agrees that if any the arbitrator or court of competent jurisdiction will finally hold that any provision of Sections 8, 9, 10, 11 or 17 is void or constitutes an unreasonable restriction against Executive, the provisions of such Sections 8, 9, 10, 11 or 17 will not be rendered void but will apply to such extent as such arbitrator or court may judicially determine constitutes a reasonable restriction under the circumstances. If any part of this Agreement other than Sections 8, 9, 10, 11 or 17 is held by an arbitrator or court of competent jurisdiction to be invalid, illegal or incapable of being enforced in whole or in part by reason of any rule of law or public policy, such part will be deemed to be severed from the remainder of this Agreement for the purpose only of the particular legal proceedings in question and such part and all other covenants and provisions of this Agreement will in every other respect continue in full force and effect and no covenant or provision will be deemed dependent upon any other covenant or provision.

19. Waiver. Failure to insist upon strict compliance with any of the terms, covenants or conditions is not a waiver of such term, covenant or condition, nor will any waiver or relinquishment of any right or power be deemed a waiver or relinquishment of such right or power.

20. Nature of Relationship. This Agreement creates an employee-employer relationship. The parties do not intend for this Agreement to create a legal or equitable partnership, a joint venture, or any other relationship.

21. Entire Agreement; Modifications. This Agreement represents the entire agreement between the parties regarding the subject matter and supersedes all prior oral or written proposals, understandings, and other commitments between the parties related to Executive's employment by the Company and Affiliates, except for any written stock option or stock award agreement between Executive and the Company. This Agreement is binding upon and benefits the parties, their heirs, legal representatives, successors, and permitted assigns. This Agreement may be modified or amended only by an instrument in writing signed by both parties.

22. Beneficial Ownership of Liquor Licenses. If a local or state law requires Executive to be the owner of the liquor license, or to be a member of the entity that owns the liquor license, Executive

acknowledges and agree that such ownership is solely for the benefit of the owner of the restaurant and/or the entity holding the liquor license and that Executive is not entitled to compensation relating to the ownership of any liquor license, or relating to the ownership of any member interest in an entity owning a liquor license. Upon termination of Executive's employment, Executive will relinquish ownership of the liquor license upon request of the Company or the owner of the restaurant, and Executive will surrender, without compensation, any membership interest in an entity owning a liquor license. Executive will execute and deliver any documents that the Company requests in order to effect such transfer of ownership promptly and without consideration.

23. **Tax Matters.**

(a) **Withholding.** Notwithstanding any other provision of this Agreement, the Company may withhold from amounts payable under this Agreement all federal, state, local and foreign taxes that the Company determines are required to be withheld by applicable laws or regulations.

(b) **409A Compliance Intent.** This Agreement is intended to provide for compensation that is exempt from Code Section 409A as separation pay (up to the Code Section 409A limit) or as a short-term deferral, and to be compliant with Code Section 409A with respect to additional compensation under this Agreement. This Agreement shall be interpreted, construed, and administered in accordance with this intent, provided that the Company does not promise or warrant any tax treatment of compensation. Executive is responsible for obtaining advice regarding all questions to federal, state, or local income, estate, payroll, or other tax consequences arising from participation herein. This Agreement shall not be amended or terminated in a manner that would accelerate or delay payment of severance pay or bonus pay except as permitted under Treasury Regulations under Code Section 409A.

(c) **Six Month Delay.** Notwithstanding anything herein to the contrary, if Executive is a "specified employee" within the meaning of Treasury Regulation Section 1.409A-1(i) (or any successor thereto) on the Date of Termination, any payments under this Agreement that are triggered by termination of employment and which are not exempt as separation pay under Treasury Regulation Section 1.409A-1(b)(9) or as short-term deferral pay, shall not begin to be paid until six months after the Date of Termination, and at that time, Executive will receive in one lump sum payment of all the payments (without interest) that would have otherwise been paid to Executive during the first six (6) months following Executive's Date of Termination. The Company shall determine, consistent with any guidance issued under Code Section 409A, the portion of payments that are required to be delayed, if any.

(d) **Termination Must be within 409A to Trigger Payments.** For purposes of the timing of payments triggered by the termination, termination shall not be considered to have occurred until the date Executive and the Company reasonably anticipate that (i) Executive will not perform any further services for the Company or any other entity considered a single employer with the Company under Code Section 414(b) or (c) (but substituting fifty percent (50%) for eighty percent (80%) in the application thereof) (the "**Employer Group**"), or (ii) the level of bona fide services Executive will perform for the Employer Group after that date will permanently decrease to less than twenty percent (20%) of the average level of bona fide services performed over the previous thirty-six (36) months (or if shorter over the duration of service). For this purpose, service performed as an employee or as an independent contractor is counted, except that service as a member of the board of directors of an Employer Group entity is not counted unless termination benefits under this Agreement are aggregated with benefits under any other Employer Group plan or agreement in which Executive also participates as a director. Executive will not be treated as having a termination of Executive's employment while he is on military leave, sick leave or other bona fide leave of absence if the leave does not exceed six months or, if longer, the period during which Executive has a reemployment right under statute or contract. If a bona fide leave of absence extends beyond six months,

Executive's employment will be considered to terminate on the first day after the end of such six-month period, or on the day after Executive's statutory or contractual reemployment right lapses, if later. The Company will determine when Executive's Date of Termination occurs based on all relevant facts and circumstances, in accordance with Treasury Regulation Section 1.409A-1(h).

(e) Code Section 280G Cap. If the separation pay described in Section 6(a) plus the value of any other compensation or benefits payable pursuant to any other plan or program of the Company that are deemed to be paid or transferred in connection with the Change in Control (the "**CIC Benefits**") are payable to Executive in connection with a Change in Control and, if paid, could subject Executive to an excise tax under Code Section 4999 and any similar tax imposed by state or local law as well as any interest and penalties with respect to such tax(es) (the "**Excise Tax**"), then notwithstanding the provisions of Section 6, the Company shall reduce the CIC Benefits (the "**Benefit Reduction**") to \$1.00 below the amount necessary to result in Executive not being subject to the Excise Tax. Executive shall bear all expense of, and be solely responsible for, any Excise Tax should no Benefit Reduction be made. The determination of whether any such Benefit Reduction shall be imposed shall be made by a nationally recognized public accounting firm selected by the Company and reasonably acceptable to Executive, and such determination shall be binding on both Executive and the Company. Such accounting firm shall be engaged by and paid by the Company and shall promptly give the Company and Executive a copy of the detailed calculation of any Benefit Reduction.

**[signature page follows]**

**SIGNED:**

Dated: December 27, 2024

**EXECUTIVE:**

/s/Gerald L. Morgan  
Signature

Gerald L. Morgan  
Printed Name

**COMPANY:**

**TEXAS ROADHOUSE MANAGEMENT CORP.,**  
a Kentucky corporation

Dated: December 27, 2024

By: /s/Christopher C. Colson  
Christopher C. Colson, Secretary



**Exhibit “A”**

**Year 1**

**Base Salary:** \$1,400,000

**Incentive Bonus target:** \$1,400,000

**Equity Incentive Grant:**

**A. Service Based Restricted Stock Units:** Executive will receive a grant of service based restricted stock units equal to \$2,100,000 divided by the closing sales price on January 7, 2025 on the Nasdaq Global Select Market, with such quotient being rounded up or down to the nearest 100 shares. These service based restricted stock units will be subject to certain conditions and limitations set forth in separate RSU Agreements. These service based restricted stock units will be granted on January 8, 2025 and will vest on January 8, 2026, provided Executive is still employed by the Company as of the vesting date.

**B. Performance Based Restricted Stock Units:** Executive will receive a three year grant of performance based restricted stock units as described below equal to \$6,300,000 divided by the closing sales price on January 7, 2025 on the Nasdaq Global Select Market, with such quotient being rounded up or down to the nearest 100 shares, relating to your 2025 fiscal year service, 2026 fiscal year service, and 2027 fiscal year service, respectively. These performance based restricted stock units will be subject to certain conditions and limitations set forth in separate PSU Agreements. These performance based restricted stock units will be granted on January 8, 2025 and will vest in accordance with the table described below, provided Executive is still employed by the Company as of the vesting date and subject to the achievement of defined goals set forth in the table below.

Target \$ of Performance-Based Restricted Stock Units	Portion of Target Grant Based on EPS Performance Goal	Portion of Target Grant Based on Pre- tax Profit Goal	Minimum \$ of Performance-Based Restricted Stock Units	Maximum \$ of Performance-Based Restricted Stock Units	Vesting Date for Portion of Performance Based Restricted Stock Units
2,100,000	50%	50%	0	4,200,000	January 8, 2026
2,100,000	50%	50%	0	4,200,000	January 8, 2027
2,100,000	50%	50%	0	4,200,000	January 8, 2028

**EMPLOYMENT AGREEMENT**  
**(Hernan E. Mujica)**

**THIS EMPLOYMENT AGREEMENT** (this “*Agreement*”) is made and entered into this 27th day of December, 2024 by and between **HERNAN E. MUJICA**, whose address is 1400 Willow Avenue, Unit 1405, Louisville, Kentucky 40204 (“*Executive*”), and **TEXAS ROADHOUSE MANAGEMENT CORP.**, a Kentucky corporation having its principal office at 6040 Dutchmans Lane, Louisville, Kentucky 40205 (the “*Company*”).

**WITNESSETH:**

**WHEREAS**, the Company desires, on the terms and conditions stated herein, to continue to employ Executive as the Chief Technology Officer pursuant to a written employment agreement; and

**WHEREAS**, Executive desires, on the terms and conditions stated herein, to continue to be employed by the Company pursuant to a written employment agreement.

**NOW, THEREFORE**, in consideration of the foregoing recitals, and of the promises, covenants, terms, and conditions contained herein, the parties hereto, intending to be legally bound, agree as follows:

**AGREEMENT**

**1. Employment.**

(a) The Company hereby agrees to continue to employ Executive as the Chief Technology Officer, and Executive hereby accepts such continued employment with the Company, subject to the terms and conditions set forth in this Agreement.

(b) Executive affirms and represents that Executive is under no obligation, including non-competition and/or non-solicitation agreements, to any former employer or other party that restricts or is in any way inconsistent with Executive’s acceptance of employment and Executive’s subsequent employment with the Company, or is inconsistent with the promises Executive is making in this Agreement.

(c) The parties acknowledge that Executive has been employed by the Company pursuant to that certain Employment Agreement dated June 15, 2021 but having an effective date of June 30, 2021, as amended by that certain First Amendment to Employment Agreement dated January 9, 2023 (collectively, the “*Prior Employment Agreement*”). Executive and the Company each desire to replace the Prior Employment Agreement with this Agreement. Executive therefore agrees that Executive’s Prior Employment Agreement is superseded and replaced by this Agreement and that Executive’s Prior Employment Agreement is of no further force and effect as of the Employment Date defined in Section 2 below. Executive further agrees that Executive is not entitled to any compensation arising from the voluntary termination of the Prior Employment Agreement.

**2. Term of Employment.** Unless earlier terminated as hereinafter provided, the initial employment term shall be for a period beginning on January 8, 2025 (the “*Employment Date*”) and ending three (3) years following the Employment Date (such period referred to as the “*Initial Term*”). Unless (i) either party gives written notice at least sixty (60) days before expiration of the Initial Term or any Additional Term that they wish to cease the terms of this Agreement being applicable to Executive’s continued employment and such employment will then continue “*at will*” (*i.e.*, be terminable by either

Executive or the Company at any time and for any reason, with or without cause), and subject to such terms and conditions established by the Company from time to time, or (ii) Executive's employment is earlier terminated as hereinafter provided, the term of Executive's employment under this Agreement will be automatically extended after the Initial Term, under the terms contained herein, on a year-to-year basis (such one-year periods referred to as "**Additional Terms**"). For purposes of this Agreement, the term "**Employment Term**" shall mean the Initial Term plus all Additional Terms.

3. **Duties.** While Executive is employed by the Company during the Employment Term, Executive shall be employed as the Chief Technology Officer of Texas Roadhouse, Inc., and such other titles as the Company may designate, and shall perform such duties and responsibilities as the Company shall assign to Executive from time to time, including duties and responsibilities relating to the Company or Affiliates (as hereinafter defined) and certain officer positions of Affiliates as and if determined by the Company. Executive shall report to the Chief Executive Officer of Texas Roadhouse, Inc. or to such other person as designated by the Chief Executive Officer of Texas Roadhouse, Inc. and/or the Board of Directors of Texas Roadhouse, Inc. (the "**Board**") (as the same may change from time to time). Executive will faithfully and to the best of Executive's ability perform Executive's employment duties at such places and times as the Company may reasonably prescribe. Except when approved in advance by the Company, and except during vacation periods and reasonable periods of absence due to sickness, personal injury or other disability, Executive will devote Executive's full-time attention throughout Executive's Employment Term to Executive's services as the Chief Technology Officer. Executive will render services exclusively to the Company during the Employment Term, except that Executive may engage in other material business activity if such service is approved in writing by the Board. Executive may participate in charitable activities and personal investment activities to a reasonable extent, and Executive may serve as a director of business organizations as approved by the Board, so long as such activities and directorships do not interfere with the performance of Executive's duties and responsibilities under this Agreement. Executive will always act in a manner that is in the best interests of the Company, and will use Executive's best efforts, skill and ability to promote the profitable growth of the Company.

4. **Compensation.**

(a) **Salary.** As compensation for Executive's services under this Agreement, the Company will pay Executive a base salary at the annual rate set forth on **Exhibit "A"** per fiscal year, or such higher amount as may be determined by the Compensation Committee of the Board on an annual basis thereafter ("**Base Salary**"). Once increased, Base Salary may not be decreased during the Employment Term except for decreases that are applied generally to other executives of the Company, in an amount no greater than ten percent (10%). Such Base Salary will be paid in installments at regular intervals in accordance with the Company's payroll practices and procedures.

(b) **Incentive Bonus.** For each full fiscal year during the Employment Term, Executive shall be eligible for an incentive bonus, to be paid no less frequently than annually if and to the extent Executive remains employed on its date of payment, based upon achievement of defined goals established by the Compensation Committee of the Board and in accordance with the terms of any incentive plan of the Company in effect from time to time (the "**Incentive Bonus**").

(i) The level of achievement of the objectives each fiscal year and the amount payable as Incentive Bonus shall be determined in good faith by the Compensation Committee of the Board. Any Incentive Bonus earned for a fiscal year shall be paid to Executive in a single lump sum on or before the date that is 2<sup>1</sup>/<sub>2</sub> months following the last day of such fiscal year.

(ii) Subject to the achievement of the goals established by the Compensation Committee, as determined by the Compensation Committee, for each fiscal year of this Agreement, Executive shall be eligible for an annual target incentive bonus of at least the amount set forth on Exhibit "A", or such higher amount as may be established by the Compensation Committee of the Board from time to time.

(c) Equity Incentive Plan. Executive will be eligible to participate in the Texas Roadhouse, Inc. 2021 Long Term Incentive Plan or any successor plan thereto at a level and with such awards and conditions as the Compensation Committee of the Board may from time to time grant.

(d) Benefits. During the Employment Term, Executive will be entitled to participate in all employee benefit plans and programs of the Company that are available to employees generally to the extent that Executive meets the eligibility requirements for each individual plan or program. The Company provides no assurance as to the adoption or continuance of any particular employee benefit plan or program, and Executive's participation in any such plan or program shall be subject to the provisions, rules and regulations applicable thereto.

(i) Deferred Compensation. During the Employment Term, Executive will be eligible to participate in the Company's then-current Deferred Compensation Plan, subject to the terms of such plan, as those terms may be amended from time to time by the Company in its sole discretion (including terms related to any applicable Company matching program relating to the same to the extent approved by the Compensation Committee).

(ii) Vacations. Executive shall be entitled to be absent from Executive's duties for the Company by reason of vacation for a period of four (4) weeks per fiscal year. Executive's vacation time each fiscal year will accrue in accordance with the Company's normal policies and procedures. Executive shall coordinate Executive's vacation schedule with the Company so as not to impose an undue burden on the Company.

(e) Expenses. During the Employment Term, the Company shall reimburse Executive for all reasonable and necessary out-of-pocket business, travel and entertainment expenses incurred by Executive in the performance of Executive's duties and responsibilities, subject to the Company's normal policies and procedures for expense verification, documentation and reimbursement intervals. Any reimbursements made under this Section 4(e) must be submitted for payment timely such that it can be paid no later than the last day of Executive's taxable year following the taxable year in which the expense is incurred, or such expense will not be reimbursable.

(f) Clawback Provisions. Notwithstanding any other provision in this Agreement to the contrary, any compensation paid or payable to Executive pursuant to this Agreement or any other agreement or arrangement with the Company shall be subject to recovery or reduction in future payments in lieu of recovery pursuant to any Company clawback policy in effect from time to time, whether adopted before or after the date of this Agreement. In furtherance of the foregoing, (A) Executive acknowledges and agrees that Executive has read, understands, and agrees to be bound by the terms of that certain Texas Roadhouse, Inc. Policy for Recovery of Incentive Compensation dated November 9, 2023 (which was previously provided to Executive and which is incorporated herein by reference) (the "**Existing Clawback Policy**"), and (B) the Existing Clawback Policy shall apply to certain portions of Executive's compensation in the manner specifically described therein. In the event the Company elects, in its sole and absolute discretion, to amend, modify, replace and/or revise the Existing Clawback Policy at any time during the Employment Term, Executive agrees to execute and deliver to the Company an acknowledgement and agreement confirming Executive's compliance with such revised clawback policy.

5. **Termination.**

(a) This Agreement and Executive's employment will terminate if any of the following occurs: (i) termination by the Company for Cause (as hereinafter defined); (ii) termination by the Company without Cause; (iii) resignation by Executive for Good Reason (as hereinafter defined); (iv) resignation by Executive without Good Reason; (v) Executive's death or long-term disability; and/or (vi) Executive's retirement.

(b) **Termination by the Company for Cause.** The Company may terminate this Agreement and Executive's employment for Cause at any time without any advance notice, except as provided below. The decision to terminate Executive's employment for Cause shall be in the sole discretion of the Company. If the Company terminates this Agreement for Cause, the Company shall pay to Executive only: (i) the Base Salary through the Date of Termination; (ii) any Incentive Bonus not yet paid for any fiscal year that ended before the Date of Termination; (iii) any accrued paid time off that might be due in accordance with policies of the Company in effect from time to time, and (iv) any expenses owed to Executive under Section 4(f) above, less any monies Executive owes to the Company as of the Date of Termination, to the extent permitted by applicable law (the "***Base Termination Payments***"). The Company shall have no severance obligations under this Agreement (including the obligation to pay Separation Pay) in the event of a termination for Cause.

(c) **Termination by Company without Cause.** If the Company terminates this Agreement without Cause, Executive will be entitled to: (i) the Base Termination Payments; and (ii) Separation Pay (as hereinafter defined) calculated and paid in accordance with Section 6 below.

(d) **Resignation by Executive for Good Reason.** If Executive resigns for Good Reason, Executive will be entitled to: (i) the Base Termination Payments; and (ii) Separation Pay calculated and paid in accordance with Section 6 below.

(e) **Resignation by Executive Without Good Reason.** If Executive resigns without Good Reason, Executive will be entitled only to the Base Termination Payment. The Company shall have no severance obligations under this Agreement (including the obligation to pay Separation Pay) in the event of a resignation without Good Reason.

(f) **Executive's Death or Long-Term Disability.** This Agreement will automatically terminate upon Executive's death or long-term disability. In the event of Executive's death, the Company shall pay the Base Termination Payments to Executive's estate. In the event of Executive's long-term disability, Executive will be entitled to the Base Termination Payments. In either case, the Company shall have no severance obligations under this Agreement (including the obligation to pay Separation Pay).

(g) **Executive's Retirement.** If Executive retires, Executive will be entitled only to the Base Termination Payment. The Company shall have no severance obligations under this Agreement (including the obligation to pay Separation Pay) in the event of a retirement.

6. **Separation Payment.**

(a) **Amount of Separation Pay.** Subject to the terms and conditions of this Agreement (including the release condition in Section 6(c) below and delayed start as provided in that subsection and Section 23(c) below), in the event the Company terminates this Agreement without Cause or Executive resigns with Good Reason within twelve (12) months following a Change in Control, the Company shall

pay the following amounts to Executive (as applicable, the “**Separation Pay**”) in intervals as determined by the Company:

(i) Termination by Company without Cause. (A) an amount equal to one (1) times Executive’s then current Base Salary (less applicable withholdings), plus (B) an Incentive Bonus for the year in which the Date of Termination occurs, equal to Executive’s target bonus for that year (less applicable withholdings), prorated based on the number of days in the fiscal year elapsed before the Date of Termination, payable at the same time that Incentive Bonuses for such periods are payable to other executive employees whose employment did not end, plus (C) to the extent Executive is enrolled in the Company’s insurance plan(s) as of the Date of Termination, an amount equal to the approximate cost of monthly premiums (less applicable withholdings) for a twelve (12) month period for ongoing medical, dental, and vision insurance via a timely election made under the Company’s health plan to the Consolidated Omnibus Reconciliation Act (COBRA) or otherwise.

(ii) Resignation by Executive for Good Reason. (A) an amount equal to one and one-half (1.5) times Executive’s current Base Salary (less applicable withholdings), plus (B) an amount equal to one and one-half (1.5) times Executive’s then target Incentive Bonus (less applicable withholdings), plus (C) an Incentive Bonus for the year in which the Date of Termination occurs, equal to Executive’s target bonus for that year (less applicable withholdings), prorated based on the number of days in the fiscal year elapsed before the Date of Termination, payable at the same time that Incentive Bonuses for such periods are payable to other executive employees whose employment did not end, plus (D) to the extent Executive is enrolled in the Company’s insurance plan(s) as of the Date of Termination, an amount equal to the approximate cost of monthly premiums (less applicable withholdings) for an eighteen (18) month period for ongoing medical, dental, and vision insurance via a timely election made under the Company’s health plan to the Consolidated Omnibus Reconciliation Act (COBRA) or otherwise.

Nothing in this Section 6(a) shall be deemed to limit and/or prohibit the payment of amounts that otherwise would be payable to Executive for unvested service-based restricted stock units and/or performance-based restricted stock units previously awarded to Executive subject to the previously executed stock unit agreement(s).

(b) The Company is not obligated to pay the Separation Pay to Executive unless Executive has signed a full release of claims against the Company and its Affiliates that is in a form and scope acceptable to the Company (the “**Release**”), and all applicable consideration periods and rescission periods provided by law have expired. Executive must execute and deliver the Release to the Company no later than the date specified by the Company. The Release will be delivered by the Company to Executive at least twenty-one (21) days (forty-five (45) days where Executive is required to be given forty-five (45) days to review and consider the Release) before the deadline set for its return. If the period of time to consider and revoke the Release spans two (2) tax years, then, in no event may separation pay be paid until the second (2nd) such tax year, even if the Release is signed and nonrevocable sooner.

(c) Further, Executive shall not be entitled to Separation Pay if Executive fails to return all Company property within Executive’s possession or control and settle all expenses owed to the Company on or before the date the Release is executed and returned to the Company.

(d) If Executive, at any time before all Separation Pay due under this Agreement is paid, fails to comply with restrictive covenants in this Agreement or any other agreement with the Company, the Company may cease payment and any further amounts due shall be deemed a “disputed payment” for purposes of Code Section 409A-2(g) payable only as and if required as a result of the claim and dispute resolution provisions in Section 17 below.

(e) In no event shall Executive be obligated to seek other employment or take any other action by way of mitigation of the amounts, benefits and other compensation payable or otherwise provided to Executive after Executive's Date of Termination.

7. **Definitions.** In addition to terms capitalized and defined in the context where first used, the following terms shall have the meanings indicated below:

(a) Termination for "**Cause**" means a termination by the Company for one (1) or more of the following reasons, as stated in a written notice of termination:

(i) Executive's conviction of, or being charged with having committed, a felony;

(ii) Executive's acts of dishonesty or moral turpitude that are detrimental to the business of the Company;

(iii) Executive's failure to obey the reasonable and lawful directions of the Company, including, without limitation, the Company's policies and procedures (including the Company's policies prohibiting discrimination, harassment, and retaliation), and the Texas Roadhouse, Inc. Code of Conduct;

(iv) Executive's failure to perform Executive's obligations under this Agreement;

(v) Executive's willful breach of any agreement or covenant of this Agreement or any fiduciary duty owed to the Company; and/or

(vi) Executive's unsatisfactory performance of Executive's duties after: (A) Executive has received written notice of the general nature of the unsatisfactory performance and (B) Executive has failed to cure the unsatisfactory performance within thirty (30) days thereafter to the satisfaction of the Company. If, during this thirty (30) day timeframe, the Company determines that Executive is not making reasonable good faith efforts to cure the deficiencies to the satisfaction of the Company, the Company has the right to immediately terminate Executive's employment. If the Company determines that Executive cured the unsatisfactory performance before the conclusion of the thirty (30) day timeframe, any recurrence of the same or similar unsatisfactory performance within twelve (12) months of the conclusion of the thirty (30) day timeframe shall constitute "**Cause**" for Executive's termination, and Executive's employment may be terminated with no further or additional opportunity to cure the unsatisfactory performance.

(b) A "**Change in Control**" means that one of the following events has taken place:

(i) consummation of a merger or consolidation of the Company with any other entity, other than a merger or consolidation that would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving or resulting entity) more than fifty percent (50%) of the combined voting power of the surviving or resulting entity outstanding immediately after such merger or consolidation;

(ii) consummation of a sale or disposition of all or substantially all of the assets of the Company (other than such a sale or disposition immediately after which such assets will be owned directly or indirectly by the stockholders of the Company in substantially the same proportions as their ownership of the common stock of the Company immediately before such sale or disposition); or

(iii) any Person becomes the beneficial owner (as determined pursuant to Section 13(d) of the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”)) of securities representing in excess of fifty percent (50%) of the aggregate voting power of the outstanding securities of the Company as required to be disclosed in a report on Schedule 13D of the Exchange Act.

Notwithstanding anything in the foregoing to the contrary, the Board shall have full and final authority, in its sole discretion, to determine conclusively whether a Change in Control shall have occurred pursuant to the above definition, the date of the occurrence of such Change in Control, and any incidental matters relating thereto.

For purposes of this Section 7(b), the term “**Company**” means Texas Roadhouse, Inc.

(c) “**Code**” means the Internal Revenue Code of 1986, as amended.

(d) “**Date of Termination**” means (A) if Executive’s employment is terminated by the Company or by Executive other than for Good Reason, the date of receipt of the notice of termination or any later date specified therein (which date shall be not more than thirty (30) days after giving such notice), as the case may be, (B) if Executive’s employment is terminated by Executive for Good Reason, the thirtieth (30th) day following receipt by the Company of the notice of termination for Good Reason if the Company fails to cure the condition giving rise to Good Reason during the thirty (30) day cure period, or any later date specified therein, as the case may be, provided that such date may not be more than sixty (60) days following the Company’s receipt of the notice of termination.

(e) “**Good Reason**” given by Executive in a notice of termination must be based on one (1) or more of the following circumstances following a Change in Control:

(i) the assignment to Executive of a different title or job responsibilities that result in a substantial decrease in the level of responsibility from those in effect immediately before the Change in Control;

(ii) a reduction by the Company or the surviving company in Executive’s base pay as in effect immediately before the Change in Control;

(iii) a significant reduction by the Company or the surviving company in total benefits available to Executive under cash incentive, stock incentive and other employee benefit plans after the Change in Control compared to the total package of such benefits as in effect before the Change in Control;

(iv) the requirement by the Company or the surviving company that Executive be based more than fifty (50) miles from where Executive’s office is located immediately before the Change in Control, except for required travel on Company business to an extent substantially consistent with the business travel obligations which Executive undertook on behalf of the Company before the Change in Control; or

(v) the failure by the Company to obtain from any Successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company (“**Successor**”) an agreement to assume obligations under this Agreement.

*Provided, however*, that Good Reason shall not exist unless the reason set forth is not cured within thirty (30) days after Executive has delivered written notice of such condition to the Company and/or to such Successor. Further, in each case, Executive must give the Company notice of the condition within



ninety (90) days of the initial existence of the condition, and the separation from service must occur within sixty (60) days following notice of termination, or the termination will not be considered to be for Good Reason.

(f) “**Person**” has the meaning ascribed to such term in Section 3(a)(9) of the Exchange Act and used in Sections 13(d) and 14(d) thereof, including a “group” as defined in Section 13(d) thereof.

8. **Cooperation.** Executive agrees to cooperate fully with the Company, its attorneys and representatives in any litigation, arbitration or administrative proceeding related to Executive’s current or former employment with the Company. Without limiting the foregoing, Executive agrees (a) to meet with the Company’s representatives, counsel, or other designees at mutually convenient times and places related to any items within the scope of this provision; (b) to provide truthful testimony regarding same to any court, agency, or other adjudicatory body; and (c) to provide the Company with notice of contact by any non-governmental adverse party or such adverse party’s representative, except as may be required by law. The Company will use reasonable efforts to schedule Executive’s cooperation in a manner that avoids causing Executive any undue hardship. Executive’s obligation to cooperate under this Section 8 extends for five (5) years from the last date on which Executive receives any compensation under this Agreement or any amendment and restatement or successor hereto. Nothing herein will prevent Executive from providing truthful responses, under oath, in response to a subpoena from any judicial or governmental authority. Further, nothing herein shall require Executive to cooperate with the Company regarding any charge or litigation in which Executive is a charging or complaining party, or any confidential investigation by a government agency.

9. **Confidentiality and Nondisparagement.**

(a) **Confidentiality Covenant.** Executive agrees:

(i) Executive’s employment creates a relationship in which the Company places confidence and trust in Executive with respect to certain information pertaining to the business of the Company and its Affiliates that Executive may receive during Executive’s employment by the Company.

(ii) Without the written consent of the Company, Executive will not use for Executive’s benefit or disclose at any time during or after Executive’s employment, except to the extent required by Executive’s duties, to the extent of Executive’s obligations under Section 14, or as permitted below, any information Executive obtains or develops while employed by the Company regarding any actual or potential recipes, suppliers, products, services, employees, documents pertaining to the Company or any of its Affiliates (including, without limitation, this Agreement, franchise agreements, employment agreements and joint venture agreements), financial affairs, systems, applications, or methods of marketing, service or procurement of the Company or any of its Affiliates, or any confidential matter regarding the business of the Company or any of its Affiliates, except information that at the time is generally known to the public or is required to be disclosed by law or legal process, other than as a result of disclosure by Executive not permitted under this Agreement (collectively, “**Confidential Information**”).

(iii) At Executive’s request, the Company will tell Executive, in writing, whether or not the Company considers any particular item of information to be Confidential Information. Executive agrees to contact the Company before Executive discloses any information that Executive acquired during Executive’s employment to determine whether the Company considers the information to be Confidential Information.

(iv) Upon Executive's termination, Executive will promptly return to the Company all documents and papers (including all copies, stored electronically or otherwise) relating to Confidential Information and other physical property in Executive's possession that belongs to the Company or any of its Affiliates.

(v) Nothing in this provision prevents Executive from communicating with, filing a charge or complaint with, providing documents or information voluntarily or in response to a subpoena or other information request to, or from participating in or otherwise cooperating in an investigation or proceeding conducted by a governmental agency, including but not limited to, the Securities and Exchange Commission, the U.S. Equal Employment Opportunity Commission, or any similar federal, state, or local agency charged with the enforcement of any laws, and Executive shall not need to notify the Company or seek permission before communicating with any such governmental agency.

(b) Binding Effect. Executive agrees that the provisions of this Section 9 are binding upon Executive's heirs, successors and legal representatives.

(c) Obligations Additive. Executive acknowledges that the obligations imposed by this Section 9 are in addition to, and not in place of, any obligations imposed by applicable statutory or common law.

(d) Nondisparagement. Executive shall not at any time during the Employment Term or for a period of two (2) years after Executive's employment ends, disparage the Company, any of its Affiliates and any of their respective officers and directors.

#### 10. Intellectual Property.

(a) Disclosure and Assignment. As used herein, "**Creations**" means writings, works of authorship, recipes, formulas, ideas, concepts, inventions, discoveries, and improvements, whether patented, patentable or not and whether copyrighted, copyrightable, or not. Furthermore, as used herein, "**Employment Creations**" means any and all Creations created, prepared, produced, authored, amended, conceived or reduced to practice by Executive whether solely or in collaboration with others while he or she is employed by the Company that: (i) relate in any way to the Company's business; or (ii) relate to the Company's actual or contemplated business, research, or development; or (iii) result from any work performed by Executive for the Company. Executive acknowledges that, by reason of being employed by the Company at the relevant times, to the extent permitted by law, every copyrightable Employment Creation, regardless of whether copyright protection is sought or preserved by the Company, shall be a "**work made for hire**" as defined in 17 U.S.C. §101, and the Company shall own all rights in and to such Employment Creation throughout the world except to the extent such ownership is waived in writing by the Board. To the extent the preceding sentence does not apply, as of the Effective Date, Executive agrees to transfer and assign and hereby transfers and assigns to the Company (or its designee) all right, title, and interest of Executive in and to every Employment Creation. Executive further agrees to transfer and assign and hereby transfers and assigns to the Company all Creations created, prepared, produced, authored, amended, conceived or reduced to practice by Executive within one (1) year following Executive's termination of employment with the Company (whether voluntary or otherwise), if the Creation is a result of Company's Confidential Information obtained by Executive during Executive's employment with the Company (collectively, "**Post-Employment Creations**"). Executive shall communicate promptly and disclose to the Company, in such form as the Company may request, all information, details, and data pertaining to each Employment Creation and each Post-Employment Creation. Nothing contained in this Agreement shall be construed to reduce or limit the Company's rights, title, or interest in any Employment

Creations or Post-Employment Creations so as to be less in any respect than that the Company would have had in the absence of this Agreement except to the extent such ownership is waived in writing by the Board.

(b) Moral Rights. To the extent any copyrights are assigned under this Agreement, Executive hereby irrevocably waives, to the extent permitted by applicable law, any and all claims Executive may now or hereafter have in any jurisdiction to all rights of paternity, integrity, disclosure, and withdrawal and any other rights that may be known as “*moral rights*” with respect to all Employment Creations and Post-Employment Creations and all intellectual property rights therein.

(c) Trademarks. All right, title, and interest in and to any and all trademarks, trade names, service marks, and logos adopted, used, or considered for use by the Company during Executive’s employment (whether or not developed by Executive) to identify the Company’s business or other goods or services (collectively, the “*Marks*”), together with the goodwill appurtenant thereto, and all other materials, ideas, or other property conceived, created, developed, adopted, or improved by Executive solely or jointly during Executive’s employment by the Company and relating to its business shall be owned exclusively by the Company. Executive shall not have, and will not claim to have, any right, title, or interest of any kind in or to the Marks or such other property.

(d) Further Assurances and Documentation. During and after Executive’s employment, Executive shall, for no additional consideration, reasonably cooperate with the Company to (i) apply for, obtain, perfect, and transfer to the Company the Employment Creations and Post-Employment Creations and any intellectual property rights therein in any jurisdiction in the world; and (ii) maintain, protect, and enforce the same, including, without limitation, executing and delivering to the Company such formal transfers and assignments, applications, oaths, declarations, affidavits, waivers, and such other documents as the Company may request to permit the Company (or its designee) to file and prosecute such registration applications and other documents it deems useful to protect or enforce its rights under this Agreement. The Company will pay all of Executive’s reasonable expenses in connection with this cooperation.

(e) Non-Applicability. Executive is hereby notified that this Section 10 does not apply to any Creation for which no equipment, supplies, facility, Confidential Information, or other trade secret information of the Company was used and which was developed entirely on Executive’s own time, unless (i) the Creation relates in any way to (A) the business of the Company, or (B) the Company’s actual or contemplated business, research, or development; or (ii) the Creation results from any work performed by Executive for the Company.

(f) No License. Executive understands that this Agreement does not, and shall not be construed to, grant Executive any license or right of any nature with respect to any Employment Creations, or any Post-Employment Creations, or any Confidential Information, materials, recipes, software, or other tools made available to Executive by the Company.

11. **Non-Competition and Non-Solicitation.**

(a) During the Employment Term, Executive shall faithfully serve the Company to the best of Executive’s ability, shall use Executive’s best endeavors to promote the interest and welfare thereof, and shall devote the whole of Executive’s time, attention and abilities to such duties. By way of example and not limitation, this means that during the Employment Term, Executive will not do or say anything that: (i) could advance an interest of any existing or prospective competitor of the Company or any of its Affiliates in any way; or (ii) will or may injure an interest of the Company or any of its Affiliates in its relationship and dealings with existing or potential suppliers or customers.

(b) During Executive's employment and for two (2) years following the termination of Executive's employment (whether under this Agreement or during a successor or "*at will*" employment period):

(i) Executive shall not, directly or indirectly, on Executive's own behalf or on behalf of any person or entity other than the Company, including without limitation as a proprietor, principal, agent, partner, officer, director, stockholder, employee, member of any association, consultant or otherwise, engage in any business that is directly competitive with the business of the Company, including without limitation any business that operates one or more full-service, casual dining steakhouse restaurants within the United States or any foreign country in which the Company or its franchisees or its joint venture partners is operating or in which Executive knows the Company or its franchisees or its joint venture partners proposes to open within twenty-four (24) months. The provisions of this Section shall also apply to any business which is directly competitive with any other business which the Company or an Affiliate acquires or develops during Executive's employment with the Company.

(ii) Except as required in the performance of Executive's duties as an employee of the Company, Executive shall not, directly or indirectly, (A) hire, engage or solicit or induce or attempt to induce to cease working for the Company, any person who is then an employee of the Company or who was an employee of the Company during the six (6) month period immediately preceding Executive's termination of employment with the Company, nor (B) solicit, request, advise, induce or attempt to induce any vendor, supplier or other business contact of the Company to cancel, curtail, cease doing business with, or otherwise adversely change its relationship with the Company.

(c) For the purposes of this Agreement, the phrase "*proposes to open*" a restaurant includes all locations for which active, bona fide negotiations to secure a fee or leasehold interest with the intention of establishing a restaurant are being conducted. Mere ownership, whether through direct or indirect stock holdings or otherwise, of one percent (1%) or less of a business shall not constitute a violation of the restriction in Section 11(b)(i) above, unless a greater amount is approved in writing by the Board. Executive is deemed to engage in a business if Executive expects to acquire a proprietary interest in a business or to be made an employee, officer, director, manager, consultant, independent contractor, advisor or otherwise of such business at any time after such possibility has been discussed with any officer, director, employee, agent, or promoter of such business.

(d) Executive agrees that Executive's experience, capabilities and circumstances are such that these provisions will not prevent Executive from earning a livelihood. Executive further agrees that the limitations set forth in this Section (including, without limitation, any time or territorial limitations) are reasonable and properly required for the adequate protection of the businesses of the Company and its Affiliates. The covenants made by Executive in this Section (and in Sections 8, 9, 10 and 17) will survive the expiration or termination of this Agreement.

12. **Injunctive Relief.** Executive acknowledges and agrees that the provisions of the forgoing Sections 8, 9, 10 and 11 are reasonable and necessary to protect legitimate interests of the Company and that a remedy at law for any breach or threatened breach of the provisions of Sections 8, 9, 10 and 11 would be inadequate, and so Executive agrees that the Company and any of its Affiliates are entitled to injunctive relief in addition to any other available rights and remedies in cases of any such breach or threatened breach of those Sections. In addition, Executive acknowledges and agrees that an action for an injunction under Sections 8, 9, 10 and 11 may only be brought in the state or federal courts located in Louisville, Kentucky. Executive irrevocably accepts the venue and jurisdiction of those courts for the purposes of any such suit

for an injunction, and further irrevocably waives any claim that any such suit has been brought in an inconvenient forum.

13. **Non-Assignability.** The services to be provided by Executive are personal in nature and therefore neither Executive or Executive's beneficiaries or legal representatives may assign this Agreement or any right or interest under this Agreement. Any attempt, voluntary or involuntary, to effect any such action will be null, void and of no effect. The Company may assign or delegate this Agreement or any rights and interests under this Agreement to any Affiliate or to any successor to the Company, and Executive will be bound by such assignment or delegation.

14. **Notification to Future Employers.** Executive will notify any future employer of Executive's obligations under the provisions of Sections 8, 9, 10 and 11.

15. **Affiliate.** For the purposes of this Agreement, the term "***Affiliate***" or "***Affiliates***" means (i) Texas Roadhouse, Inc. and each corporation, limited liability company, partnership, or other entity that directly or indirectly, controls Texas Roadhouse, Inc., (ii) is controlled, directly or indirectly, by Texas Roadhouse, Inc., or (iii) is under common control, directly or indirectly, with Texas Roadhouse, Inc., as well as any entity that owns, operates, manages, licenses or franchises a Texas Roadhouse, Bubba's 33, or Jagers (or any future Texas Roadhouse or Affiliate) restaurant concept.

16. **Notices.** Any notice required under this Agreement must be given in writing and either delivered in person, via email or by first class certified or registered mail, if to the Company, at the Company's principal place of business: Attn: Texas Roadhouse Legal Department, 6040 Dutchmans Lane, Louisville, Kentucky 40205, and if to Executive, at Executive's home address most recently filed with the Company, or to such other address as either party has designated in writing to the other party.

17. **Dispute Resolution.**

(a) **Arbitration Agreement.** Except as provided in Section 12 and below, all disputes, claims, or controversies between Executive and the Company or any of its Affiliates, or any of their employees, arising out of or in any way related to (i) this Agreement, (ii) the breach, termination, enforcement, interpretation, or validity thereof, or (iii) Executive's Employment, shall be resolved by arbitration in Louisville, Kentucky, or in an alternate, mutually-convenient location of the parties' choosing, by one arbitrator, who shall be a lawyer or retired judge with at least ten years' experience. Executive and the Company and its Affiliates agree to arbitrate those claims whether they arise in contract or tort, assert violations of statutes, regulations, or ordinances, or are based on other legal or equitable theories. Arbitration shall proceed under the rules and procedures of the American Arbitration Association, including its procedures for dispositive motion practice. The parties to the arbitration shall use good faith efforts to complete the arbitration within one hundred fifty (150) days of the appointment of the arbitrator. In any arbitration that Executive commences, the Company will pay the arbitrator's fees if Executive prevails, or if other applicable law requires the Company to do so. It is expressly agreed that this Agreement evidences a transaction in interstate commerce and that this Section 17(a) is governed by the Federal Arbitration Act. This agreement to arbitrate does not apply to claims for workers' compensation or unemployment insurance, or any other claims that are not legally subject to private arbitration.

(b) Waiver of Jury Trial and Class or Multiparty Claims. **Executive and the Company and its Affiliates voluntarily and knowingly waive any right to a jury trial.** In addition, Executive acknowledges that Executive's relationship with the Company is unique and that there are and will be differences from the relationships the Company may have with other employees or executives. Therefore, any arbitration shall be conducted and resolved on an individual basis only and not on a class-wide, multiple plaintiff or claimant, consolidated or similar basis.

(c) Limitations Period; Deadline to Assert Claims. Executive and the Company and its Affiliates agree that arbitration of any disputes, claims, or controversies shall be initiated within one year of the act or occurrence giving rise to the dispute, claim or controversy, even though that deadline is or may be shorter than the period provided by statutes of limitations that would apply in the absence of this Section. Any claim that is not asserted in an arbitration within one (1) year of the act or occurrence giving rise to it shall be deemed waived.

(d) Governing Law & Forum. This Agreement is governed by Federal Arbitration Act and the laws of the Commonwealth of Kentucky without regard to its conflicts of law provisions. If Executive timely and validly rejects Section 17(a), or otherwise files any claim against the Company or any of its Affiliates that is not subject to Section 17(a), Executive agrees that the state or federal courts located in Jefferson County, Kentucky shall be the exclusive forum for such a claim.

18. Severability. Executive agrees that if any the arbitrator or court of competent jurisdiction will finally hold that any provision of Sections 8, 9, 10, 11 or 17 is void or constitutes an unreasonable restriction against Executive, the provisions of such Sections 8, 9, 10, 11 or 17 will not be rendered void but will apply to such extent as such arbitrator or court may judicially determine constitutes a reasonable restriction under the circumstances. If any part of this Agreement other than Sections 8, 9, 10, 11 or 17 is held by an arbitrator or court of competent jurisdiction to be invalid, illegal or incapable of being enforced in whole or in part by reason of any rule of law or public policy, such part will be deemed to be severed from the remainder of this Agreement for the purpose only of the particular legal proceedings in question and such part and all other covenants and provisions of this Agreement will in every other respect continue in full force and effect and no covenant or provision will be deemed dependent upon any other covenant or provision.

19. Waiver. Failure to insist upon strict compliance with any of the terms, covenants or conditions is not a waiver of such term, covenant or condition, nor will any waiver or relinquishment of any right or power be deemed a waiver or relinquishment of such right or power.

20. Nature of Relationship. This Agreement creates an employee-employer relationship. The parties do not intend for this Agreement to create a legal or equitable partnership, a joint venture, or any other relationship.

21. Entire Agreement; Modifications. This Agreement represents the entire agreement between the parties regarding the subject matter and supersedes all prior oral or written proposals, understandings, and other commitments between the parties related to Executive's employment by the Company and Affiliates, except for any written stock option or stock award agreement between Executive and the Company. This Agreement is binding upon and benefits the parties, their heirs, legal representatives, successors, and permitted assigns. This Agreement may be modified or amended only by an instrument in writing signed by both parties.

22. Beneficial Ownership of Liquor Licenses. If a local or state law requires Executive to be the owner of the liquor license, or to be a member of the entity that owns the liquor license, Executive

acknowledges and agree that such ownership is solely for the benefit of the owner of the restaurant and/or the entity holding the liquor license and that Executive is not entitled to compensation relating to the ownership of any liquor license, or relating to the ownership of any member interest in an entity owning a liquor license. Upon termination of Executive's employment, Executive will relinquish ownership of the liquor license upon request of the Company or the owner of the restaurant, and Executive will surrender, without compensation, any membership interest in an entity owning a liquor license. Executive will execute and deliver any documents that the Company requests in order to effect such transfer of ownership promptly and without consideration.

23. **Tax Matters.**

(a) **Withholding.** Notwithstanding any other provision of this Agreement, the Company may withhold from amounts payable under this Agreement all federal, state, local and foreign taxes that the Company determines are required to be withheld by applicable laws or regulations.

(b) **409A Compliance Intent.** This Agreement is intended to provide for compensation that is exempt from Code Section 409A as separation pay (up to the Code Section 409A limit) or as a short-term deferral, and to be compliant with Code Section 409A with respect to additional compensation under this Agreement. This Agreement shall be interpreted, construed, and administered in accordance with this intent, provided that the Company does not promise or warrant any tax treatment of compensation. Executive is responsible for obtaining advice regarding all questions to federal, state, or local income, estate, payroll, or other tax consequences arising from participation herein. This Agreement shall not be amended or terminated in a manner that would accelerate or delay payment of severance pay or bonus pay except as permitted under Treasury Regulations under Code Section 409A.

(c) **Six Month Delay.** Notwithstanding anything herein to the contrary, if Executive is a "specified employee" within the meaning of Treasury Regulation Section 1.409A-1(i) (or any successor thereto) on the Date of Termination, any payments under this Agreement that are triggered by termination of employment and which are not exempt as separation pay under Treasury Regulation Section 1.409A-1(b)(9) or as short-term deferral pay, shall not begin to be paid until six months after the Date of Termination, and at that time, Executive will receive in one lump sum payment of all the payments (without interest) that would have otherwise been paid to Executive during the first six (6) months following Executive's Date of Termination. The Company shall determine, consistent with any guidance issued under Code Section 409A, the portion of payments that are required to be delayed, if any.

(d) **Termination Must be within 409A to Trigger Payments.** For purposes of the timing of payments triggered by the termination, termination shall not be considered to have occurred until the date Executive and the Company reasonably anticipate that (i) Executive will not perform any further services for the Company or any other entity considered a single employer with the Company under Code Section 414(b) or (c) (but substituting fifty percent (50%) for eighty percent (80%) in the application thereof) (the "***Employer Group***"), or (ii) the level of bona fide services Executive will perform for the Employer Group after that date will permanently decrease to less than twenty percent (20%) of the average level of bona fide services performed over the previous thirty-six (36) months (or if shorter over the duration of service). For this purpose, service performed as an employee or as an independent contractor is counted, except that service as a member of the board of directors of an Employer Group entity is not counted unless termination benefits under this Agreement are aggregated with benefits under any other Employer Group plan or agreement in which Executive also participates as a director. Executive will not be treated as having a termination of Executive's employment while he is on military leave, sick leave or other bona fide leave of absence if the leave does not exceed six months or, if longer, the period during which Executive has a reemployment right under statute or contract. If a bona fide leave of absence extends beyond six months,

Executive's employment will be considered to terminate on the first day after the end of such six-month period, or on the day after Executive's statutory or contractual reemployment right lapses, if later. The Company will determine when Executive's Date of Termination occurs based on all relevant facts and circumstances, in accordance with Treasury Regulation Section 1.409A-1(h).

(e) Code Section 280G Cap. If the separation pay described in Section 6(a) plus the value of any other compensation or benefits payable pursuant to any other plan or program of the Company that are deemed to be paid or transferred in connection with the Change in Control (the "**CIC Benefits**") are payable to Executive in connection with a Change in Control and, if paid, could subject Executive to an excise tax under Code Section 4999 and any similar tax imposed by state or local law as well as any interest and penalties with respect to such tax(es) (the "**Excise Tax**"), then notwithstanding the provisions of Section 6, the Company shall reduce the CIC Benefits (the "**Benefit Reduction**") to \$1.00 below the amount necessary to result in Executive not being subject to the Excise Tax. Executive shall bear all expense of, and be solely responsible for, any Excise Tax should no Benefit Reduction be made. The determination of whether any such Benefit Reduction shall be imposed shall be made by a nationally recognized public accounting firm selected by the Company and reasonably acceptable to Executive, and such determination shall be binding on both Executive and the Company. Such accounting firm shall be engaged by and paid by the Company and shall promptly give the Company and Executive a copy of the detailed calculation of any Benefit Reduction.

[signature page follows]



**SIGNED:**

Dated: December 27, 2024

**EXECUTIVE:**

/s/Hernan E. Mujica  
Signature

Hernan E. Mujica  
Printed Name

**COMPANY:**

**TEXAS ROADHOUSE MANAGEMENT CORP.,**  
a Kentucky corporation

Dated: December 27, 2024

By: Gerald L. Morgan  
Gerald L. Morgan, President

**Exhibit “A”**

**Year 1**

**Base Salary:** \$630,000

**Incentive Bonus target:** \$525,000

**Equity Incentive Grant:**

**A. Service Based Restricted Stock Units:** Executive will receive a grant of service based restricted stock units equal to \$472,500 divided by the closing sales price on January 7, 2025 on the Nasdaq Global Select Market, with such quotient being rounded up or down to the nearest 100 shares. These service based restricted stock units will be subject to certain conditions and limitations set forth in separate RSU Agreements. These service based restricted stock units will be granted on January 8, 2025 and will vest on January 8, 2026, provided Executive is still employed by the Company as of the vesting date.

**B. Performance Based Restricted Stock Units:** Executive will receive a three year grant of performance based restricted stock units as described below equal to \$1,417,500 divided by the closing sales price on January 7, 2025 on the Nasdaq Global Select Market, with such quotient being rounded up or down to the nearest 100 shares, relating to your 2025 fiscal year service, 2026 fiscal year service, and 2027 fiscal year service, respectively. These performance based restricted stock units will be subject to certain conditions and limitations set forth in separate PSU Agreements. These performance based restricted stock units will be granted on January 8, 2025 and will vest in accordance with the table described below, provided Executive is still employed by the Company as of the vesting date and subject to the achievement of defined goals set forth in the table below.

<b>Target \$ of Performance-Based Restricted Stock Units</b>	<b>Portion of Target Grant Based on EPS Performance Goal</b>	<b>Portion of Target Grant Based on Pre- tax Profit Goal</b>	<b>Minimum \$ of Performance-Based Restricted Stock Units</b>	<b>Maximum \$ of Performance-Based Restricted Stock Units</b>	<b>Vesting Date for Portion of Performance Based Restricted Stock Units</b>
472,500	50%	50%	0	945,000	January 8, 2026
472,500	50%	50%	0	945,000	January 8, 2027
472,500	50%	50%	0	945,000	January 8, 2028

**EMPLOYMENT AGREEMENT**  
**(Regina A. Tobin)**

**THIS EMPLOYMENT AGREEMENT** (this “*Agreement*”) is made and entered into this 27th day of December, 2024 by and between **REGINA A. TOBIN**, whose address is 610 Club Lane, Louisville, Kentucky 40207 (“*Executive*”), and **TEXAS ROADHOUSE MANAGEMENT CORP.**, a Kentucky corporation having its principal office at 6040 Dutchmans Lane, Louisville, Kentucky 40205 (the “*Company*”).

**WITNESSETH:**

**WHEREAS**, the Company desires, on the terms and conditions stated herein, to continue to employ Executive as the President pursuant to a written employment agreement; and

**WHEREAS**, Executive desires, on the terms and conditions stated herein, to continue to be employed by the Company pursuant to a written employment agreement.

**NOW, THEREFORE**, in consideration of the foregoing recitals, and of the promises, covenants, terms, and conditions contained herein, the parties hereto, intending to be legally bound, agree as follows:

**AGREEMENT**

**1.     Employment.**

(a)     The Company hereby agrees to continue to employ Executive as the President, and Executive hereby accepts such continued employment with the Company, subject to the terms and conditions set forth in this Agreement.

(b)     Executive affirms and represents that Executive is under no obligation, including non-competition and/or non-solicitation agreements, to any former employer or other party that restricts or is in any way inconsistent with Executive’s acceptance of employment and Executive’s subsequent employment with the Company, or is inconsistent with the promises Executive is making in this Agreement.

(c)     The parties acknowledge that Executive has been employed by the Company pursuant to that certain Employment Agreement dated June 15, 2021 but having an effective date of June 30, 2021, as amended by that certain First Amendment to Employment Agreement dated January 9, 2023 (collectively, the “*Prior Employment Agreement*”). Executive and the Company each desire to replace the Prior Employment Agreement with this Agreement. Executive therefore agrees that Executive’s Prior Employment Agreement is superseded and replaced by this Agreement and that Executive’s Prior Employment Agreement is of no further force and effect as of the Employment Date defined in Section 2 below. Executive further agrees that Executive is not entitled to any compensation arising from the voluntary termination of the Prior Employment Agreement.

**2.     Term of Employment.** Unless earlier terminated as hereinafter provided, the initial employment term shall be for a period beginning on January 8, 2025 (the “*Employment Date*”) and ending three (3) years following the Employment Date (such period referred to as the “*Initial Term*”). Unless (i) either party gives written notice at least sixty (60) days before expiration of the Initial Term or any Additional Term that they wish to cease the terms of this Agreement being applicable to Executive’s continued employment and such employment will then continue “*at will*” (*i.e.*, be terminable by either

Executive or the Company at any time and for any reason, with or without cause), and subject to such terms and conditions established by the Company from time to time, or (ii) Executive's employment is earlier terminated as hereinafter provided, the term of Executive's employment under this Agreement will be automatically extended after the Initial Term, under the terms contained herein, on a year-to-year basis (such one-year periods referred to as "**Additional Terms**"). For purposes of this Agreement, the term "**Employment Term**" shall mean the Initial Term plus all Additional Terms.

3. **Duties.** While Executive is employed by the Company during the Employment Term, Executive shall be employed as the President of Texas Roadhouse, Inc., and such other titles as the Company may designate, and shall perform such duties and responsibilities as the Company shall assign to Executive from time to time, including duties and responsibilities relating to the Company or Affiliates (as hereinafter defined) and certain officer positions of Affiliates as and if determined by the Company. Executive shall report to the Chief Executive Officer of Texas Roadhouse, Inc. or to such other person as designated by the Chief Executive Officer of Texas Roadhouse, Inc. and/or the Board of Directors of Texas Roadhouse, Inc. (the "**Board**") (as the same may change from time to time). Executive will faithfully and to the best of Executive's ability perform Executive's employment duties at such places and times as the Company may reasonably prescribe. Except when approved in advance by the Company, and except during vacation periods and reasonable periods of absence due to sickness, personal injury or other disability, Executive will devote Executive's full-time attention throughout Executive's Employment Term to Executive's services as the President. Executive will render services exclusively to the Company during the Employment Term, except that Executive may engage in other material business activity if such service is approved in writing by the Board. Executive may participate in charitable activities and personal investment activities to a reasonable extent, and Executive may serve as a director of business organizations as approved by the Board, so long as such activities and directorships do not interfere with the performance of Executive's duties and responsibilities under this Agreement. Executive will always act in a manner that is in the best interests of the Company, and will use Executive's best efforts, skill and ability to promote the profitable growth of the Company.

4. **Compensation.**

(a) **Salary.** As compensation for Executive's services under this Agreement, the Company will pay Executive a base salary at the annual rate set forth on **Exhibit "A"** per fiscal year, or such higher amount as may be determined by the Compensation Committee of the Board on an annual basis thereafter ("**Base Salary**"). Once increased, Base Salary may not be decreased during the Employment Term except for decreases that are applied generally to other executives of the Company, in an amount no greater than ten percent (10%). Such Base Salary will be paid in installments at regular intervals in accordance with the Company's payroll practices and procedures.

(b) **Incentive Bonus.** For each full fiscal year during the Employment Term, Executive shall be eligible for an incentive bonus, to be paid no less frequently than annually if and to the extent Executive remains employed on its date of payment, based upon achievement of defined goals established by the Compensation Committee of the Board and in accordance with the terms of any incentive plan of the Company in effect from time to time (the "**Incentive Bonus**").

(i) The level of achievement of the objectives each fiscal year and the amount payable as Incentive Bonus shall be determined in good faith by the Compensation Committee of the Board. Any Incentive Bonus earned for a fiscal year shall be paid to Executive in a single lump sum on or before the date that is 2½ months following the last day of such fiscal year.

(ii) Subject to the achievement of the goals established by the Compensation Committee, as determined by the Compensation Committee, for each fiscal year of this Agreement, Executive shall be eligible for an annual target incentive bonus of at least the amount set forth on Exhibit "A", or such higher amount as may be established by the Compensation Committee of the Board from time to time.

(c) Equity Incentive Plan. Executive will be eligible to participate in the Texas Roadhouse, Inc. 2021 Long Term Incentive Plan or any successor plan thereto at a level and with such awards and conditions as the Compensation Committee of the Board may from time to time grant.

(d) Benefits. During the Employment Term, Executive will be entitled to participate in all employee benefit plans and programs of the Company that are available to employees generally to the extent that Executive meets the eligibility requirements for each individual plan or program. The Company provides no assurance as to the adoption or continuance of any particular employee benefit plan or program, and Executive's participation in any such plan or program shall be subject to the provisions, rules and regulations applicable thereto.

(i) Deferred Compensation. During the Employment Term, Executive will be eligible to participate in the Company's then-current Deferred Compensation Plan, subject to the terms of such plan, as those terms may be amended from time to time by the Company in its sole discretion (including terms related to any applicable Company matching program relating to the same to the extent approved by the Compensation Committee).

(ii) Vacations. Executive shall be entitled to be absent from Executive's duties for the Company by reason of vacation for a period of four (4) weeks per fiscal year. Executive's vacation time each fiscal year will accrue in accordance with the Company's normal policies and procedures. Executive shall coordinate Executive's vacation schedule with the Company so as not to impose an undue burden on the Company.

(e) Expenses. During the Employment Term, the Company shall reimburse Executive for all reasonable and necessary out-of-pocket business, travel and entertainment expenses incurred by Executive in the performance of Executive's duties and responsibilities, subject to the Company's normal policies and procedures for expense verification, documentation and reimbursement intervals. Any reimbursements made under this Section 4(e) must be submitted for payment timely such that it can be paid no later than the last day of Executive's taxable year following the taxable year in which the expense is incurred, or such expense will not be reimbursable.

(f) Clawback Provisions. Notwithstanding any other provision in this Agreement to the contrary, any compensation paid or payable to Executive pursuant to this Agreement or any other agreement or arrangement with the Company shall be subject to recovery or reduction in future payments in lieu of recovery pursuant to any Company clawback policy in effect from time to time, whether adopted before or after the date of this Agreement. In furtherance of the foregoing, (A) Executive acknowledges and agrees that Executive has read, understands, and agrees to be bound by the terms of that certain Texas Roadhouse, Inc. Policy for Recovery of Incentive Compensation dated November 9, 2023 (which was previously provided to Executive and which is incorporated herein by reference) (the "**Existing Clawback Policy**"), and (B) the Existing Clawback Policy shall apply to certain portions of Executive's compensation in the manner specifically described therein. In the event the Company elects, in its sole and absolute discretion, to amend, modify, replace and/or revise the Existing Clawback Policy at any time during the Employment Term, Executive agrees to execute and deliver to the Company an acknowledgement and agreement confirming Executive's compliance with such revised clawback policy.

5. **Termination.**

(a) This Agreement and Executive's employment will terminate if any of the following occurs: (i) termination by the Company for Cause (as hereinafter defined); (ii) termination by the Company without Cause; (iii) resignation by Executive for Good Reason (as hereinafter defined); (iv) resignation by Executive without Good Reason; (v) Executive's death or long-term disability; and/or (vi) Executive's retirement.

(b) **Termination by the Company for Cause.** The Company may terminate this Agreement and Executive's employment for Cause at any time without any advance notice, except as provided below. The decision to terminate Executive's employment for Cause shall be in the sole discretion of the Company. If the Company terminates this Agreement for Cause, the Company shall pay to Executive only: (i) the Base Salary through the Date of Termination; (ii) any Incentive Bonus not yet paid for any fiscal year that ended before the Date of Termination; (iii) any accrued paid time off that might be due in accordance with policies of the Company in effect from time to time, and (iv) any expenses owed to Executive under Section 4(f) above, less any monies Executive owes to the Company as of the Date of Termination, to the extent permitted by applicable law (the "***Base Termination Payments***"). The Company shall have no severance obligations under this Agreement (including the obligation to pay Separation Pay) in the event of a termination for Cause.

(c) **Termination by Company without Cause.** If the Company terminates this Agreement without Cause, Executive will be entitled to: (i) the Base Termination Payments; and (ii) Separation Pay (as hereinafter defined) calculated and paid in accordance with Section 6 below.

(d) **Resignation by Executive for Good Reason.** If Executive resigns for Good Reason, Executive will be entitled to: (i) the Base Termination Payments; and (ii) Separation Pay calculated and paid in accordance with Section 6 below.

(e) **Resignation by Executive Without Good Reason.** If Executive resigns without Good Reason, Executive will be entitled only to the Base Termination Payment. The Company shall have no severance obligations under this Agreement (including the obligation to pay Separation Pay) in the event of a resignation without Good Reason.

(f) **Executive's Death or Long-Term Disability.** This Agreement will automatically terminate upon Executive's death or long-term disability. In the event of Executive's death, the Company shall pay the Base Termination Payments to Executive's estate. In the event of Executive's long-term disability, Executive will be entitled to the Base Termination Payments. In either case, the Company shall have no severance obligations under this Agreement (including the obligation to pay Separation Pay).

(g) **Executive's Retirement.** If Executive retires, Executive will be entitled only to the Base Termination Payment. The Company shall have no severance obligations under this Agreement (including the obligation to pay Separation Pay) in the event of a retirement.

6. **Separation Payment.**

(a) **Amount of Separation Pay.** Subject to the terms and conditions of this Agreement (including the release condition in Section 6(c) below and delayed start as provided in that subsection and Section 23(c) below), in the event the Company terminates this Agreement without Cause or Executive resigns with Good Reason within twelve (12) months following a Change in Control, the Company shall

pay the following amounts to Executive (as applicable, the “**Separation Pay**”) in intervals as determined by the Company:

(i) Termination by Company without Cause. (A) an amount equal to one (1) times Executive’s then current Base Salary (less applicable withholdings), plus (B) an Incentive Bonus for the year in which the Date of Termination occurs, equal to Executive’s target bonus for that year (less applicable withholdings), prorated based on the number of days in the fiscal year elapsed before the Date of Termination, payable at the same time that Incentive Bonuses for such periods are payable to other executive employees whose employment did not end, plus (C) to the extent Executive is enrolled in the Company’s insurance plan(s) as of the Date of Termination, an amount equal to the approximate cost of monthly premiums (less applicable withholdings) for a twelve (12) month period for ongoing medical, dental, and vision insurance via a timely election made under the Company’s health plan to the Consolidated Omnibus Reconciliation Act (COBRA) or otherwise.

(ii) Resignation by Executive for Good Reason. (A) an amount equal to one and one-half (1.5) times Executive’s current Base Salary (less applicable withholdings), plus (B) an amount equal to one and one-half (1.5) times Executive’s then target Incentive Bonus (less applicable withholdings), plus (C) an Incentive Bonus for the year in which the Date of Termination occurs, equal to Executive’s target bonus for that year (less applicable withholdings), prorated based on the number of days in the fiscal year elapsed before the Date of Termination, payable at the same time that Incentive Bonuses for such periods are payable to other executive employees whose employment did not end, plus (D) to the extent Executive is enrolled in the Company’s insurance plan(s) as of the Date of Termination, an amount equal to the approximate cost of monthly premiums (less applicable withholdings) for an eighteen (18) month period for ongoing medical, dental, and vision insurance via a timely election made under the Company’s health plan to the Consolidated Omnibus Reconciliation Act (COBRA) or otherwise.

Nothing in this Section 6(a) shall be deemed to limit and/or prohibit the payment of amounts that otherwise would be payable to Executive for unvested service-based restricted stock units and/or performance-based restricted stock units previously awarded to Executive subject to the previously executed stock unit agreement(s).

(b) The Company is not obligated to pay the Separation Pay to Executive unless Executive has signed a full release of claims against the Company and its Affiliates that is in a form and scope acceptable to the Company (the “**Release**”), and all applicable consideration periods and rescission periods provided by law have expired. Executive must execute and deliver the Release to the Company no later than the date specified by the Company. The Release will be delivered by the Company to Executive at least twenty-one (21) days (forty-five (45) days where Executive is required to be given forty-five (45) days to review and consider the Release) before the deadline set for its return. If the period of time to consider and revoke the Release spans two (2) tax years, then, in no event may separation pay be paid until the second (2nd) such tax year, even if the Release is signed and nonrevocable sooner.

(c) Further, Executive shall not be entitled to Separation Pay if Executive fails to return all Company property within Executive’s possession or control and settle all expenses owed to the Company on or before the date the Release is executed and returned to the Company.

(d) If Executive, at any time before all Separation Pay due under this Agreement is paid, fails to comply with restrictive covenants in this Agreement or any other agreement with the Company, the Company may cease payment and any further amounts due shall be deemed a “disputed payment” for purposes of Code Section 409A-2(g) payable only as and if required as a result of the claim and dispute resolution provisions in Section 17 below.

(e) In no event shall Executive be obligated to seek other employment or take any other action by way of mitigation of the amounts, benefits and other compensation payable or otherwise provided to Executive after Executive's Date of Termination.

7. **Definitions.** In addition to terms capitalized and defined in the context where first used, the following terms shall have the meanings indicated below:

(a) Termination for "**Cause**" means a termination by the Company for one (1) or more of the following reasons, as stated in a written notice of termination:

(i) Executive's conviction of, or being charged with having committed, a felony;

(ii) Executive's acts of dishonesty or moral turpitude that are detrimental to the business of the Company;

(iii) Executive's failure to obey the reasonable and lawful directions of the Company, including, without limitation, the Company's policies and procedures (including the Company's policies prohibiting discrimination, harassment, and retaliation), and the Texas Roadhouse, Inc. Code of Conduct;

(iv) Executive's failure to perform Executive's obligations under this Agreement;

(v) Executive's willful breach of any agreement or covenant of this Agreement or any fiduciary duty owed to the Company; and/or

(vi) Executive's unsatisfactory performance of Executive's duties after: (A) Executive has received written notice of the general nature of the unsatisfactory performance and (B) Executive has failed to cure the unsatisfactory performance within thirty (30) days thereafter to the satisfaction of the Company. If, during this thirty (30) day timeframe, the Company determines that Executive is not making reasonable good faith efforts to cure the deficiencies to the satisfaction of the Company, the Company has the right to immediately terminate Executive's employment. If the Company determines that Executive cured the unsatisfactory performance before the conclusion of the thirty (30) day timeframe, any recurrence of the same or similar unsatisfactory performance within twelve (12) months of the conclusion of the thirty (30) day timeframe shall constitute "**Cause**" for Executive's termination, and Executive's employment may be terminated with no further or additional opportunity to cure the unsatisfactory performance.

(b) A "**Change in Control**" means that one of the following events has taken place:

(i) consummation of a merger or consolidation of the Company with any other entity, other than a merger or consolidation that would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving or resulting entity) more than fifty percent (50%) of the combined voting power of the surviving or resulting entity outstanding immediately after such merger or consolidation;

(ii) consummation of a sale or disposition of all or substantially all of the assets of the Company (other than such a sale or disposition immediately after which such assets will be owned directly or indirectly by the stockholders of the Company in substantially the same proportions as their ownership of the common stock of the Company immediately before such sale or disposition); or



(iii) any Person becomes the beneficial owner (as determined pursuant to Section 13(d) of the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”)) of securities representing in excess of fifty percent (50%) of the aggregate voting power of the outstanding securities of the Company as required to be disclosed in a report on Schedule 13D of the Exchange Act.

Notwithstanding anything in the foregoing to the contrary, the Board shall have full and final authority, in its sole discretion, to determine conclusively whether a Change in Control shall have occurred pursuant to the above definition, the date of the occurrence of such Change in Control, and any incidental matters relating thereto.

For purposes of this Section 7(b), the term “**Company**” means Texas Roadhouse, Inc.

(c) “**Code**” means the Internal Revenue Code of 1986, as amended.

(d) “**Date of Termination**” means (A) if Executive’s employment is terminated by the Company or by Executive other than for Good Reason, the date of receipt of the notice of termination or any later date specified therein (which date shall be not more than thirty (30) days after giving such notice), as the case may be, (B) if Executive’s employment is terminated by Executive for Good Reason, the thirtieth (30th) day following receipt by the Company of the notice of termination for Good Reason if the Company fails to cure the condition giving rise to Good Reason during the thirty (30) day cure period, or any later date specified therein, as the case may be, provided that such date may not be more than sixty (60) days following the Company’s receipt of the notice of termination.

(e) “**Good Reason**” given by Executive in a notice of termination must be based on one (1) or more of the following circumstances following a Change in Control:

(i) the assignment to Executive of a different title or job responsibilities that result in a substantial decrease in the level of responsibility from those in effect immediately before the Change in Control;

(ii) a reduction by the Company or the surviving company in Executive’s base pay as in effect immediately before the Change in Control;

(iii) a significant reduction by the Company or the surviving company in total benefits available to Executive under cash incentive, stock incentive and other employee benefit plans after the Change in Control compared to the total package of such benefits as in effect before the Change in Control;

(iv) the requirement by the Company or the surviving company that Executive be based more than fifty (50) miles from where Executive’s office is located immediately before the Change in Control, except for required travel on Company business to an extent substantially consistent with the business travel obligations which Executive undertook on behalf of the Company before the Change in Control; or

(v) the failure by the Company to obtain from any Successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company (“**Successor**”) an agreement to assume obligations under this Agreement.

*Provided, however*, that Good Reason shall not exist unless the reason set forth is not cured within thirty (30) days after Executive has delivered written notice of such condition to the Company and/or to such Successor. Further, in each case, Executive must give the Company notice of the condition within

ninety (90) days of the initial existence of the condition, and the separation from service must occur within sixty (60) days following notice of termination, or the termination will not be considered to be for Good Reason.

(f) “**Person**” has the meaning ascribed to such term in Section 3(a)(9) of the Exchange Act and used in Sections 13(d) and 14(d) thereof, including a “group” as defined in Section 13(d) thereof.

8. **Cooperation.** Executive agrees to cooperate fully with the Company, its attorneys and representatives in any litigation, arbitration or administrative proceeding related to Executive’s current or former employment with the Company. Without limiting the foregoing, Executive agrees (a) to meet with the Company’s representatives, counsel, or other designees at mutually convenient times and places related to any items within the scope of this provision; (b) to provide truthful testimony regarding same to any court, agency, or other adjudicatory body; and (c) to provide the Company with notice of contact by any non-governmental adverse party or such adverse party’s representative, except as may be required by law. The Company will use reasonable efforts to schedule Executive’s cooperation in a manner that avoids causing Executive any undue hardship. Executive’s obligation to cooperate under this Section 8 extends for five (5) years from the last date on which Executive receives any compensation under this Agreement or any amendment and restatement or successor hereto. Nothing herein will prevent Executive from providing truthful responses, under oath, in response to a subpoena from any judicial or governmental authority. Further, nothing herein shall require Executive to cooperate with the Company regarding any charge or litigation in which Executive is a charging or complaining party, or any confidential investigation by a government agency.

9. **Confidentiality and Nondisparagement.**

(a) **Confidentiality Covenant.** Executive agrees:

(i) Executive’s employment creates a relationship in which the Company places confidence and trust in Executive with respect to certain information pertaining to the business of the Company and its Affiliates that Executive may receive during Executive’s employment by the Company.

(ii) Without the written consent of the Company, Executive will not use for Executive’s benefit or disclose at any time during or after Executive’s employment, except to the extent required by Executive’s duties, to the extent of Executive’s obligations under Section 14, or as permitted below, any information Executive obtains or develops while employed by the Company regarding any actual or potential recipes, suppliers, products, services, employees, documents pertaining to the Company or any of its Affiliates (including, without limitation, this Agreement, franchise agreements, employment agreements and joint venture agreements), financial affairs, systems, applications, or methods of marketing, service or procurement of the Company or any of its Affiliates, or any confidential matter regarding the business of the Company or any of its Affiliates, except information that at the time is generally known to the public or is required to be disclosed by law or legal process, other than as a result of disclosure by Executive not permitted under this Agreement (collectively, “**Confidential Information**”).

(iii) At Executive’s request, the Company will tell Executive, in writing, whether or not the Company considers any particular item of information to be Confidential Information. Executive agrees to contact the Company before Executive discloses any information that Executive acquired during Executive’s employment to determine whether the Company considers the information to be Confidential Information.

(iv) Upon Executive's termination, Executive will promptly return to the Company all documents and papers (including all copies, stored electronically or otherwise) relating to Confidential Information and other physical property in Executive's possession that belongs to the Company or any of its Affiliates.

(v) Nothing in this provision prevents Executive from communicating with, filing a charge or complaint with, providing documents or information voluntarily or in response to a subpoena or other information request to, or from participating in or otherwise cooperating in an investigation or proceeding conducted by a governmental agency, including but not limited to, the Securities and Exchange Commission, the U.S. Equal Employment Opportunity Commission, or any similar federal, state, or local agency charged with the enforcement of any laws, and Executive shall not need to notify the Company or seek permission before communicating with any such governmental agency.

(b) Binding Effect. Executive agrees that the provisions of this Section 9 are binding upon Executive's heirs, successors and legal representatives.

(c) Obligations Additive. Executive acknowledges that the obligations imposed by this Section 9 are in addition to, and not in place of, any obligations imposed by applicable statutory or common law.

(d) Nondisparagement. Executive shall not at any time during the Employment Term or for a period of two (2) years after Executive's employment ends, disparage the Company, any of its Affiliates and any of their respective officers and directors.

10. **Intellectual Property.**

(a) Disclosure and Assignment. As used herein, "**Creations**" means writings, works of authorship, recipes, formulas, ideas, concepts, inventions, discoveries, and improvements, whether patented, patentable or not and whether copyrighted, copyrightable, or not. Furthermore, as used herein, "**Employment Creations**" means any and all Creations created, prepared, produced, authored, amended, conceived or reduced to practice by Executive whether solely or in collaboration with others while he or she is employed by the Company that: (i) relate in any way to the Company's business; or (ii) relate to the Company's actual or contemplated business, research, or development; or (iii) result from any work performed by Executive for the Company. Executive acknowledges that, by reason of being employed by the Company at the relevant times, to the extent permitted by law, every copyrightable Employment Creation, regardless of whether copyright protection is sought or preserved by the Company, shall be a "**work made for hire**" as defined in 17 U.S.C. §101, and the Company shall own all rights in and to such Employment Creation throughout the world except to the extent such ownership is waived in writing by the Board. To the extent the preceding sentence does not apply, as of the Effective Date, Executive agrees to transfer and assign and hereby transfers and assigns to the Company (or its designee) all right, title, and interest of Executive in and to every Employment Creation. Executive further agrees to transfer and assign and hereby transfers and assigns to the Company all Creations created, prepared, produced, authored, amended, conceived or reduced to practice by Executive within one (1) year following Executive's termination of employment with the Company (whether voluntary or otherwise), if the Creation is a result of Company's Confidential Information obtained by Executive during Executive's employment with the Company (collectively, "**Post-Employment Creations**"). Executive shall communicate promptly and disclose to the Company, in such form as the Company may request, all information, details, and data pertaining to each Employment Creation and each Post-Employment Creation. Nothing contained in this Agreement shall be construed to reduce or limit the Company's rights, title, or interest in any Employment

Creations or Post-Employment Creations so as to be less in any respect than that the Company would have had in the absence of this Agreement except to the extent such ownership is waived in writing by the Board.

(b) Moral Rights. To the extent any copyrights are assigned under this Agreement, Executive hereby irrevocably waives, to the extent permitted by applicable law, any and all claims Executive may now or hereafter have in any jurisdiction to all rights of paternity, integrity, disclosure, and withdrawal and any other rights that may be known as “*moral rights*” with respect to all Employment Creations and Post-Employment Creations and all intellectual property rights therein.

(c) Trademarks. All right, title, and interest in and to any and all trademarks, trade names, service marks, and logos adopted, used, or considered for use by the Company during Executive’s employment (whether or not developed by Executive) to identify the Company’s business or other goods or services (collectively, the “*Marks*”), together with the goodwill appurtenant thereto, and all other materials, ideas, or other property conceived, created, developed, adopted, or improved by Executive solely or jointly during Executive’s employment by the Company and relating to its business shall be owned exclusively by the Company. Executive shall not have, and will not claim to have, any right, title, or interest of any kind in or to the Marks or such other property.

(d) Further Assurances and Documentation. During and after Executive’s employment, Executive shall, for no additional consideration, reasonably cooperate with the Company to (i) apply for, obtain, perfect, and transfer to the Company the Employment Creations and Post-Employment Creations and any intellectual property rights therein in any jurisdiction in the world; and (ii) maintain, protect, and enforce the same, including, without limitation, executing and delivering to the Company such formal transfers and assignments, applications, oaths, declarations, affidavits, waivers, and such other documents as the Company may request to permit the Company (or its designee) to file and prosecute such registration applications and other documents it deems useful to protect or enforce its rights under this Agreement. The Company will pay all of Executive’s reasonable expenses in connection with this cooperation.

(e) Non-Applicability. Executive is hereby notified that this Section 10 does not apply to any Creation for which no equipment, supplies, facility, Confidential Information, or other trade secret information of the Company was used and which was developed entirely on Executive’s own time, unless (i) the Creation relates in any way to (A) the business of the Company, or (B) the Company’s actual or contemplated business, research, or development; or (ii) the Creation results from any work performed by Executive for the Company.

(f) No License. Executive understands that this Agreement does not, and shall not be construed to, grant Executive any license or right of any nature with respect to any Employment Creations, or any Post-Employment Creations, or any Confidential Information, materials, recipes, software, or other tools made available to Executive by the Company.

11. **Non-Competition and Non-Solicitation.**

(a) During the Employment Term, Executive shall faithfully serve the Company to the best of Executive’s ability, shall use Executive’s best endeavors to promote the interest and welfare thereof, and shall devote the whole of Executive’s time, attention and abilities to such duties. By way of example and not limitation, this means that during the Employment Term, Executive will not do or say anything that: (i) could advance an interest of any existing or prospective competitor of the Company or any of its Affiliates in any way; or (ii) will or may injure an interest of the Company or any of its Affiliates in its relationship and dealings with existing or potential suppliers or customers.

(b) During Executive's employment and for two (2) years following the termination of Executive's employment (whether under this Agreement or during a successor or "*at will*" employment period):

(i) Executive shall not, directly or indirectly, on Executive's own behalf or on behalf of any person or entity other than the Company, including without limitation as a proprietor, principal, agent, partner, officer, director, stockholder, employee, member of any association, consultant or otherwise, engage in any business that is directly competitive with the business of the Company, including without limitation any business that operates one or more full-service, casual dining steakhouse restaurants within the United States or any foreign country in which the Company or its franchisees or its joint venture partners is operating or in which Executive knows the Company or its franchisees or its joint venture partners proposes to open within twenty-four (24) months. The provisions of this Section shall also apply to any business which is directly competitive with any other business which the Company or an Affiliate acquires or develops during Executive's employment with the Company.

(ii) Except as required in the performance of Executive's duties as an employee of the Company, Executive shall not, directly or indirectly, (A) hire, engage or solicit or induce or attempt to induce to cease working for the Company, any person who is then an employee of the Company or who was an employee of the Company during the six (6) month period immediately preceding Executive's termination of employment with the Company, nor (B) solicit, request, advise, induce or attempt to induce any vendor, supplier or other business contact of the Company to cancel, curtail, cease doing business with, or otherwise adversely change its relationship with the Company.

(c) For the purposes of this Agreement, the phrase "*proposes to open*" a restaurant includes all locations for which active, bona fide negotiations to secure a fee or leasehold interest with the intention of establishing a restaurant are being conducted. Mere ownership, whether through direct or indirect stock holdings or otherwise, of one percent (1%) or less of a business shall not constitute a violation of the restriction in Section 11(b)(i) above, unless a greater amount is approved in writing by the Board. Executive is deemed to engage in a business if Executive expects to acquire a proprietary interest in a business or to be made an employee, officer, director, manager, consultant, independent contractor, advisor or otherwise of such business at any time after such possibility has been discussed with any officer, director, employee, agent, or promoter of such business.

(d) Executive agrees that Executive's experience, capabilities and circumstances are such that these provisions will not prevent Executive from earning a livelihood. Executive further agrees that the limitations set forth in this Section (including, without limitation, any time or territorial limitations) are reasonable and properly required for the adequate protection of the businesses of the Company and its Affiliates. The covenants made by Executive in this Section (and in Sections 8, 9, 10 and 17) will survive the expiration or termination of this Agreement.

12. **Injunctive Relief.** Executive acknowledges and agrees that the provisions of the forgoing Sections 8, 9, 10 and 11 are reasonable and necessary to protect legitimate interests of the Company and that a remedy at law for any breach or threatened breach of the provisions of Sections 8, 9, 10 and 11 would be inadequate, and so Executive agrees that the Company and any of its Affiliates are entitled to injunctive relief in addition to any other available rights and remedies in cases of any such breach or threatened breach of those Sections. In addition, Executive acknowledges and agrees that an action for an injunction under Sections 8, 9, 10 and 11 may only be brought in the state or federal courts located in Louisville, Kentucky. Executive irrevocably accepts the venue and jurisdiction of those courts for the purposes of any such suit

for an injunction, and further irrevocably waives any claim that any such suit has been brought in an inconvenient forum.

13. **Non-Assignability.** The services to be provided by Executive are personal in nature and therefore neither Executive or Executive's beneficiaries or legal representatives may assign this Agreement or any right or interest under this Agreement. Any attempt, voluntary or involuntary, to effect any such action will be null, void and of no effect. The Company may assign or delegate this Agreement or any rights and interests under this Agreement to any Affiliate or to any successor to the Company, and Executive will be bound by such assignment or delegation.

14. **Notification to Future Employers.** Executive will notify any future employer of Executive's obligations under the provisions of Sections 8, 9, 10 and 11.

15. **Affiliate.** For the purposes of this Agreement, the term "***Affiliate***" or "***Affiliates***" means (i) Texas Roadhouse, Inc. and each corporation, limited liability company, partnership, or other entity that directly or indirectly, controls Texas Roadhouse, Inc., (ii) is controlled, directly or indirectly, by Texas Roadhouse, Inc., or (iii) is under common control, directly or indirectly, with Texas Roadhouse, Inc., as well as any entity that owns, operates, manages, licenses or franchises a Texas Roadhouse, Bubba's 33, or Jagers (or any future Texas Roadhouse or Affiliate) restaurant concept.

16. **Notices.** Any notice required under this Agreement must be given in writing and either delivered in person, via email or by first class certified or registered mail, if to the Company, at the Company's principal place of business: Attn: Texas Roadhouse Legal Department, 6040 Dutchmans Lane, Louisville, Kentucky 40205, and if to Executive, at Executive's home address most recently filed with the Company, or to such other address as either party has designated in writing to the other party.

17. **Dispute Resolution.**

(a) **Arbitration Agreement.** Except as provided in Section 12 and below, all disputes, claims, or controversies between Executive and the Company or any of its Affiliates, or any of their employees, arising out of or in any way related to (i) this Agreement, (ii) the breach, termination, enforcement, interpretation, or validity thereof, or (iii) Executive's Employment, shall be resolved by arbitration in Louisville, Kentucky, or in an alternate, mutually-convenient location of the parties' choosing, by one arbitrator, who shall be a lawyer or retired judge with at least ten years' experience. Executive and the Company and its Affiliates agree to arbitrate those claims whether they arise in contract or tort, assert violations of statutes, regulations, or ordinances, or are based on other legal or equitable theories. Arbitration shall proceed under the rules and procedures of the American Arbitration Association, including its procedures for dispositive motion practice. The parties to the arbitration shall use good faith efforts to complete the arbitration within one hundred fifty (150) days of the appointment of the arbitrator. In any arbitration that Executive commences, the Company will pay the arbitrator's fees if Executive prevails, or if other applicable law requires the Company to do so. It is expressly agreed that this Agreement evidences a transaction in interstate commerce and that this Section 17(a) is governed by the Federal Arbitration Act. This agreement to arbitrate does not apply to claims for workers' compensation or unemployment insurance, or any other claims that are not legally subject to private arbitration.

(b) Waiver of Jury Trial and Class or Multiparty Claims. **Executive and the Company and its Affiliates voluntarily and knowingly waive any right to a jury trial.** In addition, Executive acknowledges that Executive's relationship with the Company is unique and that there are and will be differences from the relationships the Company may have with other employees or executives. Therefore, any arbitration shall be conducted and resolved on an individual basis only and not on a class-wide, multiple plaintiff or claimant, consolidated or similar basis.

(c) Limitations Period; Deadline to Assert Claims. Executive and the Company and its Affiliates agree that arbitration of any disputes, claims, or controversies shall be initiated within one year of the act or occurrence giving rise to the dispute, claim or controversy, even though that deadline is or may be shorter than the period provided by statutes of limitations that would apply in the absence of this Section. Any claim that is not asserted in an arbitration within one (1) year of the act or occurrence giving rise to it shall be deemed waived.

(d) Governing Law & Forum. This Agreement is governed by Federal Arbitration Act and the laws of the Commonwealth of Kentucky without regard to its conflicts of law provisions. If Executive timely and validly rejects Section 17(a), or otherwise files any claim against the Company or any of its Affiliates that is not subject to Section 17(a), Executive agrees that the state or federal courts located in Jefferson County, Kentucky shall be the exclusive forum for such a claim.

18. Severability. Executive agrees that if any the arbitrator or court of competent jurisdiction will finally hold that any provision of Sections 8, 9, 10, 11 or 17 is void or constitutes an unreasonable restriction against Executive, the provisions of such Sections 8, 9, 10, 11 or 17 will not be rendered void but will apply to such extent as such arbitrator or court may judicially determine constitutes a reasonable restriction under the circumstances. If any part of this Agreement other than Sections 8, 9, 10, 11 or 17 is held by an arbitrator or court of competent jurisdiction to be invalid, illegal or incapable of being enforced in whole or in part by reason of any rule of law or public policy, such part will be deemed to be severed from the remainder of this Agreement for the purpose only of the particular legal proceedings in question and such part and all other covenants and provisions of this Agreement will in every other respect continue in full force and effect and no covenant or provision will be deemed dependent upon any other covenant or provision.

19. Waiver. Failure to insist upon strict compliance with any of the terms, covenants or conditions is not a waiver of such term, covenant or condition, nor will any waiver or relinquishment of any right or power be deemed a waiver or relinquishment of such right or power.

20. Nature of Relationship. This Agreement creates an employee-employer relationship. The parties do not intend for this Agreement to create a legal or equitable partnership, a joint venture, or any other relationship.

21. Entire Agreement; Modifications. This Agreement represents the entire agreement between the parties regarding the subject matter and supersedes all prior oral or written proposals, understandings, and other commitments between the parties related to Executive's employment by the Company and Affiliates, except for any written stock option or stock award agreement between Executive and the Company. This Agreement is binding upon and benefits the parties, their heirs, legal representatives, successors, and permitted assigns. This Agreement may be modified or amended only by an instrument in writing signed by both parties.

22. Beneficial Ownership of Liquor Licenses. If a local or state law requires Executive to be the owner of the liquor license, or to be a member of the entity that owns the liquor license, Executive

acknowledges and agree that such ownership is solely for the benefit of the owner of the restaurant and/or the entity holding the liquor license and that Executive is not entitled to compensation relating to the ownership of any liquor license, or relating to the ownership of any member interest in an entity owning a liquor license. Upon termination of Executive's employment, Executive will relinquish ownership of the liquor license upon request of the Company or the owner of the restaurant, and Executive will surrender, without compensation, any membership interest in an entity owning a liquor license. Executive will execute and deliver any documents that the Company requests in order to effect such transfer of ownership promptly and without consideration.

23. **Tax Matters.**

(a) **Withholding.** Notwithstanding any other provision of this Agreement, the Company may withhold from amounts payable under this Agreement all federal, state, local and foreign taxes that the Company determines are required to be withheld by applicable laws or regulations.

(b) **409A Compliance Intent.** This Agreement is intended to provide for compensation that is exempt from Code Section 409A as separation pay (up to the Code Section 409A limit) or as a short-term deferral, and to be compliant with Code Section 409A with respect to additional compensation under this Agreement. This Agreement shall be interpreted, construed, and administered in accordance with this intent, provided that the Company does not promise or warrant any tax treatment of compensation. Executive is responsible for obtaining advice regarding all questions to federal, state, or local income, estate, payroll, or other tax consequences arising from participation herein. This Agreement shall not be amended or terminated in a manner that would accelerate or delay payment of severance pay or bonus pay except as permitted under Treasury Regulations under Code Section 409A.

(c) **Six Month Delay.** Notwithstanding anything herein to the contrary, if Executive is a "specified employee" within the meaning of Treasury Regulation Section 1.409A-1(i) (or any successor thereto) on the Date of Termination, any payments under this Agreement that are triggered by termination of employment and which are not exempt as separation pay under Treasury Regulation Section 1.409A-1(b)(9) or as short-term deferral pay, shall not begin to be paid until six months after the Date of Termination, and at that time, Executive will receive in one lump sum payment of all the payments (without interest) that would have otherwise been paid to Executive during the first six (6) months following Executive's Date of Termination. The Company shall determine, consistent with any guidance issued under Code Section 409A, the portion of payments that are required to be delayed, if any.

(d) **Termination Must be within 409A to Trigger Payments.** For purposes of the timing of payments triggered by the termination, termination shall not be considered to have occurred until the date Executive and the Company reasonably anticipate that (i) Executive will not perform any further services for the Company or any other entity considered a single employer with the Company under Code Section 414(b) or (c) (but substituting fifty percent (50%) for eighty percent (80%) in the application thereof) (the "**Employer Group**"), or (ii) the level of bona fide services Executive will perform for the Employer Group after that date will permanently decrease to less than twenty percent (20%) of the average level of bona fide services performed over the previous thirty-six (36) months (or if shorter over the duration of service). For this purpose, service performed as an employee or as an independent contractor is counted, except that service as a member of the board of directors of an Employer Group entity is not counted unless termination benefits under this Agreement are aggregated with benefits under any other Employer Group plan or agreement in which Executive also participates as a director. Executive will not be treated as having a termination of Executive's employment while he is on military leave, sick leave or other bona fide leave of absence if the leave does not exceed six months or, if longer, the period during which Executive has a reemployment right under statute or contract. If a bona fide leave of absence extends beyond six months,



Executive's employment will be considered to terminate on the first day after the end of such six-month period, or on the day after Executive's statutory or contractual reemployment right lapses, if later. The Company will determine when Executive's Date of Termination occurs based on all relevant facts and circumstances, in accordance with Treasury Regulation Section 1.409A-1(h).

(e) Code Section 280G Cap. If the separation pay described in Section 6(a) plus the value of any other compensation or benefits payable pursuant to any other plan or program of the Company that are deemed to be paid or transferred in connection with the Change in Control (the "**CIC Benefits**") are payable to Executive in connection with a Change in Control and, if paid, could subject Executive to an excise tax under Code Section 4999 and any similar tax imposed by state or local law as well as any interest and penalties with respect to such tax(es) (the "**Excise Tax**"), then notwithstanding the provisions of Section 6, the Company shall reduce the CIC Benefits (the "**Benefit Reduction**") to \$1.00 below the amount necessary to result in Executive not being subject to the Excise Tax. Executive shall bear all expense of, and be solely responsible for, any Excise Tax should no Benefit Reduction be made. The determination of whether any such Benefit Reduction shall be imposed shall be made by a nationally recognized public accounting firm selected by the Company and reasonably acceptable to Executive, and such determination shall be binding on both Executive and the Company. Such accounting firm shall be engaged by and paid by the Company and shall promptly give the Company and Executive a copy of the detailed calculation of any Benefit Reduction.

**[signature page follows]**

**SIGNED:**

Dated: December 27, 2024

**EXECUTIVE:**

/s/Regina A. Tobin  
Signature

Regina A. Tobin  
Printed Name

**COMPANY:**

**TEXAS ROADHOUSE MANAGEMENT CORP.,**  
a Kentucky corporation

Dated: December 27, 2024

By: /s/Gerald L. Morgan  
Gerald L. Morgan, President

**Exhibit “A”**

**Year 1**

**Base Salary:** \$725,000

**Incentive Bonus target:** \$725,000

**Equity Incentive Grant:**

**A. Service Based Restricted Stock Units:** Executive will receive a grant of service based restricted stock units equal to \$725,000 divided by the closing sales price on January 7, 2025 on the Nasdaq Global Select Market, with such quotient being rounded up or down to the nearest 100 shares. These service based restricted stock units will be subject to certain conditions and limitations set forth in separate RSU Agreements. These service based restricted stock units will be granted on January 8, 2025 and will vest on January 8, 2026, provided Executive is still employed by the Company as of the vesting date.

**B. Performance Based Restricted Stock Units:** Executive will receive a three year grant of performance based restricted stock units as described below equal to \$2,175,000 divided by the closing sales price on January 7, 2025 on the Nasdaq Global Select Market, with such quotient being rounded up or down to the nearest 100 shares, relating to your 2025 fiscal year service, 2026 fiscal year service, and 2027 fiscal year service, respectively. These performance based restricted stock units will be subject to certain conditions and limitations set forth in separate PSU Agreements. These performance based restricted stock units will be granted on January 8, 2025 and will vest in accordance with the table described below, provided Executive is still employed by the Company as of the vesting date and subject to the achievement of defined goals set forth in the table below.

<b>Target \$ of Performance- Based Restricted Stock Units</b>	<b>Portion of Target Grant Based on EPS Performance Goal</b>	<b>Portion of Target Grant Based on Pre- tax Profit Goal</b>	<b>Minimum \$ of Performance- Based Restricted Stock Units</b>	<b>Maximum \$ of Performance- Based Restricted Stock Units</b>	<b>Vesting Date for Portion of Performance Based Restricted Stock Units</b>
\$725,000	50%	50%	0	\$1,450,000	January 8, 2026
\$725,000	50%	50%	0	\$1,450,000	January 8, 2027
\$725,000	50%	50%	0	\$1,450,000	January 8, 2028

## TEXAS ROADHOUSE, INC.

## STOCK TRADING POLICY

I. **Introduction.** The primary purpose of this Texas Roadhouse, Inc. Stock Trading Policy (this “**Policy**”) is to reduce the risk that you might be found to have engaged in insider trading in violation of securities laws of the United States (collectively, the “**Securities Laws**”). Insider trading may result in unfair manipulation of the market in the Company’s securities and may adversely affect the value of its securities. Insider trading may also expose the Company and you to potential fines and/or liability. As described in this Policy, if you possess material, nonpublic information about the Company or any Business Partner (as hereinafter defined), you may not buy securities, sell securities, or otherwise engage in any other securities transaction relating to the Company or such Business Partner. **THIS POLICY IS DESIGNED TO HELP YOU COMPLY WITH SECURITIES LAWS, BUT ULTIMATELY COMPLYING WITH THIS POLICY AND SECURITIES LAWS IS YOUR RESPONSIBILITY.** There are no exceptions to this Policy except as specifically noted herein. Transactions that may be justifiable for independent reasons (such as the need to raise money for any unexpected expense or emergency) are not excepted from this Policy. The Securities Laws do not recognize any mitigating circumstances – you should plan accordingly.

As used in this Policy:

- **Authorized Approver:** Chief Legal & Administrative Officer, Chief Legal Officer, General Counsel, Vice President of Legal, Corporate Secretary, and/or Assistant Secretary of the Company, and/or any successor position and their delegates
- **Business Partner:** any company that provides products or services to the Company or any company with which the Company is planning a business transaction or agreement
- **Company:** Texas Roadhouse, Inc. and its affiliates and subsidiaries
- **Insiders:** as specified in Section V hereof, an Insider is any person that has, or is likely to have, regular or special access to material, nonpublic information about the Company, as well as members of their immediate family, members of their household, their economic dependents, and any person or entity that they control
- **Section 16 Individuals:** all Named Executive Officers, members of the Board of Directors of the Company, and any other persons who are required to file Section 16 reports with the Securities and Exchange Commission (the “**SEC**”) by virtue of their employment status with the Company, as well as members of their immediate family, members of their household, their economic dependents, and any person or entity that they control
- **Trading Day:** any day when Nasdaq is open for trading
- **We:** the Company and its officers, directors, and management
- **You:** all employees of the Company and all members of the Board of Directors of the Company, as well as members of your immediate family, members of your household, your economic dependents, and any person or entity that you control

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**II. Who this Policy applies to.** This Policy applies to all employees and agents of the Company (regardless of rank or position) and all members of the Board of Directors of the Company. Specifically, this Policy applies to “you” as defined above, and we will treat trades made at your direction as trades made by you. If you are no longer with or retired from the Company, then this Policy will no longer be applicable to you; *however*, you are still subject to applicable Securities Laws – which means neither you nor any of your family members should trade in the securities of the Company while you are in possession of material, nonpublic information.

**III. Insider Trading.** As a general rule, it is against the law to buy or sell any securities while in possession of material, nonpublic information relevant to that security (sometimes called “*inside information*”), or to communicate such information to others (family, friends and acquaintances) who trade on the basis of such information (with communication of such information commonly known as “*tipping*”).

Insider trading laws apply not only to trading in the Company’s securities but also apply to trading in the securities of any Business Partner if you learn something in the course of your employment or relationship with that Business Partner that might affect their value. This could include our vendors, franchisees, and/or suppliers. You should treat material, nonpublic information about any Business Partner with the same care required with respect to information related directly to the Company. Similar to prohibitions relating to the trading in Company securities, you are prohibited from trading in the securities of any Business Partner when you are in possession of material, nonpublic information and must not communicate such information to any third party except persons who have a legitimate “need to know” and understand their obligation to keep the information confidential and not to trade on it.

For purposes of this Policy, “*trading*” includes not only purchases and sales of stock or debt securities, but also purchases and sales of options, warrants, puts and calls, and other derivative securities related to stock or debt securities. This Policy also applies to *bona fide gifts*.

**IV. Material, Nonpublic Information.**

**A. Material Information.** Information is considered “*material*” if there is a substantial likelihood that:

- a reasonable investor would consider it important in making a decision on whether to buy, sell, or hold the securities; or
- a reasonable investor would view the information as significantly altering the total mix of information in the marketplace about the issuer of the securities.

**NOTE:** Both positive and negative information can be material.

**B. Nonpublic Information.** Information is considered “*nonpublic*” if the information has not been broadly distributed to the public through a filing with the SEC, a press release or other appropriate news media and enough time has elapsed to permit the investment market to absorb and evaluate the information. For the purposes of this Policy, information will be considered to be fully absorbed by the investment market at 9:30 A.M. (Eastern) on the first (1st) day after the information is released to the public (but in any event not until twenty-four (24) hours have elapsed following such release).

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C. **Examples of Material, Nonpublic Information.** There is no set formula for deciding what information is material; rather, materiality is based on all of the facts and circumstances. While it is not possible to define all categories of material information, examples of information that might be considered material, nonpublic information include, but are not limited to, the following:

- information about upcoming earnings or losses;
- negotiation of a merger or acquisition;
- news of a significant sale of assets;
- changes in dividend policy;
- the declaration of a stock split and/or the offering of additional stock;
- changes in top management;
- significant legal exposure due to actual, pending or threatened litigation;
- a significant cybersecurity breach;
- extraordinary borrowing or changes in liquidity;
- significant new products;
- same store or other sales information for the system and/or a significant portion of the system;
- extraordinary food safety or health matters affecting one (1) or more restaurants; and
- significant changes in food and supply costs.

Whether a particular item is material or nonpublic will be judged with **20/20 hindsight**. Accordingly, when in doubt as to a particular item of information, you should presume it is material and has not been disclosed to the public with sufficient time for the investment market to absorb it. It is important to keep in mind that material information need not be certain information that will definitely occur. Rather, information that something is likely to happen, or even that it may happen, can affect the market price of the securities and therefore, in hindsight, may be determined to be material. Do not hesitate to contact an Authorized Approver with any questions you may have. However, in all cases, the responsibility for determining whether you are in possession of material, nonpublic information rests with you, and any action on the part of the Company, an Authorized Approver, and/or you pursuant to this Policy does not in any way constitute legal advice or insulate you from liability under Securities Laws.

There are also a variety of ways in which you might receive material, nonpublic information. This can occur in the normal performance of your employment duties, Company communications about financial performance, Company meetings, Board of Director meetings, or other similar Company communications. Please remember that this Policy also applies to information you may learn about a Business Partner.

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You should not discuss material, nonpublic information with anyone unless you are specifically authorized to do so.

**V. Buying and Selling Securities.** If you are in possession of material, nonpublic information about the Company, you may not trade in Company securities. In addition, you should never buy or sell the securities of a Business Partner if you possess material, nonpublic information about such Business Partner.

Certain employees are designated as Insiders, as referenced in attached "**Exhibit A**", because of the type and/or extent of information about the Company to which they have regular or special access. Insiders will generally be allowed to trade in Company securities only during an Open Trading Window (as hereinafter defined), subject to the guidelines below. Except pursuant to an authorized 10b5-1 Plan (as hereinafter defined), Insiders may not buy or sell Company securities outside of an Opening Trading Window.

**A. Open Trading Windows.** We will establish Open Trading Windows following each of our quarterly earnings releases. The dates of the applicable Open Trading Window will be communicated to Insiders via e-mail around that time. For the purposes of this Policy and except as otherwise modified by an Authorized Approver as set forth below, the term "**Open Trading Window**" shall mean the period beginning on the second (2nd) Trading Day following our quarterly earnings release and continuing to and through the last day of the fourth Trading Cycle (as hereinafter defined) thereafter.

For example, if the earnings release occurs on Thursday at 5:00 P.M. (Eastern) and you have been cleared pursuant to Section V(B) below, you can begin trading on the following Monday morning. On the other hand, if the announcement is not made until Tuesday at 11:00 A.M. (Eastern), you would not be able to trade until Thursday of that week, on the second (2nd) full Trading Day following the announcement (Tuesday being a partial Trading Day and Wednesday being the first full Trading Day).

**B. Pre-Clearance.** As set forth in this Section V(B), the Company has established a recurring seven (7) business day trading cycle (each a "**Trading Cycle**") during the applicable Open Trading Window in which Insiders have the ability to buy or sell Company securities. All Insiders must receive pre-clearance during the Pre-Clearance Period (as hereinafter defined) prior to buying or selling Company securities during the applicable Clear to Trade Period (as hereinafter defined). In certain cases, pre-clearance may be denied. Any pre-clearance granted by an Authorized Approver may be withdrawn at any time upon notice to the Insider.

If you are a Vice President or Regional Market Partner level employee and above, pre-clearance must be received directly from an Authorized Approver via an email request during the applicable Pre-Clearance Period. All other Insiders must receive pre-clearance by submitting a request via the Pre-Clearance Form located on the Company's intranet (currently TXRHLive) during the applicable Pre-Clearance Period. For the purposes of this Policy, (A) the term "**Pre-Clearance Period**" shall mean a twenty-four (24) hour period starting at 5:00 P.M. (Eastern) two (2) business days prior to the commencement of the next Clear to Trade Period and ending 5:00 P.M. (Eastern) on the immediately following business day, and (B) the term "**Clear to Trade Period**" shall mean (i) with respect to the first Trading Cycle within an Open Trading Window, the five (5) business day period starting when the market opens on the second (2nd) Trading Day immediately following the applicable Company earnings release and ending when the market closes on the fifth (5th) business day thereafter, and (ii) with respect to any further Trading Cycle within the applicable Open Trading Window, the same five (5) business day period

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as occurred during the first Trading Cycle. All transactions must be completed within the Clear to Trade Period or re-clearance must be obtained.

For illustrative purposes, a depiction of the pre-clearance and trading process during a portion of an Open Trading Window is shown below:

**(SAMPLE CALENDAR MONTH)**

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
30	01	02	03	04	05	06
07	08	09	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31	01	02	03

Earnings Release
  Pre-Clearance Period
  Clear to Trade

C. **Blackout Periods.** No Insider shall engage in any transaction involving any Company securities (including a sale, a purchase, a loan or pledge, a contribution to a trust, a gift or any other transfer) during the following periods (each, a “***Blackout Period***” and collectively, the “***Blackout Periods***”):

- ***Quarterly Blackout Periods:*** Quarterly Blackout Periods start at 4:00 P.M. (Eastern) on the last business day of the fourth Trading Cycle and end after the second (2nd) Trading Day following the next occurring earning release, as applicable; and
- ***Special Blackout Periods:*** From time to time, an Authorized Approver, without disclosing the reason for the restriction, may designate a period during an otherwise Open Trading Window in which Insiders shall not engage in any transaction involving Company securities. Though these special Blackout Periods may arise because the Company is experiencing a material event and/or involved in a material transaction, they may be declared for any reason and they may occur at a time that is financially inconvenient for you. If you are made subject to a special blackout, then you should keep that fact confidential.

D. **10b5-1 Plans.** The SEC has rules that help to protect you against charges of insider trading. These rules allow insiders to trade in Company securities outside of an Open Trading Window if the transactions are part of a written plan created when you do not possess material, nonpublic information (generally, during an Open Trading Window). These plans are commonly referred to as “***10b5-1 Plans.***” A 10b5-1 Plan can provide an affirmative defense against a claim of insider trading because you may not exercise discretion or influence over the amount, price, and date of the transaction after you enter into the plan (*i.e.*, at a time when you might possess material, nonpublic information).

The rules regarding 10b5-1 Plans are complex and must be complied with completely to be effective. You may create a 10b5-1 Plan with your own broker or with the broker identified by the Company to assist employees with stock administration. All 10b5-1 Plans must be pre-cleared in the

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manner described in Section V(B) above and approved by an Authorized Approver prior to becoming effective.

The following guidelines apply to all 10b5-1 Plans:

- You may not enter into, modify or terminate a 10b5-1 Plan during a Blackout Period or while in possession of material, nonpublic information;
- Any modifications and/or terminations of a 10b5-1 Plan must be pre-cleared by notifying an Authorized Approver via email;
- As a condition to entering into a 10b5-1 Plan, you must act in good faith with respect to such plan;
- All 10b5-1 Plans must have a duration of at least one (1) year and no more than two (2) years;
- The 10b5-1 Plan must include a representation certifying that at the time of the adoption and/or modification of such plan, (A) you are not aware of any material, nonpublic information about the Company or its securities, and (B) you are adopting the plan in good faith and not as a part of a plan or scheme to evade the prohibitions of Rule 10b-5;
- The 10b5-1 Plan must (i) specify the amount of securities to be traded and the price at which and the date on which the securities are to be traded, (ii) establish a formula for determining such items, or (iii) provide that you do not have any influence over how, when, or whether to effect trades.
- You are subject to the following mandatory “cooling off” period with respect to trades under a 10b5-1 Plan:
  - If you are a Section 16 Individual, then you may not commence trading under a 10b5-1 Plan until the later of (A) ninety (90) days following the date of execution of such plan, or (B) two (2) business days following the disclosure of the Company’s financial results in a Form 10-Q or Form 10-K for the fiscal quarter in which the 10b5-1 Plan was adopted (subject to a maximum of 120 days after the adoption of the 10b-1 Plan). Any modifications of such 10b5-1 Plan will retrigger the time periods described in this paragraph;
  - If you are not a Section 16 Individual, then you may not commence trading under a 10b5-1 Plan until at least thirty (30) days following the date of execution of such plan. Any modifications of such 10b5-1 Plan will retrigger the time periods described in this paragraph; and
- You may not enter into multiple overlapping 10b5-1 Plans; and
- You are subject to a limitation on the ability to rely on the affirmative defense for a single-trade plan to one such plan during any twelve (12) month period.

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Each Section 16 Individual understands that the approval or adoption of a 10b5-1 Plan in no way reduces or eliminates such person's obligations under Section 16 of the Exchange Act, including such person's disclosure and short-swing trading liabilities thereunder. If any questions arise, such person should consult with their own counsel in implementing a 10b5-1 Plan.

Section 16 Individuals are required to notify the Company when they enter into, modify, or terminate (i) a 10b5-1 Plan or (ii) any written trading arrangement for the purchase or sale of the Company's securities that meets the requirements of a non-Rule 10b5-1 trading arrangement as defined in Item 408(c) of Regulation S-K (a "***Trading Arrangement***"). The Company is required to disclose certain information regarding 10b5-1 Plans and Trading Arrangements in its periodic filings. The Company may require Insiders to submit additional information about the 10b5-1 Plan or Trading Arrangement. All Trading Arrangements must be pre-cleared in the manner described in Section V(B) above and approved by an Authorized Approver prior to becoming effective.

**E. Permitted Transactions.** The following transactions are not subject to the limitations imposed on Insiders and may be completed outside of an applicable Open Trading Window:

- Accepting stock options or restricted stock units issued under the Company's employee equity incentive plan, or the cancellation or forfeiture of options or restricted stock units pursuant to that plan;
- The vesting of stock options or restricted stock units, and any related stock withholding;
- Exercising of stock options issued under the Company's stock option plan (a so-called "***exercise and hold***"), provided the stock is not sold at the same time (a so-called "***cashless exercise***");
- Transferring shares to an entity that does not involve a change in the beneficial ownership of the shares, for example, to an inter vivos trust of which you are the sole beneficiary during your lifetime; and
- Acquiring or disposing of securities in a stock split, stock dividend, or other transaction affecting all stockholders equally.

**F. Special Requirements for Section 16 Individuals.** Section 16 Individuals are subject to certain reporting requirements, trading restrictions and "***short swing***" profit recovery provisions under Section 16 of the Securities Exchange Act. In particular, each Section 16 Individual must report changes of beneficial ownership in equity securities of the Company on a Form 4 electronically filed with and received by the SEC before the end of the second (2nd) business day following the day on which the transaction occurs (i.e., the trade date, not the settlement date). Transactions that must be reported on Form 4 by such Section 16 Individuals pursuant to Section 16 include, without limitation, stock purchases and sales, stock option exercises, stock and option grants, restricted stock grants and most other equity compensation transactions. In order to ensure compliance with Section 16 reporting requirements, each Section 16 Individual must immediately notify an Authorized Approver of the details of every transaction involving the Company's stock and stock options, including gifts, transfers, pledges and all transactions made pursuant to 10b5-1 Plans.

The Company must disclose in its 10-K or annual proxy the names of any Section 16 Individuals

Last Revised: May 11, 2023  
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who failed to timely file any Section 16 reports and the number of reports and transactions that were not timely filed. Additionally, the SEC has the authority to fine Section 16 Individuals for violations of their Section 16 reporting obligations.

**VI. Other Restricted Activities.**

**A. Donations or Gifts of Securities.** Bona fide gifts or donations of Company securities are subject to this Policy. Accordingly, you may not gift or donate Company securities while in possession of material, nonpublic information. Additionally, in the event you are an Insider, then you may only gift or donate Company securities during an Open Trading Window and you must be pre-cleared in the manner described in Section V(B) above prior to such gift or donation.

**B. Margin Accounts and Pledges of Stock.** If you hold stock in a margin account as collateral for a margin loan, then your broker may sell that stock without your consent if you fail to meet a margin call. Similarly, stock that is pledged as collateral for a loan may be sold in foreclosure if you default on the loan. Because a margin sale or a foreclosure could occur at a time when you possess material, nonpublic information (or are otherwise restricted from trading), these actions could subject you to insider trading liability and, thus, are strongly discouraged by this Policy. Moreover, the Company is required to disclose in its annual proxy statement the name of any Section 16 Individuals who has pledged shares or holds them in a margin account, along with the number of such shares.

**C. Speculative Trading.** You may not engage in speculative trading at any time. The term “*speculative trading*” includes any arrangement by which a stockholder or option holder changes his or her economic exposure to changes in the price of the securities. Speculative trading includes buying standardized put or call options, writing put or call options, selling securities short, buying or selling securities convertible into other securities, or merely engaging in a private agreement where the value of the agreement varies in relation to the price of the underlying security. Speculative trading is prohibited because such transactions may give the appearance of improper trades, look disloyal, and are inconsistent with your duties to the Company. Ownership in a mutual fund where Company securities make up less than five percent (5%) of the overall portfolio of the mutual fund is excluded from this prohibition.

**D. Tipping and Making Recommendations.** You can be held responsible for trading performed by anyone to whom you disclose material, nonpublic information about the Company or a Business Partner, or by anyone that they disclose the information to. In addition, you should not make recommendations to other people regarding a purchase or sale of the Company’s or a Business Partner’s securities. Even casual remarks by you recommending a purchase, sale, or hold of the Company’s or a Business Partner’s securities could be interpreted by others as being based on material, nonpublic information.

**VII. Consequences of Insider Trading.** Both the SEC and Nasdaq are very effective at detecting and pursuing insider trading cases and they have aggressively prosecuted insider traders and tippers. Any person who engages in insider trading, tipping, and the misuse of material, nonpublic information can face the following:

- discipline up to and including termination of employment;
- a substantial jail term (up to twenty (20) years);

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- criminal fines of up to Five Million Dollars (\$5,000,000.00); and
- civil penalties of up to three times the profit gained (or loss avoided) by that person and/or his or her “*tippees*.”

In addition, if it is found that the Company failed to take appropriate steps to prevent insider trading, the Company may be subject to significant criminal fines of up to Twenty-Five Million Dollars (\$25,000,000.00) and civil penalties of up to three (3) times the profit gained (or loss avoided) as a result of insider trading.

**VIII. Violations of this Policy.** This Policy requires employee certification that each employee understands this Policy and that violation of this Policy is a terminable offense.

**IX. Administration of this Policy.** This Policy was last updated effective May 11, 2023. We reserve the right to amend and interpret this Policy from time to time. Remember, the ultimate responsibility for complying with this Policy and applicable laws rests with you. You should use your best judgment and consult with an Authorized Approver or your personal legal and financial advisors as needed.

Last Revised: May 11, 2023  
Previously Revised: October 7, 2020  
Adopted: February 16, 2012  
Effective: April 1, 2012

**Exhibit A**

**INSIDERS**

Insiders shall include each person holding one of the following titles and/or in the following groups:

- 1) Members of the Board of Directors;
- 2) Named Executive Officers;
- 3) Any position Director level and above up to Named Executive Officers (including Senior Directors and Vice Presidents);
- 4) Vice President of Operations;
- 5) Regional Market Partners;
- 6) Market Partners;
- 7) Any person who receives weekly system-wide sales reports and/or sales reports for a significant portion of the system; and/or
- 8) Any other employee, position or group determined by an Authorized Approver as constituting a Company Insider. Certain employees may come into possession of material, nonpublic information and subsequently be considered a temporary Insider for so long as such person is in possession of material, nonpublic information. Temporary prohibitions on trading last until such time as an Authorized Approver has lifted the prohibition.

NOTE: The list of Insiders is reviewed quarterly and adjusted as needed. If you are unsure as to whether you are an Insider, then please reach out to an Authorized Approver.

Last Revised: May 11, 2023  
Previously Revised: October 7, 2020  
Adopted: February 16, 2012  
Effective: April 1, 2012

## SUBSIDIARIES OF THE COMPANY

The following contains a list of the “significant subsidiaries” of Texas Roadhouse, Inc. as of December 31, 2024, together with the names of certain other subsidiaries, and the states in which those subsidiaries are organized. The names of particular subsidiaries of Texas Roadhouse, Inc. have been omitted because, considered in the aggregate as a single subsidiary, they would not constitute, as of the end of the year covered by this report, a “significant subsidiary” as that term is defined in Rule 1-02(w) of Regulation S-X under the Securities Exchange Act of 1934.

### I. SUBSIDIARIES WHOLLY-OWNED BY TEXAS ROADHOUSE, INC.

NAME OF ENTITY	FORM OF ENTITY
Armadillo, Inc.	Virginia corporation
Bubba’s Development Corporation	Kentucky corporation
Bubba’s Holdings LLC	Kentucky limited liability company
Jaggers Development Corporation	Kentucky corporation
Jaggers Holdings LLC	Kentucky limited liability company
Legendary Food Services LLC	Kentucky limited liability company
Legendary Products LLC	Kentucky limited liability company
Roadhouse-Creek of NJ, LLC	Kentucky limited liability company
Roadhouse Insurance Solutions Co.	Kentucky corporation
Texas Roadhouse Central Treasury LLC	Kentucky limited liability company
Texas Roadhouse Delaware LLC	Delaware limited liability company
Texas Roadhouse Development Corporation	Kentucky corporation
Texas Roadhouse Holdings LLC	Kentucky limited liability company
Texas Roadhouse International, LLC	Nevada limited liability company
Texas Roadhouse Management Corp.	Kentucky corporation

### II. INDIRECTLY WHOLLY-OWNED SUBSIDIARIES

NAME OF ENTITY	FORM OF ENTITY
Jaggers Restaurant Enterprises, Inc.	Texas corporation
JDC International LLC	Kentucky limited liability company
Roadhouse Enterprises, Inc.	Texas corporation
SRC Kansas, LLC	Kansas limited liability company
Strategic Restaurant Enterprises, Inc.	Texas corporation
Texas Roadhouse Administrative Services, LLC	Kentucky limited liability company
Texas Roadhouse Intermediary, LLC	Kentucky limited liability company
Texas Roadhouse International Services, LLC	Kentucky limited liability company
Texas Roadhouse of Conway, Inc.	Arkansas non-profit corporation
Texas Roadhouse of Jonesboro, Inc.	Arkansas non-profit corporation
Texas Roadhouse of Kansas, LLC	Kansas limited liability company
Texas Roadhouse of Searcy, Inc.	Arkansas non-profit corporation
TRDC International, LLC	Nevada limited liability company
TXRH International IP, LLC	Texas limited liability company

### III. PARTIALLY-OWNED SUBSIDIARIES

NAME OF ENTITY	FORM OF ENTITY
SRC of Anne Arundel County, MD, LLC	Kentucky limited liability company
Texas Roadhouse of Austin-North, Ltd.	Kentucky limited partnership
Texas Roadhouse of Austin, Ltd.	Kentucky limited partnership
Texas Roadhouse of Baltimore County, MD, LLC	Kentucky limited liability company
Texas Roadhouse of Bakersfield, LLC	Kentucky limited liability company
Texas Roadhouse of Baytown, TX, LLC	Kentucky limited liability company
Texas Roadhouse of Carroll County, MD, LLC	Kentucky limited liability company
Texas Roadhouse of Corona, CA, LLC	Kentucky limited liability company
Texas Roadhouse of Fort Myers, FL, LLC	Kentucky limited liability company
Texas Roadhouse of Gilbert, AZ, LLC	Kentucky limited liability company
Texas Roadhouse of Hendersonville, de Novo, LLC	Kentucky limited liability company
Texas Roadhouse of Howard County, MD, LLC	Kentucky limited liability company
Texas Roadhouse of Huber Heights, LLC	Kentucky limited liability company
Texas Roadhouse of Lancaster, OH, LLC	Kentucky limited liability company
Texas Roadhouse of Lexington, KY, II, LLC	Kentucky limited liability company
Texas Roadhouse of Mansfield, Ltd.	Kentucky limited partnership
Texas Roadhouse of Marlton, NJ, LLC	Kentucky limited liability company
Texas Roadhouse of Menifee, CA, LLC	Kentucky limited liability company
Texas Roadhouse of Orange Park, LLC	Kentucky limited liability company
Texas Roadhouse of Parker, LLC	Kentucky limited liability company
Texas Roadhouse of Richmond, LLC	Kentucky limited liability company
Texas Roadhouse of Stillwater, OK, LLC	Kentucky limited liability company
Texas Roadhouse of Valdosta, LLC	Kentucky limited liability company
Texas Roadhouse of Warwick, LLC	Kentucky limited liability company
Texas Roadhouse of Wicomico County, MD, LLC	Kentucky limited liability company

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**Consent of Independent Registered Public Accounting Firm**

We consent to the incorporation by reference in the registration statements (Nos. 333-121241, 333-188683 and 333-256205) on Form S-8 of our reports dated February 28, 2025, with respect to the consolidated financial statements of Texas Roadhouse, Inc. and the effectiveness of internal control over financial reporting.

/s/ KPMG LLP

Louisville, Kentucky  
February 28, 2025

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## CERTIFICATIONS PURSUANT TO SECTION 302 OF SARBANES-OXLEY ACT

I, Gerald L. Morgan, certify that:

1. I have reviewed this report on Form 10-K of Texas Roadhouse, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of the annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 28, 2025

By: /s/ GERALD L. MORGAN

Gerald L. Morgan  
Chief Executive Officer  
(Principal Executive Officer)

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## CERTIFICATIONS PURSUANT TO SECTION 302 OF SARBANES-OXLEY ACT

I, D. Christopher Monroe, certify that:

1. I have reviewed this report on Form 10-K of Texas Roadhouse, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of the annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 28, 2025

By: /s/ D. CHRISTOPHER MONROE

D. Christopher Monroe  
Chief Financial Officer  
(Principal Financial Officer)

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## CERTIFICATIONS PURSUANT TO SECTION 302 OF SARBANES-OXLEY ACT

I, Keith V. Humpich, certify that:

1. I have reviewed this report on Form 10-K of Texas Roadhouse, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of the annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 28, 2025

By: /s/ KEITH V. HUMPICH

Keith V. Humpich  
Vice President of Finance  
(Principal Accounting Officer)

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**CERTIFICATIONS PURSUANT TO 18 U.S.C. SECTION 1350**

Each of the undersigned officers of Texas Roadhouse, Inc. (the “Company”), certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Annual Report on Form 10-K of the Company for the fiscal year ended December 31, 2024 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 28, 2025

By: /s/ GERALD L. MORGAN

Gerald L. Morgan  
Chief Executive Officer  
(Principal Executive Officer)

Date: February 28, 2025

By: /s/ D. CHRISTOPHER MONROE

D. Christopher Monroe  
Chief Financial Officer  
(Principal Financial Officer)

Date: February 28, 2025

By: /s/ KEITH V. HUMPICH

Keith V. Humpich  
Vice President of Finance  
(Principal Accounting Officer)

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TEXAS ROADHOUSE, INC.POLICY FOR RECOVERY OF INCENTIVE COMPENSATION

1. **Purpose.** This Policy for Recovery of Incentive Compensation (this “*Policy*”) is adopted by the Compensation Committee of the Board of Directors (the “*Board*”) of Texas Roadhouse, Inc., a Delaware corporation (the “*Corporation*”), on November 9, 2023. The purpose of this Policy is to provide the Corporation with the ability to recover erroneously awarded Incentive-based Compensation (as hereinafter defined) from Executive Officers (as hereinafter defined). The Corporation has adopted this Policy to comply with Section 10D and Rule 10D-1 of the Securities Exchange Act of 1934, as amended (the “*Exchange Act*”) (“*Rule 10D-1*”). This Policy amends, restates and replaces that certain Policy for Recovery of Incentive Compensation dated February 3, 2022 and previously adopted by the Compensation Committee on behalf of the Corporation.

2. **Definitions.**

(a) “*Accounting Restatement*” means an accounting restatement due to the material noncompliance of the Corporation with any financial reporting requirement under the securities laws, including any required accounting restatement to correct an error in previously issued financial statements that is material to the previously issued financial statements (a “Big R” restatement), or that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period (a “little r” restatement).

(b) “*Clawback Eligible Incentive Compensation*” means all Incentive-based Compensation Received by an Executive Officer (i) on or after October 2, 2023, (ii) after beginning service as an Executive Officer, (iii) who served as an Executive Officer at any time during the applicable performance period relating to any Incentive-based Compensation (whether or not such Executive Officer is serving at the time the Erroneously Awarded Compensation is required to be repaid to the Corporation), (iv) while the Corporation has a class of securities listed on a national securities exchange or a national securities association, and (v) during the applicable Clawback Period.

(c) “*Clawback Period*” means, with respect to any Accounting Restatement, the three (3) completed fiscal years of the Corporation immediately preceding the Restatement Date, and if the Corporation changes its fiscal year, any transition period of less than nine months within or immediately following those three completed fiscal years, provided that a transition period of greater than nine months will be deemed a completed fiscal year.

(d) “*Committee*” means the Compensation Committee of the Board of Directors of the Corporation, if composed entirely of independent directors, or in the absence of such a committee, a majority of independent directors serving on the Board.

(e) “*Erroneously Awarded Compensation*” means, with respect to each Executive Officer in connection with an Accounting Restatement, the amount of Clawback Eligible Incentive Compensation that exceeds the amount of Incentive-based Compensation that otherwise would have been Received had it been determined based on the restated amounts, computed without regard to any taxes paid.

(f) “*Executive Officer*” means each individual who is currently or was previously designated as an “officer” of the Corporation as defined in Rule 16a-1(f) under the Exchange Act. For the avoidance of doubt, the identification of an executive officer for purposes of this Policy shall include each executive officer who is or was identified pursuant to Item 401(b) of Regulation S-K or Item 6.A of Form 20-F, as

applicable, as well as the principal financial officer and principal accounting officer (or, if there is no principal accounting officer, the controller).

(g) **“Financial Reporting Measures”** means measures that are determined and presented in accordance with the accounting principles used in preparing the Corporation’s financial statements, and all other measures that are derived wholly or in part from such measures. Stock price and total shareholder return (and any measures that are derived wholly or in part from stock price or total shareholder return) shall, for purposes of this Policy, be considered Financial Reporting Measures. For the avoidance of doubt, a Financial Reporting Measure need not be presented in the Corporation’s financial statements or included in a filing with the SEC.

(h) **“Incentive-based Compensation”** means any compensation that is granted, earned or vested based wholly or in part upon the attainment of a Financial Reporting Measure, including but not limited to, annual bonuses and other short and long-term cash incentives, stock options, stock appreciation rights, restricted stock, restricted stock units, performance shares, performance units, and retirement plans and life insurance plans that take into account other incentive-based compensation.

(i) **“Received”** means, with respect to any Incentive-based Compensation, actual or deemed receipt, and Incentive-based Compensation shall be deemed received in the Corporation’s fiscal period during which the Financial Reporting Measure specified in the Incentive-based Compensation award is attained, even if the payment or grant of the Incentive-based Compensation to the Executive Officer occurs after the end of that period.

(j) **“Restatement Date”** means the earlier to occur of (i) the date the Board, a committee of the Board or the officers of the Corporation authorized to take such action if Board action is not required, concludes, or reasonably should have concluded, that the Corporation is required to prepare an Accounting Restatement, or (ii) the date a court, regulator or other legally authorized body directs the Corporation to prepare an Accounting Restatement.

**3. Process for Recovering.** In the event of an Accounting Restatement, the Corporation will reasonably promptly recover the Erroneously Awarded Compensation Received in accordance with the applicable rules of The Nasdaq Stock Market (“**NASDAQ**”) and Rule 10D-1 as follows:

(a) After an Accounting Restatement, the Committee shall determine the amount of any Erroneously Awarded Compensation Received by each Executive Officer and shall promptly notify each Executive Officer with a written notice containing the amount of any Erroneously Awarded Compensation and a demand for repayment or return of such compensation, as applicable. For Incentive-based Compensation based on (or derived from) the Corporation’s stock price or total shareholder return, where the amount of Erroneously Awarded Compensation is not subject to mathematical recalculation directly from the information in the applicable Accounting Restatement: (A) the amount to be repaid or returned shall be determined by the Committee based on a reasonable estimate of the effect of the Accounting Restatement on the Corporation’s stock price or total shareholder return upon which the Incentive-based Compensation was Received; and (B) the Corporation shall maintain documentation of the determination of such reasonable estimate and provide the relevant documentation as required to NASDAQ.

(b) The Committee shall have discretion to determine the appropriate method of recovering Erroneously Awarded Compensation based on the particular facts and circumstances. The method of recovery may include, without limitation, (i) requiring reimbursement of cash Incentive-based Compensation previously paid, (ii) seeking recovery of any gain realized on the vesting, exercise, settlement, sale, transfer, or other disposition of any equity-based awards, (iii) offsetting the recouped amount from any compensation otherwise owed by the Corporation to the Executive Officer, and (iv)

cancelling outstanding vested or unvested equity awards. Except as set forth in Section 4 below, in no event may the Corporation accept an amount that is less than the amount of Erroneously Awarded Compensation in satisfaction of an Executive Officer's obligations hereunder.

(c) To the extent that the Executive Officer has already reimbursed the Corporation for any Erroneously Awarded Compensation Received under any duplicative recovery obligations established by the Corporation or applicable law, it shall be appropriate for any such reimbursed amount to be credited to the amount of Erroneously Awarded Compensation that is subject to recovery under this Policy.

(d) To the extent that an Executive Officer fails to repay all Erroneously Awarded Compensation to the Corporation when due, the Corporation shall take all actions reasonable and appropriate to recover such Erroneously Awarded Compensation from the applicable Executive Officer. The applicable Executive Officer shall be required to reimburse the Corporation for any and all expenses reasonably incurred (including legal fees) by the Corporation in recovering such Erroneously Awarded Compensation in accordance with the immediately preceding sentence.

4. **Exceptions From Recovery.** Notwithstanding anything herein to the contrary, the Corporation shall not be required to take the actions contemplated by Section 4 above if the Committee determines that recovery would be impracticable and any of the following conditions are met:

(a) The Committee has determined that the direct expenses paid to a third party to assist in enforcing the Policy would exceed the amount to be recovered. Before making this determination, the Corporation must make a reasonable attempt to recover the Erroneously Awarded Compensation, document such attempt(s) and provide such documentation to NASDAQ.

(b) Recovery would likely cause an otherwise tax-qualified retirement plan, under which benefits are broadly available to employees of the Corporation, to fail to meet the requirements of Section 401(a)(13) or Section 411(a) of the Internal Revenue Code of 1986, as amended, and regulations thereunder.

5. **Administration and Interpretation.** This Policy shall be administered by the Committee. The Committee has the full authority to interpret and enforce this Policy and any and all determinations by the Committee under this Policy shall be final and binding on all affected individuals for the purposes of the application of this Policy. The Committee has the authority to hire such experts and independent counsel as they deem necessary. This Policy will be interpreted and enforced, and appropriate disclosures and other filings with respect to this Policy will be made, in accordance with Rule 10D-1 and with the standards of the Exchange.

6. **Disclosure Requirements.** The Corporation shall file all disclosures with respect to this Policy required by applicable U.S. Securities and Exchange Commission ("**SEC**") filings and rules.

7. **Prohibition of Indemnification.** The Corporation shall not insure or indemnify any Executive Officer against (i) the loss of any Erroneously Awarded Compensation that is repaid, returned or recovered pursuant to the terms of this Policy, or (ii) any claims relating to the Corporation's enforcement of its rights under this Policy.

8. **Amendment.** The Committee may amend or change the terms of this Policy at any time for any reason or no reason, including as required to comply with the rules of the SEC or NASDAQ. Notwithstanding the foregoing, no amendment or termination of this Policy shall be effective if such amendment or termination would (after taking into account any actions taken by the Corporation contemporaneously with such amendment or termination) cause the Corporation to violate any federal securities laws, SEC rule or NASDAQ rule.

9. **Other Recovery Rights.** This Policy shall be binding and enforceable against all Executive Officers and, to the extent required by applicable law or guidance from the SEC or NASDAQ, their beneficiaries, heirs, executors, administrators or other legal representatives. The Committee intends that this Policy will be applied to the fullest extent required by applicable law. Any employment agreement, equity award agreement, compensatory plan or any other agreement or arrangement with an Executive Officer shall be deemed to include, as a condition to the grant of any benefit or exercise of any rights thereunder, an agreement by the Executive Officer to abide by the terms of this Policy.

The remedies under this Policy are in addition to, and not in lieu of, any legal and equitable claims the Corporation or any of its subsidiaries may have or any actions that may be imposed by law enforcement agencies, regulators, administrative bodies or other authorities. The exercise by the Committee of any rights pursuant to this Policy shall be without prejudice to any other rights that the Corporation or the Committee may have with respect to any Executive Officer subject to this Policy.

ADOPTED BY BOARD OF DIRECTORS: NOVEMBER 9, 2023



**Exhibit “A”**

**ACKNOWLEDGEMENT & AGREEMENT  
TO TEXAS ROADHOUSE, INC. POLICY FOR RECOVERY OF INCENTIVE COMPENSATION**

This Acknowledgement & Agreement to Texas Roadhouse, Inc. Policy for Recovery of Incentive Compensation (this “**Acknowledgement**”) is delivered by the undersigned officer (“**Executive**”), as of the date set forth below, to Texas Roadhouse, Inc. (the “**Corporation**”). Executive is an officer (as defined under Section 16 of the Securities Exchange Act of 1934, as amended) of the Corporation and an employee of the Corporation or one of its subsidiaries.

Effective [            ], 2023, the Compensation Committee of the Corporation (the “**Committee**”) adopted a Policy for Recovery of Incentive Compensation (as amended, restated, supplemented or otherwise modified from time to time by the Board, the “**Clawback Policy**”).

In consideration of the continued benefits to be received from the Corporation (and/or any subsidiary of the Corporation) and Executive’s right to participate in, and as a condition to the receipt of, Incentive-based Compensation (as defined in the Clawback Policy), Executive hereby acknowledges and agrees to the following:

1. Executive has read and understands the Clawback Policy and has had an opportunity to ask questions to the Corporation regarding the Clawback Policy.
2. Executive agrees to be bound by and to abide by the terms of the Clawback Policy and intends for the Clawback Policy to be applied to the fullest extent of the law.
3. The Clawback Policy shall apply to any and all Clawback Eligible Incentive Compensation (as defined in the Clawback Policy).

No modifications, waivers or amendments of the terms of this Acknowledgement shall be effective unless signed in writing by the Executive and the Corporation. The provisions of this Acknowledgement shall inure to the benefit of the Corporation, and shall be binding upon, the beneficiaries, heirs, executors, administrators or other legal representatives and assigns of Executive.

[Signature Page Follows]

By signing below, Executive agrees to the application of the Policy for Recovery of Incentive Compensation and the other terms of this Acknowledgement.

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_