

PUTTING A  
**STAKE**  
IN THE  
**FUTURE**



COMMITTED TO CHANGE  
**WELL DONE**

WE MAKE IT OUR MISSION TO LEAVE EVERY  
COMMUNITY BETTER THAN WHEN WE FOUND IT.

THIS REPORT WAS LAST UPDATED MAY 2021. WE WILL CONTINUE TO HIGHLIGHT  
SUSTAINABILITY UPDATES IN OUR ANNUAL REPORT AND AT BOARD MEETINGS ANNUALLY.



SERVING  
**SAFE**  
QUALITY  
**FOOD**



## HAND-CUT STEAKS TO MADE-FROM-SCRATCH SIDES

We're a restaurant you can trust to make dining out with your family fun. And because we take your trust very seriously, we place the utmost importance on food safety and food quality. We have stringent sourcing guidelines, conduct third-party audits, and make sure everything we serve is prepared by our well-trained staff.

We also expect a management-level employee to inspect every entree before it leaves the kitchen to confirm it matches the guest's order and meets our standards for quality, appearance, and presentation.

Additionally, having in-house Meat Cutters provides higher-quality steaks to our guests and helps reduce millions of pounds of food waste each year.



## TASTE THE HAND-CUT DIFFERENCE

THE ART OF  
**MEAT**  
CUTTING

Meat cutting is often considered a lost art, but not at Texas Roadhouse. Each Texas Roadhouse restaurant employs a butcher or Meat Cutter, so your steak is always fresh, never frozen. Our Meat Cutters, who hand-cut every steak we serve, work in 34° coolers and cut an average of \$1 million of meat a year per store.



**INTEGRITY**  
IS ALWAYS ON OUR MENU



### STRICT SOURCING GUIDELINES AND EXPERT EMPLOYEES

Texas Roadhouse is a value-based steak restaurant. It's what we're known for and we take great care with each steak we serve, which is why they are hand-cut in-house by our highly skilled Meat Cutters. But, what happens before the food we prepare gets to us? When possible, we seek suppliers that are vertically integrated because just like you, we want to know where our food comes from.



## BEEF

WE PARTNER WITH  
INDUSTRY LEADERS

Our beef suppliers adhere to North American Meat Institute (NAMI) and National Cattlemen's Beef Association's (NCBA) Beef Quality Assurance (BQA) animal handling standards. These suppliers are also leaders in sustainable beef production practices, participating in industry organizations that are committed to upholding and reviewing these standards.



## CHICKEN

WE PUT SAFETY FIRST

All the products we source meet USDA guidelines for safety and follow FDA regulations for the responsible use of antibiotics. [Click here to learn more.](#)

Our poultry suppliers follow the National Chicken Council (NCC) poultry welfare guidelines, and we are working towards using only suppliers that deliver meat from farm-raised and cage-free chickens.



## EGGS

UNITED EGG PRODUCERS  
CERTIFICATION

Our egg suppliers participate in the United Egg Producers (UEP) certification. This certification includes: a code of conduct signed by employees trained in animal care; annual compliance assessment conducted by independent, third-party auditors; scientifically-supported standards for allotment of space for hens in various housing environments; feed, clean water, and fresh air 24/7.



## SALMON

100% NORWEGIAN,  
HARVESTED RESPONSIBLY

Texas Roadhouse serves 100% Norwegian Salmon harvested responsibly from the clear, cold waters of Norway. The salmon are raised antibiotic-free, fed an all-natural diet, and given sufficient swimming space and time for slow growth.

**WE'RE COMMITTED TO ANIMAL WELFARE.**  
LEARN MORE ABOUT OUR **ANTIBIOTIC & ANIMAL WELFARE POLICIES.**

## FOOD SAFETY: DELIVERING FRESH

Every truck of fresh chicken and ground beef from our vendors is required to have a temperature monitor that provides us with the temperature and location of the truck in real-time. This technology is known as cold chain monitoring, which allows our Food Safety Team, along with our vendor partners, to take action if needed before an issue occurs.

Once ingredients arrive at our restaurants, we adhere to Hazard Analysis Critical Control Points (HACCP) principles and critical procedures in each recipe to maximize food safety protocols.

### OUR HIGHLY-TRAINED STAFF PRIORITIZES FOOD SAFETY

Our Product Coaches provide continual, hands-on training and education to the kitchen staff in our restaurants for the purpose of reinforcing food quality, recipe consistency, food preparation procedures, food safety and sanitation standards, food appearance, freshness, and portion size. The Product Coach team supports all restaurants systemwide.

Because our Product Coaches and Food Team members are dedicated to serving quality food, they have (or are in the process of obtaining) their Certified Professional - Food Safety designation from the National Environmental Health Association. Our Product Coaches and third-party teams perform regular food safety and sanitation audits.

## Proud OF THE FOOD WE SERVE



### SOMETHING FOR EVERYONE

We believe in variety—so guests can choose the options best for them and easily manage **caloric intake** and personal dietary needs. Detailed nutritional information and gluten-friendly options are available at all of our restaurants and on our [website](#).

### -WHY- MADE-FROM SCRATCH FOOD?

From bacon bits to croutons to dressings — knowing the quality of each ingredient allows us (*and our guests*) to feel confident in the quality and value of our food.



# Giving Back

TO EVERY  
**COMMUNITY**  
WE SERVE



## WHY BEING PART OF IT ALL MATTERS

We know that our restaurants have a substantial economic impact in every community we operate in. We offer time, support, and fundraising opportunities to give back to many local charities. In addition, we provide corporate support to select organizations across the country.

## WHEN THEY NEED US, WE ARE THERE



For the past 11 years, New England Texas Roadhouse locations have supported

## **CAMP SUNSHINE,**

which is a camp for children with life-threatening illnesses and their families through the various stages of a child's illness. Camp Sunshine's program is offered year-round and has the distinction of having been designed to serve the entire family in a retreat model. The program is free of charge to families and includes on-site medical support.

To date, the partnership has raised

# **\$802,000**

# HOME IS WHERE OUR HEART IS

PROVIDING JOBS, RAISING FUNDS, MAKING A DIFFERENCE

Each Texas Roadhouse restaurant supports economic growth in its community with an average of \$1.2 million in annual revenue and 200 jobs.

GIVING MEALS, TOO. EVERY LITTLE BIT HELPS

Our restaurants average four fundraisers a month at each location, raising thousands of dollars for local non-profits, causes, and schools. In addition to funds, millions of meals are donated to people in Texas Roadhouse communities.

## SERVING OUR COMMUNITIES

IN 2020, **MORE THAN \$1.4 MILLION** WAS RAISED AND DONATED TO LOCAL NON-PROFITS, SCHOOLS, AND ORGANIZATIONS IN THE COMMUNITIES WE SERVE.



## WE HONOR HEROES

SERVING THOSE WHO SERVE OUR COUNTRY

To our nation's veterans, thank you. Throughout the year, we support our nation's veterans and service members at both the local and national level. Every day, veterans and active military members will find reserved parking at our restaurants. On Veterans Day, we're honored to offer free meals to veterans and active military men and women across the country.

We   
*Veterans*

IN 2020, OVER 359,485  
FREE MEALS WERE  
ENJOYED BY VETERANS  
ON VETERANS DAY.





# BUILDING MORE THAN HOMES FOR OUR TROOPS

We've been a national and influential partner with Homes For Our Troops (HFOT) for more than 17 years, completing over 300 mortgage-free, custom-built homes for the most severely injured post-9/11 veterans. From motorcycle rides in 15 states to donating a portion of our yearly gift card sales, from fundraising events to providing food to hundreds of volunteers at almost every new project Key Ceremony and Volunteer Day, we're honored to support this organization.



# PROUD TO SUPPORT SPECIAL OLYMPICS



## WE ARE FAMILY

We've been a proud supporter of the Special Olympics for multiple years, most notably in Kentucky, Texas, and Illinois. The Armadillo Classic Golf Scramble has donated **\$2.3 million** to **Special Olympics of Kentucky** since 2000; and **Tip-A-Cop Fundraisers** have donated **\$1,241,334** to **Special Olympics of Texas** over the past 13 years.



# WE ARE FAMILY



## PEOPLE-FIRST MENTALITY

We have more than 50,000 family members and they ensure we are consistently voted one of the top places to work. Why? We support our employees through programs that encourage a positive culture, community outreach, and leadership development. We are family.



## GIVING BACK ANDY'S WAY

THERE FOR ONE ANOTHER  
IN GOOD TIMES AND BAD

Andy's Outreach Fund is the Texas Roadhouse way of helping our family members (any employee) who are experiencing a financial hardship. Resources for the Andy's Outreach Fund are available to current Texas Roadhouse employees only and are designated for crisis situations such as: death, fire, natural disasters, dire illnesses, personal injury, crisis counseling, emergency travel, or other financial hardships.

## SINCE ITS INCEPTION ANDY'S OUTREACH FUND HAS

**HELPED**  
12,737 EMPLOYEES



**DISTRIBUTED**  
\$17.8 MILLION



# LEGENDARY FOOD LEGENDARY PEOPLE

## SUPPORT CENTER ROADIES: THE POWER OF PARTNERSHIP

Our Support Center Roadies believe in the power of partnership. They provide the tools and expertise, so our Operators can focus on providing Legendary Food and Legendary Service to our guests.



## RESTAURANT ROADIES: THE HEART AND SOUL

Our restaurant Roadies are the heart and soul of our company, bringing Legendary Food and Legendary Service to our local communities across the country.

# EVERYONE IS A PARTNER

## FROM MANAGING PARTNERS TO PROFIT SHARING PARTNERS, WE'RE IN THIS TOGETHER

The Managing Partner at each Texas Roadhouse lives and works in the community. They have an ownership mentality because a large part of their compensation is based on the success of the restaurant. One of our Managing Partners said it best, "Other companies teach you how to run a restaurant, but Texas Roadhouse teaches you how to own a restaurant."

We believe the ancillary benefit of this is that they are also incentivized to control waste and be good stewards of their resources, which is a key driver of our sustainability efforts. For example, having in-house Meat Cutters provides higher-quality steaks to our guests and helps to reduce millions of pounds of food waste each year.

## SHARING THE LOVE: PROFIT SHARING PROGRAM

From Kitchen Managers to Service Managers to Support Center employees to our Executive Team, we share the profits of our restaurants with employees at many levels. We give stock to thousands of our employees every quarter. We are proud of our approach to compensation, as we believe having "skin in the game" keeps us committed to our mission of Legendary Food and Legendary Service every day.

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 the pre-tax income of the restaurant(s) they operate or supervise.



# TEXAS-SIZED Recognition

## A FEW OF OUR RECENT ACCOLADES:

- 2020** • Named one of the top ten brands resonating with consumers amid coronavirus by influencer marketing and social data firm Influential.
- 2019** • Recognized by Newsweek as one of America's Best Customer Service restaurants in the Casual Dining category.
- 2018** • Named one of America's Best Large Employers by Forbes.
- 2017** • Ranked #16 on Fortune Magazine's Best Workplaces for Millennials.
- 2016** • Named #1 Full-Service Chain in Sales and Satisfaction by Restaurant Business.
- 2015** • Voted #1 Steak by Nation's Restaurant News Consumer Picks survey.
- 2014** • Presented the elite Golden Chain Award by Nation's Restaurant News.



## A DIVERSE & INCLUSIVE CULTURE

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We believe in celebrating diversity. It helps us maintain our reputation as an employer of choice and leverage individual strengths to create innovative, inclusive, and unified teams. When you are a team member, you're a family member.

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LEARN MORE ABOUT  
**OUR CULTURE**

# Preserving RESOURCES



We actively pursue partnerships and opportunities that help our locations conserve resources, reduce waste, and have a positive impact on our environment.



## PLANTING IT FORWARD

As of October 20, 2017, a long-term partnership with the Arbor Day Foundation was signed to support the replanting of trees in Florida, Texas, and Puerto Rico (*in areas affected by the hurricanes*). Texas Roadhouse will donate \$50,000 each year through 2021.

In 2017, as part of our commitment to the **Arbor Day Foundation**, we made a \$50,000 donation to support the Arbor Day Foundation's Community Tree Recovery campaign in Baton Rouge, LA. This also provided a corporate volunteer opportunity at a tree distribution event in Baton Rouge.

The foundation distributed 1,000 3-gallon trees to homeowners in Baton Rouge and the surrounding areas to help replant after the massive flooding in 2016.



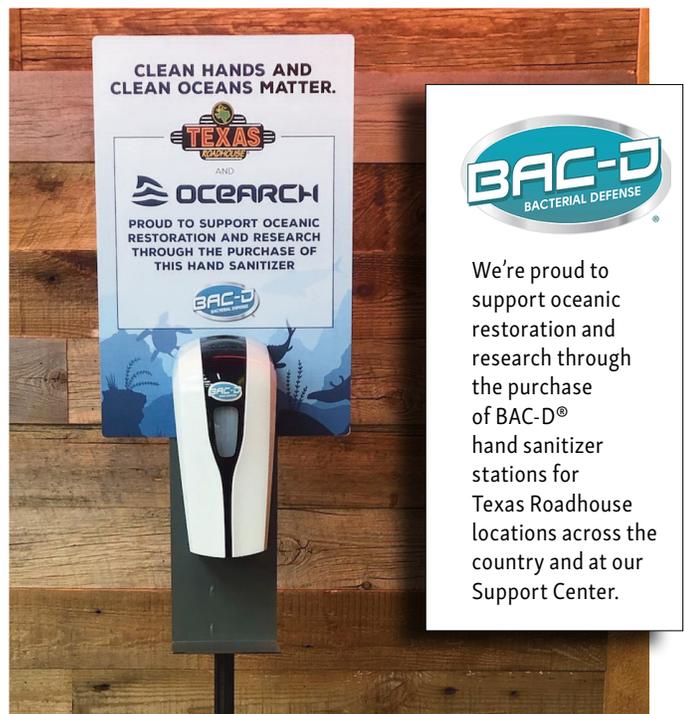
## WHY IT PAYS TO 'BEE' KIND

Starting in 2019, to further our commitment to supporting the bee population, we began partnering with the Honeybee Conservancy, a 501c3 non-profit that works to bolster bee populations by placing honey and solitary bees in 'bee sanctuaries' across the U.S. As part of our partnership, we will place hives in communities across the country to educate the community and inspire others to get involved.

To help inform people (especially our kids) about struggling bee populations and the importance of bees to agriculture, our Louisville Support Center partnered with the **Oldham County Beekeepers Association** to install four beehives behind our offices, plus two more hives and one observation hive in the community.

## Save Lives with SAFE WATER

We are proud to partner with WaterStep to fund WaterBalls which help women and children in developing countries gather water for their families. Instead of carrying limited quantities of water on top of their heads, the WaterBalls are a safer and more efficient solution.



# OUR EXPECTATION FOR CONSERVATION



## RESPONSIBLE USE OF ENERGY

We are committed to reducing our energy consumption from high-efficiency kitchen equipment to internal LED lights. All of our new store openings are using Energy Star (E.S.) or Air Conditioning, Heating & Refrigeration Institution (AHRI) certified equipment. Having energy efficient equipment in our stores further reduces our carbon footprint by saving on electric, gas, and water usage. In addition, we are proud to announce that we will be converting all external lighting to LED. The average LED lasts 30,000 operating hours to 100,000 operating hours or more. With a longer operational life, LEDs can reduce labor costs of replacing bulbs in commercial situations, achieving a lower maintenance lighting system. LEDs are extremely energy efficient and consume up to 90% less power than incandescent bulbs and about 50% less electricity than traditional fluorescent and halogen options. In addition, LEDs do not have the environmental issues common to traditional lighting solutions like fluorescent or mercury vapor lights.



## SHINE ON

We took our responsible use a step further this past year and installed solar panels in two of our Arizona stores. These two systems combined will generate about 500 kWh to our stores. The sun provides an abundant amount of energy to our planet and Texas Roadhouse is excited to make use of it.



## REVVING UP FOR THE FUTURE

We have added charging stations for electric cars at our Support Center and at select restaurants throughout the country. We provide free charges to our guests and employees in an effort to encourage more adaptation to electric vehicles. In addition, have 10 stores that are composting.



## TURN DOWN FOR WATT

All of our new stores are installed with programmable thermostats, and many stores have smart thermostats. We have over 60 stores with smart thermostats, which enables them to manage their HVAC from their phone or computer. This allows them to control energy use and temperatures to help optimize HVAC performance. In addition, we have over 30 stores with kitchen equipment controllers, which keeps equipment from running overnight. All of these energy monitoring programs further reduce our energy usage.



## WE'RE SAVING WATER

Conserving resources starts with finding ways to cut back. Currently, approximately 12 of our locations are working on water reduction through a Utility Management System, which hasn't been as impactful as we had hoped. We will continue to focus on opportunities to reduce our water usage.



## WASTE NOT WANT NOT

Less food waste is a great byproduct of our Made-From-Scratch model because we can make use of excess product. For example, we utilize Meat Cutters in each restaurant to hand-cut our steaks. After they cut our legendary steaks, we can use the steak trimmings in other products, such as chili grind and kabobs, rather than wasting that product. Any excess trimmings are converted to render fat for our grills. Another example is our bacon bits. We make our own bacon bits in house, which are used as a topping for salads, potatoes, and to add flavor to our green beans.



## CHANGE IS IN THE BAG

2020 presented many challenges with To-Go supply shortages, but our stores were able to shift to paper squat cups and wax paper bags for our Fresh-Baked Bread to help reduce plastic. Starting in 2018, we moved to paperless employee applications for our company. In addition, our Support Center Finance Team went paperless that year too.



## FROM OIL TO BIOFUEL

We've widened the doors to our dumpster areas to aid in our mission to recycle and most of our stores are recycling their fryer oil for biofuel. More than 150 stores (and all new stores) have an automated system to make recycling fryer oil efficient and safe. A pump is installed that automatically sends the used fryer oil to a storage container for pickup. This reduces contamination and employee risk by not having employees manually carry oil to the storage container. We are testing a new automated fresh oil system that allows for more efficient filtration. A tank at each store is filled with fresh oil each week by a truck. A piping system delivers the oil from the tank to the fry station automatically. So, it's a two-part sustainability system – less oil consumption and zero plastic cartons going into landfills.



## LESS WASTE. MORE RECYCLE

From recycling to composting, we're actively working to reduce our carbon footprint. While we continue to focus on recycling, we saw a drop in the number of stores participating in recycling programs from 68% to 67% in 2020. This drop is attributed to an excess of recyclables after China stopped importing from the U.S. and other countries. As a result of our recycling program, 14,836 tons were diverted from the landfill with a 17.2% diversion rate.