

## CHUY'S HOLDINGS, INC.

### CORPORATE GOVERNANCE GUIDELINES

#### Responsibility of the Board

The primary mission of the Board of Directors (the "Board") of Chuy's Holdings, Inc. (the "Company") is to advance the interests of the Company's stockholders through oversight of the management of the Company's business affairs. The Board believes that this mission is best served by establishing a corporate culture of accountability, responsibility and ethical behavior through the careful selection and evaluation of senior management and members of the Board and by carrying out the Board's responsibilities with honesty and integrity.

In discharging their obligations, directors should be entitled to rely on the honesty and integrity of the Company's senior executives, its auditors and other outside advisors. Board members are expected to devote the time necessary to appropriately discharge their responsibilities and to rigorously prepare for and, to the extent possible, attend and participate in all Board meetings and meetings of Board committees on which they serve. Each Board member is expected to ensure that other commitments do not materially interfere with the member's service as a director.

#### Director Selection

***Board Membership Criteria.*** The Nominating and Corporate Governance Committee is responsible for reviewing with the Board, at least annually, the appropriate skills and experience required of Board members. This assessment should include factors such as judgment, skill, diversity, integrity, experience with businesses and other organizations of comparable size, the interplay of the candidate's experience with the experience of other Board members, and the extent to which the candidate would be a desirable addition to the Board and any committees of the Board.

***Selection of Director Nominees.*** The Nominating and Corporate Governance Committee will recommend candidates for election to the Board in accordance with the policies and principles in its charter and the criteria described in these Guidelines. An invitation to join the Board should be extended by the Board through one of the Co-Chairmen or the Chairman of the Board if there is only one and the Chair of the Nominating and Corporate Governance Committee. The Nominating and Corporate Governance Committee will be responsible for recommending the nomination of those incumbent directors it deems appropriate for re-election to the Board upon expiration of such director's term.

***Director Orientation and Continuing Education.*** The Company will establish and review periodically an orientation program for new directors that includes presentations by senior management. All directors will also be invited to participate in the orientation program. Periodically, the Company will provide opportunities for directors to visit the Company's principal facilities in order to provide greater understanding of the Company's business and operations.

## **Board Composition**

***Independent Directors.*** A majority of the directors shall meet the independence criteria of the listing requirements of the Nasdaq Stock Market (“Nasdaq”), subject to the exemptions provided by the Nasdaq rules.

***Size of the Board.*** The Board determines the number of directors as permitted in the Company’s Certificate of Incorporation and Bylaws and will periodically review the size of the Board based on recommendations of the Nominating and Corporate Governance Committee. The authorized number of directors may be changed only by resolution of the board of directors.

***Positions of the Co-Chairmen or Chairman and CEO.*** The Board has no policy with respect to the separation of the offices of the Co-Chairmen or the Chairman of the Board if there is only one and the Chief Executive Officer (“CEO”). The Board believes this issue is part of the succession planning process and that it is in the best interests of the Company for the Board to consider it each time it elects the CEO.

***Service on Other Boards.*** Directors should advise one of the Co-Chairmen or the Chairman of the Board if there is only one and the Chair of the Nominating and Corporate Governance Committee in advance of accepting an invitation to serve on the board of directors (or similar body) of another company. Additionally, the CEO and other executive officers must seek the approval of the Board before accepting membership on other boards (or similar bodies), including corporate and charitable boards.

***Changes in Professional Responsibility.*** The Board should consider whether a change in an individual’s professional responsibility directly or indirectly impacts that person’s ability to fulfill his or her obligations as a director of the Company. Any director who is an employee of the Company should submit his or her resignation as a director upon retirement, resignation or termination as an employee of the Company. The Board may accept or reject such resignation in its discretion after consultation with the Nominating and Corporate Governance Committee.

***Term Limits.*** The Board does not believe it should establish term limits. While term limits could help insure that there are fresh ideas and viewpoints available to the Board, they have the disadvantage of losing the contribution of directors who have been able to develop, over a period of time, increasing insight into the Company and its operations and, therefore, able to provide an increasing contribution to the Board as a whole.

***Retirement Policy.*** The Board does not believe that age alone should determine whether an individual should serve as a director and therefore does not believe that a mandatory retirement age for directors is appropriate.

## **Director Compensation and Performance**

***Compensation Policy and Review.*** It is the policy of the Board to provide non-employee/independent directors with a mix of compensation, which may include an annual cash retainer and an annual equity award. The Board will also reimburse all expenses incurred in attending Board and committee meetings. Proposed changes in Board compensation shall initially be reviewed by the Compensation Committee, but any changes in the compensation of directors shall require the approval of the Board. The Compensation Committee shall periodically review the status of Board compensation in relation to comparable companies and

other factors the Committee deems appropriate. The Committee shall discuss its review with the Board.

***Annual Performance Review.*** At least annually, the Nominating and Corporate Governance Committee shall oversee an evaluation of the performance of the Board and the Company's management against these Guidelines. As part of this process, the Board will conduct a self-evaluation to determine whether the Board and its committees are functioning effectively.

***Transactions with Directors and Their Affiliates.*** Except for employment arrangements with the CEO and other management directors and other publicly disclosed related party transactions, the Company does not engage in transactions with directors or their affiliates if a transaction would cast into doubt the independence of a director, would present the appearance of a conflict of interest or is otherwise prohibited by law, rule or regulation. This includes, directly or indirectly, any extension, maintenance or renewal of an extension of credit to any director or member of management of the Company. This prohibition also includes significant business dealings with directors or their affiliates, substantial charitable contributions to organizations in which a director is affiliated and consulting contracts with, or other indirect forms of compensation to, a director. The Audit Committee or another independent body of the Board shall conduct an appropriate review and oversight of all related party transactions for potential conflict of interest situations on an ongoing basis.

## **Board Meetings**

***Schedule.*** Board meetings are scheduled in advance and held from time to time as determined by the Board. The Board holds special meetings as required.

***Agendas.*** One or both Co-Chairmen or the Chairman of the Board if there is only one, in consultation with the CEO and other members of senior management, will establish the agenda for each Board meeting. Each Board member may submit items to be included on the agenda. Board members may also raise subjects that are not on the agenda at any meeting.

***Distribution of Board Material.*** Information that is important to the Board's understanding of the Company's business should be distributed to the directors a reasonable period of time before the Board meeting.

***Annual Planning.*** The Board shall hold an annual planning meeting. The timing and agenda of this planning meeting shall be determined by one or both of the Co-Chairmen or the Chairman of the Board if there is only one and the CEO.

***Meetings of Independent Directors.*** The Company's independent directors will meet regularly in executive sessions at which only independent directors are present. Meetings of the independent directors should generally coincide with regularly scheduled Board meetings.

***Board Presentations and Access to Employees and Advisors.*** Directors shall have full access to officers and employees of the Company and, as necessary and appropriate, the Company's independent advisors, including legal counsel and independent accountants. Any meetings or contacts that a director wishes to initiate may be arranged through the CEO or the

Secretary or directly by the director. Each director will use his or her judgment to ensure that any such contact is not disruptive to the business operations of the Company and will, to the extent appropriate, provide the Co-Chairmen or the Chairman of the Board if there is only one and the CEO with a copy of any written communications between a director and an officer or employee of, or advisor to, the Company.

The Board encourages senior management to invite to Board meetings officers, other key employees and independent advisors who can provide additional insight into the matters being discussed, or whom senior management believes should be given exposure to the Board.

***Board Interaction with Investors, Media and Others.*** The Board believes that senior management speaks for the Company. Board members may, from time to time, meet or otherwise communicate with various constituencies that are involved with the Company, but it is expected that Board members would do so with the knowledge of senior management and, in most instances, at the request of senior management.

## **Board Committees**

***Standing Committees.*** The Board will have three standing committees: an Audit Committee, a Compensation Committee and a Nominating and Corporate Governance Committee. The members of those committees will be required to satisfy the applicable independence requirements under the Nasdaq Marketplace Rules and applicable law.

Committees shall receive authority exclusively through delegation from the Board through the Bylaws, Board resolutions, committee charters or as provided by these Guidelines. All committee actions must be ratified by the Board before becoming effective, unless taken pursuant to an express delegation of authority. In addition to the authority granted hereunder or under each committee's charter or in the case of a committee, by further resolution of the Board, the Board and each standing committee have the authority to retain and compensate independent legal, financial or other advisors as such committee may deem necessary without consulting or obtaining the approval of the Board or management of the Company.

***Appointment and Term of Service of Committee Members.*** Committee members will be appointed by the Board after recommendations are made by the Nominating and Corporate Governance Committee, and with consideration given to the criteria set forth in the applicable committee charter, as well as the desires of individual directors. Consideration will be given to rotating committee members periodically, but the Board does not believe that rotation should be mandated as a policy. Committee chairs shall be appointed by the Board based on recommendations from the Nominating and Corporate Governance Committee. Committee members shall serve until their successors are duly elected and qualified, or until their earlier resignation or removal.

***Committee Charters.*** The Audit Committee, Compensation Committee and Nominating and Corporate Governance Committee will have a written charter approved by the Board. The charters will set forth the purposes and responsibilities of the committees as well as qualifications for committee membership, procedures for appointment and removal, structure and operations, and reporting to the Board. The charters will also provide that each committee will

annually evaluate its performance. The charters will be included on the Company's website and copies of the charters will be made available upon request to the Company's Secretary.

***Committee Meetings and Committee Agenda.*** Each committee chair, in consultation with the committee members and appropriate officers of the Company, will determine the frequency of committee meetings consistent with the committee's charter, provided that a majority of committee members may call a meeting of the committee on which they are members at any time. Additionally, each committee chair, in consultation with the other members of the committee and senior management, will develop the committee's agenda.

## **Management Succession**

***CEO Selection.*** The Board shall select a CEO in a manner that is in the best interests of the Company.

***Evaluation and Compensation of Executive Officers.*** The Nominating and Corporate Governance Committee will conduct an annual review of the performance of the CEO and the other executive officers of the Company in light of the goals and objectives of the Company. The Compensation Committee will recommend executive officer compensation levels based on such factors set forth in its charter and otherwise as it deems appropriate to the Board.

***Succession Planning and Management Development.*** The Nominating and Corporate Governance Committee should, at least annually, make a report to the Board on succession planning. The Company's succession plan will include appropriate contingencies in case the CEO retires, resigns or is incapacitated. The Board, with the assistance of the Nominating and Corporate Governance Committee, will evaluate potential successors to the CEO. The Co-Chairmen or the Chairman of the Board if there is only one and the CEO should at all times make available their recommendations and evaluations of potential successors, along with a review of any development plans recommended for such individuals.

Approved and Adopted: July 30, 2015