

FLOOR & DECOR HOLDINGS, INC.

Corporate Governance Guidelines

(effective February, 28, 2018)

The Board of Directors (the “Board”) of Floor & Decor Holdings, Inc. (the “Corporation”) has adopted the following Corporate Governance Guidelines (the “Guidelines”) to assist the Board in the exercise of its duties and responsibilities for the benefit and in the best interests of the Corporation and its stockholders. The Guidelines should be applied in a manner consistent with all applicable laws, the rules of The New York Stock Exchange (the “NYSE”) and the Corporation’s charter and bylaws, each as in effect from time to time. The Guidelines are intended to serve as a flexible framework for the conduct of the Board’s business and not as a set of legally binding obligations. The Board may modify or make exceptions to the Guidelines from time to time in its discretion and consistent with its duties and responsibilities to the Corporation and its stockholders.

The Guidelines shall be made available on the Corporation’s website at www.FloorandDecor.com and to any stockholder who otherwise requests a copy.

THE BOARD

Size of the Board

The Board believes that it should generally have no fewer than five and no more than 12 directors. This range permits diversity of experience without hindering effective discussion or diminishing individual accountability. The size of the Board could, however, be increased or decreased if determined to be appropriate by the Board. For example, it may be desirable to increase the size of the Board in order to accommodate the availability of an outstanding candidate for director.

Roles and Duties of Directors

The basic function of the Board is to oversee and provide general direction to the management of the Corporation. The Board has the responsibility to make decisions and oversee management and its performance, but does not itself conduct the organization’s day-to-day operations.

The basic responsibility of directors is to exercise their business judgment to act in what they reasonably believe to be the best interests of the Corporation and its stockholders, and to perform their duties of care and loyalty. In discharging that obligation, directors should be entitled to rely on the honesty and integrity of the Corporation’s senior executives and its outside advisors and auditors to the fullest extent permitted by law. Directors also shall be entitled to have the Corporation purchase reasonable directors’ and officers’ liability insurance on their behalf with the benefits of (i) indemnification to the fullest extent permitted by law and the Corporation’s charter and bylaws and any indemnification agreements, and (ii) limitation on liability to the Corporation to the fullest extent permitted by law and the Corporation’s charter

and bylaws. Certain other responsibilities of the Board, either through itself or its committees, include:

- overseeing the conduct of the Corporation's business and affairs to evaluate whether the Corporation is being properly managed;
- reviewing, monitoring and, where appropriate, approving the Corporation's fundamental financial and business strategies and major corporate actions;
- reviewing and, where appropriate, approving major changes in and determinations under the Guidelines, Code of Business Conduct and Ethics and other Corporation policies;
- evaluating the performance of officers and other senior management;
- developing policies and principles for Chief Executive Officer selection and performance review, as well as policies regarding succession in the event of an emergency or the retirement of the Chief Executive Officer; monitoring management's succession planning for other key executives; and
- ensuring that the Corporation's business is conducted with the highest standards of ethical conduct and in conformity with applicable laws and regulations.

Independence of the Board

Except as may otherwise be permitted by NYSE rules, a majority of the members of the Board shall be independent directors as required by Section 303A.01 of the NYSE Listed Company Manual. The Nominating and Corporate Governance Committee of the Board (the "Nominating Committee") shall undertake an annual review of the independence of all non-employee directors and, in accordance with the independence criteria established by the Board from time to time, shall make an affirmative determination as to whether each such non-employee director is "independent."

To be considered independent, a director must be independent as determined under Section 303A.02 of the NYSE Listed Company Manual (or any successor provision thereto) and, in the Board's judgment, the director must not have a material relationship with the Corporation or other relationship that undermines such director's independence.

Presiding Independent Director

Whenever the Chairperson of the Board ("Chair") is not an independent director, the Chairperson of the Nominating Committee shall act as the presiding independent director and shall preside at meetings of the independent directors or non-management directors.

Director Qualification Standards and Nomination Process

The Nominating Committee is responsible for reviewing on an annual basis the appropriate characteristics, skills and experience required for the Board as a whole and its

individual members. In evaluating the suitability of individual candidates (both new candidates and current Board members), in recommending candidates for election by the stockholders (or, in the case of vacancies, election by the Board) and in approving such candidates, the Nominating Committee will take into account the factors set forth under the Corporation's Policies Regarding Director Nominations, Stockholder Communications and Annual Meeting Attendance, as each may be amended by the Nominating Committee with the approval of the Board from time to time (the "Nominating Policies").

The Board does not believe that arbitrary term limits on directors' service are appropriate nor does it believe that directors should expect to be nominated for re-election until they reach a mandatory retirement age. The Board self-evaluation process, together with the procedures set forth in the charter of the Nominating Committee and the Nominating Policies, shall be an important determinant of Board tenure.

Selection of New Director Candidates

Subject to the Corporation's obligation by contract, bylaw or otherwise to provide third parties with the ability to nominate directors, the Nominating Committee shall be responsible for (i) identifying individuals qualified to become Board members (consistent with criteria approved by the Board) and (ii) recommending to the Board the persons to be nominated for election as directors at any meeting of stockholders and the persons to be elected by the Board to fill any vacancies on the Board. Director nominees shall be considered for recommendation by the Nominating Committee in accordance with these Guidelines, the Nominating Policies and the policies and principles in its charter.

Selection of Chair and Chief Executive Officer

The Board maintains the flexibility to decide whether it is in the best interests for the Corporation and its stockholders for the roles of the Chief Executive Officer and Chair to be separate or combined based on the advice and assistance of the Nominating Committee and upon consideration of all relevant facts and circumstances.

Outside Directorships

Directors are not prohibited from serving simultaneously on multiple companies' boards; however, if any director serves on four or more public company boards simultaneously (including the Board), then the Board shall determine whether such simultaneous service impairs such director's ability to effectively serve the Corporation. Independent directors must advise the Chair and the Chairperson of the Nominating Committee in advance of accepting an invitation to serve on another board.

Service on boards and/or committees of other companies must be consistent with the Corporation's conflict of interest policies set forth below.

Change in Job Responsibility

Each time a director's principal occupation or business association changes substantially (including, if applicable, in the director's duties as an officer of the Corporation), the director

shall offer to resign from the Board, but does not require any such director to resign unless otherwise determined by the Board based on the recommendation of the Nominating Committee. The Nominating Committee shall review the changes in the director's principal occupation or business association and recommend to the Board whether, in light of all the circumstances, it would be appropriate for the director to continue to serve.

Resignation or Removal from the Board

If a director resigns or is removed from the Board, or his or her term has expired, such director shall offer to resign from all of his or her positions at the Corporation and its subsidiaries, including as a member of the committees of the Board and the board of directors of any of the Corporation's subsidiaries.

Compensation

The Compensation Committee shall review the form and amount of director compensation and recommend any changes to the Board for approval in accordance with applicable legal and regulatory guidelines. Directors may be reimbursed for expenses of attendance, if any, at each annual, regular or special meeting of the Board or of any committee thereof and for their expenses, if any, in connection with any other service or activity they perform or engage in as directors of the Corporation.

Non-management directors may also receive equity grants under the Corporation's equity incentive plans. The Board believes that directors should be incentivized to focus on long-term stockholder value. Including equity as a part of director compensation helps align the interest of directors with those of the Corporation's stockholders.

Notwithstanding the foregoing, directors may also be compensated for services to the Corporation in other capacities.

The Board is aware that questions as to a director's independence may be raised when a director's compensation exceeds what is customary. The Board is also aware that similar concerns may be raised were the Corporation to make substantial charitable contributions to organizations with which a director is affiliated or to enter into consulting contracts with (or provides other indirect forms of compensation to) a director. The Board, upon the recommendation of the Nominating Committee, will critically evaluate each of these matters when determining the form and amount of director compensation, and the independence of a director.

Stock Ownership

The Corporation encourages directors and executive officers to purchase shares of the Corporation's stock. The Board has adopted Stock Ownership Guidelines for its directors and executive officers.

Conflicts of Interest

A “conflict of interest” occurs when a director’s personal interest interferes in any way—or even appears to interfere—with the interests of the Corporation as a whole. Personal conflicts of interest are prohibited as a matter of Corporation policy, unless they have been approved by the Corporation. If an actual or potential conflict of interest develops, the director shall immediately report the matter to the Board. If a director has a personal interest in a matter before the Board, the director will disclose the interest to the Board, excuse himself or herself from discussion on the matter and will not vote on the matter. Additional information on the Corporation’s policy with respect to conflicts of interest is set forth in the Corporation’s Code of Business Conduct and Ethics.

Notwithstanding the foregoing, these Guidelines do not apply to interests and relationships permitted under, or approved in accordance with the terms of, the Corporation’s charter or bylaws.

Board Orientation and Continuing Education of Board Members

The Board or the Corporation will establish, or identify and provide access to, appropriate orientation sessions or materials for newly elected directors of the Corporation for their benefit either prior to or within a reasonable time after their nomination or election as a director. The Board or the Corporation will encourage, but not require, directors to periodically pursue or obtain appropriate programs, sessions or materials as to the responsibilities of directors of publicly traded companies.

Board Access to Management

Directors shall have full and free access to officers and employees of the Corporation. Any meetings or contacts that a director wishes to initiate may be arranged through the Chief Executive Officer or the Secretary or directly by the director. Directors shall use their judgment to ensure that any such contact is not disruptive to the business operations of the Corporation and shall, to the extent appropriate, copy the Chief Executive Officer on any written communications between a director and an officer or employee of the Corporation.

Speaking on Behalf of the Corporation

It is important that the Corporation speak to employees and outside constituencies with a single voice, and that management serve as the primary spokesperson. If a situation does arise in which it seems necessary for a non-employee director to speak on behalf of the Corporation to one of these constituencies, the director should consult with the Chief Executive Officer.

Board Access to Independent Advisors

The Board and each committee shall have the authority to hire and consult with independent legal, financial or other advisors for the benefit of the Board or such committee, as they may deem necessary, without obtaining the approval of any officer of the Corporation in advance. In the discretion of the Board or applicable committee, such independent advisors may be, but need not be, the regular advisors to the Corporation. The Board or any such committee is

empowered, without further action by the Corporation, to cause the Corporation to pay the compensation of such advisors as established by the Board or any such committee.

Annual Self-Evaluation

At least annually, the Nominating Committee will oversee and coordinate a self-assessment of the Board and each committee's performance (including the performance of the Nominating Committee), as well as consider other corporate governance principles that may, from time to time, merit consideration by the Board and each committee, respectively.

The assessment of the Board should include a review of any areas in which the Board or management believes the Board can make a better contribution to the governance of the Corporation, as well as a review of the committee structure and an assessment of the Board's compliance with the principles set forth in the Guidelines. The purpose of the review will be to improve the performance of the Board as a unit, and not to target the performance of any individual director. The Board will utilize the results of this evaluation process in assessing and determining the qualifications and critical skills required of prospective candidates for election to the Board. Each committee of the Board will conduct its self-assessment under the oversight of the Nominating Committee in accordance with the provisions set forth in its respective charter.

BOARD MEETINGS

Frequency of Meetings

The Board will meet at least four times each calendar year. In addition, special meetings may be called from time to time as necessary or appropriate. It is the responsibility of the directors to attend meetings.

Director Attendance

A director is expected to spend the time and effort necessary to properly discharge his or her responsibilities. Accordingly, a director is expected to regularly prepare for and attend meetings of the Board and all committees on which the director sits (including separate meetings of independent or non-management directors), with the understanding that, on occasion, a director may be unable to attend a meeting. Attendance by telephone or videoconference may be used to facilitate a director's attendance.

Executive Sessions

The non-management directors, as defined by the rules of the NYSE, shall meet in executive session without management at least once a year. The non-management directors will meet in executive session at other times at the request of any non-management director. Absent unusual circumstances, these sessions shall be held in conjunction with regular Board meetings.

Attendance of Non-Directors

At the invitation of the Board, members of management recommended by the Chief Executive Officer shall attend Board meetings or portions thereof for the purpose of participating

in discussions. Generally, presentations of matters to be considered by the Board are made by such members of management responsible for that area of the Corporation's operations.

The Board encourages the directors and members of the committees to bring management and outside advisors or consultants from time to time into Board and/or committee meetings to (i) provide insight into items being discussed by the Board that involve such members of management, advisors or consultants, (ii) make presentations to the Board on matters that involve such members of management, advisors or consultants and (iii) bring members of management with high potential into contact with the Board. Attendance of non-directors at Board meetings is at the discretion of the Board.

Advance Receipt of Meeting Materials

Information and data that are important to the Board's understanding of the business to be conducted at a Board or committee meeting should generally be distributed to the directors before the meeting, and directors should review these materials in advance of the meeting. The Board acknowledges that certain items to be discussed at a Board or committee meeting may be of an extremely confidential or time-sensitive nature and that the distribution of materials on these matters prior to such meeting may not be appropriate or practicable. Presentations made at Board meetings should do more than summarize previously distributed Board meeting materials.

COMMITTEE MATTERS

Key Committees

The Board shall have at all times an Audit Committee, a Compensation Committee and a Nominating Committee. Each such committee shall have a charter that has been approved by the Board. The Audit Committee is charged with reviewing for approval or ratification each "related person transaction" that is brought to its attention. A "related person transaction" is any transaction or series of transactions in which (i) the Corporation or any of its subsidiaries is deemed to be a participant, (ii) the amount involved exceeds \$120,000 and (iii) a "related person" (as defined under Securities and Exchange Commission rules) has a direct or indirect material interest. Details of each related person transaction will be brought to the attention of the Audit Committee as promptly as practicable. A related person transaction entered into without pre-approval of the Audit Committee shall not be deemed to violate these Guidelines, or be invalid or unenforceable, so long as the transaction is brought to the Audit Committee as promptly as reasonably practical after it is entered into or after it becomes reasonably apparent that the transaction is covered by these Guidelines.

The Board may, from time to time, establish or maintain additional committees as necessary or appropriate.

Committee Membership

The Board appoints committee members and committee chairs according to criteria set forth in the applicable committee charter and such other criteria that the Board determines to be appropriate in light of the responsibilities of each committee. Committee membership and the

position of committee Chairperson will not be rotated on a mandatory basis unless the Board determines that rotation is in the best interest of the Corporation.

Subject, in each case, to any election by the Company to rely upon the transition periods applicable to initial public offerings, all committee members will meet the applicable criteria for independence established by (i) NYSE rules, as then in effect, and (ii) in the case of the Audit Committee, the independence definition set forth in Rule 10A-3(b)(1) of the Securities Exchange Act of 1934, as amended. Committee members will also meet the membership criteria specified in the applicable committee charter.

The charter of the Audit Committee states that each member of the Audit Committee must be financially literate, as determined by the Board in its business judgment, or must become financially literate within a reasonable period of time after his or her appointment to the Audit Committee, and that at least one member of the Audit Committee must (i) have accounting or related financial management expertise, and (ii) be an “audit committee financial expert” as defined in Item 407(d)(5)(ii) of Regulation S-K under the Securities Act of 1933, as amended, each as determined by the Board in its business judgment.

Committee Charters

In accordance with the applicable rules of the NYSE, the charters of the Audit Committee, the Compensation Committee and the Nominating Committee shall set forth the purposes, goals and responsibilities of the committees as well as qualifications for committee membership, procedures for committee member appointment and removal, committee structure and operations and committee reporting to the Board. The Board shall, from time to time as it deems appropriate, review and reassess the adequacy of each charter and make appropriate changes. Committee charters shall be published and available online at our website www.flooranddecor.com.

Frequency of Committee Meetings

The chairperson of each committee, in consultation with the committee members, shall determine the frequency of the committee meetings consistent with any requirements set forth in the committee’s charter. Special meetings may be called from time to time as determined by the needs of the business and the responsibilities of the committees. Committees are required to report to the Board from time to time, as requested by the Board, or as the committee deems appropriate.

LEADERSHIP DEVELOPMENT

Succession Planning

The Board works on a periodic basis with the Chief Executive Officer to develop, review, maintain and revise, if necessary, the Corporation’s succession plan upon the Chief Executive Officer’s retirement, whether planned or in the event of an unexpected occurrence. The Chief Executive Officer’s recommendations regarding his or her successor should he or she be unexpectedly disabled shall be available to the Board on a continuing basis.

Management Development

The Board will determine that the Corporation has satisfactory policies and procedures in effect for the education, development and orderly succession of senior managers throughout the Corporation and its subsidiaries.

Periodic Review of the Corporate Governance Guidelines

The Nominating Committee shall, from time to time as it deems appropriate, review and reassess the adequacy of these Guidelines and recommend any proposed changes to the Board for approval.