



A New Energy

2017-2018 CORPORATE SOCIAL RESPONSIBILITY REPORT

About This Report

Our 2017-2018 Corporate Social Responsibility (CSR) Report, our first such report, is an opportunity for us to tell our story and acknowledge our potential impact. We have been committed to “doing the right thing” ever since our company was founded in 2001. That dedication and our ability to make a difference have grown over the years as our business has expanded, just as it did in 2017 with the acquisition of Alon. We recognize that with a greater footprint, we have a greater potential for impact, which, as is true for any organization, has the potential to have both positive and negative effects.

Our list of CSR priorities and the development of this report were informed by our review of the Global Reporting Initiative (GRI) Standards. We utilized a relatively informal materiality assessment

process that included a review of current best practices, peers’ reports, a series of workshops with an internal project team, and several interviews with functional leaders from across the organization. In addition to the GRI Standards, we were influenced by the Sustainable Accounting Standards Board (SASB) and IPIECA reporting guidelines. The report was not prepared in accordance with any specific standard or guidelines.

This report is based primarily on 2018 data. References to anything that happened in 2018 are marked as such. This report was published by the company in February 2019.

ABOUT DELEK US
Founded in 2001, Delek US Holdings, Inc. (NYSE: DK) is a downstream energy company with assets in petroleum refining, logistics and convenience store retailing. (Segment descriptions are as of December 31, 2017.)

REFINING SEGMENT
Delek US’ subsidiaries own and operate refineries in Tyler and Big Spring, Texas, El Dorado, Arkansas, and Krotz Springs, Louisiana, with a combined nameplate crude throughput capacity of 302,000 barrels per day.

LOGISTICS SEGMENT
Delek US beneficially owns approximately 63 percent (including 94.6 percent of the 2 percent general partner interest) of Delek Logistics Partners, LP. Delek Logistics Partners, LP (NYSE: DKL) is a growth-oriented master limited partnership focused on owning and operating midstream energy infrastructure assets.

RETAIL SEGMENT
The convenience store retail business is the largest 7-Eleven licensee in the United States and operates approximately 300 convenience stores in central and west Texas and New Mexico.

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From Our CEO

Since Delek was founded in 2001, our company has been committed to doing the right thing, for our business, investors, employees, communities and all stakeholders. While we’ve always been focused on doing good for others, we’ve typically done this behind the scenes, rarely taking the opportunity to communicate about our activities. We don’t look for outward praise for serving our communities, safeguarding the environment or creating a great place to work – it’s simply the right thing to do.

With the 2017 acquisition of Alon, we welcomed thousands of new employees, doubled our refining capacity and expanded our reach geographically. With this growth came greater potential to impact our stakeholders, hopefully in a positive manner. We have always taken our responsibilities to these stakeholders seriously, but our new size creates “a new energy” – and more opportunity.

In addition to showcasing some of our CSR history, this first report provides a look into Environment, Health and Safety, Social (Employee and Community), and Ethics and Governance. In 2017 and 2018, we created and implemented the “I Own It” safety program, which is showing early success. We formalized our company Core Values – a set of six standards that we live daily: **1)** Integrity, **2)** Safety, **3)** Maximize Value, **4)** Growth Oriented, **5)** Commitment, and **6)** Passion for Winning and Excellence. We instituted several employee engagement programs focused on Emotional, Physical, Social and Financial Wellness. And our signature program, the Delek Fund for Hope, has raised millions of dollars for worthy causes in our local communities since its founding in 2008.

While we have strong programs and outstanding people in place, we also have room to improve. CSR is a journey, and we look forward to learning, growing and continuing on the path to a more sustainable future.

Thank you for your interest in Delek. We’re proud to share our story with you.

Uzi Yemin
Chairman, President and Chief Executive Officer
Delek US Holdings, Inc.



Our CSR Priorities

In order to determine the topics most material to Delek’s business and its stakeholders, we convened a cross-functional group of Delek leaders to review reporting expectations, matched against current and anticipated CSR-related internal priorities and activities. The cross-functional team also reviewed a number of reports from peers and best-in-class companies to evaluate key trends at the industry and macro levels. We looked at a wide variety of potential topics and distilled the list into nine priority topics in four categories.

DELEK’S CSR PRIORITIES

- | | |
|--|--|
| Environment, Health and Safety <ul style="list-style-type: none">▶ Occupational safety and health▶ Process safety and asset integrity▶ Environmental responsibility | Employee Engagement <ul style="list-style-type: none">▶ Talent attraction, development and retention▶ Health and wellbeing |
| Community Commitment <ul style="list-style-type: none">▶ Fundraising and charitable giving▶ Volunteerism | Ethics and Governance <ul style="list-style-type: none">▶ Ethics and Integrity▶ Corporate Governance |

Thank you for your interest in Delek and our 2017-2018 Corporate Social Responsibility Report. As this is our first report, we welcome your feedback. Please contact CSR@delekus.com with any questions or comments. We look forward to hearing from you!

Environment, Health and Safety

Delek's El Dorado, Arkansas, refinery.



► At Delek, we have an intense focus on our responsibilities related to the environment, health and safety (EHS). We are committed to continuous improvement in these areas and believe that no task is ever so urgent that we cannot take time to work safely and in an environmentally responsible manner.

Reinforcing a Culture of Safety

Through our Environmental, Health, Safety and Security Policy, we actively support a culture of safety across the entire organization. Our leadership is committed to building a safety culture that is growth-oriented, proactive and supportive, not punitive. We never accept incidents as "business as usual" and look to learn from all incidents and near-misses across our business.

In 2018, we further solidified our commitment to safety and launched a new internal safety program called "I Own It." Under the I Own It program, every employee at every level of the company is encouraged to sign on to four tiers of safety commitments: to self, to others, to direct reports and to our Company.

The program was designed with a single purpose – to focus attention on individual responsibility and accountability for safety – led by the CEO and working across the organization. We formed our Executive Safety Committee in March 2018, with the entire executive team as members. This team has a standing call every morning to discuss new safety and health-related items, including any incidents, success stories, performance updates and wellbeing. To close the loop on its safety discussions, the Executive Safety Committee provides a safety report to the Environmental, Health and Safety Committee of our Board of Directors.

Safety and Health Controls

Our unconditional commitment to safety and health is integrated into our operations in several ways. Regulations and industry standards set the baseline. We comply with OSHA's process safety management standards, EPA's Risk Management Program, as well as align our efforts with industry best practices such as the American Petroleum Institute's safety standards.

Starting in 2017 and 2018, we have been adding new structure, systems and controls to improve our safety and health performance. Our objective is to match our safety controls to the size of our company, which has grown significantly due to the mid-2017 acquisition of Alon.

One of our top safety and health priorities is establishing an integrated incident management system and a common risk register that can be used across all Delek locations. In order to achieve this, we are hiring subject matter experts to help us build, document and roll out broad-based safety management systems.

In addition, we are implementing specific safety initiatives and techniques at the individual facility level. All of our employees and contractors are expected to follow eight, documented Delek Life Saving Principles, and to record observations of safe behaviors and risk behaviors related to each:

- 1) Work with a valid safe work permit when required;
- 2) Work in confined spaces safely;
- 3) Protect yourself from a fall when working at heights;
- 4) Control hazardous energy;
- 5) Ensure safety systems availability;
- 6) Operate motor vehicles safely;
- 7) Follow safe rigging and lifting practices; and
- 8) Perform excavations safely.

Employee safety committees, training programs, safety observations, recordkeeping, interventions, last minute risk assessment (LMRA) and control procedures all play key roles in maintaining safety. We provide employees with all appropriate safety equipment and train them to respond promptly and professionally should an incident or near-miss occur at any of our facilities or retail locations. As follow-up to any incident or near-miss, we conduct an investigation to identify and correct hazards.

Driver safety is an area that warrants our special attention due to the risks associated with transporting crude oil and other materials. Our drivers cover 11 states in the South and Southwest, making transportation a key component of our day-to-day business. We exceed Department of Transportation (DOT) requirements in terms



We ensure the health and safety of our employees and the communities in which we operate, while going beyond the legal requirements to provide an accident-free workplace.

The Four Tiers of 'I Own It'

- 1 Act Safe, Be Safe
- 2 See Something, Say Something
- 3 Enable and Support Safety
- 4 Support the Safety Culture

of driver training (using the best-of-class Smith System) and monitoring. We also rotate out approximately one-third of our fleet every year to ensure that our trucks are equipped with the latest safety technology. We are working toward our goals of zero DOT-recordable accidents and continuous transportation safety improvement.

Environmental Responsibility

We seek to operate our business in an environmentally responsible way. Refining is an energy-intensive business, and reducing overall energy consumption and increasing energy efficiency are key priorities across our refinery business. After crude oil, energy is our business' largest expense, so we try to minimize our energy consumption for the benefit of our stakeholders financially and environmentally.

All four of our refineries are in the top 50 percent of refineries in the United States in terms of energy efficiency, based on Solomon Associates' Energy Intensity Index, which normalizes the data based on plant size, type and geography. In fact, our Tyler refinery's energy intensity score was 96 for 2017, compared with an industry that ranges from 77 to 150 (with lower scores being better). Tyler continues to implement energy efficiency projects.

We recently installed a flare gas recovery system at our Tyler refinery, and we already had a flare gas recovery system at our El Dorado refinery. These systems help us safely recover gases to use as fuel in the facilities, which also reduces the risk of unplanned releases and reduces emissions.

We recognize our potential impact in other environmental areas, including water usage and waste, and are currently developing methods to track those impacts consistently across our business. Once new systems are in place, we plan to set goals and track our progress.



Safety Is at Our Core

The safety and health of our employees is our top priority. Safety is at the top of our six core values (see page 7). This core value is built on the following fundamental beliefs:

- ▶ Accident prevention is not only good for our employees, partners, customers and the environment – it's good business.
- ▶ Safety is not to be compromised for any reason.
- ▶ Trained employees are essential for a safe workplace.
- ▶ One accident is one accident too many.
- ▶ All employees have the obligation to prevent incidents.

Emergency Preparedness

Our EHS programs are designed to address risks and prevent incidents and emergencies. It's our belief that every accident is preventable if we prepare, train and operate correctly. However, we also understand the pivotal role that emergency preparedness and response efforts play in our business.

In addition to making sure Delek employees are prepared for a potential emergency, we also partner with local first responders, including fire departments and emergency management organizations, which train alongside our own employees. We work with cities and counties to conduct joint drills and training at our refineries, Delek fire training facilities as well as off-site fire training facilities.

We have strong connections to local law enforcement with off-duty sheriffs and police officers staffing the gates of Delek facilities. Having them on-site and familiar with the facilities is extremely valuable if an emergency arises.

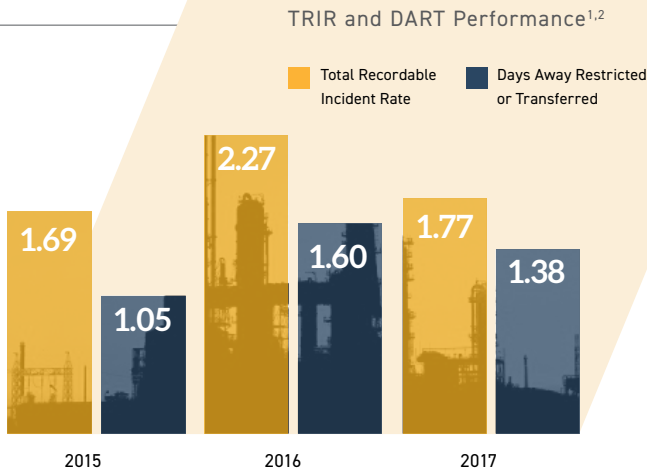
Process Safety and Asset Integrity

Asset reliability and integrity are very important to our business. We know that our facilities, pipelines and other assets must be high-functioning at all times, or we cannot properly service our customers. In addition to the systems and controls previously described, we rely on our Reliability Asset Management System ("RAMS") in Tyler, Texas, and El Dorado, Arkansas, and plan to roll out the same system in Big Spring, Texas, and Krotz Springs, Louisiana, in the near future.

Due to the nature of our business, process safety in our pipeline systems is a particular focus for us. We depend upon the mechanical integrity of our pipeline systems and processing facilities to prevent unplanned chemical releases. Since the Alon acquisition, we have focused substantial time and resources on integrity testing of all our pipelines, and, where necessary, we are upgrading these assets.

EHS Performance and Highlights

We track several safety metrics, including Total Recordable Incident Rate (TRIR) and Days Away Restricted or Transferred (DART) rate. We are in the process of identifying additional metrics and putting uniform processes in place.



¹ Data represents Delek hours from all business units, excluding Delek Logistics, which is a separate public company.

² Rates calculated using the OSHA formula, which is based on 100 full-time employees for a one-year period (2,000 hours)

After being disappointed in our safety performance in 2016, we adjusted our programs in 2017 and are seeing significant improvements in our business. We continue to focus on our TRIR and DART rates, and reinforce the importance of a safe working environment. Our 2018 data shows significant improvements in our injury rates and we intend to continue to improve upon those rates.

Early indications are that we're making safety progress largely due to the I Own It program. Employees across our facilities and retail stores are embracing the commitments, holding themselves and others accountable and implementing these practices into their daily work routine.

We believe that numbers themselves don't tell the full story. In addition to lowering our rates, we also value culture shifts, success stories and achieving goals. For example, in our retail segment, we have transitioned to a ladder-free environment and strategically place all items within arm's reach. This has eliminated the need for ladders and led to an overall safer environment. Within our logistics and transportation segment, we've seen a shift in mindset from reactive to proactive, including daily safety discussions.

We are also proud of the safety performance at our Krotz Springs refinery, which we acquired in the Alon merger. Since 2003, Krotz Springs has been an OSHA Volunteer Protection Programs (VPP) Star Site. The VPP Star Site designation recognizes Krotz Springs for implementing effective safety and health management systems and maintaining injury and illness rates below the relevant U.S. Bureau of Labor Statistics industry average.

Employee Engagement



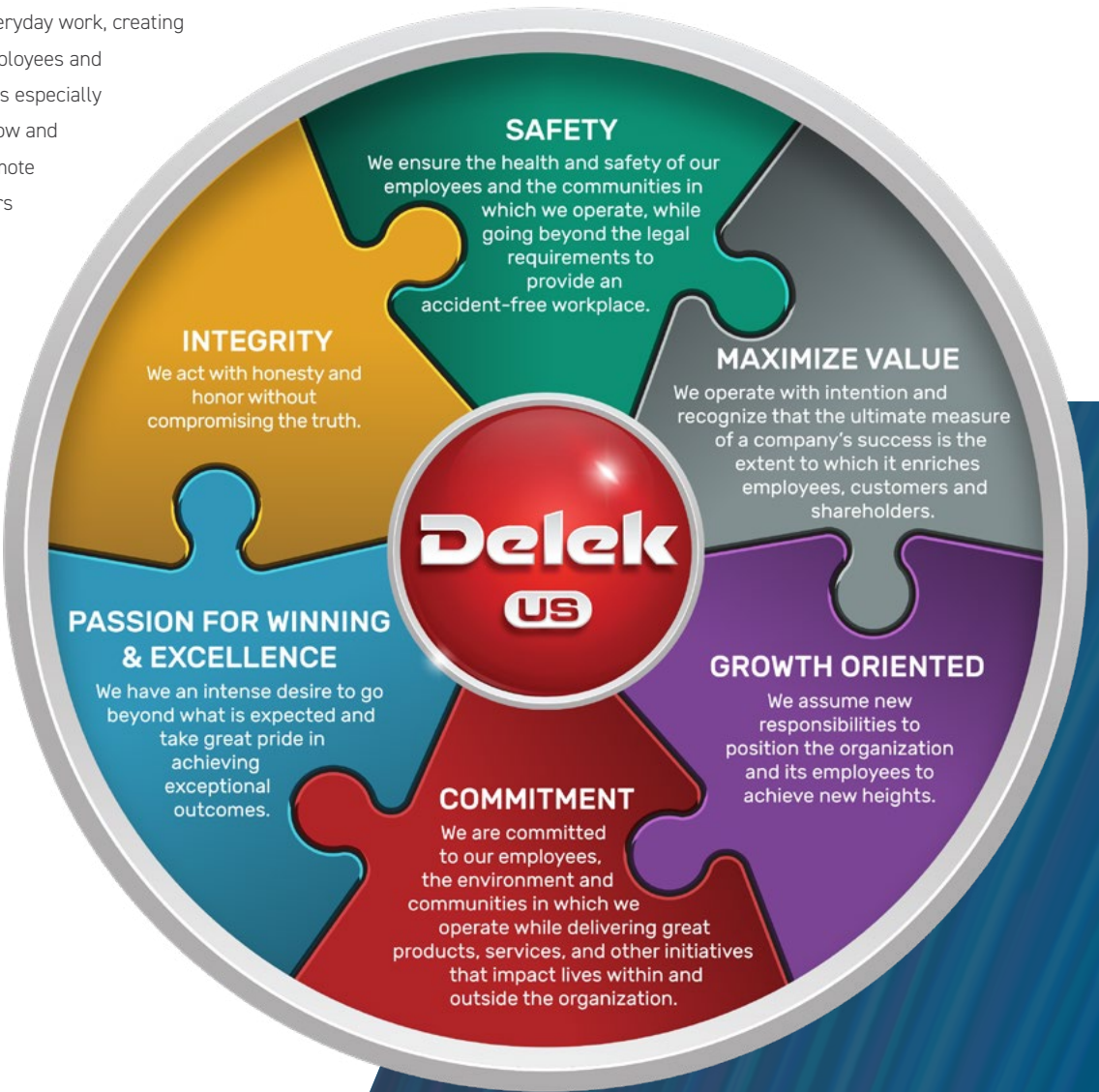
Team members prepare for an emergency response drill.

- ▶ Employees are a key to Delek's success. We strive to provide our people with a meaningful place to make a difference, build their careers, take care of their families and support their community. As our business continues to grow, we look to maintain the agility and entrepreneurial spirit that built Delek, while also adopting additional employee engagement processes and programs to fit the size of our growing operations.

Our Core Values

The starting point for employee engagement is the Delek Core Values. The Delek Core Values are fundamental to who we are and critical to our company's success. They define our culture and guide our long- and short-term approach to business.

The Delek Core Values were created in 2018 to more formally recognize Delek's existing culture. By creating a consistent set of values, we are recommitting ourselves to these ideals and setting the tone for all employees. The values are a part of our everyday work, creating meaningful connections for employees and facilitating easy adoption. This is especially important as we continue to grow and diversify our business. We promote and recognize positive behaviors that support our values at all levels of the organization.





Delek team members participating in our Stand Up and Step Out walking challenge.

“Focusing on employees’ overall wellbeing is a great way to drive initial engagement and get them started on a path toward improved health. We recognize that every employee is on a different wellness journey. By addressing all dimensions such as physical, emotional, social and financial health, we’re able to meet employees where they are and find a solution that fits their lifestyle.”

– Mary Pogue, Senior Director, Talent Management

Talent Attraction, Development and Retention

We look to hire individuals who are hard-working, performance-driven, entrepreneurial and innovative. We foster an environment where people can learn and grow, but also expect our new employees to come in and contribute right away.

Our organization has more than 3,500 employees in nine states. Our team is passionate about Delek, dedicated to doing their best and committed to driving success across the organization.

Our commitment to employees includes dedication to their long-term development, which is driving several major initiatives:

- ▶ We are **building a career architecture system** to highlight career paths at Delek.
- ▶ We are **developing a goals-setting module** to provide role clarity and connectivity to Delek’s annual objectives.
- ▶ We are **upgrading our training modules** to provide more robust content for employees. Recently, we redesigned and automated more than 100 training modules for our retail stores to reflect best-in-class policies and procedures.

To further enhance our long-term commitment to employees, we created opportunities to recognize years of dedicated service. In August 2018, we adopted a service award initiative that evolved from an existing Alon program. Under the program, employees who have been with Delek for one full year receive a service award recognizing their dedication to the company. For every five-year anniversary following the initial first-year recognition, employees continue to be recognized and receive awards.

Employee Health and Wellness

We are passionate about supporting the health and wellness of our employees and their families. We recognize the success of our business depends upon our employees being healthy and ready to come to work each day. In particular, we see a strong connection between employee health and the safety of our operations.

We are transforming the concept of wellness at Delek in order to meet or exceed our employees’ expectations. It is not enough, in our minds, to provide employees with opportunities to improve only their physical wellness. We recognize that this is only one dimension of their overall wellness, and that emotional, social and financial dimensions of wellness are also important.

We support and reward our employees for becoming and remaining healthier. In 2018, we launched our companywide Wellness One Program. Under this program, every covered employee and spouse are eligible to earn an annual rebate of 30% of their annual medical insurance premiums after completing specific wellness activities, including a physical examination and an age- or gender-appropriate cancer screening.

Together with several outside health and wellness partners, we provide employees with tools and services to help them understand their insurance benefits, find doctors, and save money on medical care and prescriptions. In our monthly wellness newsletter, we provide updates on Wellness One, enrollment programs and upcoming events.

To support our increased focus on wellness, we are developing creative new programs to promote wellbeing across our locations. Here are some examples of our recent programs and achievements:

- ▶ Established **employee wellness committees** at every location to drive local, community-oriented programming;
- ▶ Installed **new fitness equipment** in our on-site gyms;
- ▶ Provided every full-time employee with a **Delek-branded physical activity tracker**,
- ▶ **Revamped break rooms** with a wellness focus, including healthier food options;
- ▶ Supported **summer socials** at our facilities to celebrate employees and promote wellness; and
- ▶ We have also launched the following programs to help address **financial wellness**:
 - Launched the Delek Sons and Daughters Scholarship program to support the continuing education and degree programs pursued by employees’ dependents; and
 - Launched the Delek “Fuel Our Future” Tuition Reimbursement program, under which eligible employees can receive up to \$5,250 per calendar year in reimbursement for degree-seeking courses.



Stepping Up to the Wellness Challenge

In 2018, more than 1,400 Delek employees across the company participated in a 45-day step challenge to get active and promote wellness. Collectively, the employees trekked approximately 123,000 miles, which works out to about 90 miles per employee over the 45 days. As an added reward for this specific step-up challenge, participants were entered into a drawing for a treadmill. At the end of the challenge, the company gave away eight treadmills to randomly selected participants. Delek continues to develop company-wide, themed fitness challenges to inspire physical activity and reward employees for a job well done.

Community Commitment

We're proud to live and work in great communities such as Tyler, Texas.



► Delek is dedicated to being a good neighbor and charitable partner in the communities where we operate. We are driven to create positive impacts in our communities – from our headquarters region (Nashville, Tennessee) to the four communities where we operate refineries (Tyler and Big Spring, Texas; El Dorado, Arkansas; and Krotz Springs, Louisiana), and where we have a significant logistics or retail presence.



Delek's annual Tournaments for Hope are held in communities where we have significant operations, with proceeds going to support local nonprofit organizations.



Charitable Giving: Delek Fund for Hope

The Delek Fund for Hope is our signature program for community commitment. We established the Fund for Hope in 2008 to support 501(c)(3) charities in the communities where our employees live and work. The Delek Fund for Hope is administered by the Community Foundation of Middle Tennessee (CFMT). We provide CFMT with financial support to have four dedicated staff members working on behalf of the Delek Fund for Hope. As our partner, CFMT leverages these resources to ensure full transparency and proper handling of funds.

In addition to CFMT's full-time staff, we have individual, community-focused Fund for Hope committees at our Tennessee headquarters and at each of our refineries. Each employee-run committee determines which local organizations and events will receive contributions from the Delek Fund for Hope. In this way, all our charitable giving is local, focused and impactful based on employee input.

Funding Sources

The Delek Fund for Hope receives money through four primary channels – Delek employee giving, Delek corporate giving, fundraising events and our retail stores' coin box collections. Each donation stream plays an important role and ensures that our entire organization is involved in the program.



Employee Giving is achieved through our payroll deduction program. One hundred percent of payroll deductions go to local charities selected by the Fund for Hope committees operating in our local communities.

Delek Corporate Giving serves to amplify employee giving, event fundraising and coin box collections. Delek makes regular donations into the Delek Fund for Hope to support ongoing funding needs. In addition to those needs, Delek corporate giving also supports The Big Payback, a CFMT 24-hour, online giving event, as well as the Delek Employee Care Fund and emergency relief efforts.

Fundraising provides a third donation stream for the Delek Fund for Hope. The local Fund for Hope committees plan and execute fundraising activities, including the Delek Tournaments for Hope. Our biggest fundraisers, the Tournaments for Hope are multi-day events of golf, fishing, food, skeet shooting and entertainment that take place in communities where Delek refineries and corporate headquarters are located.

By partnering with the Fund for Hope during these tournaments, even small, local nonprofits can benefit from a large event, which often includes support from Delek customers and suppliers and other organizations in the community. In 2017, we held four tournaments that raised approximately \$2 million. In 2018, we held six tournaments that raised approximately \$2.3 million.

The fourth and final donation stream to the Delek Fund for Hope is **our retail stores' coin box collections**. Under this program, our more than 300 retail stores provide customers with an opportunity to donate during checkout. These donations go directly to supporting local charities where our stores are located.



We are committed to our employees, the environment and communities in which we operate while delivering great products, services and other initiatives that impact lives within and outside the organization.

Employee Care Fund

We established the Delek Employee Care Fund in 2011 to help employees in times of need, such as a house fire, natural disaster or serious illness.

When faced with a hardship, eligible employees and dependents can anonymously apply for a grant. The application goes to a staff member at the Community Foundation of Middle Tennessee (CFMT), who evaluates the need and determines if a grant is warranted. If so, the grant is awarded confidentially and distributed directly to qualifying vendors to pay housing, utilities and other basic living needs. Grants typically average about \$1,500 each, and the fund distributes a total of \$50,000 to \$70,000 each year to address critical human needs.

Operating and Engaged in Many Communities

Delek is proud to live, work and contribute to great communities such as:

ARKANSAS

- ▶ Crossett
- ▶ El Dorado

LOUISIANA

- ▶ Krotz Springs

NEW MEXICO

- ▶ Albuquerque

TENNESSEE

- ▶ Nashville/Brentwood

TEXAS

- ▶ Abilene
- ▶ Big Spring
- ▶ Cleburne
- ▶ Dallas
- ▶ El Paso
- ▶ Lubbock
- ▶ Midland
- ▶ Odessa
- ▶ Tyler
- ▶ Waco
- ▶ Wichita



Delek Provides Hurricane Harvey Relief

In August 2017, Hurricane Harvey made landfall, devastating Houston and surrounding areas. This hit close to home for Delek and a number of our employees, many of whom had family members living in the Houston area, and given that Houston is less than a 4-hour drive from our Tyler, Texas, refinery. The Delek Fund for Hope team identified several local relief organizations operating out of Tyler and nearby areas, and donated approximately \$500,000 to support their efforts. The contributions went directly to those impacted by the disaster and assisted them in rebuilding the community and restoring basic services and infrastructure.

The Delek Fund for Hope's Impact

Since its founding in 2008, the Delek Fund for Hope has supported nearly 2,000 unique charitable organizations and awarded over \$14 million in grants. In 2017, we raised nearly \$2.1 million through special events fundraising alone (and more than \$3.3 million counting all streams). In 2017, we awarded 925 grants worth over \$2.45 million to 501(c)(3) charitable organizations where Delek employees live and work

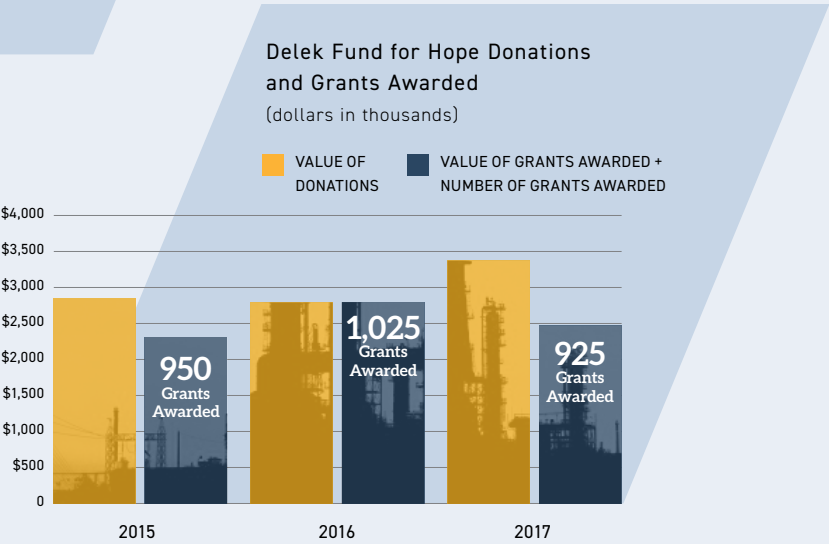
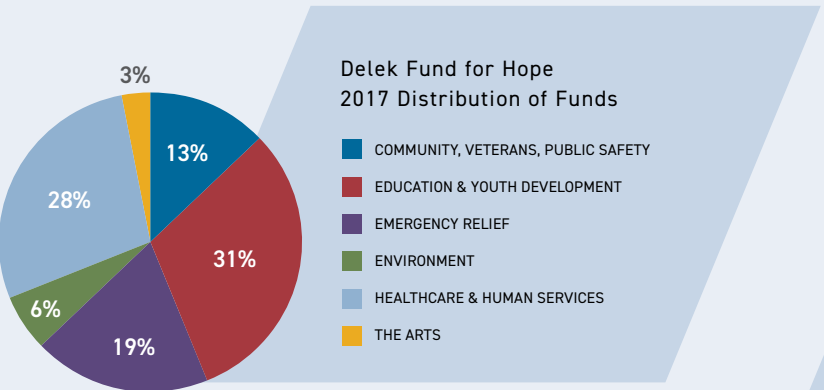
Going forward, we intend to build on our community commitments by not only continuing and enhancing our fundraising efforts, but also by implementing employee programs to encourage our people to become more involved in their local communities by volunteering their time and talents.

Additional information about the Delek Fund for Hope, its events and contributions can be found at delekhope.com.



“We serve between 600 to 700 children a year, and we’re able to care for a lot of those children solely because of the involvement of Delek.”

– Nashville Children’s Alliance,
a beneficiary of the Delek Fund for Hope since 2010



We aim to raise more money than we give out in order to maintain a reserve of funds. This allows us to act swiftly and address community needs, such as natural disasters, as they arise.

Ethics and Governance

Delek's Big Spring, Texas, refinery.



- ▶ Since Delek US Holdings, Inc.'s founding in 2001, operating our business in an ethical manner has been, and remains, our highest commitment to all our stakeholders. As we have grown and diversified, we have adopted and adjusted our charter documents, guidelines and governance practices to fit our business. What remains the same regardless of our size are our unwavering commitment to doing what's right, adhering to applicable laws and acting in the best interests of our stakeholders.

Ethics and Integrity

Above all, Delek expects employees to always do the right thing. This includes complying with the law, but also goes further. Everyone at Delek must act with honesty and honor without compromising the truth. This expectation is communicated to every employee through the Delek Core Values of **Integrity, Safety, Maximize Value, Growth Oriented, Commitment, and Passion for Winning & Excellence.**

The foundation for Delek's commitment to ethics and integrity is the **Delek Code of Business Conduct & Ethics** ("Code of Conduct"). The Code of Conduct applies to all employees, officers and directors of Delek, as well as all of Delek's subsidiary entities. Our Code of Conduct outlines the ethical standards that discourage wrongdoing and promote adherence to the following principles:

- ▶ Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- ▶ Full, fair, accurate, timely and understandable disclosures made to the U.S. Securities and Exchange Commission (SEC) and the general public;
- ▶ Compliance with applicable governmental laws, rules and regulations;
- ▶ Prompt internal reporting of violations of the Code of Conduct; and
- ▶ Accountability for adherence to the Code of Conduct.

While it is every employee's responsibility to act with integrity and uphold the highest ethical standards, we also rely on our legal and compliance teams to champion integrity, compliance and ethical behavior across the organization. Responsibilities include:

- ▶ Providing pragmatic guidance for complying with legal and regulatory requirements, including support to mitigate and address risks;
- ▶ Managing Delek's relationships with regulatory agencies; and
- ▶ Monitoring trends and developing proactive controls around compliance.



We act with honesty and honor without compromising the truth.

We integrate ethics and compliance into the Delek culture in many ways – reinforcing the Code of Conduct; employee training; organizational policies and procedures; as well as systems for addressing questions and concerns. Employees are expected to report all allegations of violations of the Code of Conduct, company policies or the law and may make such reports anonymously online or telephonically through a third-party provider. Delek does not tolerate retaliation against any employee who, acting in good faith, reports suspected misconduct, asks questions or raises concerns. Out of an abundance of caution and transparency, every allegation is reported to the Audit Committee regardless of severity.

We conduct internal assessments, engage with external auditors, manage external relationships and seek regulatory guidance to inform and monitor our efforts. Our system of internal accounting controls and procedures facilitates accurate and reliable financial reporting to the SEC and other federal and state regulatory agencies.



Delek's retail segment operates approximately 300 convenience stores in central and west Texas and New Mexico.

Our Big Spring, Texas, refinery was acquired in the 2017 Alon merger.



Corporate Governance

Delek's governance structure reflects our commitment to serving the best interests of our company and its stockholders. We have adopted formal **Board of Directors Governance Guidelines** ("Governance Guidelines"), which assist the Delek Board of Directors in exercising its responsibilities and enhance its ability to govern effectively and ethically. The Governance Guidelines cover everything from the qualifications, independence and responsibilities of directors, to Board leadership and meetings, committee matters, Board and committee evaluations, and director compensation and orientation.

BOARD OF DIRECTORS AND BOARD COMMITTEES

Delek's business, property and affairs are managed under the direction of our Board of Directors. The Board provides oversight of management and ensures processes are in place for maintaining the integrity of our business, including ethics and compliance, risk management, and relationships with stakeholders. Delek's commitment to sustainability and responsible corporate practice begins with our Board of Directors.

As of December 31, 2017, our Board consists of five independent, non-executive directors and one executive director, our Chairman, President and CEO Ezra Uzi Yemin. A list of our Board of Directors including their current and previous experience can be found at <http://www.delekus.com/about-us/our-board-directors>. Directors are elected annually by stockholders. William J. Finnerty is our lead independent Director; he also chairs our Environmental, Health and Safety Committee, and is a member of our Compensation Committee and our Nominating and Corporate Governance Committee.

We understand that a strong, responsive and independent Board is necessary. Our five independent Directors meet independence standards established by the SEC and the New York Stock Exchange (NYSE). Our stock is traded on the NYSE (ticker symbol: DK). All Board determinations regarding Director independence are disclosed in our Annual Stockholders Meeting proxy statement.

The Board relies on four standing committees to assist in overseeing the affairs of the Company: **1)** Audit Committee; **2)** Compensation Committee; **3)** Nominating and Corporate Governance Committee; and **4)** Environmental, Health & Safety Committee (EHS).

We seek to ensure that our Directors' interests are fully and meaningfully aligned with the success of our company and the interests of stockholders, and that the Board operates effectively. We achieve these goals, in part, through our Director compensation policies and by ensuring the avoidance or management of conflicts of interest and review of related party transactions.

We tie Directors' compensation to company performance in several ways, including through stock ownership and retention requirements. All of these efforts are designed to support the current structure of our company, while fulfilling Delek's unwavering commitment to corporate governance and ethics. Adherence to our codes and policies is closely monitored and measured, and any concerns are addressed fully and expeditiously.

Environmental, Health & Safety (EHS) Board Committee's Responsibilities

- ▶ Review periodically the overall adequacy of, and provide oversight with respect to, the company's EHS policies, programs, procedures, performance and initiatives;
- ▶ Review assessments of the effectiveness of management's EHS policies, programs, procedures and initiatives, including, but not limited to, periodic performance metrics and audits;
- ▶ Review periodically with management the status of material EHS activity, including, but not limited to, significant litigation or compliance-related matters, and emerging or proposed laws or regulations that may have a material effect on the company's financial or physical exposure;
- ▶ Review periodically with management the status and level of the company's contingency planning and emergency response activities and preparedness;
- ▶ Review and assess periodically the company's significant EHS liabilities reported in the financial statements;
- ▶ Review periodically with management any significant capital expenditures that may have a material EHS impact or risk exposure; and
- ▶ Review periodically emerging EHS issues, trends, developments or research and the potential impact on the company.

