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Chemical Industry Commits to Mandatory Enhanced Security

June 5, 2002 (Arlington, VA) – The American Chemistry Council (ACC) today made enhanced security activities mandatory for its members, to help assure the public that all member facilities are involved in making their neighbors and America more secure. The ACC Board today approved a new Security Code under Responsible Care®, the industry's award-winning initiative for improving performance, that consists of increased specific commitments to further safeguard chemical operations from potential terrorist attacks.

For almost 15 years, the Responsible Care® initiative has helped employees in the business of chemistry continuously improve the safety of their workplace, leading to a greater sense of confidence among employees and their families, as well as neighbors in their communities. Since September 11, the chemical industry has consulted and/or partnered with the Office of Homeland Security, the Environmental Protection Agency, the FBI, the Defense Department, the Coast Guard, Sandia National Laboratories, state and local governmental authorities, and others to bring the full force of the nation's security expertise together with the industry's scientific, technological and management skills.

"We can be proud that the chemical industry has moved swiftly to adopt a Security Code that is designed to make America more secure by safeguarding our plants, property, products and information from terrorist or criminal attack and sabotage," said Michael E. Campbell, chairman and CEO of Arch Chemicals, Inc. and chairman of ACC's Board Committee on Responsible Care®. "The U.S. chemical industry has achieved impressive progress in

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improving both employee and public safety, but in this post September 11 world, we have extended these capabilities to address newer security concerns. Both industry and government are making an unprecedented commitment to protect the homeland from those who seek to harm us," said Campbell.

Members of ACC have already begun to prioritize their sites and will assess the security at those sites. The prioritization process will be completed by mid-June. Sites will be prioritized into one of four tiers based on risk. Companies will then assess the security at their sites based on this prioritization. They also will assess the security from the supplier to the manufacturer and all the way down to the retailer and customer as well as their cyber networks.

Once companies implement the security measures identified in the assessment, independent third parties will verify that the physical site security measures have been implemented. Companies will have systems in place to assure continuous improvement. When assessing the security of sites, companies will use the methodologies being developed either by the independent Sandia National Laboratories or by the Center for Chemical Process Safety (CCPS), or an equivalent approach.

The new Code contains a number of important industry obligations, including:

- ?? Commitment by senior leadership to continuous improvement through published policies, provision of sufficient, qualified resources, and established accountability.
- ?? Training and drills for employees, contractors, customers, suppliers, and others.

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- ?? Companies are to consider as part of their decision-making process using inherently safer approaches, such as process changes and materials substitution.
- ?? Communications, dialogue and information exchange on appropriate security issues with stakeholders, balanced with safeguards for sensitive information.
- ?? Evaluation, response and reporting of security threats as appropriate, as well as analysis, response, investigation, reporting and corrective action for security incidents.
- ?? Internal audit and continuous improvement processes.

"In the wake of terrorist attacks against our way of life, chemistry has played an essential role in our nation's first line of defense against terrorism," said Fred Webber, ACC president and CEO. "From the disinfectants and antibiotics used to protect against potential biological warfare agents, to the bulletproof and flame-resistant fibers used to make the helmets and flak jackets that protect our troops in the field and our firefighters at home, to the microprocessors that give the technological intelligence edge to our security forces here and abroad, chemistry is a vital part of our military and public safety operations," said Webber.

The American Chemistry Council represents the leading companies engaged in the business of chemistry. Council members apply the science of chemistry to make innovative products and services that make people's lives better, healthier and safer. The Council is committed to improved environmental, health and safety performance through Responsible Care[®], common sense advocacy designed to address major public policy issues, and health and environmental research and product testing. The business of chemistry is a \$450 billion enterprise and a key element of the nation's economy. It is the nation's largest exporter, accounting for ten cents out of every dollar in U.S. exports. Chemistry companies invest more in research and development than any other business sector.

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