

DEFENSE INDUSTRIAL BASE SECTOR COORDINATING COUNCIL CHARTER

Ratified: August 19, 2024

SCOPE

Throughout U.S. history, industrial performance has been one of the most important aspects in assuring national security. Private industry facilities manufacture, conduct research, development and design to deliver and maintain most of the equipment, materials, services and weapons for the U.S. Armed Forces. Around the globe, in every domain, and across the continuum of conflict, the capabilities of the defense industry are critical to U.S. National Security Strategy.

Successive Presidents of the United States have viewed the Defense Industrial Base (DIB) as a critical infrastructure sector. Consequently, Presidential Policy Directive 21 (PPD-21), dated February 12, 2013; designated the Department of Defense (DoD) as the Sector-Specific Agency (SSA)¹ for the DIB and assigned DoD with the responsibility of coordinating and facilitating national unity of effort to strengthen and maintain secure, functioning and resilient critical infrastructure. Section 1724 of the "William M. (Mac) Thornberry National Defense Authorization Act for Fiscal Year 2021"² assigned responsibility for cybersecurity and critical infrastructure protection of the Defense Industrial Base to the Principal Cyber Advisor of the Department of Defense who shall synchronize, harmonize, deconflict, and coordinate all policies and programs germane to DIB cybersecurity among a range of stakeholders. Among others, these included the Undersecretary of Defense for Policy, (USD(P)), the Undersecretary of

¹ Sec 9002 of PLAW-116 renamed SSAs as Sector Risk Management Agencies (SRMAs) and required the Secretary of DHS to evaluate and report on how DHS and SRMAs should coordinate to protect critical infrastructure: <https://www.cisa.gov/resources-tools/resources/section-9002b-report>

² <https://www.congress.gov/bills/116th-congress/house-bill/6395/text>

Defense for Intelligence and Security (USD (I&S)), the Undersecretary of Defense for Acquisition and Sustainment (USD (A&S)), the Undersecretary of Defense for Research and Development (USD (R&E)), and the Department of Defense Chief Information Officer. Regarding the non-cybersecurity Sector Specific Agency functions, Section 1724 assigned the USD(P) responsibility for implementation. Presidential National Security Memorandum on Critical Infrastructure Security and Resilience (NSM-22)³, was published on April 30, 2024 as the successor to PPD-21. NSM-22 designated, "The Secretary of Homeland Security, acting through the Director of the Cybersecurity and Infrastructure Security Agency (CISA) as the National Coordinator for the Security and Resilience of Critical Infrastructure (National Coordinator), [who] shall, in coordination with SRMAs and other Federal departments and agencies...." undertake significant policy principles and objectives by safeguarding critical infrastructure as a shared responsibility between the Federal Government and private owners and operators of critical infrastructure and underscored a risk-based approach with public-private collaboration as vital to the effort. The NSM emphasized the Federal Government will support a robust information sharing environment and public-private cooperation that enables actions and outcomes that reduce risk. The NSM further emphasizes the Sector Risk Management Agency (SRMA) serves as the day-to-day "Federal interfaces" for prioritizing and coordinating sector-specific activities, to include developing a sector-specific risk assessment and sector-specific risk management plans based on strategic direction provided by the Secretary of Homeland Security. The The Office of the Under the Undersecretary of Defense for Policy, Assistant Secretary of Defense for Homeland Defense and Hemispheric Affairs (ASD(HD&HA)) is responsible for the overall supervision of the homeland defense activities of the DoD, as well as Defense Support of Civil Authorities (DSCA), defense continuity and mission assurance (DC&MA). Accordingly, the ASD(HD&HA) is the lead for DoD's DIB Sector Risk Management Agency (SRMA) responsibilities to include leading the DIB Government Coordinating Council as the government counterpart to the DIB SCC.

³ <https://www.whitehouse.gov/briefing-room/presidential-actions/2024/04/30/national-security-memorandum-on-critical-infrastructure-security-and-resilience/>

U.S. DEFENSE INDUSTRY DEFINED

The Defense Industrial Base (DIB) is defined as "the worldwide industrial complex that enables research and development as well as design, production, delivery, and maintenance of military weapons systems/software systems, subsystems, and components or parts, as well as purchased services to meet U.S. Military requirements."⁴ The DoD, the U.S. Government, and the private sector worldwide industrial complex of prime contractors, their suppliers, and related entities are interdependent in sustaining the defense of the nation.

AUTHORITY

The DIB SCC operates under the auspices of the Department of Homeland Security (DHS) Critical Infrastructure Partnership Advisory Council (CIPAC)⁵ framework, established by the Secretary of Homeland Security pursuant to the authority of section 871 of the Homeland Security Act of 2002 (6 U.S.C. §451). In that role, the DIB SCC is the DIB industry-organized, industry-run, and industry-governed collaborative framework for security and critical infrastructure coordination with government and other security partners.

SCOPE OF MEMBERSHIP

The DIB SCC includes owners and/or operators with a significant business focus in, responsibility for, and/or control over the critical infrastructure of the U.S. defense industry, who are dedicated and committed to actively advancing the security of the industry. U.S. Defense Industry trade associations who are representative of U.S. defense industry owners and/or operators may also be DIB SCC members upon demonstration of their representation of the interests of particular owners and/or operators of the U.S. defense industry. Federally Registered Lobbyists, Consultants, representatives, attorneys or others who are not employees of owners and/or

⁴ Under Sec'y of Defense for Acquisition and Sustainment Memorandum, "Defense Industrial Base Essential Critical Infrastructure Workforce," dated March 20, 2020 - link: <https://media.defense.gov/2020/Mar/22/2002268024/-1/-1/1/DEFENSE-INDUSTRIAL-BASE-ESSENTIAL-CRITICAL-INFRASTRUCTURE-WORKFORCE-MEMO.PDF>

⁵ <https://www.cisa.gov/resources-tools/groups/critical-infrastructure-partnership-advisory-council-cipac>

operators of the sector or their representative trade associations cannot serve as DIB SCC members. The DIB SCC Executive Committee delegates the discretion to the Vice Chair for Operations and Administration to automatically enroll in the Council any ND-ISAC member company (with the company's consent), or provisionally enroll any other nominee as a Council member upon determining the nominee complies with the criteria-specified below:

a. Is a U.S. affiliated firm or corporation. A U.S. affiliated firm or corporation is one which:

1. Is wholly or in part chartered or incorporated in the United States; or
2. Is an entity doing business in the United States (whether or not with a physical presence) and which has filed a United States tax return.

b. Is not an entity controlled directly or indirectly by a foreign power, as defined by 50 U.S.C. § 1801(a) (1999), as may be amended from time to time, or an agent of a foreign power, as defined by 50 U.S.C. § 1801(b), as may be amended from time to time.

c. Is a contractor to the United States Government (USG) – Department of Defense (DoD) with substantive revenue generated from DoD business, substantive money spent on research and development of technologies critical to the USG, aligned to the defense sector for the purpose of protecting a Critical Infrastructure Key Resource (CIKR), or is deemed a supplier or critical interdependency of same.

d. Subscribes to the mission and goals and ethical precepts of the SCC as prescribed in the DIB SCC charter, and in such other resolutions and procedures as may be from time to time adopted by the members; and agrees to acknowledge and abide by requirements of the DHS Critical infrastructure Partnership Advisory Council (CIPAC) charter and ethics when participating in DIB SCC CIPAC covered activities.

ARTICLE I - MISSION AND ROLES

1.1. Mission. The mission of the DIB SCC is to sustain the security, resilience, and critical infrastructure protection advances of the U.S. Defense Industry, both as an industry coordinating body within the DIB sector, and in partnership with the DIB SRMA and the DIB Government Coordinating Council (DIB GCC). The DIB SCC shall also maintain relevant coordination with operational activities of the Federal government and other operational organizations via the National Defense Information Sharing and Analysis Center (National Defense ISAC) which is designated as the SCC operations and administrative arm and provides the staff and infrastructure to support the DIB SCC information sharing, analysis, operations, and website hosting requirements.

1.2. Roles. The DIB SCC:

- 1.2.1. Is the industry policy-level interface with the Department of Homeland Security and other federal and state agencies on homeland security matters associated with the DIB;
- 1.2.2. Communicates DIB sector requirements and interests to the U.S. Government;
- 1.2.3. Facilitates intra-sector communications, coordinates processes for information;
- 1.2.4. Facilitates DIB sector strategy, prioritization, planning, policies and procedures;
- 1.2.5. Fosters the development and sharing of security and critical infrastructure protection best practices relevant to the U.S. defense industry;
- 1.2.6. Supports threat communication and analysis, as well as sector protection, response and recovery planning and activities via the National Defense ISAC as the sector's operational mechanism;

- 1.2.7. Facilitates communications, plans, and activities with other relevant infrastructure sectors, government entities, and relevant entities necessary to further the interests of the security and resilience of the DIB;
- 1.2.8. Ensures that all segments and components of the defense industry's critical infrastructure interests are represented in its scope and activities;
- 1.2.9. The DIB SCC facilitates the communication of relevant and timely security information and guidance from government entities to private sector stakeholders. With respect to this partnership function, the DIB SCC can be expected to:
 - 1.2.9.1. Work with the National Defense Information Sharing and Analysis Center (ND-ISAC) as the DIB sector ISAC to ensure the effectiveness in developing and maintaining tools, mechanisms, and opportunities that will:
 - meet the communication and information needs of the SCC's constituent members;
 - maximize the preparation, response, and recovery capability of the SCC's constituent members;
 - provide sector owners/operators with emergency response support and advice in preparation for, during and following a disaster.
 - 1.2.9.2. Identify and communicate best practices and standards which enable effective preparation, emergency response and infrastructure protection

ARTICLE II – COSTS

The Council may not assess dues as a condition of participation. However, the Council Executive Committee may agree to undertake projects requiring the means to raise and execute funds. These funds may be sought from external sources or may be raised by voluntary contributions from the Council membership. The funding for Executive Committee approved projects shall be controlled and executed by the Vice Chair for Operations and Administration on the SCC's behalf via the budgetary processes of the ND-ISAC administered in the incumbent's dual-hatted role as the ND-ISAC Executive Director. Under the oversight of the ND-ISAC Board of Directors the Executive Director shall execute and supervise agreements related to SCC projects in accordance with established ND-ISAC procurement and fiscal control policies.

ARTICLE III – GOVERNANCE

3.1. Officers. The DIB SCC will have a Chair, a Principal Vice Chair, and a Vice Chair for Operations and Administration. Upon the end of their tenure the retiring chair will be appointed as the Chair Emeritus/Emerita for a period not to exceed three years. The Chair, Principal Vice Chair, and Chair Emeritus/Emerita will each serve three-year terms beginning as of the first meeting of the DIB SCC in the calendar year. In those capacities, each incumbent will represent the DIB SCC and not any individual member company or association. Two or more offices may not be held by the same person or same company or organization. Neither may a member company or organization nominate multiple individuals to stand for election to the same office. To ensure alignment with the ND-ISAC as the Council operational and administrative arm, the incumbent Executive Director of the ND-ISAC shall also serve as the Vice Chair for Operations and Administration.

3.2. Elections. Upon adoption of this charter the members may be required to elect both a Chair and a Principal Vice Chair. Each member company or organization is entitled to cast a single vote. Subsequently, occasioned by vacancy the DIB SCC membership will

elect a member company/organization official with sufficient knowledge, experience, and ability to serve as the DIB SCC Principal Vice Chair for a three-year term. At the conclusion of the Principal Vice Chair's term, that person will become the Chair. The previous Chair will then serve for a three-year period as the Chair Emeritus/Emerita.

3.3. Succession. The Chair and Principal Vice Chair shall be filled by vote of the member companies/organizations. The Principal Vice Chair shall become the Chair upon the absence, removal, or incapacitation of the Chair. The Chair Emeritus/Emerita may be temporarily reinstated as the DIB SCC Chair or the DIB SCC Principal Vice Chair upon the absence, removal, incapacitation or unwillingness to serve of either. The Vice Chair for Operations and Administration shall serve as a permanent position during the incumbent's tenure as Executive Director, ND-ISAC.

3.4. Executive Committee. The Executive Committee is the leadership body of the DIB SCC. It oversees the DIB SCC strategic objectives and serves as a direct liaison with the GCC and other government agencies. The Executive Committee addresses cross-cutting issues with other sectors. The Executive Committee is made up of a Chair, Principal Vice-Chair, and a Chair Emeritus/Emerita, and the Vice Chair for Operations and Administration. Between meetings, the Executive Committee shall manage the administrative business of the DIB SCC via the Vice Chair for Operations and Administration. Each member will be eligible to vote on significant administrative or policy decisions identified for attention by the Vice Chair for Operations and Administration. The Chair, Principal Vice Chair, and Chair Emeritus/Emerita may each appoint a designated representative for meeting purposes for such administrative business, and their designated representative may convey their vote on administrative or policy matters in their absence. In no case shall a designated representative supercede the Vice Chair for Operations and Administration in council processes.

3.5. Operations and Administrative Processes. Any member of the Executive Committee (personally, but not their designated representative) may sign or otherwise transmit a document on behalf of

the Council after obtaining authorization from the Chair. Pursuant to paragraph 3.4. the Vice Chair for Operations and Administration is responsible for day-to-day administrative tasks, coordination, and communications with the DoD as the SRMA, or with Department of Homeland Security elements and related CIPAC-chartered activities, or other federal agencies. Communications with DoD, DHS, and related CIPAC-chartered activities or other federal agencies, should be coordinated with the Vice Chair for Operations and Administration to maintain continuity of communications, and alignment of projects, and ongoing activities between DIB SCC and counterpart GCC, or other federal entities.

3.6 Terms. All terms of office referenced above shall begin as of the beginning of the calendar year and shall be in effect at the first meeting of the calendar year.

3.7. Modifying the Charter. The Executive Committee will be responsible for drafting and proposing modifications to this DIB SCC charter to ensure its continued relevance and ability to meet the needs of DIB owners and operators. Proposed amendments to this document shall be ratified upon the simple majority vote of the SCC Member companies or organizations at their next scheduled meeting, or by electronic vote of the executive representatives of the SCC membership.

ARTICLE IV – MEETING AND DECISION-MAKING

4.1. Schedule. The DIB SCC shall have meetings as scheduled and published by the chair. Meetings may be convened in-person or virtually. The DIB SCC should meet at least twice annually but may meet more frequently as required by the Chair or in response to a request for a Joint DIB SCC-GCC meeting by the DIB GCC or the DIB SRMA. One DIB SCC meeting per year must be designated as the “Annual Meeting” where the annual election for any vacant leadership position will be held.

4.2. Presiding Official. DIB SCC meetings must be presided over by either

the Chair the Principal Vice Chair or the Vice Chair for Operations and Administration in that order of succession. Pursuant to paragraph 3.3. the Chair Emeritus/Emerita may be temporarily reinstated as the DIB SCC Chair or the DIB SCC Principal Vice Chair upon the absence, removal, incapacitation or unwillingness to serve of either. The Chair and Principal Vice Chair may appoint a designated representative from their organization who may represent them in their absence at a DIB SCC meeting, but in no case shall a designated representative preside over a DIB SCC meeting.

- 4.3. Active Participation.** DIB SCC member companies or organizations must actively participate in the Council either in the form of the executive contact, or his/her designated representative. If an SCC member misses two consecutive meetings, the executive contact for that SCC member will be notified of the lack of attendance. SCC members missing three consecutive meetings will be removed from the DIB SCC. The decision to remove a member pursuant to this Article may be made by a simple majority vote of the Executive Council and does not require a super-majority vote of the Council members.
- 4.4. Quorum.** DIB SCC votes and decisions require a quorum unless otherwise designated in this Charter. A quorum is defined as one-half of the currently registered and active DIB SCC member companies or organizations and the presiding presence of either the Chair, the Principal Vice Chair, or the Vice Chair for Operations and Administration, or the Chair Emeritus/Emerita as paragraph 3.3. may apply.
- 4.5. Quorum Decision-making.** The DIB SCC will make all policy decisions and conduct all votes by a vote of those member companies or organizations participating in the decision, which must at a minimum be a quorum as defined above. Each SCC Member company or organization shall appoint a single executive representative to cast the vote on the member company or organization's behalf. Each member company or organization executive representative is entitled to cast a single vote. Motions shall be decided by a simple majority vote. Where a quorum is not possible on a policy matter, no decision may be adopted by the DIB SCC. With adequate notice, the DIB SCC may make policy decisions by

email. Such decisions will require a consensus of those responding, which must represent a quorum and likewise require a simple majority vote.

4.6. Removal. The basis for removal may be a reasonable belief a member company or individual participant has misrepresented compliance with the eligibility criteria as defined in SCOPE OF MEMBERSHIP, or engaged in activities that are inconsistent with Article VI - Ethics Guidelines or the charter for the Critical Infrastructure Partnership Advisory Council (CIPAC) or engaged in activities deemed inimical to the purposes of the Council.

4.6.1. The Vice Chair for Operations and Administration may propose a removal action based on developing information that a Council member or individual participant has engaged in the circumstances cited in paragraph 4.6, or receiving information to this effect from another reputable source (e.g. another Council member or U.S. Government official). In either case, the Vice Chair for Operations and Administration will record the details for presentation to the Executive Committee. If the consideration of the Executive Committee by majority opinion ratifies a case for removal, the Executive Committee will instruct the Vice Chairman for Administration and Operations to remove the member from the rolls and notify the affected member or participant.

4.6.2. Twelve months after notice of removal a company or individual participant may apply for readmission under terms to be determined by the Executive Committee.

4.7. Anti-Trust Compliance. The DIB SCC and all DIB SCC committees will ensure that all members and participants are placed on notice of duties and responsibilities associated with compliance with antitrust laws in DIB SCC meetings and activities and shall maintain a record of acknowledgement of DIB SCC members and participants in DIB SCC and committee meeting activities.

ARTICLE V – COMMITTEES

Standing committees may be organized or dissolved at the discretion of the Executive Committee and focus on issues considered of long-term relevance to the sector. Standing committees should be composed of DIB SCC members appropriate to its task. They may also invite Subject Matter Experts (SMEs) and other government representatives to serve on an as-needed or on an ongoing basis by invitation of the SCC.

5.1. Roles and Responsibilities. Standing committees are tasked with addressing sector-wide needs of critical infrastructure protection activities and issues considered to be of strategic relevance. They undertake long-term projects that produce concrete deliverables which help to inform and advise the DIB SCC, the DIB, the DIB SRMA and DIB GCC and others relevant to DIB security interests.

ARTICLE VI – ETHICS GUIDELINES

The DIB SCC ethics guidelines are as follows:

DIB SCC members shall comply fully with all applicable statutes, laws, and regulations;

- 6.1.** DIB SCC members shall be familiar with the source of the information they maintain access to, to respect the sensitivities and potential harm associated with the compromise of that information;
- 6.2.** DIB SCC members shall handle and distribute sensitive information only in manners permitted by or in keeping with federal policy;
- 6.3.** DIB SCC members shall not use the DIB SCC organization for personal or non-public gain and shall avoid the appearance of using the DIB SCC organization for personal or non- public gain.
- 6.4.** When participating in activities covered by the DHS Critical

Infrastructure Partnership Advisory Council (CIPAC) (i.e. decision making, formulating recommendations, and other deliberations leading to consensus advice), Council representatives shall only use CIPAC and CIPAC resources to advance the intended objectives of CIPAC. Use of CIPAC or CIPAC resources for a CIPAC participant's personal benefit or the benefit of any other person or entity is prohibited. This includes but is not limited to:

6.4.1. Actively pursuing or requesting a government contract, grant, other transaction, or any other federal award, funding, or government benefit for themselves or any other person or entity. Active pursuit of government funding includes seeking a competitive advantage or unequal access to competitively useful information about government requirements, procurement strategy, solicitation development, federal funding or resources, procurement sensitive information, or any other information that could provide a competitive advantage. Any such conduct by a CIPAC participant shall be referred by CISA to the appropriate Federal contracting official as a potential organizational conflict of interest and other appropriate official(s).

6.4.2. CIPAC participants shall not use CIPAC or CIPAC resources to support completion of deliverables or provide services in connection with a federal procurement contract, financial assistance agreement, or other transaction that CIPAC participant performs.

6.4.3. Pursuant to CIPAC Charter, Section VI. ETHICS AND INTEGRITY STANDARDS, paragraph A. "All CIPAC participants must annually attend a briefing to receive training provided by CISA on the ethics and integrity standards and information sharing requirements applicable to CIPAC." As the DIB SCC is required to maintain a record of such training, all members shall provide the Vice Chair for Operations and Administration with the date of their training.

- 6.5. DIB SCC members shall not influence and shall avoid the appearance of influencing or seeking to influence public decisions for non-public benefit;
- 6.6. DIB SCC members shall not induce any federal official to violate the law and shall avoid the appearance of inducing a federal official to violate the law; and
- 6.7. DIB SCC members shall not make or give the appearance to make commitments, obligations, or representations improperly binding the United States Government, or the DIB SCC.

ARTICLE VII – GENERAL PROVISIONS, DURATION, AND RATIFICATION

- 7.1. **Release.** Member of the DIB SCC individually and collectively agree to release the DIB SCC, the Chair, Principal Vice Chair, Chair Emeritus, and Vice Chair for Operations and Administration, and their Assistants from any claims, liabilities, damages or expenses that any of them might incur in the course of acting on behalf of the DIB SCC.
- 7.2. **Confidentiality.** DIB SCC members agree to respect all confidentiality requirements that the DIB SCC may agree upon in connection with any communication or discussion and will ensure that any individuals present on their behalf in Council meetings will abide by this agreement.
- 7.3. **Duration.** SCC Membership by electronic vote concluding August 19, 2024 ratified this charter by unanimous consent. Upon ratification, this charter shall remain in effect indefinitely, and the DIB SCC shall review and assess the adequacy of the Charter at least once every five years.

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