

## The proper receipt and management of SDSs:

### a key element for security, compliance, and corporate sustainability

In an increasingly complex and regulated corporate world, document and information flow management is critical to the proper functioning of any organization. Among the various types of documentation, Safety Data Sheets (SDSs) take on a major role, especially when it comes to environmental risk, occupational health and safety, compliance and sustainability.



#### The critical role of SDSs

SDSs, in fact, contain detailed information about chemicals purchased and used within the company, including **physical and chemical properties, health and environmental hazards, preventive measures, and precautions for safe use**. If not properly received and managed, the enterprise can incur serious risks.

#### Risks associated with the mismanagement of SDSs

For the company, failure to control the process of receiving and managing SDSs can result in significant risks beyond the day-to-day operational challenges faced by HSE departments. If there is a lack of policy and guidance on how to strictly manage this, **top management can even be held liable** for the consequences of not having an adequate SDS management system in place.

First, there is the **legal risk**. Violation of occupational safety and chemical management laws and regulations can result in **legal recourse, high penalties, and even criminal prosecution** of managers.

Second, there is **reputational risk**. Failure to manage SDSs can lead to workplace accidents or environmental damage that attract media attention, damaging the company's reputation. In an era when consumers and investors are increasingly attentive to corporate social responsibility, reputational damage can have **long-term consequences for a company's competitiveness and value**.

Finally, failure to manage SDSs can **undermine a company's efforts to document its sustainability**. In fact, SDSs contain information crucial to the responsible management of hazardous chemicals, which is a key element of sustainability practices. This aspect, if not managed properly, has a fundamental impact on the final product, its eventual recycling or waste, and ultimately on all aspects related to responsible production and consumption. Without a proper SDS management process, **the company may not be able to meet sustainability goals, obtain environmental certifications, or respond adequately to stakeholder inquiries** about risk management.



#### The importance of a well-defined process

Despite its obvious importance, **the process of receiving and managing SDSs is often neglected or not clearly assigned to a manager**. This represents a **strategic mistake**. In fact, a company's governance should not afford to manage such a relevant business process in an unstructured way.

Take, for example, the management of orders received from customers: in every company this process has been refined and structured to ensure that no document is lost. A well-defined workflow has been created, normally entrusted to the sales administration, from the receipt of the order, to its digitalization, to its entry into the computer system for proper handling. This process, taken care of in every detail, is essential to ensure the business continuity of the company and to avoid possible problems such as delivery delays, billing errors and, ultimately, the loss of sales, if not even customers.

Similarly, a process for receiving and handling incoming SDSs needs to be refined and structured. Such a process should include the **timely receipt of SDSs** from suppliers, their **digitalization** to ensure easy access and search, **continuous updating** according to new versions or regulatory changes, and finally **training workers** on their proper use.

### The role of the digitalization

In this context, which may seem like a usual **supply chain process**, a peculiarity also emerges that should be taken into account from the outset: for the SDS management process to be truly efficient, it is not enough that we simply receive and store the documents (SDSs, which contain so much detailed information, are normally made available as simple PDFs).

It is **also necessary for the documents received to be digitalized**, meaning that the most important information is "extracted" from the documents and transformed into "**classified digital information**" so that it can be used in subsequent processing, such as research, reports and analysis. In addition, digitalization of the data allows the information from SDSs to be integrated into the company's information system, thus facilitating **chemical risk management, compliance** with current regulations, as well as providing relevant—and, most importantly, traceable and measurable—data for **sustainability reporting**.

Given the type and amount of information that is important to digitalize, **uploading it manually into the management system is not sustainable**, as it would be too onerous and not sufficiently reliable (the data to be uploaded would be dozens, when not hundreds, for each SDS received). It is therefore essential that the SDS management system be able, upon receipt, to subject the documents to **an automatic digitalization process**.

### Conclusions

In conclusion, it is necessary for a company's senior management—if it has not already done so—to understand the importance of a well-defined and efficient process for receiving and managing SDSs, and to be a diligent part of ensuring that it is properly implemented. Ignoring this reality can pose serious risks, operationally, reputational and legally. Conversely, **proactive attention to this process is a hallmark of accountability and business excellence**.

Today, thanks to the evolution of Digital Transformation, there are services, methodologies, and technologies that allow this process to be simplified and made efficient as well in ways that were not available just a few years ago. **Tools such as artificial intelligence, process automation, and cloud solutions offer new opportunities to improve SDS management**. These innovative solutions make it possible to automate the entire process of receiving, digitalization and managing SDSs, thereby reducing the time, effort required and increasing efficiency.

They also help to ensure that all SDSs are always present and up-to-date, not only for new products to be purchased, but also for new versions of SDSs of products in use, issued by chemical manufacturers to adapt to frequent regulatory changes. This ensures that the company is always in compliance with current regulations and that workers always have access to the latest information relevant to their safety.

**So there is no excuse for not addressing and resolving the inadequacy of the process of receiving, managing and digitalization SDSs**. The solutions are at hand, and the benefits, whether for business needs in terms of safety, regulatory and commercial compliance, and sustainability, are too great to ignore. Implementing an effective SDS management process should be **a priority for every responsible company**.

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