

Highlights from UOB Sustainability Compass Insights

Turning Waste into Value: How Businesses Can Compete in a Circular Economy

Smarter resource use and circular solutions are fast becoming the foundation for resilient, competitive businesses in ASEAN.



Right By You

Executive Summary

Waste is not just an environmental issue—it is a business challenge and opportunity. Smarter waste management, powered by digitalisation and circular practices, can cut costs, reduce risks and strengthen competitiveness.

Across ASEAN, companies are using technology to limit food loss, adopt modular construction, and recycle resources. With frameworks such as UOB Sustainable Food and Agribusiness Framework and Circular Economy Framework, businesses can access the financing and guidance needed to scale these solutions. By rethinking waste as a resource, companies can build resilience and position themselves for long-term growth in a circular economy.



Waste as a business risk and opportunity

Waste is often seen as an environmental issue, but its business implications are equally significant.

Adopting smarter approaches to waste management can reduce costs while meeting rising expectations from regulators, investors and customers. Increasingly, businesses are turning to technology and sustainable financing to make this shift possible.

Digitalisation driving smarter waste management

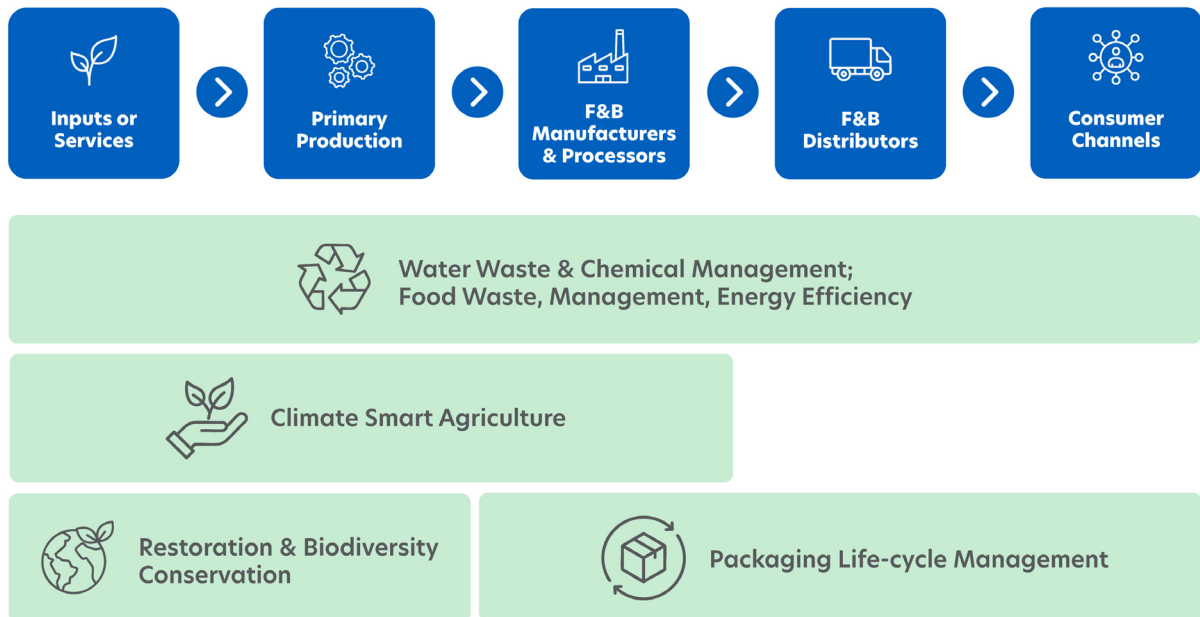
Digital tools such as cloud platforms, IoT and AI are reshaping how organisations track, manage and reduce waste.

In the food and agribusiness sector, where spoilage directly impacts profitability, predictive analytics can help prevent over-ordering, real-time tracking can improve production scheduling, and recyclable or compostable packaging supports both efficiency and sustainability.

This is particularly critical in Asean's tropical climates, where higher spoilage rates increase costs incurred from food loss. Globally, 1.05 billion tonnes of food are wasted annually, generating up to 10 per cent of greenhouse gas emissions - nearly five times the impact of the aviation industry.

Through the UOB Sustainable Food and Agribusiness Framework, we assess the value chain and identify eligible green projects, which may involve the use of technology to improve efficiency, reduce waste and strengthen resilience.

UOB Sustainable Food and Agribusiness Framework



Source: UOB

Circular approaches across industries

Beyond food and agribusiness, other sectors are also rethinking how they approach waste. In agriculture, companies are converting biomass into fuel, recycling wastewater, and adopting precision irrigation. In construction, modular building, rainwater harvesting, and water-efficient fittings are being adopted to minimise material and resource loss. Across industries, circular approaches such as recycling, composting, repair and digital traceability are helping companies move away from the traditional "take, make, dispose" model and transform waste into value. By rethinking waste as a resource, companies can build resilience and position themselves for long-term growth in a circular economy.



Financing and support

To help businesses operationalise circular practices with clear and transparent reporting, UOB's Circular Economy Framework offers a structured approach to support assets, projects and activities that advance circularity and resource recovery. This framework provides the foundation for financing solutions that can be applied across different industries.



Circular economy solutions are also gaining momentum as businesses look beyond waste reduction towards resource recovery. Financing instruments such as those offered by UOB, play an important role in supporting transition across different value chains. In e-waste, UOB's financing solutions help address growing volumes from changing consumer lifestyles while enabling responsible recycling. In metals, financing support recyclers in tapping the infinite reusability of materials to reduce reliance on virgin resources. In plastics, financing facilities recycling through methods such as mechanical and chemical processing, helping extend material lifecycles and reduce environmental impact. Together these UOB financing approaches enable industries to align economic growth with more sustainable use of resources.



Building smarter, more resilient businesses

Sustainability progress does not always come from sweeping changes. Often, it is achieved through targeted actions, improved traceability, better inventory control, and smarter use of resources.

With the right combination of technology, financing and advisory support, businesses can reduce waste, strengthen resilience, and position themselves for long-term competitiveness.

This article contains highlights from UOB Sustainability Compass Insights, a bi-monthly newsletter that provides companies that have completed the UOB Sustainability Compass with the knowledge to stay resilient and competitive in a fast-evolving ESG landscape.

Start your sustainability journey with the UOB Sustainability Compass, a complimentary online tool that helps you take the first step towards prioritising ESG as a business essential. Get your customised action plan at uob.com.sg/compass and receive these insights directly into your inbox.



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