QTEN · QUEENSLAND TECHNICAL EXCELLENCE NETWORK

EXECUTIVE BRIEF

Environment & Natural Capital

An operating picture for owners and managers — and how to make it defensible

The operating picture

Environment and natural capital have stopped being a back-of-house compliance function and become an operating discipline that touches approvals, cost, reputation and the balance sheet. In Queensland the general environmental duty under the Environmental Protection Act 1994 sets a positive, personal standard of care; nature-related disclosure (TNFD) and natural-capital accounting (SEEA) are entering investor, lender and procurement expectations; and biodiversity offsets and the Nature Repair Act 2023 have put a price on ecological condition. For an executive, the practical question is not whether you are exposed — you are — but whether your evidence would survive scrutiny, and where the next avoidable surprise is hiding.

Where value is won or lost

- **Evidence, not statements.** A sustainability statement is a liability if you cannot show the owner, the controls, the metric and the records behind it. The organisations that win build evidence systems that hold up to a regulator, a lender and an investor.
- **Cumulative and downstream thinking.** Regulators increasingly assess the receiving environment and cumulative load, not just the site boundary. Value leaks when impacts are scoped too narrowly and re-emerge as conditions, delay or refusal.
- **Liability economics.** Contamination, offsets and closure are the three liabilities that most often surface late and large. Quantifying them early converts a capital shock into a managed line item.
- **Disclosure-readiness.** TNFD, natural-capital accounting and ACCC greenwashing scrutiny reward those who can substantiate claims — and punish those who cannot. Readiness is now a competitive position, not a reporting chore.

The seventeen factors at a glance

QTEN's Environment and Natural Capital system resolves the domain into seventeen factors. Each has a defined scope, a primary decision metric, and a traceable line from regulatory obligation through controls to evidence. This is the map an executive can use to ask, factor by factor, "do we know where we stand, and can we prove it?"

FACTOR	WHAT IT GOVERNS	PRIMARY DECISION METRIC
Water	Surface, ground, marine and coastal water — quality, take, discharge, flood and stormwater.	Water quality compliance rate
Soil & Land	Soil condition, land degradation, contaminated land (EMR/CLR) and acid sulfate soils.	Soil health index
Ecosystems & Habitats	Regulated vegetation, regional ecosystems, wetlands and landscape connectivity.	Regional ecosystem extent & condition
Fauna	Protected and threatened animals, habitat, breeding places and movement corridors.	Fauna assemblage condition index
Flora	Protected plants, threatened flora and clearing pressures.	Flora assemblage condition index
Biosecurity	General biosecurity obligation — weeds, pests and pathogens.	GBO control effectiveness
Air	Ambient air quality, dust and emissions against objectives.	Ambient objective compliance
Noise & Vibration	Construction and operational noise, sensitive receptors and limits.	Baseline acoustic completeness
Amenity	Visual, lighting, character and community amenity impacts.	Residential amenity impact score

FACTOR	WHAT IT GOVERNS	PRIMARY DECISION METRIC
Resource Use & Waste	Material efficiency, waste levy exposure, streams and disposal.	Material productivity
Climate Change	GHG inventory and mitigation, physical climate risk and adaptation.	Inventory completeness & GHG emissions
Governance	Environmental governance, accountability, integrity and assurance.	Purpose & value alignment
Procurement	Sustainable and responsible sourcing and supply-chain risk.	Governance compliance
Circular Economy	Circular design, asset life extension and secondary markets.	Circular strategy maturity
Social Value	Community value, inclusion, local employment and skills.	Social value governance maturity
Innovation	Environmental innovation strategy, R&D and technology delivery.	Innovation portfolio alignment
Natural Capital	Ecosystem stocks and condition, services, TNFD dependencies and offsets.	Natural capital governance maturity

Primary metrics shown are the lead indicator for each factor; each is underpinned by supporting metrics, a structured calculator and a source-backed regulatory mapping in the practitioner handbooks.

The QTEN method

Every engagement runs the same disciplined line — from the decision you actually need to make, to evidence that will stand up later.

1. Clarify the decision and who relies on it — approval, investment, disclosure or transaction.
2. Map the environmental values, assets, constraints and the market or disclosure context that apply.
3. Collect source-backed regulatory, spatial, ecological and economic evidence — no unsupported claims.
4. Assess readiness, risks, impacts, dependencies and control effectiveness against defined thresholds.
5. Recommend the technical and commercial position, with the trade-offs made explicit.
6. Translate it into an executive narrative and a proof point the board and market can rely on.
7. Assure it — SME, spatial and legal review — and track actions to closure.

How we engage

- **Environmental diagnostic.** A fixed-scope maturity and exposure scan across all seventeen factors, returning a prioritised risk register and evidence-gap list you can take to your board.
- **Evidence-system build.** We stand up the accountable owner, controls, metrics and records so your environmental position is defensible, not asserted.
- **Disclosure readiness.** TNFD and natural-capital preparation and sustainability-claim substantiation, ahead of investor, lender or ACCC scrutiny.
- **Offset & liability strategy.** Early quantification of contamination, offset and closure liabilities — before they become a late-stage capital shock.
- **Independent review & audit.** We challenge your existing evidence and controls before a regulator, lender or investor does.

Executive decision lenses

- Which single environmental exposure, if it surfaced tomorrow, would most damage this business — and who owns it?
- On which factor would our evidence fail to survive a regulator’s file request?
- Where are we making an environmental claim this quarter that we could not substantiate on demand?

Maturity at a glance

Most organisations sit at Level 2. The value — in approvals certainty, avoided liability and financing advantage — is in the move to Level 3 and beyond.

LEVEL	WHERE THE ORGANISATION SITS	WHAT IT MEANS
1 · Ad hoc	Environmental issues handled reactively, project by project.	Evidence is scattered and total exposure is unknown.
2 · Compliant	Meets approval conditions and statutory duties.	Evidence exists but is siloed and not decision-useful.
3 · Governed	Named owner, defined controls, live metrics and retained evidence across all seventeen factors.	Withstands a regulator’s, lender’s or investor’s file request.
4 · Investable	Nature managed as a governed asset — quantified liabilities and dependencies, disclosure-ready (TNFD / SEEA).	A demonstrable market, approvals and financing advantage.

KNOW YOUR EXPOSURE

Know your exposure. Start with an environmental diagnostic — a fixed-scope scan across all seventeen factors that shows the board exactly where you stand, with a prioritised action list.
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