



The next generation of carbon management

Closing the gap between compliance and business strategy

The state of carbon management in 2026

Carbon management software has never been more capable. Calculation, automation, multi-framework reporting, and audit support exist across a number of different solutions. Yet with all these tools at their disposal, many teams still run into the same challenges.

What software already does

- ✓ Calculation
- ✓ Automation
- ✓ Multi-framework reporting
- ✓ Audit support

The challenges

Fragmented data across procurement, finance, facilities, and suppliers

Reporting cycles that consume every available hour

Little room to move past compliance into strategy

Carbon management has stopped being a technology challenge. It has become a governance, process, and organizational capability challenge, one expanding faster than most sustainability functions can staff for.

Closing that gap is what this guide is about.

Why we created this guide

Most carbon management software answers a narrower question: calculate emissions, automate workflow, produce disclosure. This progress left the harder layer untouched, upstream of calculation.

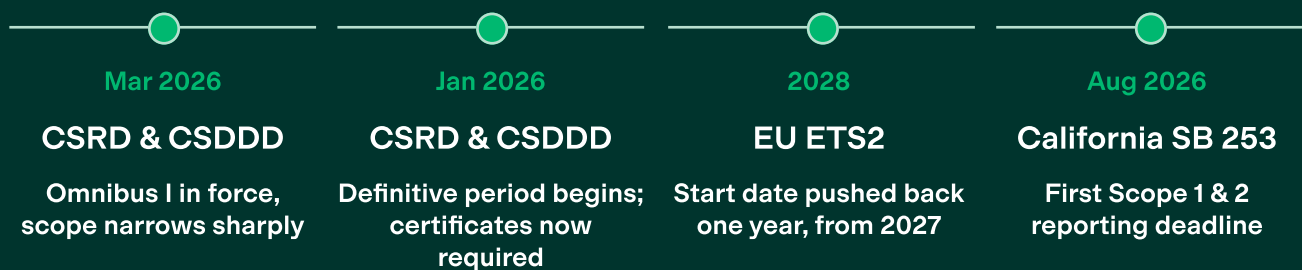
Software cannot assign ownership of a supplier's Scope 3 data or create accountability between procurement and sustainability. Those are organizational decisions.

This is why two organizations can buy similar software and end up in different places: one audit-ready, the other struggling. The differentiator is the operating model, not the software.

We created this guide to address that gap: an honest look at why programs stall, changes in the regulatory landscape, and what a capable platform needs to do.

Fundamental changes to the regulatory landscape since 2025

If 2025 was the year of uncertainty, 2026 is the year of consequence. Omnibus negotiations, court injunctions, and delayed implementing acts have resolved into something sustainability teams can actually plan against.



CSRD and CSDDD: narrower scope, same underlying pressure

The headline development is the Omnibus I Directive, finalized after a year of negotiation and formally in force since March 2026.

CSRD now applies only to organizations with 1,000 employees and €450 million net turnover, alongside certain non-EU parent structures above adjusted thresholds, meaning companies below those lines will not be required to report for financial years starting on or after January 1, 2027.

CSDDD thresholds rose in step, now covering only companies above 5,000 employees and €1.5 billion in turnover, with the mandatory climate transition plan requirement removed entirely.

The simplified ESRS technical standards are still being finalized, expected as a delegated act later in 2026. Fewer companies are in scope. The ones still in it face a standard still taking its final shape.

CBAM: from learning phase to real financial exposure

CBAM stopped being a reporting exercise on January 1, 2026. The mechanism entered its definitive period, meaning authorized declarants must now surrender CBAM certificates corresponding to the embedded emissions of imported goods, adjusted for free allocation under the EU ETS, with the first surrender deadline set for September 30, 2027.



A few details worth flagging for anyone managing supplier data:

- Supplier-specific emissions data must be verified by an accredited third party before it can be used; unverified data defaults to conservative benchmark values.
- Emissions must be calculated at the level of the individual production installation, not as company-wide or regional averages.
- Non-compliance carries a penalty of €100 per excess tonne.

CBAM is, for many non-EU producers, the first binding climate disclosure they've ever faced. It rarely stays isolated. Expectations set here tend to spill into Scope 3 conversations elsewhere.

EU ETS2: momentum, delayed

In March 2026, the EU Council formally adopted a one-year postponement of the Emissions Trading System for buildings and road transport, pushing the start date from 2027 to 2028. The delay was framed as protecting households from volatile energy prices during a difficult political moment. Critics counter that the postponement has already cost an estimated €50 billion in lost auctioning revenue and pushed back one of Europe's most significant remaining decarbonization levers.

What matters for planning purposes: the pricing mechanism is coming, just a year later than organizations had budgeted for.

California: firm on one front, paused on another

CARB adopted its initial SB 253 and SB 261 implementing regulations on February 26, 2026, setting a first-year Scope 1 and Scope 2 reporting deadline of August 10, 2026. Scope 3 reporting, and the assurance requirements that come with it, remain slated for 2027.

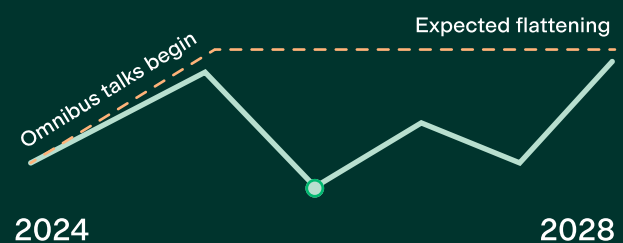
SB 261 tells a different story. Following a Ninth Circuit injunction issued in late 2025, climate-related financial risk reporting under SB 261 is currently voluntary, pending resolution of the appeal.

The wider picture

ISSB-aligned standards continue to spread globally as jurisdictions adopt or reference them in their own disclosure regimes, even as the EU's own standards get simpler.

The net effect for any organization operating across multiple geographies is not less complexity.

It's differently shaped complexity, narrower in the EU, still hardening in the US, still expanding elsewhere.



The regulatory curve didn't flatten in 2026. It bent.

How this has changed the pressure on organizations

None of the developments above land on sustainability teams evenly. They land on teams that, in most cases, look roughly the same size they did three years ago.

That mismatch is the real story of 2026.

Fewer companies in scope, but higher stakes for the ones that are

On the surface, the Omnibus narrowing of CSRD and CSDDD sounds like a relief. For organizations that fall out of scope, it is. But for the ones still in scope, the standard they're reporting against is arriving in its final, simplified form at the same time assurance expectations are tightening. Less company-wide reporting volume across the market does not mean less pressure per company. If anything, the remaining reporters are now the ones regulators, auditors, and investors are watching most closely.

3 pressures that didn't exist in this combination before



The coordination burden hasn't moved. It compounded.

Emissions data still sits with facilities, procurement, finance, and suppliers, exactly where it did a year ago. What's changed is how many separate regulatory clocks are now pulling on that same fragmented dataset at once. A Scope 1 and 2 number that used to serve one disclosure now needs to satisfy CSRD's assurance bar, CBAM's installation-level verification standard, and SB 253's GHG Protocol conformance, frequently drawn from the same underlying data, reconciled three different ways.

“A sustainability team that could keep pace with one reporting cycle a year is now expected to keep pace with several, running on different calendars, different verification standards, and different legal footing, some of which is still being decided in court. That is not a staffing problem sustainability teams can solve by working harder. It is a structural one.”



Linn Holmer
Senior Manager, Position Green

What this means in practice

Teams that were already stretched thin before 2026 are now choosing, explicitly or by default, which regulatory clock gets their attention this quarter.



That choice is rarely made with full visibility into which one carries the most exposure, because the fragmented ownership problem, data no one function fully owns, makes visibility itself the first casualty of a compressed timeline.

The organizations coping best share a pattern: they stopped treating each requirement as a separate project the moment a second and third law entered the picture. Everything else in this guide builds from that same observation.



Why most software still fails to close the capability gap

Carbon management software has advanced. Calculation engines are faster and more accurate. Reporting workflows that used to take weeks now take days.

And yet the same organizations that bought these platforms are still describing the exact same problems. Fragmented ownership. Coordination burden. Compliance whiplash across jurisdictions.

So what's going on?

The gap sits above the software, not inside it

Here's the uncomfortable truth: no platform, regardless of how many features it ships, can do the following things.

Assign ownership

Software can't decide that Scope 3 data belongs to procurement rather than sustainability. That is an organizational call, and until someone makes it, the data stays an orphan no tool can adopt.

Create accountability

A dashboard can flag that facilities hasn't submitted its energy data. It cannot make facilities submit it, or make anyone senior enough care that they didn't.

Decide the methodology

Which emission factor applies, how a boundary is drawn, what counts as material, these are judgment calls software can support but never make.

Resolve competing priorities

When procurement's incentive is unit cost and sustainability's incentive is verified supplier emissions, no calculation engine adjudicates that tension. A person with the authority to do so has to.

Three ingredients, not one

Strong carbon management programs treat technology, governance, and expertise as interconnected, not separate purchases.

Technology without governance produces clean dashboards built on data nobody's accountable for. Governance without technology means good intentions buried under manual reconciliation.

Either combination without expertise means confident-looking numbers that don't survive an audit.

Why this keeps catching organizations by surprise

Most carbon management software focused on emissions calculation and workflow automation. This progress was valuable but overlooked upstream ownership and accountability. Vendor discussions often ignore this crucial layer, treating it as an afterthought. Organizations succeeding in this area demand platforms designed with these realities from the beginning, not added later. The next section will detail what this looks like.

What you should look for in software

If the gap sits above the software, the obvious question follows: What should the software itself actually do differently?

Three of these categories are worth evaluating closely:

Interoperability: Does it meet the data where it lives?

Carbon data does not live in one system. It sits in ERPs, procurement platforms, travel systems, utility bills, supplier portals, and spreadsheets that predate everyone currently using them.

A platform that assumes clean, centralized data as a starting condition is solving a problem most organizations don't have. The more useful question:



Can it connect to the systems where activity data already exists, rather than requiring it all to be re-entered?



Does it handle partial, inconsistent, or differently-structured supplier data without breaking?



Can it ingest a messy baseline and improve it over time, rather than demanding a mature one up front?



Interoperability is the difference between a platform that becomes a system of record for the mess that exists, and one that just adds another clean-looking silo to the pile.

Multi-feature breadth: does it cover the whole lifecycle, or just the visible part?

Calculation and reporting are the parts of carbon management everyone sees. They are not the parts that consume the most time.

A platform worth evaluating should support the full lifecycle, not just its most demo-friendly stage:

-  Baseline creation from data that already exists, not a from-scratch collection exercise
-  Ownership assignment and stakeholder engagement, not just calculation
-  Supplier data collection and verification support, given how much of Scope 3 sits outside the organization's direct control
-  Coordination and reminder workflows, so the sustainability team isn't the one manually chasing every submission
-  Auditability and traceability, so every number survives the assurance conversation it will eventually face
-  A platform strong on calculation but silent on the rest is solving the part of the job that was already closest to solved.

Strategic features: does it treat carbon data as an input, or just an output?

The test is simple—can the same emissions data that satisfies a disclosure requirement also inform a procurement decision, a supplier risk assessment, or a capital allocation choice, without a separate export, a separate analysis, a separate system?

If the answer is no, the platform is optimized for compliance output alone. If the answer is yes, carbon data starts doing double duty, satisfying the regulatory requirement while also becoming something the rest of the business actually wants to use.

Putting the three together



None of these three categories works in isolation. Interoperability without lifecycle breadth just gets messy data into a system that still can't do anything useful with it.

Lifecycle breadth without strategic features produces a very thorough compliance report and nothing else.

Strategic features without interoperability are a promise the platform can't actually keep, because the data feeding it was never clean enough to trust for a business decision.

Position Green's Next-Gen Carbon Management

Everything in the previous section is a standard, not a pitch. It's worth holding any platform to it, including ours.

Now we'll share how Position Green's Next-Gen Carbon Management platform is being built against that same standard.

The platform is built for organizations at meaningfully different starting points, from mid-cap companies establishing their first credible baseline to large enterprises coordinating carbon data across dozens of entities, systems, and suppliers.

1

Effortless intelligence

Build a trusted, fully traceable, emissions baseline without the manual work.

2

Operational precision

Slice and dice your data according to your company's specific context and needs.

3

Strategic growth

Take concrete actions towards your decarbonization strategy and discover its ROI potential.

Activity Capture: Turning invoices into activity data

CARBON ACCOUNTING · ACTIVITY CAPTURE

Invoice lines matched to emission factors

✓ Automated match · 96% coverage

ITEM LINE	MATCHED EMISSION FACTOR	CONSUMPTION	EMISSIONS	GHG CATEGORY
Diesel fuel, fleet vehicles	✓ Diesel combustion, non-biogenic	68 l	182 kg CO ₂ e	1.1 Mobile combustion
Aluminium extruded profile	✓ Aluminium extruded profile, worldwide	1,100 kg	674 kg CO ₂ e	3.1 Purchased goods
Electricity, office site	✓ Grid electricity, national mix	3,240 kWh	410 kg CO ₂ e	2.1 Purchased energy
Air freight, EU inbound	✓ Air freight, short-haul	820 kg	1,145 kg CO ₂ e	4.4 Transportation
Cardboard packaging	✓ Corrugated cardboard, virgin	540 kg	96 kg CO ₂ e	3.1 Purchased goods

Every line is auto-matched to a scoped emission factor from purchase data — no manual entry required.

The most persistent bottleneck in carbon accounting has always been the gap between a stack of invoices and a usable activity dataset.

Activity Capture is built to close that gap directly, rather than leaving it as manual work downstream of the software.

It reads product name, unit, and quantity at the most granular level the source document provides.

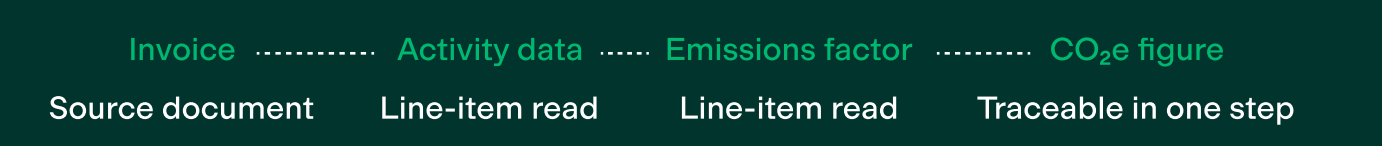
The feature reads activity data from invoice line items, classifies it in line with the GHG Protocol, and matches it to supplier-specific emission factors where available, falling back to average factors where they are not.

Where an item can't be matched to an emission factor with sufficient confidence, the system falls back to a spend-based estimate, so incomplete source data reduces precision rather than leaving a gap in the inventory.

A traceable chain, by default

Auditability was never optional in this guide's framework, and it isn't treated as an add-on here either. Every activity-based emissions figure keeps its full lineage attached automatically: the source invoice, the activity data read from it, the emission factor applied, and the resulting CO₂e number.

The source document opens directly from the emission calculation itself, so a figure can be traced back to its origin in one step, not a reconciliation exercise.



Are you ready for Next-Gen Carbon Management?

The organizations that will handle 2026 and 2027's regulatory landscape well are the ones closing the gap between compliance and business strategy.

Position Green

Position Green[®]
Emissions portal

GHG Emissions

Suppliers

Operations

Emission categories

May 2025 – Today

SCOPE 1

1.1 Mobile combustion

3.4 ktCO₂e

SCOPE 2

2.1 Purchased electricity

878 tCO₂e

SCOPE 3

3.1 Purchased goods and services

8.35 ktCO₂e

TOTAL EMISSIONS

4.7 ktCO₂e



● Scope 1
● Scope 2
● Scope 3

DATA COVERAGE

96%

Automatically matched

Get a walkthrough

Position Green's Next-Gen Carbon Management platform is our answer to bridging that gap. Book a walkthrough to learn more!

