

## 20250818 Project Glossary for Participants in Functional Services QUDM vFINAL

Term	Description
Controls & Compliance Corporate Audit SOX Corporate Audit Audit SOX Compliance	Dedicated to providing independent and objective assurance to the Audit & Risk Committee, the Safety & Sustainability Committee, and various risk committees. Performing annual programme of Sarbanes Oxley (Sox) controls testing, ensuring the effectiveness of in-scope controls over financial reporting and compliance with regulatory requirements.
Competitive Flexible Procedures (CFP)	A multi-stage procurement process under the Procurement Act 2023.
Conflicts Assessment	A process requiring contracting authorities to identify and address any actual or potential conflicts of interest before publishing a tender, ensuring transparency and fairness in the procurement process.
Contracting Authority	A contracting authority is a public sector organisation, like a government department or utility such as National Grid that must follow specific rules to ensure fair and transparent competition when procuring goods or services.
Cost to Achieve (CTA)	Incremental costs associated with specific projects or initiatives, particularly those that are not part of the business-as-usual (BAU) operations.
Data Management & Analytics Enterprise Data and Reporting Office (EDRO)	Responsible for finance data and reporting initiatives and managing financial reporting and analytics, finance data governance and data engineering.
Dynamic Market Qualified Utilities Dynamic Market (QUDM)	Procurement framework established under the Procurement Act 2023 (PA23) that allows contracting authorities to award contracts based on suppliers' participation in a dynamic market.
Enterprise Business Services (EBS)	Enterprise Business Services (EBS) is National Grid's shared service organisation that operates core end-to-end processes on behalf of the global functions and operates Engineering Services on behalf of the business units.  Providing a range of core activities that ensures the business can continue to operate effectively and efficiently. From paying our colleagues and suppliers, to logistical supply chain management and accounting to reporting services.
ERP Security	Maintains roles & access across a global complex IT system landscape. Services include operation of access SOX controls, maintenance of system security and supporting key projects to ensure ongoing system stability and data reliability.

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Functional Services (FS)	Umbrella term including Record to Report (R2R), Source to Pay (S2P), Join to Leave (J2L), Order to Cash (O2C), Audit & SOX Compliance, ERP Security, other emerging scope including, but not limited to, Data and Analytics, Learning Services, Procurement and IT Services, Technology-driven transformation capability leveraging automation, AI analytics and lean process re-engineering.
Group Procurement	Responsible for managing the procurement of goods and services across National Grid.
Join to Leave (J2L) People Support	Global Join to Leave covers the employee lifecycle from onboarding through to retirement, including the management and administration of Payroll and Pensions.
Learning and Development Learning Services	Oversees all formal learning offerings at National Grid, including companywide trainings (i.e. onboarding, leadership and values, compliance and regulatory) and technical trainings (i.e. trainings designed to build specific skills and competencies required for employees to perform their current roles effectively).
National Grid's eSourcing System	Online platform used by National Grid to manage procurement processes, including running tenders and conducting price negotiations through eAuctions.
Order to Cash (O2C)	Collects monies while developing credit policies and providing advice on invoicing and credit risk. Order to Cash is only provided within the UK.
Outsourcing Business Process Outsourcing (BPO) Business Process Services (BPS)	A business practice where National Grid hires a third-party to perform tasks, handle operations, or provide services to National Grid. This may also include transformation, optimization and automation.
Procure to Pay (P2P)	Global Procure to Pay covers the end-to-end process including the interface with Procurement. The Purchase to Pay process in the UK and US is provided by EBS.
Procurement Act 2023 (PA23)	Legislative framework that governs public procurement of good, works and services in the UK.
Procurement Regulations 2024 (PR24)	Clarify the processes for awarding contracts, including the roles, requirements for transparency and competition in procurement.
Qualifying Utilities Dynamic Market (QUDM)	Qualifying Utilities Dynamic Market (QUDM) within the meaning of sections 34 to 40 of the Procurement Act 2023.
Record to Report (R2R)	R2R is a finance and accounting management process that involves collecting, processing, and presenting financial information in documents.

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RPA	Technology that uses software robots, "bots", to automate repetitive, rule-based tasks.
IPA	Combining Robotic Process Automation with artificial intelligence technologies like machine learning and natural language processing.
Voluntary Attrition	When an employee chooses for voluntary reasons such as looking for a new job, retirement, or personal reasons, rather than being let go or laid off.