



***Perceived Risk Index<sup>©</sup>***  
***Sectors Analysis***

# Perceived Risk Index©

## Introduction

*PRI Perceived Risk Index©* is an innovative, forward-looking indicator developed by Enel SpA Risk Control Unit within AFC function that reflects corporate risk perceived by financial markets.

In an ever-evolving economic landscape, understanding how markets interpret risk is a key strategic lever for companies, investors, and stakeholders.

*PRI Perceived Risk Index©* is a forward-looking indicator since it considers three different variables with a prospective nature that reflects the premium at risk required by investors:

- **Inverse Stock Price:** the stock price reflects the level of investors' trust towards the company. Thus, the lower is the stock price, the higher is the perceived risk;
- **Option Implied Volatility (3 months):** gives the indication of the perceived risk of the underlying asset implied in listed option prices;
- **Credit Default Swap (5 years):** The CDS represents a credit risk premium and thus it has a direct relationship with the company perceived probability of default.

These above mentioned three variables are market data available on public sites.

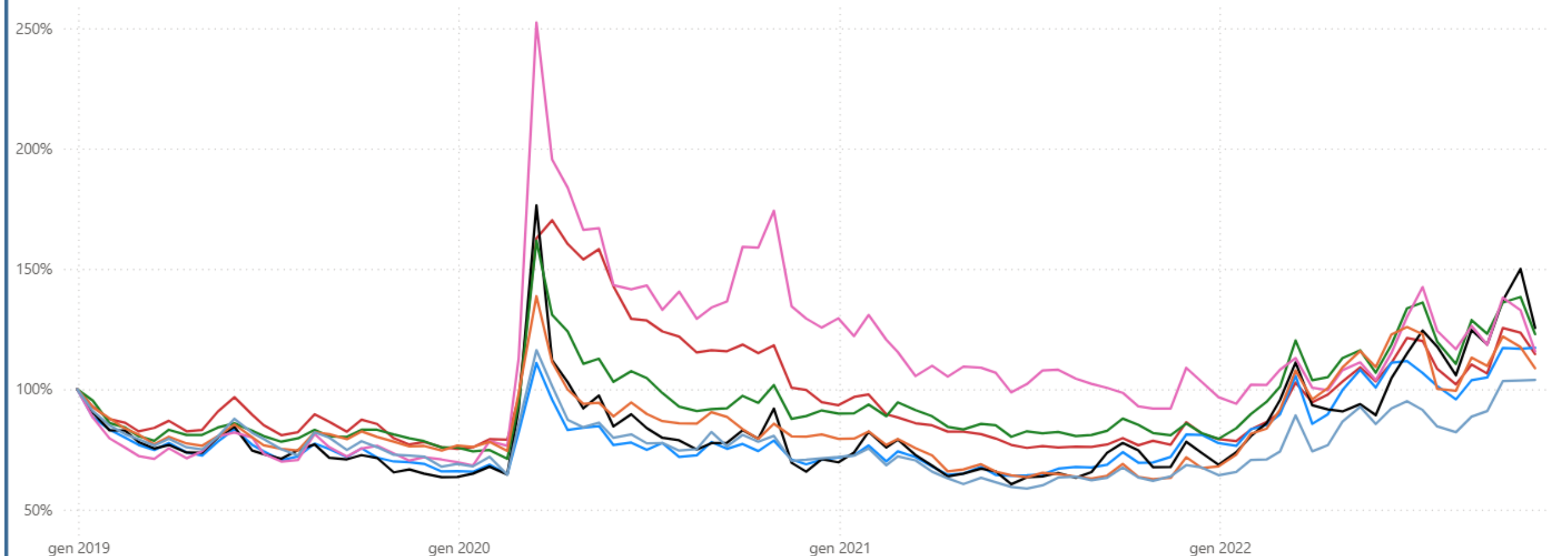
31/12/2018 is the starting point of the monitoring activity, with a baseline value of 100%, across six key sectors: Energy, Oil & Gas, Consumer Goods, Software, Technology, and Automotive.

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## PRI Perceived Risk Index©

Measuring the risk as perceived by financial markets – Sectors & Enel

Automotive Consumer Goods Enel Energy Oil&Gas Software Technology



**Automotive**

**115% !**

vs Base Date: 100%  
(+14,60%)

**Consumer Goods**

**117% !**

vs Base Date: 100%  
(+17,21%)

**Energy**

**123% !**

vs Base Date: 100%  
(+22,92%)

**Oil & Gas**

**116% !**

vs Base Date: 100%  
(+15,77%)

**Software**

**109% !**

vs Base Date: 100%  
(+8,74%)

**Technology**

**104% !**

vs Base Date: 100%  
(+3,88%)

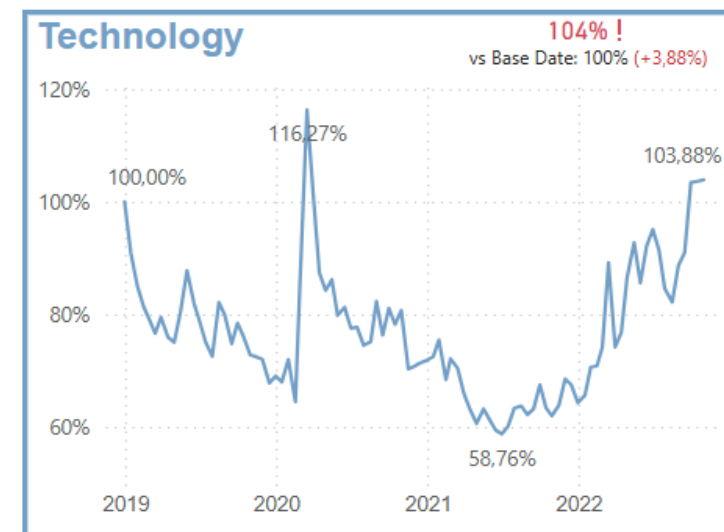
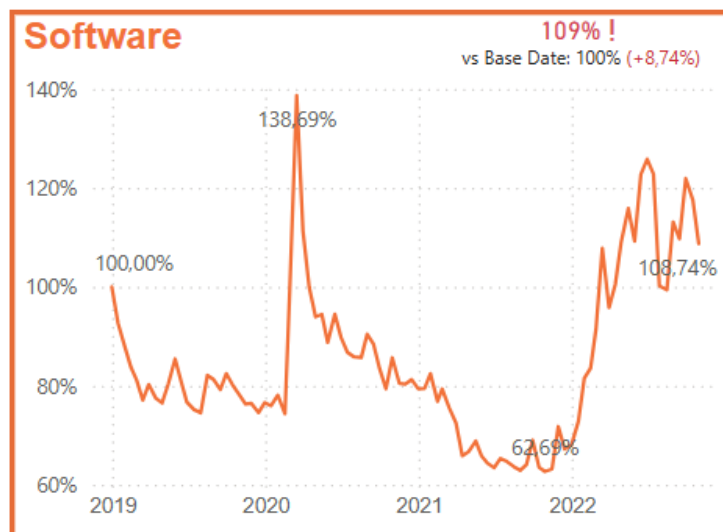
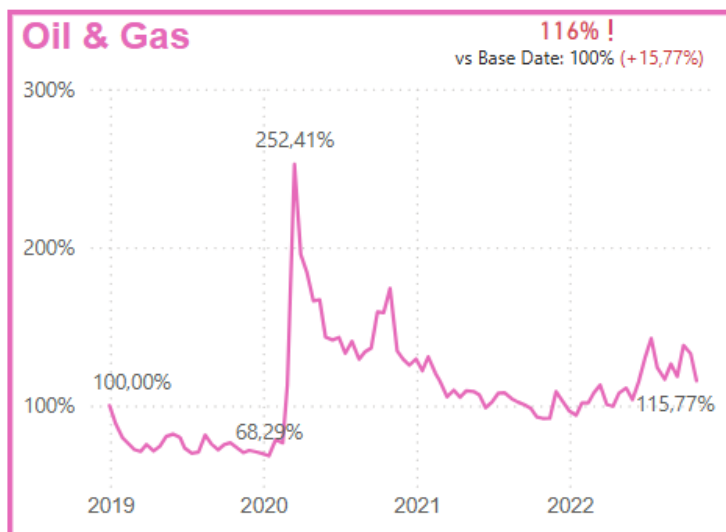
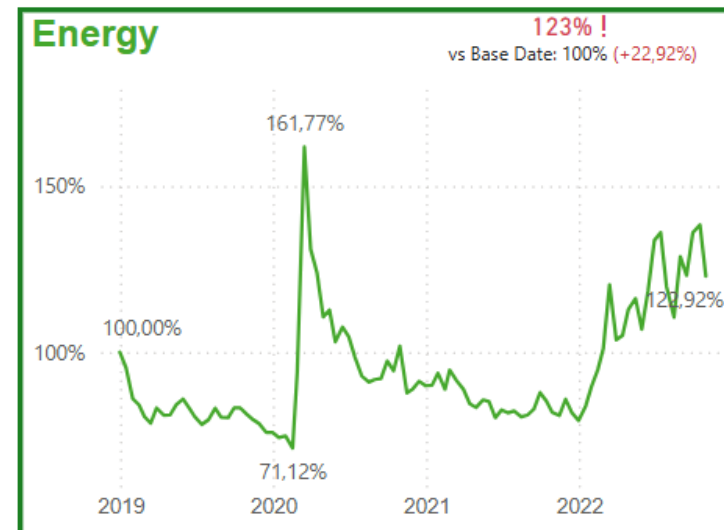
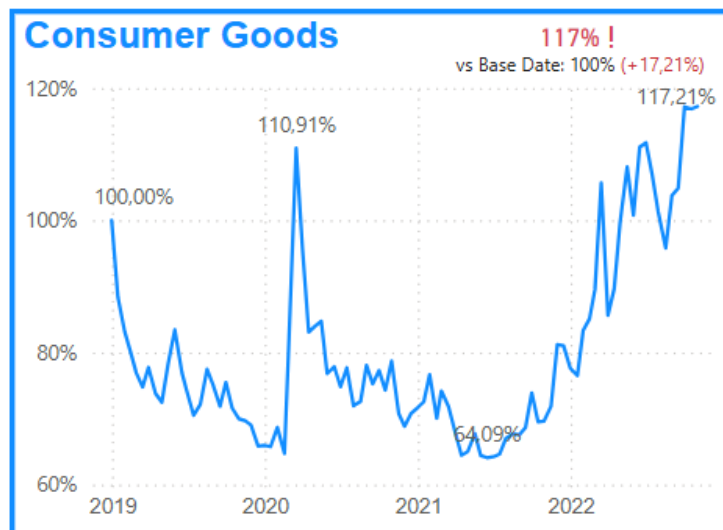
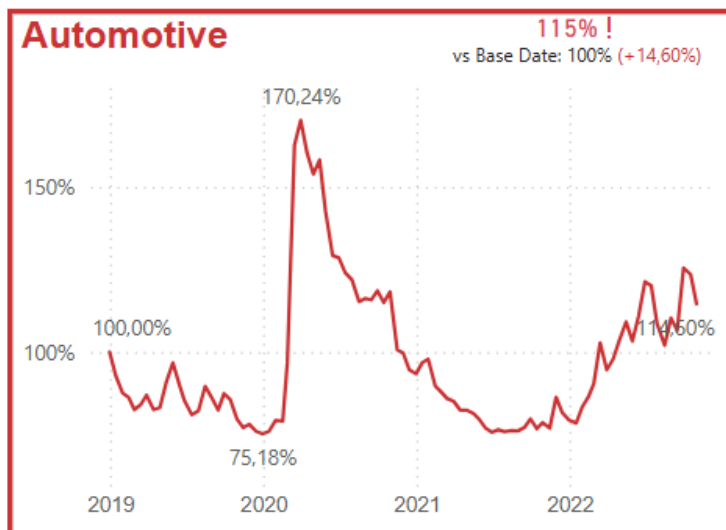
**Enel**

**125% !**

vs Base Date: 100%  
(+25,49%)

# Perceived Risk Index©

Measuring the risk as perceived by financial markets – by Sector @ 31 Oct 2022



# Perceived Risk Index©

## Comments

### Full month trend:

October showed **high volatility** in perceived risk across the Energy sector, with Enel **experiencing a marked worsening** in the first half of the month (+13 p.p. compared to the second half of September) mainly driven by a sharp increase in the 5-year CDS (from 162 to 208). This was followed by a **significant recovery** in the second half (-25 p.p. compared to the first half of October), which allowed Enel to regain **fifth position** in the ranking.

In this period, although the **overall environment deteriorated**, some peers demonstrated better resilience by limiting the rise in their perceived risk.

By the **end of the month**, however, the **trend reversed**: Enel's PRI© improved significantly, supported by a reduction in both its CDS spread (from 208 to 161) and implied volatility (from 37 to 30). This recovery enabled Enel to climb one position, reaching **fifth place** in the performers' ranking.

During this phase, the top and bottom positions in the sector ranking remained broadly unchanged, reflecting continued stability for the strongest performers and persistent challenges for those with higher risk profiles.