



Perceived Risk Index[©] ***Sectors Analysis***

30/06/2023

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.

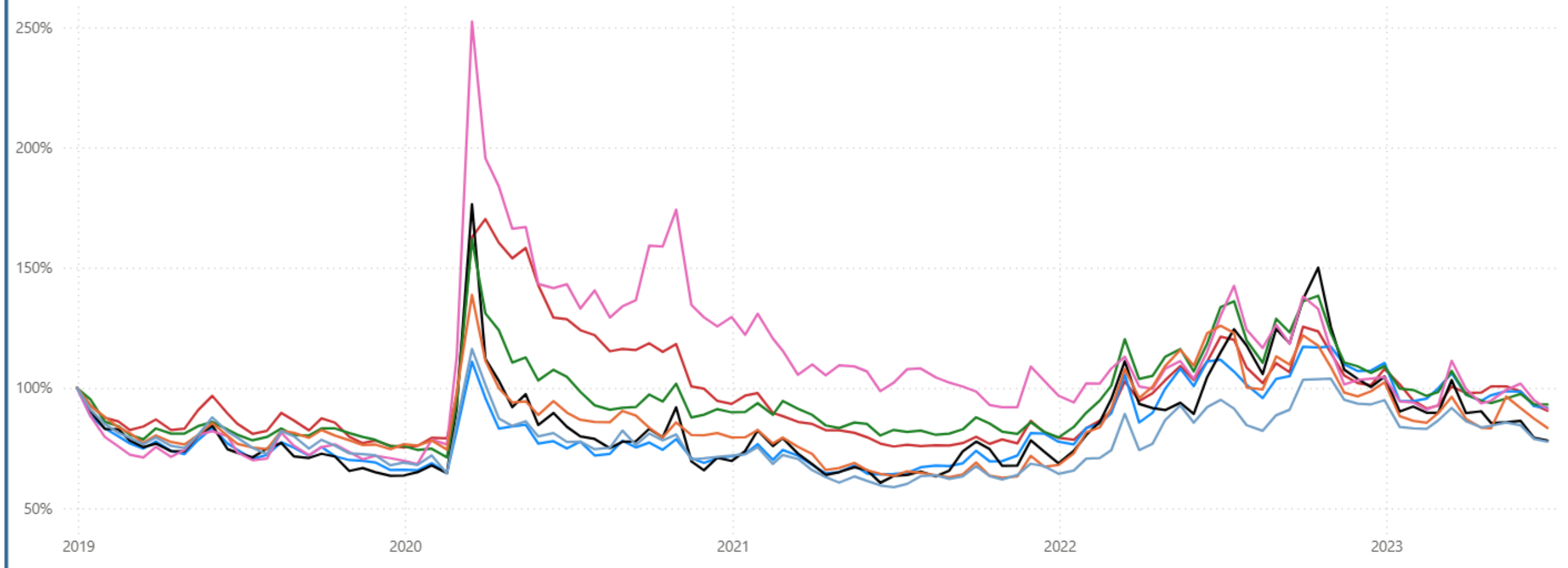
31/12/2018 is the starting point of the monitoring activity, with a baseline value of 100%, across six key sectors: Energy, Oil & Gas, Consumer Goods, Software, Technology, and Automotive.

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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

91%✓

vs Base Date: 100% (-9,49%)

Consumer Goods

92%✓

vs Base Date: 100%
(-8,28%)

Energy

93%✓

vs Base Date: 100% (-6,87%)

Oil & Gas

91%✓

vs Base Date: 100% (-8,85%)

Software

83%✓

vs Base Date: 100%
(-16,62%)

Technology

78%✓

vs Base Date: 100%
(-22,34%)

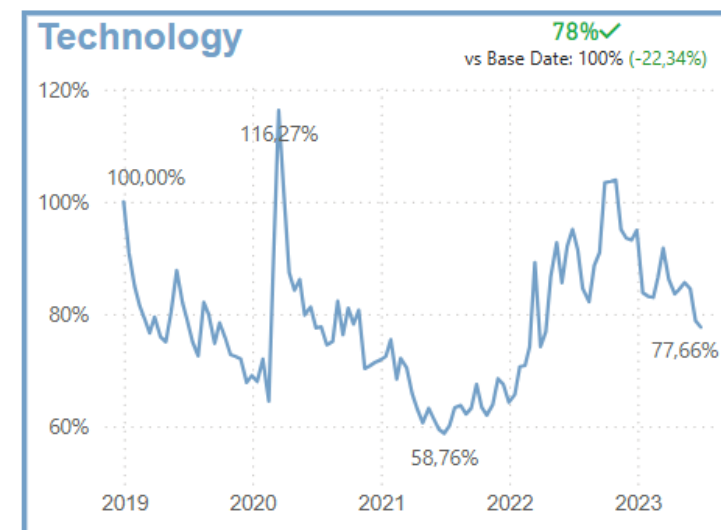
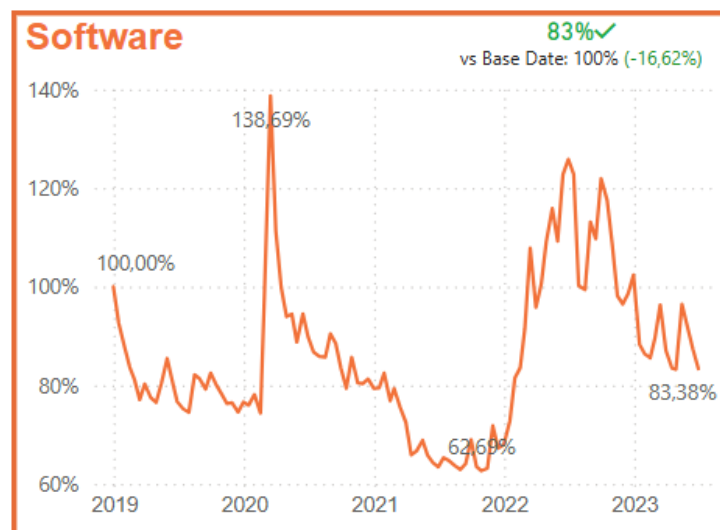
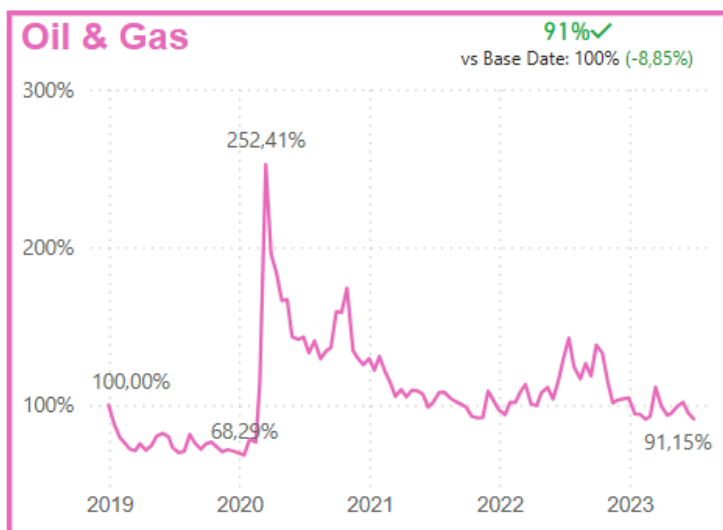
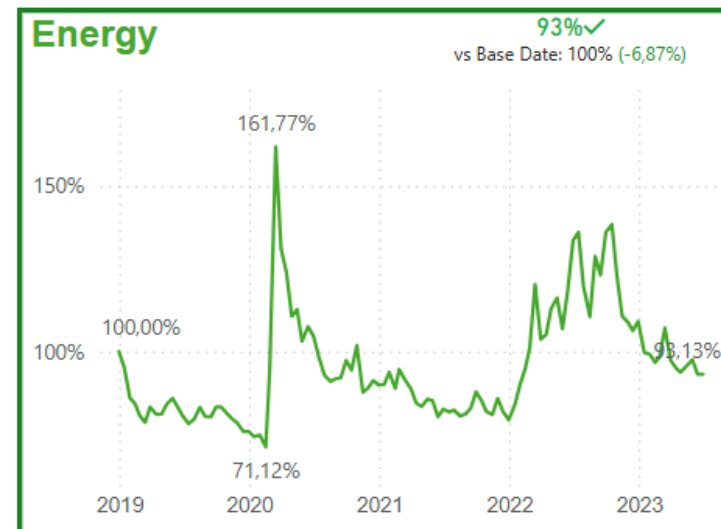
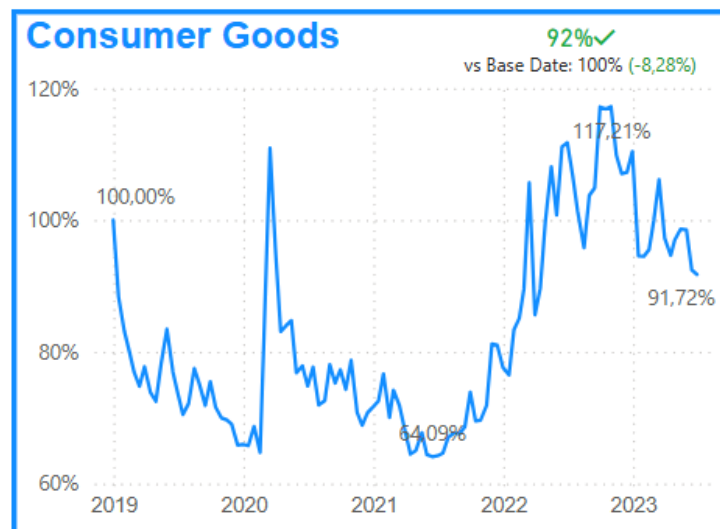
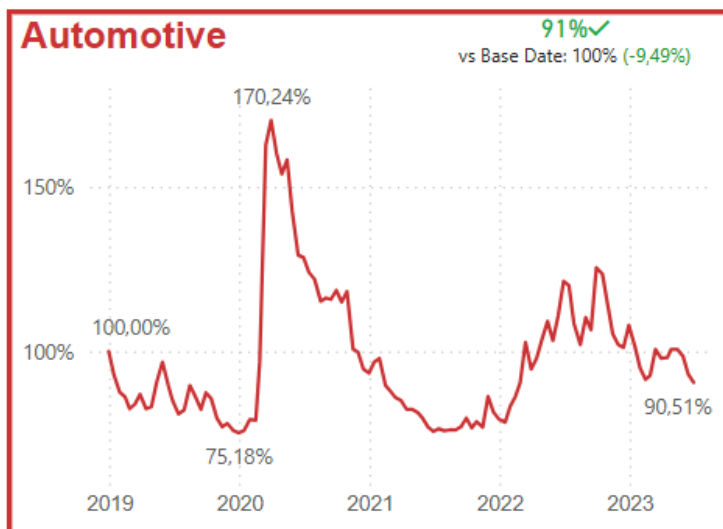
Enel

78%✓

vs Base Date: 100%
(-21,92%)

Perceived Risk Index©

Measuring the risk as perceived by financial markets – by Sector @ 30 Jun 2023



Perceived Risk Index©

Comments

Full month trend:

June 2023 marked a **broad improvement** in PRI© levels, supported by a more favorable macroeconomic environment: the resolution of the U.S. debt ceiling crisis, **lower-than-expected inflation**, and **stable interest rates** contributed to reduced risk aversion.

Enel's PRI© improved, benefiting from declines in both implied volatility and CDS, as well as **positive market sentiment following the appointment of the new CEO**, which reinforced investor confidence.

Across the sector, several peers were involved in notable corporate actions, but Enel confirmed its **second-place position** in the ranking, confirming the robustness of its perceived risk profile.