



Perceived Risk Index[©] ***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.

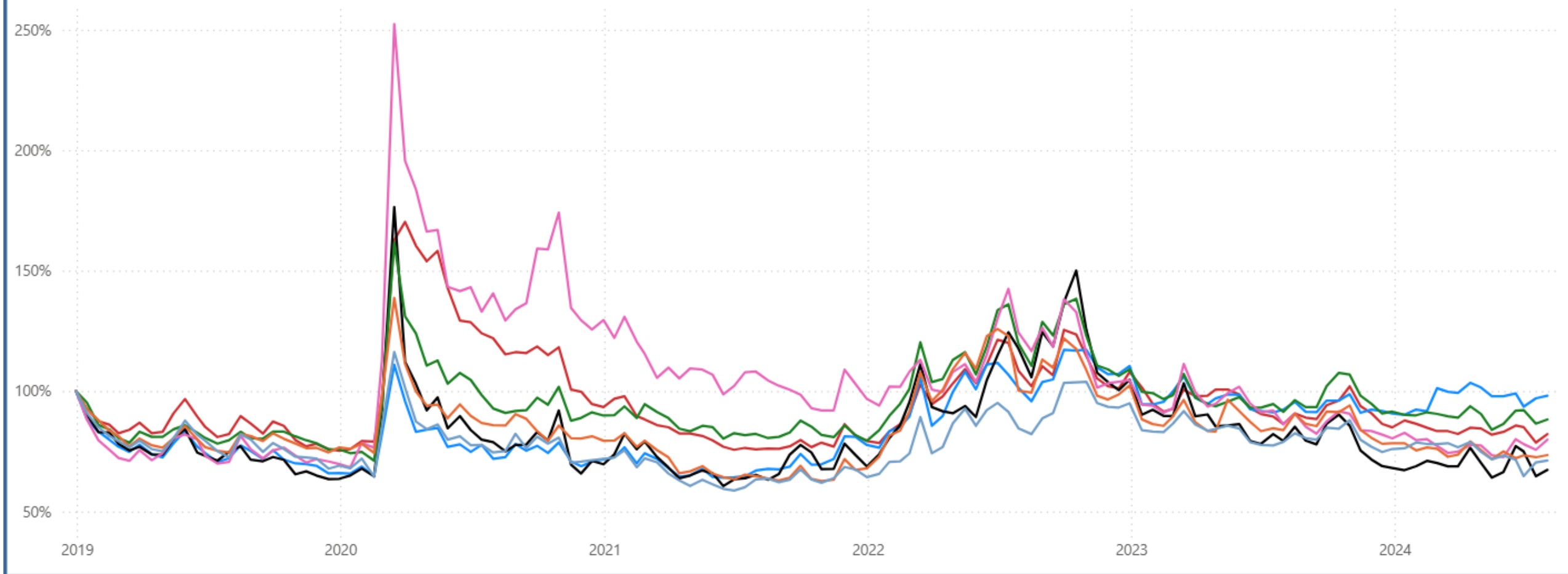
31/12/2018 is the starting point of the monitoring activity, with a baseline value of 100%, across six key sectors: Energy, Oil & Gas, Consumer Goods, Software, Technology, and Automotive.

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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

82%✓

vs Base Date: 100%

(-17,84%)

Consumer Goods

98%✓

vs Base Date: 100%

(-1,88%)

Energy

88%✓

vs Base Date: 100%

(-11,79%)

Oil & Gas

80%✓

vs Base Date: 100%

(-20,14%)

Software

73%✓

vs Base Date: 100%

(-26,55%)

Technology

71%✓

vs Base Date: 100%

(-28,76%)

Enel

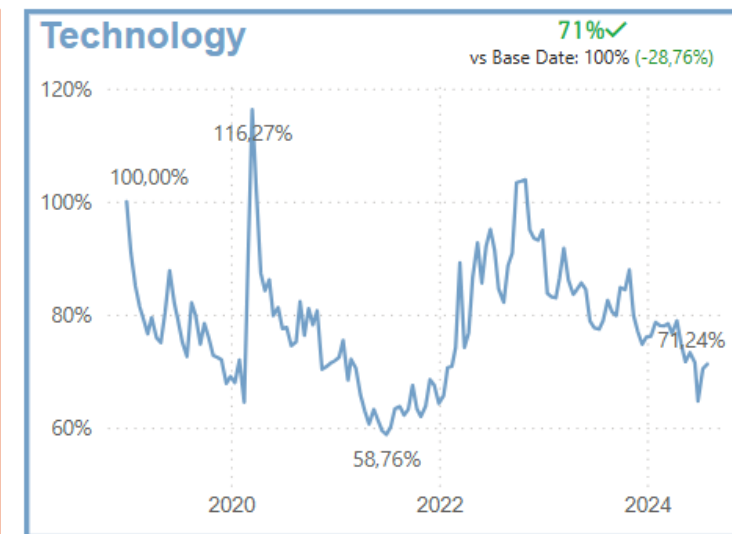
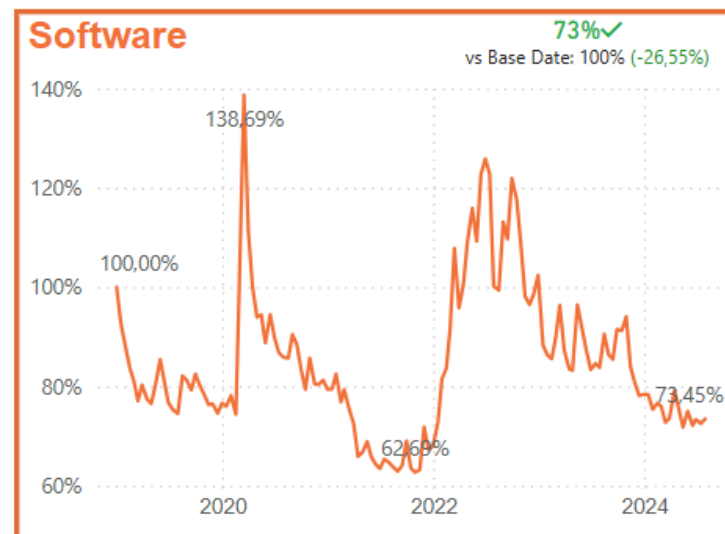
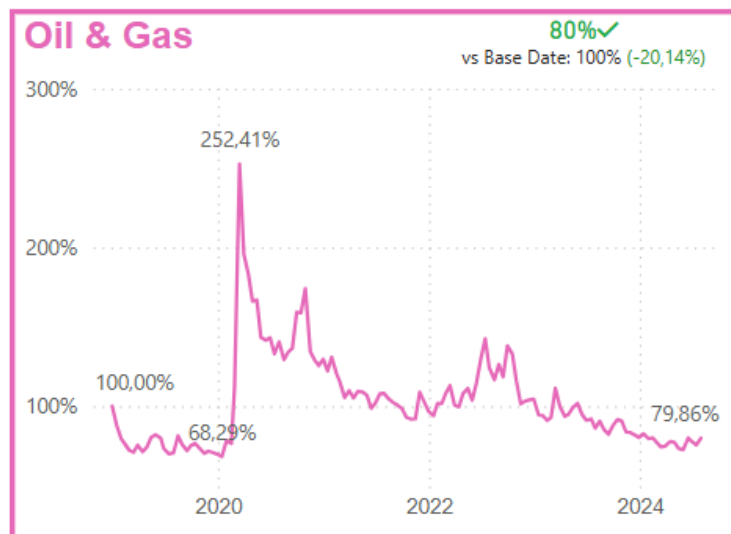
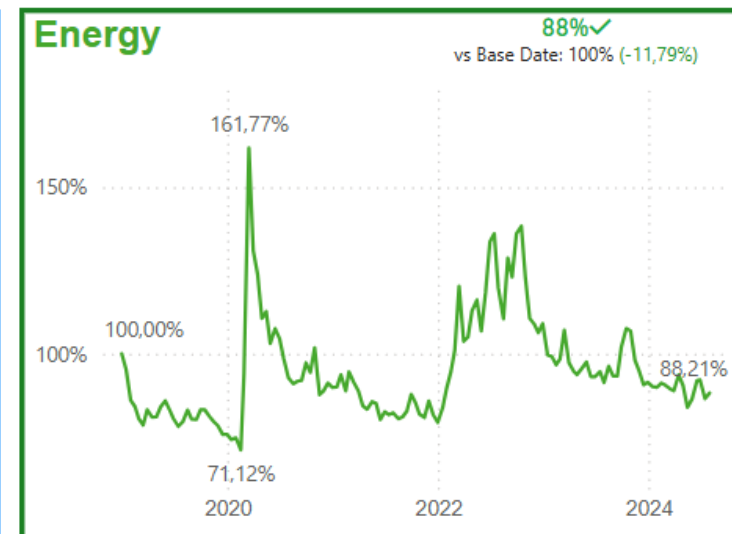
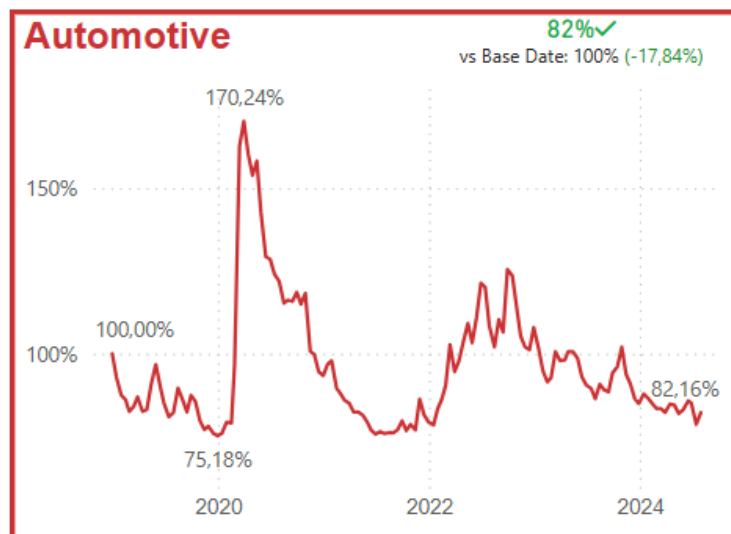
67%✓

vs Base Date: 100%

(-32,70%)

Perceived Risk Index©

Measuring the risk as perceived by financial markets – by Sector @ 31 Jul 2024



Perceived Risk Index©

Comments

Full month trend:

In July 2024, markets initially benefited from a climate of **relative stability**, supported by the release of the **IMF's World Economic Outlook**. The International Monetary Fund confirmed its **global growth forecast of 3.2% for 2024**, in line with previous estimates. This scenario contributed to a **mid-month improvement** in the PRI©, reflecting a **temporary boost in investor confidence** in the global macroeconomic outlook.

However, during the **second half of the month**, the **PRI© progressively deteriorated**, driven by **persistent inflationary pressures**. Inflation continued to **hinder progress toward disinflation**, increasing **uncertainty** over the next moves by central banks and leaving the door open to potential **further interest rate hikes**. This contributed to a **higher risk perception** among investors, **marginally affecting** even solid issuers like Enel.

Overall, July was marked by a phase of **moderate volatility** in perceived risk, shaped by **initially favorable macroeconomic signals**, followed by renewed **inflation-driven pressures**.