



***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.

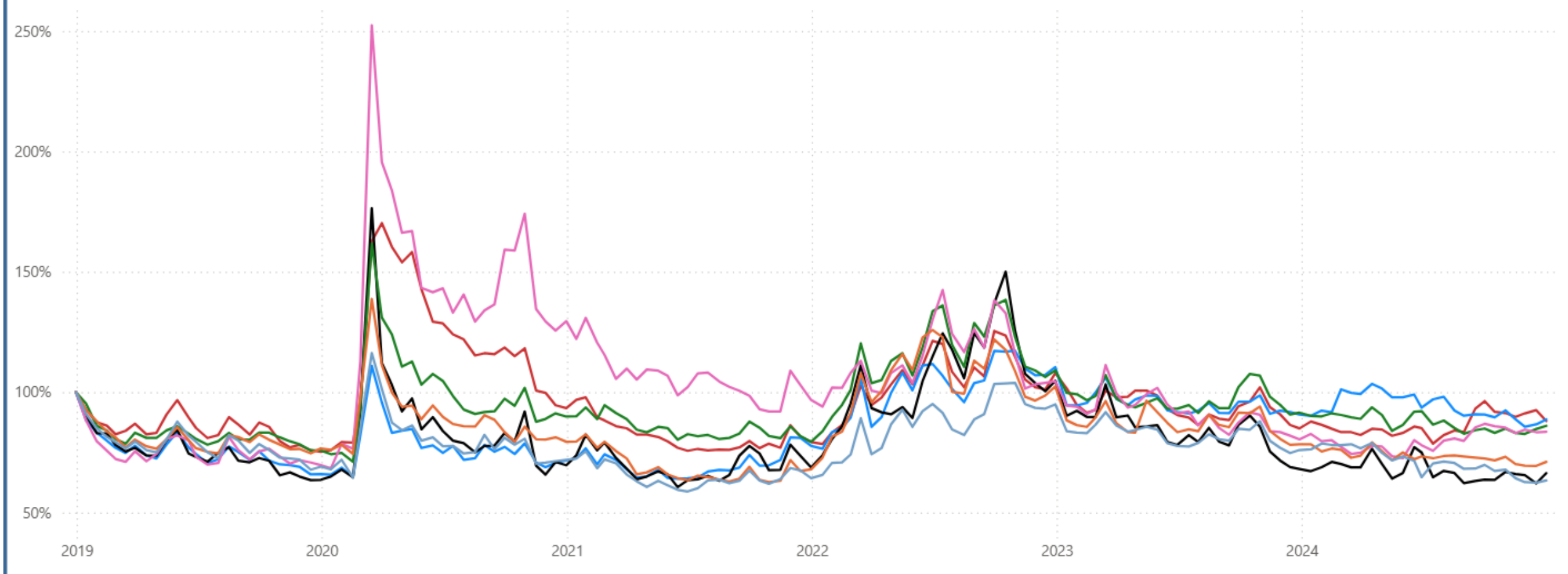
31/12/2018 is the starting point of the monitoring activity, with a baseline value of 100%, across six key sectors: Energy, Oil & Gas, Consumer Goods, Software, Technology, and Automotive.

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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**

**88%✓**

vs Base Date: 100%

(-12,02%)

**Consumer Goods**

**89%✓**

vs Base Date: 100%

(-11,31%)

**Energy**

**86%✓**

vs Base Date: 100%

(-13,96%)

**Oil & Gas**

**84%✓**

vs Base Date: 100%

(-16,46%)

**Software**

**71%✓**

vs Base Date: 100%

(-28,94%)

**Technology**

**63%✓**

vs Base Date: 100%

(-36,70%)

**Enel**

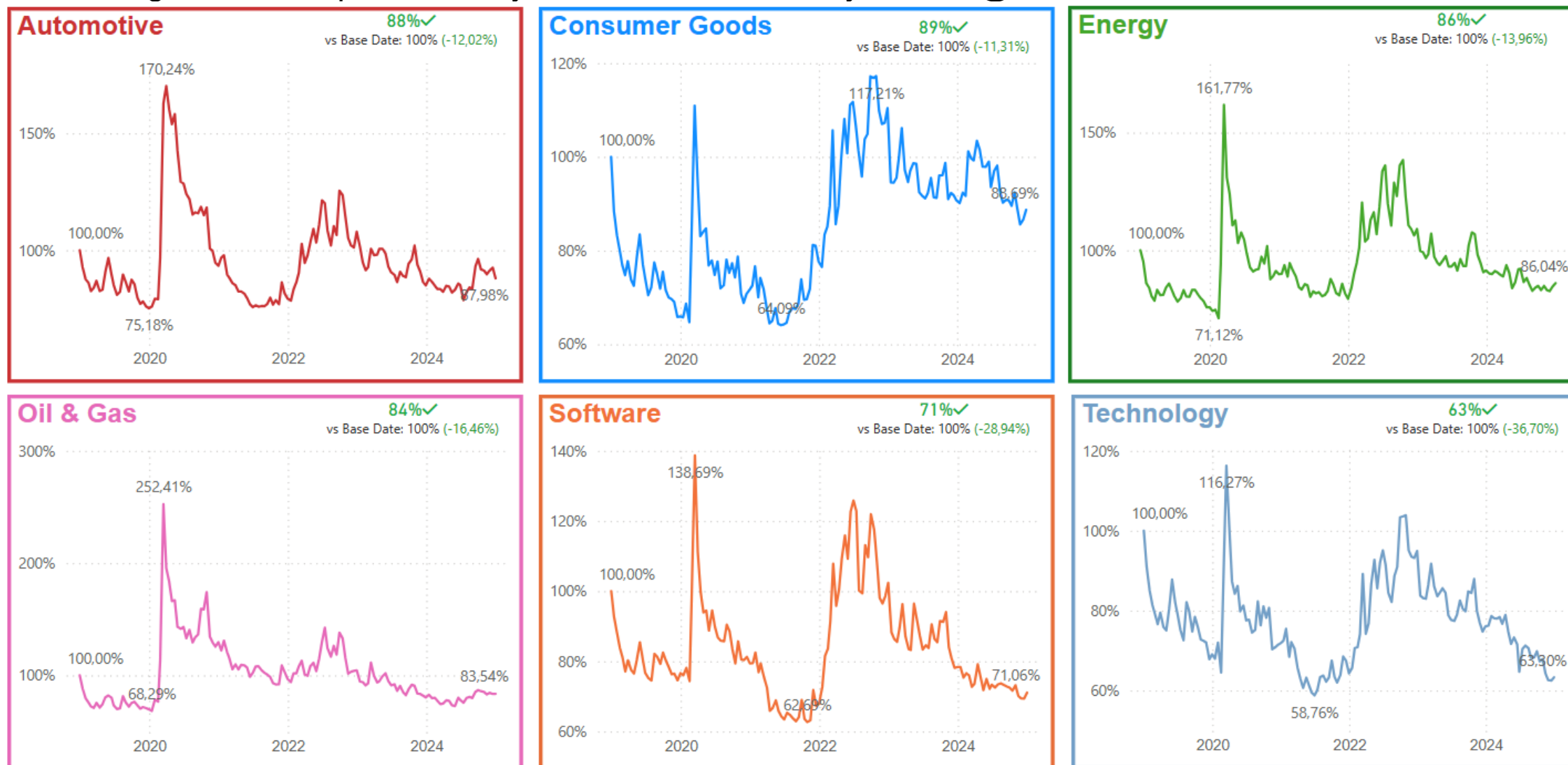
**66%✓**

vs Base Date: 100%

(-33,64%)

# Perceived Risk Index©

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



# Perceived Risk Index©

## Comments

### 1. Full month trend:

In December 2024, the **market perception of Enel** remained **positive** during the first half of the month, continuing the trend started after the presentation of the **Strategic Plan on November 18<sup>th</sup>**. During this period, Enel's PRI© reached values close to its **historical lows** (61.1% – matching the level of June 15<sup>th</sup>, 2021), while a **new all-time low** was recorded within the sector (**55.1%**). This improvement was supported by the ECB's decision to implement a further **interest rate cut**, announced on December 12<sup>th</sup>.

However, in the second half of the month, the **PRI© showed a generalized worsening**, influenced by a slight increase in inflation, once again driven by rising service prices. This resulted in a renewed divergence between Enel and the top of the ranking, with the gap widening from 6,2 to 8,7p.p. between November and December.

### 2. Full year trend

- a) **January/March 2024:** Enel maintained a solid position near the top of the sector ranking;
- b) **April 2024:** Worsening due to expectations of a US interest rate hike and worsening inflation;
- c) **May 2024:** Improvement driven by ECB news on a potential further interest rate cut;
- d) **June 2024:** PRI© deterioration following the denial of imminent US interest rate cuts;
- e) **July 2024:** PRI© improvement as the IMF projects global economic growth for 2024 at 3.2%, in line with previous forecasts;
- f) **August 2024:** Inflation hits its lowest level since July 2021. Interest rate cuts expected in September 2024;
- g) **September/October 2024:** Enel approached the top of the ranking in September but moved further away in October;
- h) **November 2024:** Positive market perception of Enel following the announcement of the Group's Strategic Plan;
- i) **December 2024:** Improvement driven by an additional ECB interest rate cut, followed by a worsening due to rising inflation, mainly fueled by increased service prices.