Perceived Risk Index©
Sectors Analysis

31/12/2025

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.

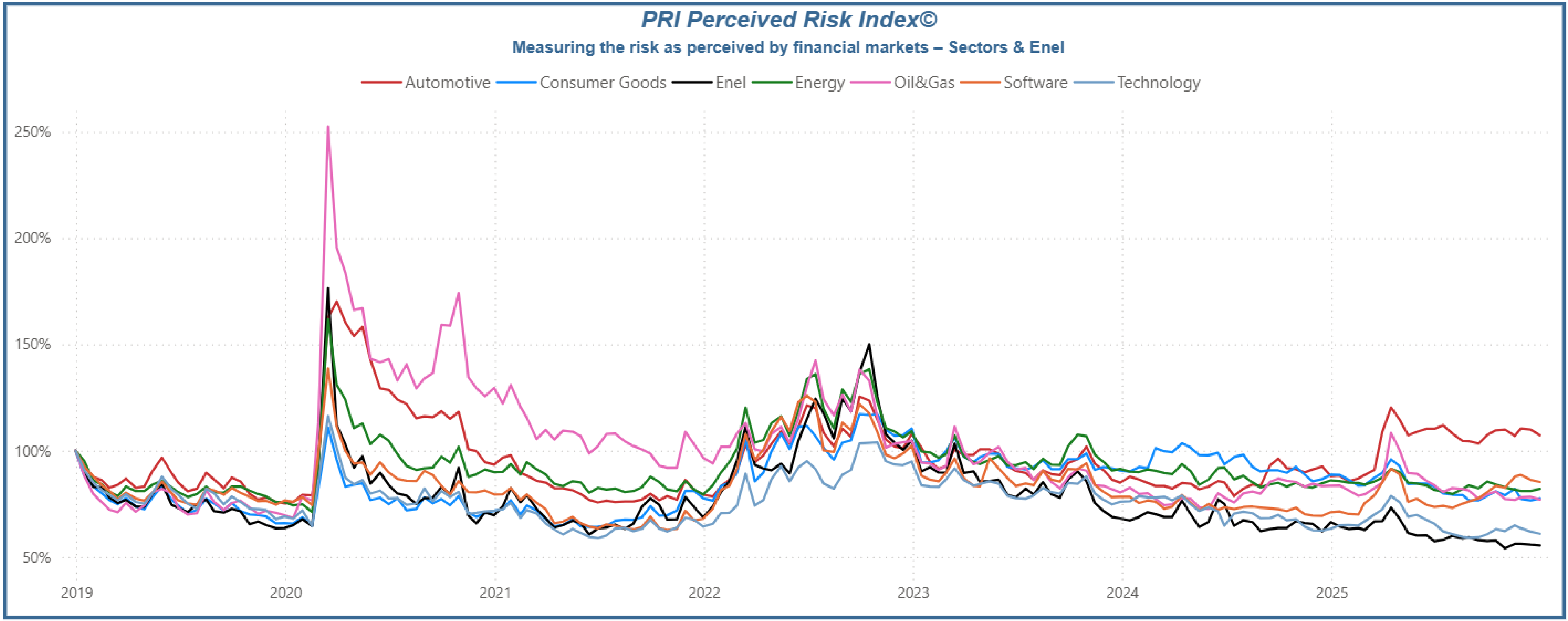
In an ever-evolving economic landscape, understanding how markets interpret risk is a key strategic lever for companies, investors, and stakeholders.

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.



Automotive	Consumer Goods	Energy	Oil & Gas	Software	Technology	Enel
107,3% !	77,5%✓	82,1%✓	77,0%✓	85,3%✓	61,0%✓	55,4%✓
vs Base Date: 100,0%	vs Base Date: 100,0%	vs Base Date: 100,0%	vs Base Date: 100,0%	vs Base Date: 100,0%	vs Base Date: 100,0%	vs Base Date: 100,0%
(+7,29%)	(-22,51%)	(-17,88%)	(-22,97%)	(-14,71%)	(-39,04%)	(-44,55%)

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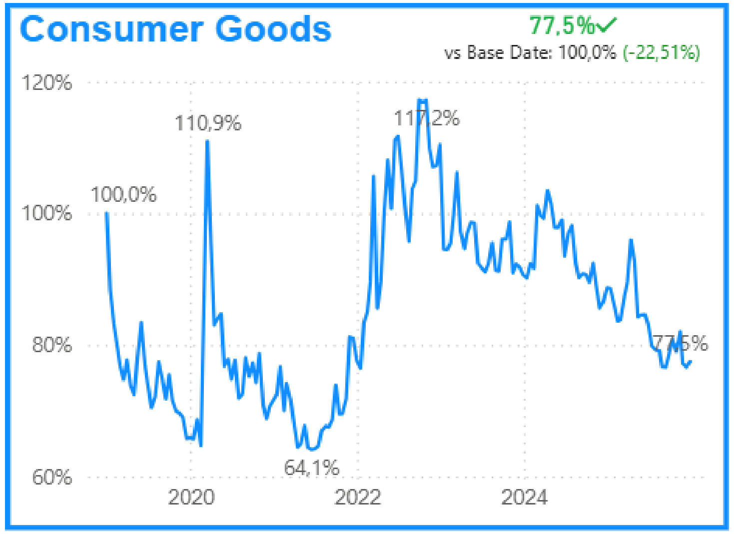
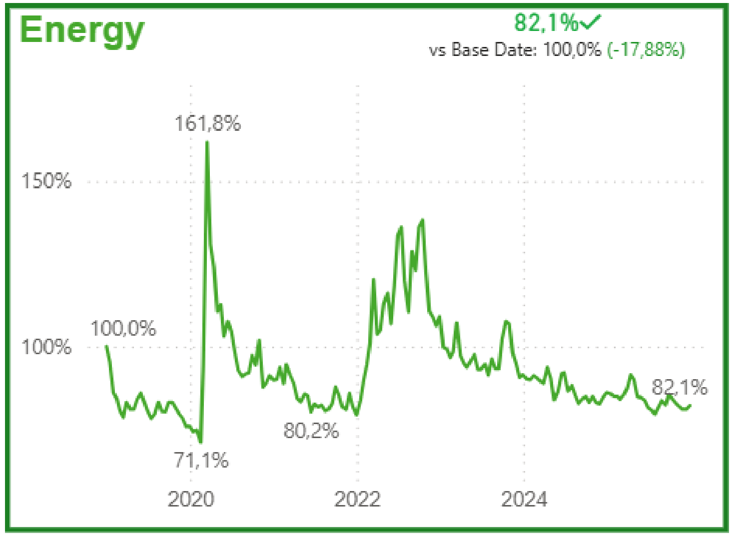
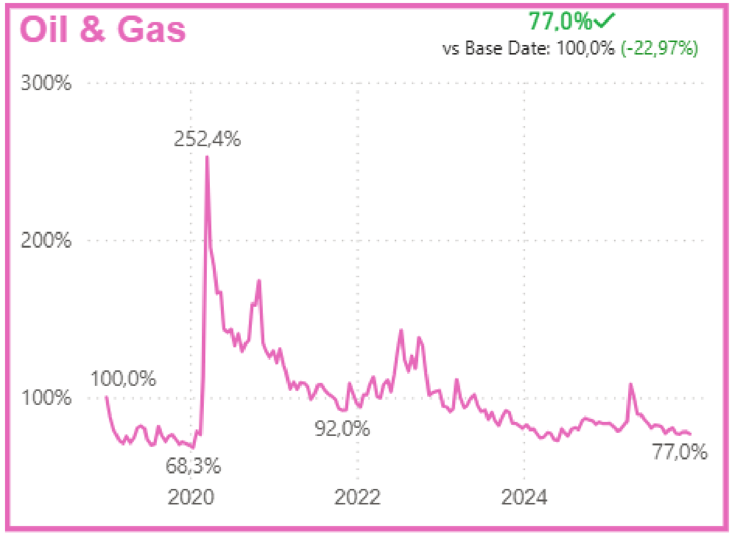
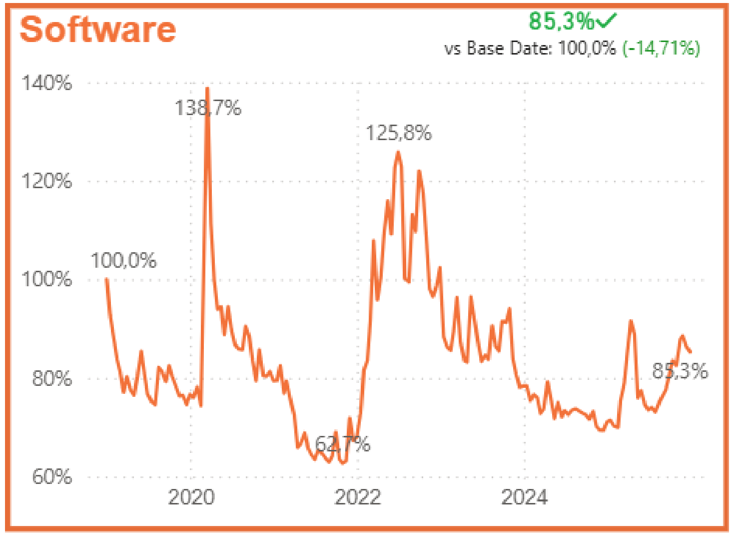
Measuring the risk as perceived by financial markets – by Sector @ 31 December 2025









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Comments

Full month trend :

During December 2025, the **Perceived Risk Index© (PRI)** for the energy sector showed a **slight worsening** (1,1 p.p. vs November 2025) mainly concentrated in the second half of the month, in line with the escalation of geopolitical tensions. Below is a global-level summary:

- **Key global developments:** The **POWER Digest (January 2026)** highlights major December 2025 developments, including rising pressure on power grids driven by AI, data centers and electrification; rapid growth in storage and system flexibility; geopolitical and strategic considerations shaping energy security; evolving regulatory and financial frameworks supporting the energy transition; and the need for a balanced generation mix during the transition phase.
- **Global energy trends and 2026 outlook:** According to **S&P Global Energy**, energy market dynamics in 2026 will be strongly shaped by **technological and geopolitical** factors. Rising **AI adoption** and increasing electrification are driving higher electricity demand, putting pressure on grid capacity and infrastructure sustainability. At the same time, China is strengthening its position in clean technologies and renewable energy supply chains, intensifying global competition.
- **Global oil market outlook:** According to the **IEA Oil Market Report (December 2025)**, the oil market is expected to face a surplus of approximately **3,7–3,8 million barrels per day in 2026** (down from the 4,09 million estimated in November), driven by supply growth outpacing demand despite geopolitical tensions.
- **US sanctions on the Venezuelan oil sector:** On 31 December 2025, the US imposed new sanctions on entities involved in Venezuelan oil exports. These measures may reduce export volumes and affect global oil market balances amid ongoing geopolitical tensions.
- **EU energy policy:** The EU Council and the European Parliament agreed on a gradual phase-out of Russian gas imports, with a transition period until 2026 and a full ban by 2027, strengthening Europe’s energy security.

In this context, Enel maintains its position as the **second-best performer** although its PRI© improved by 0,8 pp, decreasing from 56,26% to 55,45%. This movement can mainly be attributed to a better trend of **3-month implied volatility** and especially **credit default swap**, indicating lower perceived risk of the underlying asset.

Foundation

Perceived Risk Index©

Trend Comparative Analysis – **Dec 2025 vs Nov 2025**

Summary

Between 30/11/2025 and 31/12/2025, the energy sector showed a slight deterioration in the Perceived Risk Index© (PRI©) (+1,1 pp vs November), mainly concentrated in the second half of the month, reflecting heightened geopolitical tensions. Supportive structural drivers - electrification, low-carbon generation growth, and rising electricity demand - remain in place, but supply-chain stress, energy security concerns, and infrastructure vulnerabilities have become more prominent, tempering positive momentum. Enel maintained its position as the second-best performer, with its PRI© improving slightly by 0.8 pp (from 56.26% to 55.45%), reflecting better 3-month implied volatility and credit default swap trends.

Key Differences

- **Dec 2025:** Slight deterioration of the sector PRI©, driven by rising geopolitical tensions and increased volatility; structural support from electrification and low-carbon generation persists.
- **Nov 2025:** Moderate improvement; global electrification and low-carbon growth support sector, but supply-chain pressures, geopolitical risks, and infrastructure vulnerabilities emerge.

Overall Trend

- **Dec 25:** Momentum slightly reversed; structural support persists, but geopolitical tensions and rising systemic pressures temper outlook.
- **Nov 25**: Momentum slowed; structural support remains, but emerging constraints temper outlook.

Drivers of Risk / Stability

Dec 2025 (Slight deterioration with geopolitical pressure)

Stabilizing factors
- Ongoing structural support from electrification, low-carbon generation (renewables + nuclear), and rising electricity demand.
- Continued investment and development in grids, storage, and flexibility to underpin system resilience.

Increasing constraints
- Escalation of geopolitical tensions and energy-security concerns.
- Persistent supply-chain stress on critical technologies and raw materials.
- Infrastructure vulnerabilities increasingly visible, highlighting the need for robust system resilience.

Nov 2025 (Mixed but supportive with rising constraints)

Stabilizing factors
- Accelerated global electricity demand (transport, heating, industry, data centers).
- Continued growth in low-carbon generation (renewables + nuclear).
- Ongoing structural transition supporting long-term capacity build-out.

Increasing constraints
- Persistent supply-chain pressure on critical technologies and raw materials.
- Energy-security concerns amplified by geopolitical tensions and extreme weather.
- Need for accelerated investment in grids, storage, and flexibility to ensure system stability.

Market Sentiment

- **Dec 25:** Cautious; systemic risks more visible, though structural support remains.
- **Nov 25:** Positive but cautious; systemic risks increasingly factored in.

Enel's PRI©

- **Dec 25:** Improved (-0.8 p.p.), 56.26% → 55.45%; still second-best performer; improvement driven by implied volatility and credit default swap.
- **Nov 25:** Worsened (+2.25 p.p.), 54.05% → 56.3%; still second-best performer; rise driven by implied volatility.