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PRESENTATION

Brian Arthur Singer - *Goldman Sachs Group, Inc., Research Division - MD & Senior Equity Research Analyst*

Great. Good morning, good afternoon, good evening, everyone, and thank you for tuning into our next panel. This is one I'm very excited about, enabling net zero and infrastructure solutions challenges and opportunities. We're really happy to have 2 companies that are really on the front line of enabling these solutions. From Analog Devices, Greg Henderson, Senior Vice President of Automotive and Energy, Communications and Aerospace Group; and from Quanta Services, Duke Austin, Junior President and Chief Executive Officer. Thank you both for joining us today.

The importance of the broader supply chain to meet net zero infrastructure and clean water goals is really, really essential and we think, in fact, underappreciated by ESG investors and investors more broadly. We coined the term green abler or green enabler for some of the sectors that are early on in the supply chain, critical towards ultimately achieving electrification, automation, net zero infrastructure and broader clean water goals. And the semiconductors, electricity transmission are 2 areas of focus where we think investments are going to be needed sooner rather than later to avoid supply chain bottlenecks in the medium term. And I think that's why having Analog Devices with us today and having Quanta Services with us today is so important. So Greg and Duke, welcome, and thank you very much for participating in today's conversation.

Earl C. Austin - *Quanta Services, Inc. - President, CEO, COO & Director*

Sure. Thanks for having us.

QUESTIONS AND ANSWERS

Brian Arthur Singer - *Goldman Sachs Group, Inc., Research Division - MD & Senior Equity Research Analyst*

We're going to kick it off with some opening comments, and we'll go to each of our panelists on this one. And maybe Duke will lead with you first. What do you see as the key areas of differentiation for your company heading into 2022? And what are the key initiatives your company is taking to attract and retain ESG-focused investors?

Earl C. Austin - *Quanta Services, Inc. - President, CEO, COO & Director*

I think when we look at the transition, the energy transition, we're right in the middle of it when we look at the infrastructure necessary to go to a carbon-free footprint and business solutions and the things that we need to do from the electric grid to the communication, where it really for all infrastructure to make this transition is substantial. And I think where we sit, we self-perform about 85% of our business, we really worked on [cross field] labor and the solutions around that.

And when we look out and talk to our customer base, it's really to make sure that the labor force is there. We've invested in colleges and we've done some great things around (inaudible). And I think the company said and we've made a broader acquisition with builds around 30 large-scale renewable projects today in wind and solar. So we're really not only in the infrastructure transition but also building balance to the plant that I believe is really the investor sentiment around ESG.

Brian Arthur Singer - *Goldman Sachs Group, Inc., Research Division - MD & Senior Equity Research Analyst*

Great. And Greg, let's turn to you with similar questions. What do you see for Analog Devices as the key area of differentiation heading into 2022 and the initiatives that ADI is taking to attract and retain ESG and ESG-focused investors?

Gregory N. Henderson - *Analog Devices, Inc. - SVP of Automotive, Energy, Communications & Aerospace Group*

I mean just as an introduction that you have made many of the investments that ADI has been (inaudible) ADI is a (inaudible) company that we really kind of know as a semiconductor innovator. And we talk about connecting with this (inaudible) physical world. And our business model, with our newest acquisition of Maxim, we're about a $9 billion company. Our business model is built around innovation, and that shows in our financial performance. So we're operating at a 70% gross margin for (inaudible) company. And so we've always been known as an innovation company.

But we won more of that innovation for us now is connected to our sustainability vision. So we're innovating in sectors that are needed for driving these transitions to sustainable for the future. So with industrial automation, we are a large business like [50%] of our business is in industrial and large part (inaudible) business is making factories more efficient and making that transition to electrification.

In our automotive business, which is about 20% of our company, [half of our motor] business is actually around electrification and sustainable energy, and we're actually part of the transition to electric vehicles. And also, we have a big business in communications, which is about 15% to 20% (inaudible). And in that case, we are labeling 5G networks, and a lot of people don't know that 5G networks are much more sustainable for communication. So many parts of our business are actually connected to the sustainability of report talking through about that (inaudible).

Brian Arthur Singer - *Goldman Sachs Group, Inc., Research Division - MD & Senior Equity Research Analyst*

Great. Thank you to you both. Let's start with topics on the electrification front and just kind of thinking about both near-term and long-term challenges and opportunities. And Greg, we'll start with you on this. We've seen, as you highlighted, accelerated investment into vehicle electrification. How do you think the pandemic has impacted your outlook for the transition from internal combustion engines to electric vehicles? And can you speak to the dynamics that this has created with your customers and partners shorter term and medium term regarding product supply and availability?

Gregory N. Henderson - *Analog Devices, Inc. - SVP of Automotive, Energy, Communications & Aerospace Group*

I mean, I think the transition to EV was actually probably on the ESG curve ahead of the (inaudible). And so that transition has already happened. If you go back a couple of years ago, you used more a little bit more of a technology level fee. They have this benefit of being sustainable where people have raised the anxiety and they were a little bit expensive. But we saw through the pandemic this transition of electric used (inaudible). We do believe the pandemic accelerated it. Probably there was more of a focus on kind of sustainability of the environment.

But also the vehicles have really crossed that threshold from being the technology novelty to being actually the best driving experience. And actually, if you look at the total cost of ownership, it actually now has a lower total cost of ownership that they can have on their traditional car. And our role in that is that we've been playing in the battery management system. So (inaudible) the market leader in the management (inaudible) for how you manage the charging, charging the batteries. And those that (inaudible) analog to do with how much range if you get out of the car. And those systems that everybody knows the most expensive part of an EV versus the combustion engine is the battery.

And so we capitalize on the performance and arrangements (inaudible) out of that battery. And so batteries have been going down the exponential cost curve, they cross that threshold now. And so we're excited about that. We know EVs are now the car that everybody wants, and it's actually now the ultimately better cost alternative.

And the other thing that people don't understand, which is also related to the semiconductor industry, is an EV is the best car for the digitized driving experience. So now basically, an EV is basically a battery orders and a computer. And so it's the best for that digitized driving experience. So there's a lot of sensors, audio, in-cabin experience that's driving semiconductor content as well. So the semiconductor content in the EV is multiple times higher than we would have in a standard car. And so maybe in some ways, you would say that's driving the supply chain challenges. On the other hand, that's driving growth in the industry. Our automotive business grew double digits this last year. Our BMS business nearly doubled in the year. So we see this as a secular driver that's in the early innings, and it's going to continue throughout the next 5 to 10 years.

Brian Arthur Singer - *Goldman Sachs Group, Inc., Research Division - MD & Senior Equity Research Analyst*

Greg, to follow up on that, ESG focus, this is an area that's been highlighted some of our panels earlier today. The focus on impact and product impact is rising. You highlighted the diverse ways in which semiconductor products and Analog Devices products support the electric vehicle and the broader automotive segment. Can you kind of characterize within those classifications you mentioned where you're seeing the growth in demand coming from? Or to what degree are you seeing greater or less demand growth coming from the battery side of the equation versus safety systems versus the in-cabin experience, as you mentioned? And the reason that we ask is that there may be different views on kind of the importance on impact and essential nature depending on which one.

Gregory N. Henderson - *Analog Devices, Inc. - SVP of Automotive, Energy, Communications & Aerospace Group*

Yes. So I think overall, our automotive business grew a double digits in the quarter and is growing rapidly overall. The fastest-growing segment in our automotive business is in the electrification that we nearly doubled year-over-year. And so by far, the fastest-growing segment is around electrification.

And for us, it's around that battery management system, both in EVs and also some in grid storage grid good electrification, which we'll probably talk about a little later. But that's the fastest-growing segment for us. And actually, it's our largest investment area is in that electrification side.

Brian Arthur Singer - *Goldman Sachs Group, Inc., Research Division - MD & Senior Equity Research Analyst*

Great. Duke, switching to you as Quanta as a company, as you highlighted on the front lines of making grid investments and telecom expansion. And now with the Blattner acquisition renewables infrastructure and making all of that happen, can you discuss any bottlenecks that you see from either a supply chain or labor perspective that maybe could be a risk to execution and how you see that evolving over the coming years?

Earl C. Austin - *Quanta Services, Inc. - President, CEO, COO & Director*

I mean we're not seeing the supply chain issues but -- I mean they're there. There's some constraints, but I think we've got in front of that. For the most part of the utility industry has done a nice job to get in [front] of the supply chain issues. We do see some solid panel pipe tariffs and things of that major, obviously, that are out there but has not affected our business at this point. Our customers are larger in nature and really work through that.

And I agree with Greg. I mean I think the transition is going. And where we sit in it is really how do we deliver the infrastructure that enables it along with our customer base. And that collaboration, if you think about, well, I'm going to put an EV on all these houses that are -- that sometimes there's 2 cars. Sometimes there are 3 cars. And that stress on the grid on the back side is really a 25:1 from a charging station standpoint. So if you look at charging stations or whatever it may be, our ability to modernize the cure on the back side of the distribution systems is something that we're looking at on a daily basis and how do we put the resources out as our manufacturer deliver EV in these systems and not overload the transformer. So it's a major task that I think it's [long] in nature and really enables us to get in front of it to develop these systems and programs in programmatic spend that back up the whole infrastructure necessary.

Brian Arthur Singer - *Goldman Sachs Group, Inc., Research Division - MD & Senior Equity Research Analyst*

Duke, could I follow up on the point on the difference between charging stations and charging in your home as it would relate to grid reliability and grid constraints? As you build these networks out, can you talk about what you see as kind of the optimal development of electrification, electric and electric vehicles from an ability to -- for the supply chain to execute?

Earl C. Austin - *Quanta Services, Inc. - President, CEO, COO & Director*

Yes. I mean you're starting to see the major -- I mean, we're the third largest fleet in North America. So we're starting to see it ourselves and investing in it with them, the technology. So I think in general, what we'd see is that's coming very quickly, probably faster than most. And as it hits the grid, it's in your house. If you have breakers in your house and you plug too many things in, the break it flips, very similar to putting 2 EVs on your [tops]. And the transformer on the backside overload, it flips. So that's really -- we're really getting the grid design on the back side of the charging station at your house is something that everyone is working towards. And we're early, early stage other than the impacts thereof are incremental as you move forward modernization of that system.

So all that labor force, it takes to rebuild the grid that we've built over the last -- forever. It's going to be done exponentially. They can't do it overnight. And I think we got to get in front. And as an industry, I think you're seeing that now. Technology helps and some of those things are (inaudible) the player, but in general, those systems behind need to be designed for the grid of the future.

Brian Arthur Singer - *Goldman Sachs Group, Inc., Research Division - MD & Senior Equity Research Analyst*

Duke, what you mentioned that can't happen overnight, what are the lead times? In other words, as you see demand coming, when do you or your customers have to actually commit the capital to make sure that we're on track to not have any issues with the grid?

Earl C. Austin - *Quanta Services, Inc. - President, CEO, COO & Director*

Yes. I mean I think you're starting to see where you start to see analytics start playing in your grid and the planning and things like that based on manufacturer curves and all those things as they hit the grid. And it depends on where you're at. I mean, California is a little bit ahead of Texas, for example. So those companies will come into play. But there's no -- let's say, every municipality and investor-owned utility is putting significant dollars in. Whether it be going from coal gas to solar wind, and then moving that to load centers or back on the other side on the distribution system, getting ready for significant electric vehicle deployment in the system. So we see it on both sides of our business, whether it be TRB and the investment is exponential -- everything.

Brian Arthur Singer - *Goldman Sachs Group, Inc., Research Division - MD & Senior Equity Research Analyst*

Great. Greg, let's turn to you, and we're going to shift the topic a bit more to innovation and impact that the semiconductor sector overall has been able to expand while still maintaining strong corporate level returns. And part of this is the innovation benefits that customers have gotten by buying newer products and you highlight some of the ones that you're pioneering on automotive side. What are the key areas of innovation that you see over the next 5 years? And how should we think about the quantifiable impact that they can have on costs, on efficiency to customers and/or on emissions avoidance?

Gregory N. Henderson - *Analog Devices, Inc. - SVP of Automotive, Energy, Communications & Aerospace Group*

Yes. Like I said at the interim, we've always taken a kind of a core tenet of our company is innovation, and we've built the company around that model. And I think what we're really excited about now, though, is that a significant percentage of our innovation is targeted towards these sustainable initiatives. And give some example -- when I gave some examples before already, but about 20% of our business is in power management. And all of that is about efficient power delivery. And that could be efficient power delivery from the grid to a data center. What Duke talked about,

about the challenges in the grid, we actually had a big role in the power conversion basically from the grid into the car. And once it's in a car as well, conversion from the battery to systems, and systems to batteries and also the possibility of using batteries -- the grid.

So that whole area of power conversion is a big investment area for us. And that's a big area of investment in innovation. We have a lot of areas of investment as well that really have a good impact -- in our industrial business. We do a lot of work in industrial automation, and that's all about making that is more efficient. Whether that's robotics or power conversion is another example. And then I already talked about our electrification business. So a significant percentage of our investments today are towards these initiatives that had a big impact.

And just to have a kind of a quantification of that, I'd like to return to (inaudible). We actually talked about our technology enabling a sustainable future. If you look at the framework of carbon emissions today, Bill Gates has done a nice job with his framework of -- tonnes of carbon. The 2 biggest -- the 2 big sectors are what you call powering things. It's always electrification. He talked about and then getting along with the stratification. And we can materially point to how our technologies having a significant role in enabling that transition to powering things and getting around being fully sustainable, and that's roughly half of that 50 (inaudible) tons, we can point to our products.

Brian Arthur Singer - *Goldman Sachs Group, Inc., Research Division - MD & Senior Equity Research Analyst*

Are there specific either products to highlight or outlook for where efficiencies can go from here? One of the questions we get, and I'm sure you get a lot, is looking back at the history of efficiency gains in the semiconductor space, including on the power side and looking how power intensity has really fallen for customers as a result of more efficient chips and products. There's -- I think there's a potential for a healthy debate over whether that pace can continue, whether it will accelerate, decelerate. What's your outlook either from a Moore's Law perspective or otherwise on the pace of efficiency gains from here? And then are there specific products that you could highlight that you think that should be on investors' radar screens?

Gregory N. Henderson - *Analog Devices, Inc. - SVP of Automotive, Energy, Communications & Aerospace Group*

I think there's 2 ways -- when people talk about semiconductor and efficiency in horizontal, you're usually talking about big digital, right? So processing in a data center. And that's not our space. So although people that are doing that are able to continue to drive, I guess, I would call it performance improvements. The way we look at it is those big processes -- a place we place in power in the next (inaudible) for example. And so we have to power, these big processes. And these big processes, by the way, could -- a single processor, it's kind of -- can be hundreds of amps like 2 volts. And that's actually a very, very complicated problem for power. How do you supply that power efficiently? And so there's actually still a lot of really interesting problems to solve. We're active there, and so that's an example of an area where we are providing part of that overall efficient solution.

So in the analog space, it's not really about Moore's Law. It's about how we provide the solutions that are enabling the outcomes. And I would say we see that our technology is core to this transition to sustainable energy. The one that we pointed out already will incur again is our battery management solutions for electrification. We talked a lot about the EV that's also actually important to grid electrification and its backup storage. And so -- and those technologies aren't really driven by Moore's Law.

So we think there's still a lot of innovation to come here because the problems that we're solving are different kinds of problems. The only problem we're solving is how we deploy to net zero. And that's a different kind of problem than we were maybe solving.

Brian Arthur Singer - *Goldman Sachs Group, Inc., Research Division - MD & Senior Equity Research Analyst*

Thanks, Greg. On the topic of innovation, Duke, among the technologies across electrification, grid modernization and renewables expansion that Quanta supports, where, if at all, do you see innovation occurring that you -- that could be most transformative and should be on investors' radar screens?

Earl C. Austin - *Quanta Services, Inc. - President, CEO, COO & Director*

When we look at it, we're always looking for ways to collaborate with our client and look for things that will make a significant difference. But from us, from an R&D and how we look at it, I mean it's really how we facilitate this build in a manner that's more efficient. So we're looking for efficiency gains through R&D or technology. But I agree on the technology piece. It's very similar -- like Greg mentioned 5G. If you think about how we are in 5G and how that takes place, your technology is driving infrastructure. We used to have a fiber but right now we can't get enough fiber. And I think those kind of things, the technology drives those innovations. I mean, Squid Games and (inaudible) sue the cable. I mean it's Netflix, they (inaudible) going to sue Netflix. We're one video game away from now or whatever it may be, 3D, AI, however you want to look at it, away from an infrastructure problem. And that technology can only go as fast as infrastructure can get built behind it.

So in my mind, what we try to collaborate with the R&D and the technology, but I'll give you an example, when you use 2 cycle oil and gas and everything we had from small tools, and we have 51,000 employees. You can imagine the small tools you have out there. Today, it's all batteries. And it is batteries because it is the right decision. It's way more efficient, and it's also something that I believe we can point our finger on and say, "We've got -- look what we're doing for the environment and ourselves." So things like that, as batteries innovate, we're helping innovate with tool companies, OEMs, technology and how we play in there but also using it our energized live line capabilities and things like that on the R&D side. Certainly, we're in the middle of that on how to build faster, quicker from that standpoint.

Brian Arthur Singer - *Goldman Sachs Group, Inc., Research Division - MD & Senior Equity Research Analyst*

Duke, as you and your customers deploy these technologies, do you see your end customer costs moving higher or lower or both? Is there a higher? And then, ultimately, lower? How do you see kind of the cost of the transition or the cost of expansion and bringing this innovation into execution?

Earl C. Austin - *Quanta Services, Inc. - President, CEO, COO & Director*

I think with innovation, you have some upfront costs. They're there, but most -- you can look at solar panels, for example, and the solar process off far that's come down. On anything that we do, we do it in a repetitive way and put the technology in there. If we're collaborating together, it will certainly bring costs down from where you see it today and not your parity in many ways in renewables in certain areas, batteries or early hydrogens early. But as that technology comes into play, it always advances from a cost standpoint. And I think that will happen in all this. And the sentiment's going -- it's we're going that way. And I think everyone is investing in from my standpoint, and all of our customers are investing in ESG. And how we get there in a sustainable way is really best investment. Let's get there sustainable.

Brian Arthur Singer - *Goldman Sachs Group, Inc., Research Division - MD & Senior Equity Research Analyst*

Let's see. I think that's a good transition to talking about customers and markets and returns. And Duke, I'll speak -- pose this question to you since you were just kind of talking about making that transition happen. There is a question of whether we're on track or not. And a lot of the -- some of that focus, it goes particularly to grid expansion and the willingness of public utilities commissions and utilities among your customers to make the requisite investments. What do you see as the level of customer willingness to grow investments when you think about grid modernization, grid hardening and renewables? And to what degree are those public utility commissions willing to accelerate needed spending? And how does that impact your view on medium or longer-term growth?

Earl C. Austin - *Quanta Services, Inc. - President, CEO, COO & Director*

Just -- when you look out from here and you've really been operating in negative load growth, I do -- data would tell you that you're going to get -- you're going to double load over -- through 2040. So you're going to go from where you're at today, you're about 20% renewables on systems that's going to 70% and double load growth, so all those things.

If you want environment, if we want to go towards an ESG environment, which I believe that sentiment is there and we're going, it's done, we're moving in that direction, you can't get there without investing in this infrastructure. And you have low interest, at this point. Lots of investment,

lots of people wanting to invest in infrastructure and the sentiment around the public that everyone is going to move or for the most part, is moving towards more batteries, more sustainability. I mean you want to get your car and it drives itself at some point. It won't get there without the infrastructure behind it.

I think it's also the customers. Our customers' customer wants this. And as a regulator, it's a great time to invest. It's a great time to invest in R&D because that's where the future is going. If we want to -- as North America is we want to go and stay sustainable and lead the world, we've got to get there.

Brian Arthur Singer - *Goldman Sachs Group, Inc., Research Division - MD & Senior Equity Research Analyst*

Do the policy measures like the Infrastructure Bill helped to accelerate the level of investment? Or will acceleration from here likely need to be reflected in abnormally higher customer rates?

Earl C. Austin - *Quanta Services, Inc. - President, CEO, COO & Director*

I think, in general, yes, it helps, but I would tell you that the people that are involved in this on a daily basis have already started the investment, whether the infrastructure bill is there or not. It's moving forward. We're going to move forward with it. It does help. It does help innovation. It's certainly around the edges. Policy around moving transmission, ability to move renewables and permitting and those kind of things are always difficult. But in general, the money hasn't been the issue. It's been more of siding and permitting.

Brian Arthur Singer - *Goldman Sachs Group, Inc., Research Division - MD & Senior Equity Research Analyst*

Great. Greg, the shift towards renewable energy sources requires, as has been said here, a smart grid. It requires energy storage systems. Can you talk about the role that Analog Devices solutions have in addressing distribution, transmission and stability in these technologies?

Gregory N. Henderson - *Analog Devices, Inc. - SVP of Automotive, Energy, Communications & Aerospace Group*

Sure. Yes. We actually have a lot of -- first off, we have -- in kind of the generation and transition distribution space, we have a lot of precision measurement solutions. Duke talked about challenges on knowing how much supply you have on the grid and the announcements that you got to go to electrification. So we have solutions that relate to monitoring and measuring of that grid.

And also, I would say that Duke got about 5G, we actually are a big part of the infrastructure solutions for 5G. So we're part of that solution as well. But I think the biggest area where we have an impact and actually we see one of the biggest challenges in getting to this kind of this fully sustainable electrified grid is storage. And you actually have 2 problems in storage. There's short-term storage and long-term storage. And I would say that the battery technology that's used in EVs is becoming a leading candidate for a short-term storage. There's debate about whether it's cleaning off a long-term storage, but it's becoming interestingly, in our electrification and battery management business, about 15% of that business today is actually for grid storage. And that's actually growing quickly. And there's a lot of people that (inaudible) in 5 years. Grid storage battery will be 10x the size of the EV market, that not just to any market now. And we're not sure, but we are playing in our battery management solutions that we're going to be working with EV.

Another area that we're investing in is in hydrogen. So we actually believe that green hydrogen might be part of the solution for long-term grid storage. And a big solution of that is about additional electrolysis. So we're making investments in metrology solutions to improve the efficiency and reliability of electrolysis because that long-term grid storage is a challenge that batteries may not be well-suited to a high (inaudible) might be better to. So all of those areas that we play in are big, but we actually would say that the storage for us is the biggest driver, and we think will be one of the largest market drivers as well.

Brian Arthur Singer - *Goldman Sachs Group, Inc., Research Division - MD & Senior Equity Research Analyst*

As -- do you -- as you think about that growth and that aggressive growth that you talked about in some of these verticals to help grid energy storage, how would you assess whether the investments across the semiconductor supply chain are sufficient versus not to meet the demand that you see coming? In other words, are the investments that yourselves and others making, are they happening at the right time to be able to meet demand down the road? Or do you see areas where you think there should be greater investment?

Gregory N. Henderson - *Analog Devices, Inc. - SVP of Automotive, Energy, Communications & Aerospace Group*

Actually, we think they are happening at the right time. I mean the whole industry you read about it, we're making massive capital investments in our operations. Again, actually, many of our partners that we work with as well are making investments in their fab operations to make sure that we have these technologies. And I think the thing to understand here is that I think the good news about this is that this electrification, sustainability is in the early days, right? EVs are still about 5% of vehicles, but it's growing very fast.

So I think all of this focus on semiconductor investment right now is the right time to make sure that we're positioned. And as I mentioned, our battery management business basically doubled over last year. We expect that kind of pace to continue for the next few years. And so I would say that the investments we're making now are at the right time, and we believe that the industry will be right.

Brian Arthur Singer - *Goldman Sachs Group, Inc., Research Division - MD & Senior Equity Research Analyst*

Great. Staying on the topic of the right level of investing and what to do with that, with capital coming in. Duke, as CEO, how do you evaluate the right rate of reinvestment of operating cash flow back into CapEx and R&D? And what are you looking for to recommend or make the decision to reinvest additional capital for the purposes of organic growth?

Earl C. Austin - *Quanta Services, Inc. - President, CEO, COO & Director*

I mean I think to meet customer demand, they're somewhat -- we gained, call it, 3,000 employees organically a year, 3,000 to 5,000 and then investment in training to things that we're doing there as well as fleet. It's running as, call it, 2% to 4% and so top end growth of sales. So in my mind, that capital, it's -- as we look at allocations, we always think the return of organic growth that we measure against is something that we should invest in. M&A is certainly a piece of it as well as a little dividend. So all the things that we've done in the past that we'll continue to do going forward. But it's necessary, and we also are trying to have the fleet we have, looking out and working with the OEMs on. As live duty trucks become batteries, how do we sufficiently work with the suppliers to move our trucks towards more battery supply trucks because that's going to happen. And we don't want to have a fleet that's off combustion engine the day that all the batteries start coming in. We want to get in front of that and then lead the way, not on the other end.

So as we look at our fleet and we look at the way self-driving, one way (inaudible) we take 5,000 people move them. I believe at some point, those trucks (inaudible) themselves and our people apply. It's much more efficient. It would be much more efficient. And so I think you'll see those kind of things in the next 5 years. It's moving that fast and it's really the infrastructure behind it. It's the technology that's getting the advancement that's allowing this to happen. And so I just -- we see a lot of opportunity for technology to play a role and a big meaningful role in their space.

Brian Arthur Singer - *Goldman Sachs Group, Inc., Research Division - MD & Senior Equity Research Analyst*

Great. Our final topic for the panel is going to be emissions footprint. And Greg, let's start with you. Analog Devices has set a number of ESG-related goals, including net zero emissions by 2050 and carbon neutrality by 2030. Can you talk about the initiatives Analog Devices are taking to meet these goals? And how should these be measured by investors? One of the focuses on some of the earlier panels is really being able to establish to the investment community, the milestones to hit a target, particularly those that are 2030 or beyond.

Gregory N. Henderson - *Analog Devices, Inc. - SVP of Automotive, Energy, Communications & Aerospace Group*

It's a good point. We've talked a lot about how our technologies are enabling this sustainable transition. But we as a company are very committed on our own operations as well. So like you said, we've committed to carbon neutral by 2030. We committed to science-based targets for net zero by 2050. Actually have our science-based targets have been approved.

One of the milestones we have is that we increase our use of sustainable energy for our manufacturing operations, which is about 50% today to 100% by 2025. And so that's one of the key things to get us to that carbon neutral by 2030. And so we're working through those kind of key milestones, getting our science-based -- through making sure that we have the 100% sustainable energy in our manufacturing operations by 2025, or some of the key things that we're moving internally to make sure that we're at our emissions that we're doing our part to make sure that the world gets to right place.

Brian Arthur Singer - *Goldman Sachs Group, Inc., Research Division - MD & Senior Equity Research Analyst*

Greg, on the 2025 increasing the use of sustainable energy to 100%, is that via purchasing power agreements? Or how -- what is it that -- what are some of the measures being taken to achieve that?

Gregory N. Henderson - *Analog Devices, Inc. - SVP of Automotive, Energy, Communications & Aerospace Group*

It's all a combination but purchasing power agreements working. I mean we are not -- we have a -- we're not building grids in power companies, but we're making sure that our -- we're (inaudible) power (inaudible) for purchasing on power, et cetera. It's a combination of those activities together.

Brian Arthur Singer - *Goldman Sachs Group, Inc., Research Division - MD & Senior Equity Research Analyst*

Great. Duke, Quanta has a large fleet of trucks, which you mentioned earlier. Can you talk about the measures that are being taken to mitigate emissions and improve safety? And how should investors measure performance in this regard? And what role do safety measures and emissions have from a management compensation perspective?

Earl C. Austin - *Quanta Services, Inc. - President, CEO, COO & Director*

Yes, it's a good question. I thought a lot about it. I think part of -- when we thought about our Blattner acquisition and what the offset, the solar and the wind that they build really, if you look at it on a comparison basis, we more than offset our fleet. But that being said, we put out on the ESG report, and we'll continue to refine that. We do think it's important and something that our investors or definitely in the middle of. And we want to lead the way in that, and I do think we'll put good reports out. As it stands, our fleet today, it's all -- we have analytic devices on our fleet that tell us basically how much idle time we have and all those kind of things where it's just idle, for example. And our compensation or even a piece of our compensation pool is on idle time on fleet and safety of fleet due to analytics, whether it be drivings, hard braking, all those kind of things as well as idle time. And reducing idle times is obviously reducing carbon footprint. And we're trying to use that measure, but I think as we move forward, we'll have better data that will really allow us and also start to see us replace fleet with battery vehicles versus combustion engines as it means for this technology move.

Brian Arthur Singer - *Goldman Sachs Group, Inc., Research Division - MD & Senior Equity Research Analyst*

Great. Greg, you talked about the battery management systems. Regarding the product impact for electric vehicles, that piece of the pie, where do you come out on the debate over recycling versus reusing versus recycling and reusing? The battery and whether battery should be leased or bought and what's the environmental impact that can have and the role that Analog Devices can play?

Gregory N. Henderson - *Analog Devices, Inc. - SVP of Automotive, Energy, Communications & Aerospace Group*

Yes, it's -- there's kind of a lot of debate right now about this kind of second life, right? So if you have an EV and you get to the end of its useful life and the battery maybe has, I don't know, 70% of the capacity. Is it worthwhile to take that battery and repurpose into some second-life application like grid storage? Or does it make sense that, that's a 10-year-old battery and you should recycle for the minerals? And interestingly, the different automotive OEMs, for example, and power companies and battery companies all have a point of view on which way the technology. We're not really sure what the right answer to that is, but our role is really about trying to make sure that we can help monitor the battery state of charge and actually state of health through the life cycle.

So we actually talked about a better management system. We actually didn't talk about an element to that, which is a wireless patent solution. So actually, we can put the monitoring right into the cells and execute in the cells near manufacturing. And then as those cells go through their life from when they're manufactured to when they're assembled on the packs, and whether in the car in the life of the car, and then possibly even to when they're reassembled into other packs, you can monitor them wirelessly through that life cycle. And monitor not just the state of charge but also the state of health of that battery. So we'll be able to provide analytics and information through that life cycle.

So we're not sure whether batteries at the end of cars are going to repurpose into a grid storage. We actually think it's a good idea or whether they'll just be recycled, but our role in there is really to show the monitoring and analytics and have that flexible way to measure through the life cycle, provide the data and information for other customers and our customers to decide, "Okay, what's the right life?" And no matter what, we believe that the longer you can extend the life of those batteries, the better off from the environment (inaudible).

Brian Arthur Singer - *Goldman Sachs Group, Inc., Research Division - MD & Senior Equity Research Analyst*

Great. I think with that, we'll call an end to the panel. Greg, Duke, thank you so much for participating, and we look forward to further dialogue on the topics of enabling these transitions.

Earl C. Austin - *Quanta Services, Inc. - President, CEO, COO & Director*

Thanks, Brian.