



AE Ventures

at the green frontier

Focused on three investment activities



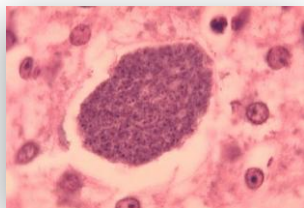
Cleantech Venture Capital

- Cleantech start-ups in core innovation hotspots
- Selected leading cleantech VC funds
- Early and growth stage



Carbon Offsets Investments

- Next generation compliance carbon credits
- Selected pilot and explorative projects and funds
- Early-stage, pre-development

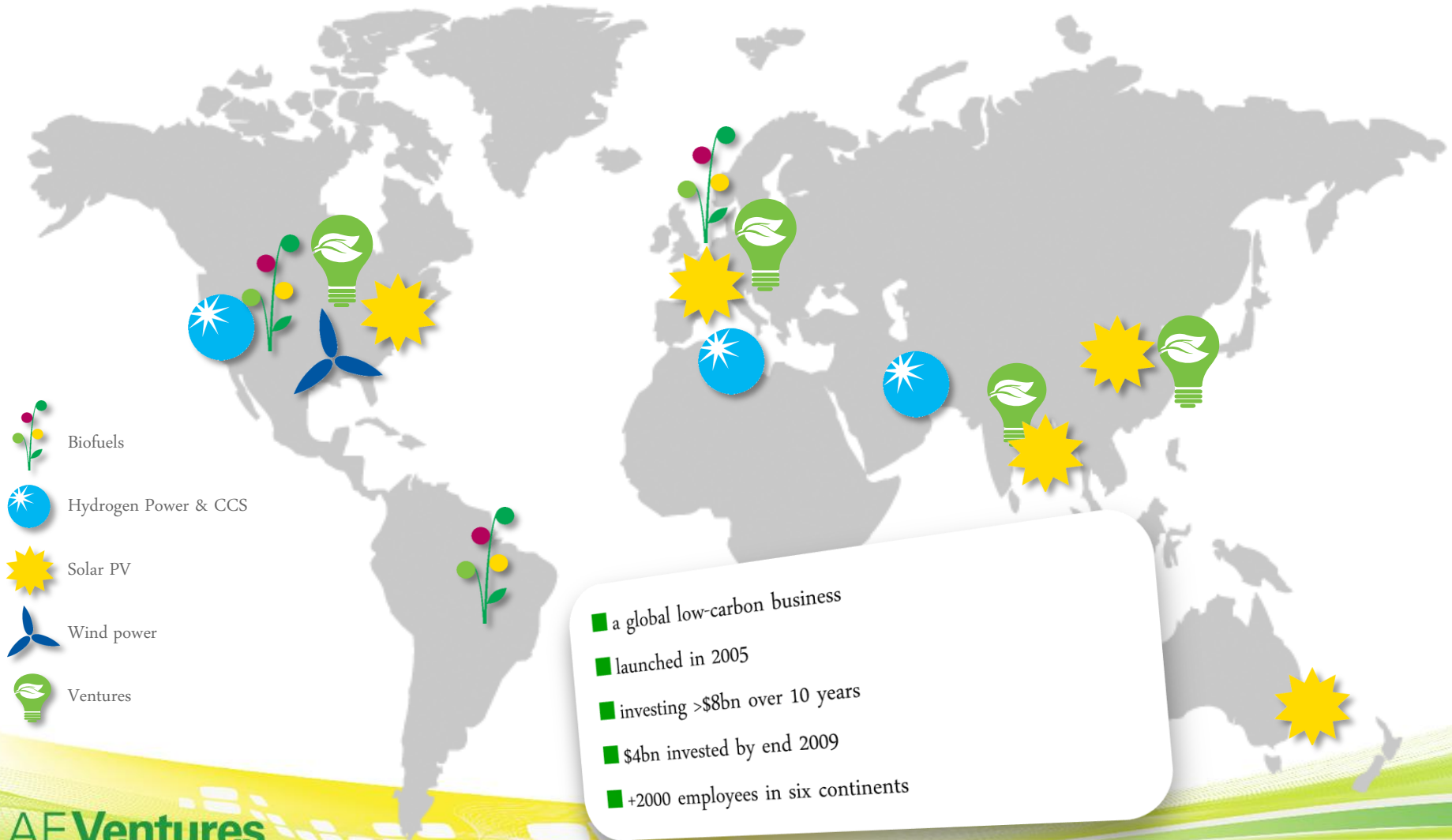


Strategic Incubation

- Spinning-out proprietary cleantech R&D from leading universities
- Working with leading incubation specialists and early-stage VCs
- Aim to reach markets within 5 years



A strategic arm of BP Alternative Energy



Biofuels



Hydrogen Power & CCS



Solar PV



Wind power



Ventures

- a global low-carbon business
- launched in 2005
- investing >\$8bn over 10 years
- \$4bn invested by end 2009
- +2000 employees in six continents

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Investing in high-potential disruptive innovation

scan

1000+ companies
or funds

evaluate

30-40 companies
or funds/year

invest

4-5 companies
or funds/year

- ✓ \$1-10m per investment
- ✓ Scalable solutions with disruptive and defensible innovation
- ✓ Early and growth stage with potential to exit within 5-7 years
- ✓ Partnering and co-investing with leading VCs and CVCs

- ✓ Opportunity for BP to add unique value to the investment
- ✓ Active influence through Board (observer) seat
- ✓ Clear strategic alignment value proposition to BP

To create both financial and strategic value



Strategic insights

- Seeing beyond the current horizon and reach of BP
- Early insights into tomorrow's technologies and businesses

Strategic options

- Accessing new technologies and partners ahead of competition
- Incubating proprietary R&D to create market-ready options

Financial value

- Top quartile return on investments
- Monetise BP's R&D investment through incubation

In support of

- AE's four core businesses



- AE and BP Groups' longer term growth and needs



Venturing model

- Driven by strategic objectives
- Robust financial hurdles

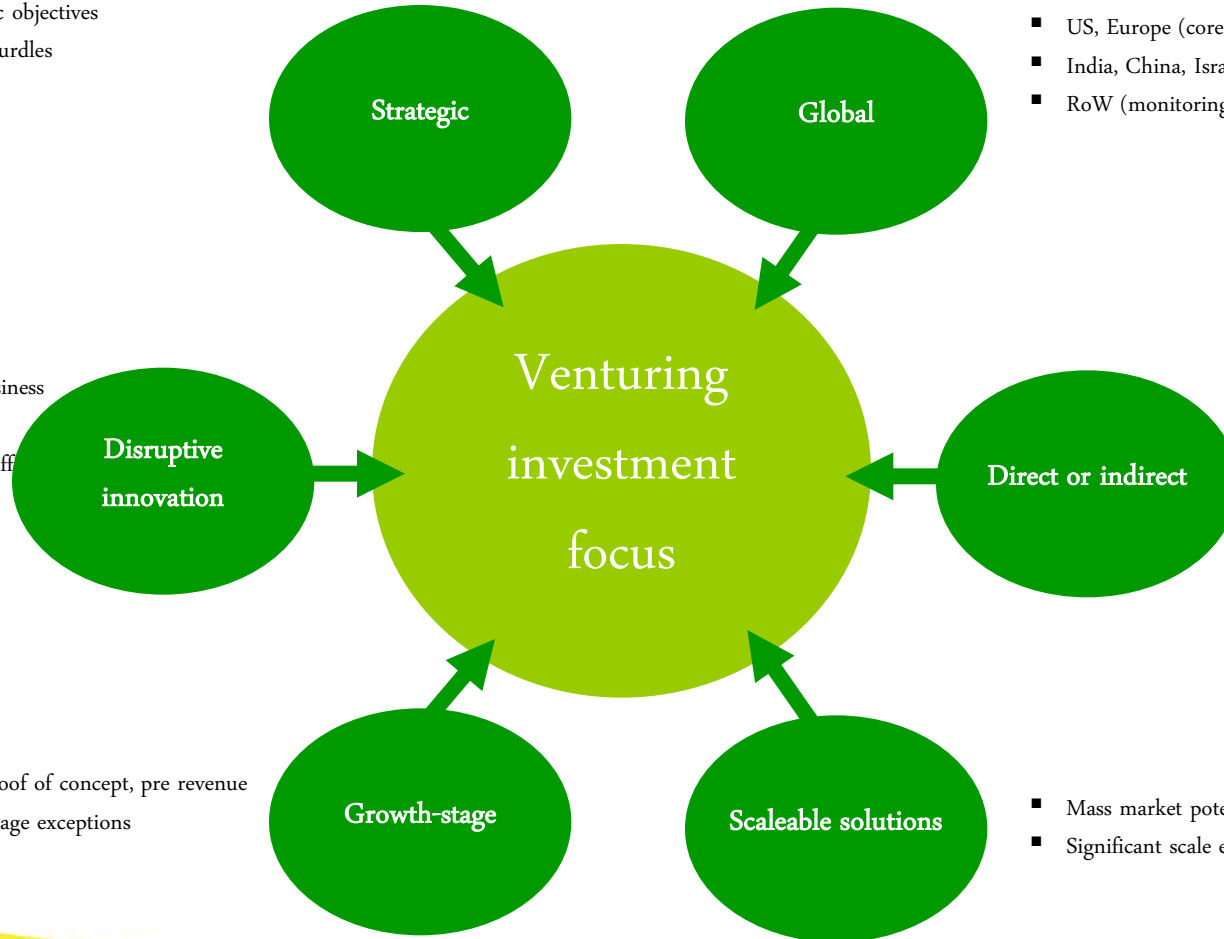
- US, Europe (core focus)
- India, China, Israel (emerging focus)
- RoW (monitoring)

- Technology and/or business model innovation
- Disruptive potential, difficult to replicate

- Minority equity investments in start-ups
- Investments in leading cleantech VC funds

- Post proof of concept, pre revenue
- Early-stage exceptions

- Mass market potential
- Significant scale economies



Leveraging unique capabilities and partners

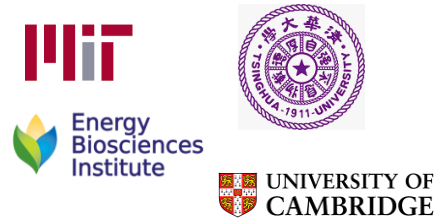


- 4 global clean energy businesses
- Major research programmes
- +2000 staff in six continents
- Deep clean energy market and policy expertise

AE Ventures

- 10 venturing professionals based in US, UK, China and India
- Unique blend of technology, investment, entrepreneurial and energy industry experience
- +100 years experience

Leading universities and research centres



Global multinational companies



- One of the largest global energy companies
- Six global research centres
- Deep technology expertise
- Global energy market and policy expertise

Cleantech entrepreneurs



Cleantech investors and VCs



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Offering value to entrepreneurs and investors



The Entrepreneur

- Unique innovation and thinking
- A dynamic and entrepreneurial spirit
- Deep and focused technical skills
- Business building and execution skills



mutual value
creation



The Co-investor

- Capital for growth
- Deep venture capital and business building experience
- Deep financial expertise
- Deep cleantech sector understanding



AE Ventures

- Capital for growth
- World-class technical and engineering expertise
- Global energy markets and policy expertise
- Global partnerships and networks

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Our investment target areas



1

Core AE Priorities

- Support of existing business strategies

2

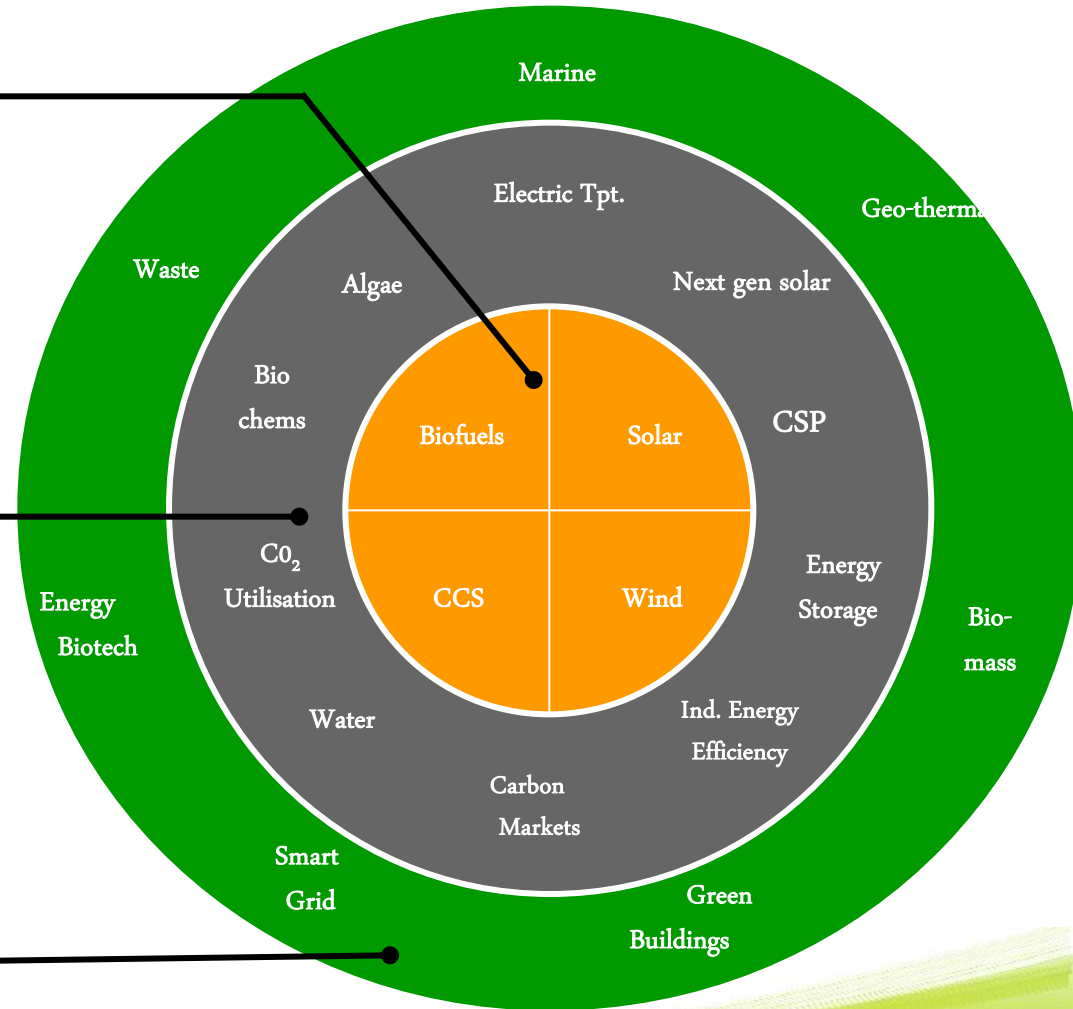
Emerging Options

- Step out technologies supporting core AE businesses
- Disruptive technology positions for AE
- Businesses or technologies in support of broader BP Group (e.g. carbon, water, efficiency)











3

Monitor and Learn

- Watching briefs



Our current cleantech and carbon portfolio

	VantagePoint (US)	Leading US cleantech fund
	China Environment Fund (China)	Leading Chinese cleantech fund
	Synthetic Genomics (US)	Leading company in advanced energy biotech and genomics
	Mendel Biotechnology(US)	Leading pioneer in high-yield energy crop development
	Qteros (US)	Developer of advanced LC biofuels technology platform
	Brightsource (US)	Leading large-scale concentrated solar power company
	Net Power (China)	Developer of low-cost next gen utility-scale energy storage
	Xtreme Power (US)	Developer of low-cost, low-risk utility-scale energy storage
	GMZ Energy (US)	Low-cost, highest efficiency thermoelectric energy solutions
	Breathing Buildings (UK)	Award-winning natural ventilation systems for green buildings
	South Pole (CH)	Leading innovative carbon offset developer company
	Camco projects (Global)	Carbon projects
	PCF Fund (Global)	World Bank Prototype Carbon fund
	CCF Carbon Conscious (AUS)	Pioneering Australian carbon offset project (forestry)