

Notice of Annual General Meeting 25 April 2017

**THIS DOCUMENT IS IMPORTANT
AND REQUIRES YOUR IMMEDIATE ATTENTION**

If you are in any doubt as to the action you should take, you are recommended to seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised pursuant to the Financial Services and Markets Act 2000 (as amended). If you have sold or otherwise transferred all your shares in Hammerson plc, please forward this document and the accompanying Form of Proxy at once to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was arranged for onward transmission to the purchaser or transferee.

Dear Shareholder

I have pleasure in inviting you to the 2017 Annual General Meeting (the 'Meeting') of Hammerson plc (the 'Company') to be held on 25 April 2017 at 11.00 am at Kings Place, 90 York Way, London N1 9GE.

I enclose the formal Notice of Meeting (on pages 3-5), which sets out the resolutions to be proposed at the Meeting, and a Form of Proxy.

The Meeting is an important opportunity for us to explain the Company's performance and strategy and for you to express your views by asking questions and voting. I highlight below some of the resolutions to be proposed at the Meeting.

REMUNERATION POLICY (RESOLUTION 3)

The Company is seeking approval for its Remuneration Policy, which can be found on pages 80 to 95 of the 2016 Annual Report. The current Remuneration Policy was approved at the 2014 Annual General Meeting. The Company is therefore required to obtain shareholder approval of its Remuneration Policy at this year's Meeting.

NEW AUDITOR (RESOLUTION 15)

Following a competitive tender process, the Board has decided to appoint PricewaterhouseCoopers LLP ('PwC') as the Company's new auditor for the financial year commencing 1 January 2017. I would like to extend my appreciation to Deloitte LLP ('Deloitte') for their services as auditor and draw your attention to their statement of circumstances in Appendix 1.

LONG-TERM INCENTIVE PLAN (RESOLUTION 21)

This year, the Company is seeking approval to introduce a new Long-Term Incentive Plan, the principal terms of which are summarised in Appendix 2. The Hammerson plc 2017 Long-Term Incentive Plan will replace the current 2007 Long-Term Incentive Plan.

ARTICLES OF ASSOCIATION (RESOLUTION 22)

The Company is seeking to adopt new Articles of Association (the 'New Articles') to replace the existing Articles of Association of the Company (the 'Existing Articles') in order to reflect developments in market practice and some minor changes of a clarificatory nature. The principal changes being proposed are summarised in Appendix 3.

ATTENDING THE MEETING

I hope that you will come to the Meeting, but if you are unable to attend, you can still vote by visiting www.capitashareportal.com, where you can vote electronically, or by completing your Form of Proxy and returning it to Capita, our Registrar. You will need to submit your votes by no later than 11.00 am on 21 April 2017.

Instructions specific to shareholders on the South African section of the register are contained in note 16 on page 14 of the Notice of Meeting.

Voting online or completing your Form of Proxy does not prohibit you from attending the Meeting in person should you subsequently choose to do so.

RECOMMENDATION

The Directors recommend to shareholders that they vote in favour of each of the resolutions at the Meeting. The Board considers that the resolutions are in the best interests of the Company and its shareholders as a whole. The Directors intend to vote in favour of the resolutions in respect of their own beneficial shareholdings in the Company.

Yours faithfully

David Tyler

Chairman

Hammerson plc
Kings Place
90 York Way
London
N1 9GE

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 86th Annual General Meeting of Hammerson plc will be held at Kings Place, 90 York Way, London N1 9GE on Tuesday, 25 April 2017 at 11.00 am to consider and, if thought fit, pass the following resolutions:

All resolutions will be proposed as ordinary resolutions, save for Resolutions 18, 19, 20 and 22 which will be proposed as special resolutions.

1. To receive the Directors' Annual Report and Financial Statements of the Company for the year ended 31 December 2016.
2. To receive and approve the Directors' Remuneration Report (other than the part containing the Remuneration Policy) for the year ended 31 December 2016 set out on pages 78 to 114 of the 2016 Annual Report.
3. To receive and approve the Remuneration Policy set out on pages 80 to 95 of the 2016 Annual Report which will take effect at the conclusion of the Meeting.
4. To declare a final dividend of 13.9 pence per ordinary share for the year ended 31 December 2016.
5. To re-elect David Atkins as a Director of the Company.
6. To re-elect Pierre Bouchut as a Director of the Company.
7. To re-elect Gwyn Burr as a Director of the Company.
8. To re-elect Peter Cole as a Director of the Company.
9. To re-elect Timon Drakesmith as a Director of the Company.
10. To re-elect Terry Duddy as a Director of the Company.
11. To re-elect Andrew Formica as a Director of the Company.
12. To re-elect Judy Gibbons as a Director of the Company.
13. To re-elect Jean-Philippe Mouton as a Director of the Company.
14. To re-elect David Tyler as a Director of the Company.
15. To appoint PricewaterhouseCoopers LLP as auditor of the Company to hold office until the conclusion of the next general meeting at which accounts are laid before the Company.
16. To authorise the Audit Committee to agree the remuneration of the auditor.
17. That the Directors be and they are hereby generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for, or to convert any security into, shares in the Company ('Rights'):
 - (i) up to an aggregate nominal amount of £66,099,037; and
 - (ii) up to a further aggregate nominal amount of £66,099,037 provided that (a) they are equity securities (within the meaning of section 560(1) of the Companies Act 2006) and (b) they are offered by way of a rights issue to holders of ordinary shares on the register of shareholders at such record date as the Directors may determine where the equity securities respectively attributable to the interests of the ordinary shareholders are proportionate (as nearly as may be practicable) to the respective numbers of ordinary shares held or deemed to be held by them on any such record date and to other holders of equity securities entitled to participate therein (if any), subject to such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with treasury shares, fractional entitlements or legal or practical problems arising under the laws of any overseas territory or the requirements of any regulatory body or stock exchange or by virtue of shares being represented by depositary receipts or any other matter, provided that, this authority shall expire at the conclusion of the next Annual General Meeting of the Company, or, if earlier, on 25 July 2018 save that the Company shall be entitled to make offers or agreements before the expiry of such authority which would or might require shares to be allotted or Rights to be granted after such expiry and the Directors shall be entitled to allot shares and grant Rights pursuant to any such offer or agreement as if this authority had not expired; and all unexercised authorities previously granted to the Directors to allot shares and grant Rights be and are hereby revoked.

NOTICE OF ANNUAL GENERAL MEETING

18. That the Directors be and they are hereby authorised pursuant to sections 570 and 573 of the Companies Act 2006 to allot equity securities (within the meaning of section 560 of that Act) for cash either pursuant to the authority conferred by Resolution 17 or by way of a sale of treasury shares as if section 561(1) of that Act did not apply to any such allotment provided that this power shall be limited to:

- (i) the allotment of equity securities or sale of treasury shares in connection with an offer of securities (but in the case of the authority granted under sub-paragraph (ii) of Resolution 17 by way of a rights issue only) in favour of the holders of ordinary shares on the register of shareholders at such record dates as the Directors may determine and other persons entitled to participate therein (if any) where the equity securities respectively attributable to the interests of the ordinary shareholders are proportionate (as nearly as may be practicable) to the respective numbers of ordinary shares held or deemed to be held by them on any such record dates, subject to such exclusions or other arrangements as the Directors may deem necessary or expedient to deal with treasury shares, fractional entitlements or legal or practical problems arising under the laws of any overseas territory or the requirements of any regulatory body or stock exchange or by virtue of shares being represented by depositary receipts or any other matter; and
- (ii) the allotment of equity securities or sale of treasury shares (otherwise than pursuant to sub-paragraph (i) of this Resolution 18) to any person or persons up to an aggregate nominal amount of £9,914,855,

and shall expire upon the expiry of the general authority conferred by Resolution 17 above, save that the Company shall be entitled to make offers or agreements before the expiry of such power which would or might require equity securities to be allotted after such expiry and the Directors shall be entitled to allot equity securities pursuant to any such offer or agreement as if the power conferred hereby had not expired.

19. That, in addition to the power conferred by Resolution 18, the Directors be and they are hereby authorised pursuant to section 570 and section 573 of the Companies Act 2006 to allot equity securities (within the meaning of section 560 of that Act) for cash pursuant to the authority conferred by Resolution 17 or by way of a sale of treasury shares as if section 561(1) of that Act did not apply to any such allotment provided that this power shall:

- (i) be limited to the allotment of equity securities or sale of treasury shares to any person or persons up to an aggregate nominal amount of £9,914,855; and

- (ii) only be used for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Directors determine to be an acquisition or other capital investment, including development and refurbishment expenditure, as contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this Notice,

and shall expire upon the expiry of the general authority conferred by Resolution 17, save that the Company shall be entitled to make offers or agreements before the expiry of such power which would or might require equity securities to be allotted after such expiry and the Directors shall be entitled to allot equity securities pursuant to any such offer or agreement as if the power conferred hereby had not expired.

20. That the Company be generally and unconditionally authorised to make market purchases (within the meaning of section 693(4) of the Companies Act 2006) of ordinary shares of 25 pence each of the Company on such terms and in such manner as the Directors may from time to time determine, provided that:

- (i) the maximum number of ordinary shares hereby authorised to be acquired is 79,318,845 representing approximately 10% of the issued ordinary share capital of the Company as at 24 February 2017;
- (ii) the minimum price (excluding expenses) which may be paid for any such share is 25 pence;
- (iii) the maximum price (excluding expenses) which may be paid for any such share is the higher of (a) an amount equal to 105% of the average of the middle market quotations for an ordinary share in the Company as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which such share is contracted to be purchased; and (b) the higher of the price of the last independent trade and the highest current independent bid for an ordinary share in the Company on the trading venues where the market purchases by the Company pursuant to the authority conferred by this Resolution 20 will be carried out;
- (iv) the authority hereby conferred shall expire at the conclusion of the next Annual General Meeting, or, if earlier, on 25 July 2018 unless previously renewed, varied or revoked by the Company in general meeting; and
- (v) the Company may, before this authority expires, make a contract to purchase its ordinary shares which will or may be executed wholly or partly after the expiry of this authority, and may purchase its ordinary shares pursuant to it as if this authority had not expired.

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21. That the rules of the 2017 Long-Term Incentive Plan produced to the Meeting and, for the purposes of identification, signed by the Chairman (a summary of which is set out in Appendix 2 to this Notice) be approved and the Directors be authorised to adopt the 2017 Long-Term Incentive Plan and to do all such acts and things as they may consider appropriate to implement the 2017 Long-Term Incentive Plan.
22. That with effect from the end of the Meeting, the New Articles produced to the Meeting and, for the purposes of identification, signed by the Chairman be adopted as the Articles of Association of the Company in substitution for and to the exclusion of the Company's Existing Articles.
23. That, subject to the passing of Resolution 22, for a period of three years from the date of this Resolution, the Directors be given power to offer any holders of ordinary shares of 25 pence each in the capital of the Company the right to elect to receive ordinary shares of 25 pence each in the capital of the Company, credited as fully paid instead of cash in respect of the whole (or some part, to be determined by the Directors) of any dividend declared during the period starting on the date of this Resolution and ending at the beginning of the third Annual General Meeting of the Company following the date of this Resolution and shall be permitted to do all acts and things required or permitted to be done in Article 146 of the New Articles of the Company.

By Order of the Board.

Sarah Booth

General Counsel and Company Secretary

6 March 2017

REGISTERED OFFICE

Kings Place
90 York Way
London N1 9GE

Registered in England and Wales

No. 360632

EXPLANATORY NOTES TO THE RESOLUTIONS

Explanatory notes on the resolutions to be proposed at the Meeting are set out below.

RESOLUTION 1: TO RECEIVE THE 2016 ANNUAL REPORT AND FINANCIAL STATEMENTS

The Directors of the Company present to the Meeting their Annual Report and the Financial Statements for the year ended 31 December 2016.

RESOLUTION 2: TO APPROVE THE 2016 DIRECTORS' REMUNERATION REPORT

Resolution 2 seeks approval by shareholders for the Directors' Remuneration Report (other than the part containing the Remuneration Policy) for the year ended 31 December 2016, which can be found on pages 78 to 114 of the 2016 Annual Report at www.hammerson.com. The vote is advisory and no Director's remuneration is conditional upon passing the resolution.

RESOLUTION 3: TO APPROVE THE REMUNERATION POLICY

The current Remuneration Policy was previously approved by shareholders at the 2014 Annual General Meeting. The Companies Act requires a listed company to obtain shareholder approval of its Remuneration Policy at least every three years. The Remuneration Policy, if approved, will take effect immediately after the conclusion of the Meeting and is binding. Shareholders are requested to approve the Remuneration Policy which is set out on pages 80 to 95 of the Company's 2016 Annual Report. Resolution 3 is an ordinary resolution to approve the Remuneration Policy.

Provided it remains unchanged, the Remuneration Policy will continue to apply until it is proposed to shareholders for approval again at the Annual General Meeting in 2020.

RESOLUTION 4: TO DECLARE A FINAL DIVIDEND

A final dividend of 13.9 pence per ordinary share has been recommended by the Board for the year ended 31 December 2016 and, if approved by shareholders, will be paid to shareholders on the register as at the close of business on 17 March 2017. Shareholders on the UK and South African registers will be paid on 27 and 28 April 2017 respectively. It is intended that 4.9 pence per share will be paid as a Property Income Distribution, net of withholding tax where appropriate, and the remainder of 9.0 pence paid as a normal dividend.

RESOLUTIONS 5 TO 14: TO RE-ELECT DIRECTORS

In accordance with the requirements of the UK Corporate Governance Code, all Directors of the Company will retire and offer themselves for re-election at the forthcoming Meeting.

Directors' biographies can be found on pages 10 and 11 and on the Company's website www.hammerson.com. All Directors were subject to a performance review during 2016. Terry Duddy will have served more than two terms of three years as a Non-Executive Director by the date of the Meeting. Judy Gibbons will have served for two terms as a

Non-Executive Director on 1 May 2017, if re-elected. Both therefore underwent a more rigorous performance review in 2016. The Board is satisfied that all the Directors of the Company standing for re-election continue to perform effectively and demonstrate commitment to their role. The Board has considered whether each of the Independent Non-Executive Directors is free from any relationship that could materially interfere with the exercise of his or her independent judgement and has determined that each continues to be considered to be independent.

RESOLUTIONS 15 AND 16: TO APPOINT THE AUDITOR AND AUTHORISE THE AUDIT COMMITTEE TO APPROVE THE AUDITOR'S REMUNERATION

The Company is required to appoint an auditor to serve for each financial year. Following a competitive tender process, the Board decided to appoint PwC as the Company's new auditor for the financial year commencing 1 January 2017. Deloitte will not seek reappointment as the Company's auditor at the Meeting and has provided a statement of circumstances as required by company law which is set out in Appendix 1.

The Board recommends that PwC be appointed as auditor of the Company until the conclusion of the next Annual General Meeting and that the Audit Committee be authorised to determine their remuneration.

RESOLUTION 17: TO GRANT AUTHORITY TO ALLOT SHARES

At the last Annual General Meeting of the Company held on 25 April 2016, the Directors were given authority to allot ordinary shares in the capital of the Company up to a maximum nominal amount of £130,738,784, representing approximately two-thirds of the Company's issued ordinary share capital on 24 February 2016. This authority expires at the conclusion of the Meeting.

The Investment Association ('IA') guidelines on directors' authority to allot shares state that IA members will permit, and treat as routine, resolutions seeking authority to allot shares representing up to one-third of a company's issued share capital. In addition, they will treat as routine a request for authority to allot shares representing an additional one-third of a company's issued share capital provided that it is only used to allot shares pursuant to a fully pre-emptive rights issue.

The Board considers it appropriate that the Directors should continue to have this authority to allot shares in the capital of the Company. In light of the IA's guidelines, this would mean renewing the authority up to a maximum nominal amount of £132,198,074, representing approximately two-thirds of the Company's issued ordinary share capital calculated as at 24 February 2017. Of this amount, shares up to a nominal amount of £66,099,037 (representing approximately one-third of the Company's issued ordinary share capital as at 24 February 2017) can only be allotted pursuant to a rights issue. This authority will expire at the conclusion of the Annual General Meeting in 2018 or, if earlier, on 25 July 2018. The Directors have no present intention of exercising this authority other than in relation to the Company's

EXPLANATORY NOTES TO THE RESOLUTIONS

employee share plans. The Company does not hold any of its shares in treasury as at 24 February 2017.

RESOLUTIONS 18 AND 19: TO DISAPPLY STATUTORY PRE-EMPTION RIGHTS

Pursuant to the authority granted under Resolution 17, Resolutions 18 and 19 will give the Directors authority to allot shares in the capital of the Company for cash in certain circumstances without complying with the pre-emption rights provisions in the Companies Act 2006.

This disapplication authority is in accordance with institutional shareholder guidance, and in particular with the Pre-emption Group's Statement of Principles (the 'Pre-emption Principles'). The Pre-emption Principles were revised in March 2015 to allow the authority for an issue of shares for cash otherwise than in connection with a pre-emptive offer to include: (i) an authority over 5% of a company's issued share capital for use on an unrestricted basis; and (ii) an additional authority over a further 5% of a company's issued share capital for use in connection with an acquisition or specified capital investment announced at the same time as the issue, or which has taken place in the six month period preceding the announcement of the issue.

The authority conferred by Resolution 18 will permit the Directors to allot:

- (i) shares up to a nominal amount of £132,198,074 (representing approximately two-thirds of the Company's issued share capital as at 24 February 2017) by way of an offer to existing shareholders on a pre-emptive basis. However, unless the shares are allotted pursuant to a rights issue (rather than an open offer), the Directors may only allot shares up to a nominal amount of £66,099,037 (representing one-third of the Company's issued share capital) (in each case subject to adjustments for fractional entitlements and overseas shareholders); and
- (ii) shares up to a maximum nominal value of £9,914,855 representing approximately 5% of the issued ordinary share capital of the Company as at 24 February 2017 otherwise than in connection with a pre-emptive offer to existing shareholders the proceeds of which issuance of equity securities may be used for any purpose the Directors consider is in the best interests of the Company and its shareholders.

The authority conferred by Resolution 19 will permit the Directors to allot additional shares up to a maximum nominal value of £9,914,855, representing approximately a further 5% of the issued ordinary share capital of the Company as at 24 February 2017, otherwise than in connection with a pre-emptive offer to existing shareholders, the proceeds of which issuance of shares may be used only in connection with an acquisition or specified capital investment, as contemplated by the Pre-emption Principles described above. The Company would also include development or refurbishment expenditure under the definition of specified capital investment. The Directors believe that

it is appropriate to seek this additional 5% authority in Resolution 19 to give the Company the flexibility that this resolution affords.

The Board confirms that:

- (i) it intends to use the authority given in Resolution 18 for any purpose that it considers is in the best interests of the Company and shareholders; and
- (ii) it intends to use the authority given in Resolution 19 only in connection with an acquisition or specified capital investment, including development or refurbishment expenditure and that it will not use such authority without prior consultation with significant shareholders; and
- (iii) it does not intend to issue shares for cash representing more than 7.5% of the Company's issued ordinary share capital in any rolling three-year period to those who are not existing shareholders, save in connection with an acquisition or specified capital investment, including development or refurbishment expenditure, without prior consultation with shareholders,

where in each of (ii) or (iii) the acquisition, specified capital investment, development or refurbishment is announced at the same time as the issue, or has taken place in the preceding six-month period and is disclosed in the announcement of the issue.

As noted in relation to Resolution 17 above, the Directors have no present intention of exercising this authority other than in relation to the Company's employee share plans.

The authority contained in Resolutions 18 and 19 will expire at the same time as the expiry of the authority to allot shares conferred in Resolution 17 (that is at the end of the next Annual General Meeting of the Company or, if earlier, on 25 July 2018).

RESOLUTION 20: TO AUTHORISE MARKET PURCHASES BY THE COMPANY OF ITS SHARES

Resolution 20 gives the Company authority to buy back its own ordinary shares in the market as permitted by the Companies Act 2006. This authority limits the maximum number of shares that could be purchased to 79,318,845 (representing approximately 10% of the Company's issued ordinary share capital as at 24 February 2017) and sets minimum and maximum prices at which shares may be purchased by the Company under this authority. This authority will expire at the conclusion of the Annual General Meeting of the Company in 2018 or, if earlier, on 25 July 2018.

A listed company purchasing its own shares may hold those shares in treasury and make them available for re-sale as an alternative to cancelling them. Accordingly, if this resolution is passed, the Company will have the option of holding, as treasury shares, any of its own shares that it purchases pursuant to the authority conferred. This would give the Company the ability to sell treasury shares quickly and cost-effectively and provide the Company with additional flexibility in the management of its capital base. No dividends are paid and no voting rights are attached to shares held in treasury.

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As at 24 February 2017, there were 259,609 options to subscribe for ordinary shares in the capital of the Company, representing 0.03% of the Company's issued ordinary share capital. If the authority conferred by this resolution and the existing resolution passed at last year's Annual General Meeting (which expires at the conclusion of the Meeting) were to be exercised in full, these options would represent 0.04% of the issued share capital of the Company.

The Directors have no present intention of exercising the authority to purchase the Company's ordinary shares for cancellation, but may purchase shares to be held in treasury. The authority would be exercised only if the Directors believed that to do so would be in the interests of shareholders generally. Any purchases of ordinary shares would be by means of market purchases on a recognised investment exchange.

RESOLUTION 21: LONG-TERM INCENTIVE PLAN

The Company has operated its existing long-term incentive plan, the Hammerson plc 2007 Long-Term Incentive Plan since its approval by shareholders in May 2007. Authority to grant awards under the 2007 Long-Term Incentive Plan expires on 2 May 2017. Following consultation with the Company's significant shareholders, the Remuneration Committee has concluded that shareholder approval should be sought for a replacement long-term incentive arrangement, the 2017 Long-Term Incentive Plan (the '2017 LTIP'). The terms of the 2017 LTIP have been designed to retain the main features of the 2007 Long-Term Incentive Plan, but with appropriate changes to reflect prevailing best practice expectations and the Directors' Remuneration Policy proposed for approval under Resolution 3.

In summary, the awards to be granted to the Executive Directors will vest four years after grant subject to continuing employment and the satisfaction of pre-set performance conditions. Awards may be granted annually over shares worth up to a maximum of 200% of base salary at grant.

A one-year holding period will apply to awards following vesting, during which shares subject to vested awards will not be delivered to participants and options will not be capable of exercise. Malus and clawback provisions will apply to awards granted under the 2017 LTIP.

The principal terms and proposed operation of the 2017 LTIP are summarised in Appendix 2.

If approved by shareholders at the Meeting, the first regular awards under the 2017 LTIP will be made during 2018.

The rules of the 2017 LTIP are available for inspection at the Company's registered office and at the offices of Herbert Smith Freehills LLP, Exchange House, Primrose Street, London EC2A 2EG from the date of this Notice until the close of the Meeting. They will be available for inspection during normal business hours, Monday to Friday (except public holidays).

RESOLUTION 22: ARTICLES OF ASSOCIATION

It is proposed to adopt the New Articles to replace the Existing Articles in order to reflect developments in market practice and some minor changes of a clarificatory nature. The principal changes being proposed are summarised in Appendix 3.

A copy of the New Articles (together with a copy marked up to show the changes from the Existing Articles) are available for inspection at the Company's registered office and the offices of Herbert Smith Freehills LLP, Exchange House, Primrose Street, London EC2A 2EG from the date of this Notice until the close of the Meeting. They will be available for inspection during normal business hours, Monday to Friday (except public holidays).

RESOLUTION 23: SCRIP DIVIDENDS

The Directors wish to be able to offer shareholders the option of receiving ordinary shares, credited as fully paid, instead of cash in respect of the whole (or part, as determined by the Directors) of any dividend declared ('Scrip Dividend Scheme'). Shareholders who participate in the Scrip Dividend Scheme will be able to increase their shareholding in the Company without incurring dealing costs or stamp duty. The Scrip Dividend Scheme also gives the Company greater flexibility in managing its capital resources by retaining cash in the business which would otherwise be paid out as a dividend.

Article 146 of the Existing Articles permits the provision of a Scrip Dividend Scheme, as long as it is authorised by an ordinary resolution of the Company. Under the Existing Articles, this authorisation may be for a period of up to five years from the date of such authorisation, and may be in respect of dividends declared during the period starting on the date of the authorisation and ending at the beginning of the fifth Annual General Meeting of the Company following such authorisation. In accordance with current best practice, the Directors are seeking this authorisation for three years from the date of the Meeting.

Subject to the passing of Resolution 22 and in accordance with Article 146(2) of the New Articles, the entitlement of each shareholder to receive new ordinary shares shall be such that the relevant value of the entitlement shall be nearly as possible equal to (but not greater than) the cash amount that such shareholder would have received by way of a dividend. For these purposes, 'relevant value' would have the same meaning as in the New Articles. For shareholders on the UK register, 'relevant value' shall be calculated by reference to the average of the middle market quotations of the ordinary shares on the London Stock Exchange as derived from the Daily Official List for the last five dealing days ending on the day the exchange rate is set for the relevant dividend ('Currency Conversion Date'), less the gross value of the relevant dividend per ordinary share. For shareholders on the South African share register, 'relevant value' shall be calculated by reference to the volume weighted average price for the ordinary shares as provided by

EXPLANATORY NOTES TO THE RESOLUTIONS

the Johannesburg Stock Exchange (JSE) for the last five dealing days ending on the Currency Conversion Date, less the gross value of the relevant dividend per ordinary share as converted into Rand at the exchange rate set on the Currency Conversion Date. The New Articles will permit this, as long as it is authorised by an ordinary resolution of the Company.

A similar resolution was adopted at last year's Annual General Meeting. The purpose of this year's resolution is to enable the Directors to include shareholders on the South African share register and to include the mechanical changes described above following the listing of the Company's shares on the JSE on 1 September 2016. The Scrip Dividend Scheme Guide (Guide) will also be updated accordingly. The Guide contains further details including terms and conditions and is available at www.hammerson.com/investors.

Please note that it is not the intention of the Directors to offer the Scrip Dividend Scheme for the final dividend for 2016.

DIRECTORS SEEKING RE-ELECTION



David Tyler

Chairman
(Age 64)

Appointed to the Board:

12 January 2013 and appointed Chairman on 9 May 2013.

Committee membership:

Remuneration Committee and Chairman of the Nomination Committee.

Skills and experience:

David Tyler is an experienced chairman having served in that role previously at Logica plc and 3i Quoted Private Equity plc and currently at J Sainsbury plc and Domestic & General Insurance plc. He has over 40 years' experience in both executive and non-executive roles in a variety of businesses spanning the consumer, retail, business services and financial services sectors. He is the Co-Chair of the Parker Review Committee.

His previous roles include finance director of GUS plc and of Christie's International plc, and senior financial and general management roles with County NatWest Limited and Unilever PLC. He has also been a non-executive director of Burberry Group plc, Experian plc and Reckitt Benckiser Group plc.



David Atkins

Chief Executive
(Age 50)

Appointed to the Board:

1 January 2007 and appointed Chief Executive on 1 October 2009.

Skills and experience:

David Atkins is a Chartered Surveyor who joined the Company in 1998. His career at Hammerson began as Group Property Executive, responsible for strategy and investment performance, particularly in France. In 2002 he took responsibility for the UK retail parks portfolio and, in 2006, for the wider UK retail portfolio. In 2016 he was appointed as a non-executive director of Whitbread PLC. He is a member of the policy committee of the British Property Federation, a director and trustee of the Reading Real Estate Foundation and a governor and trustee of Berkhamsted Schools Group.

Previously he was a member of the executive boards of the European Public Real Estate Association and Revo (previously known as BCSC) and a member of the Revo Educational Trust.



Peter Cole

Chief Investment Officer
(Age 58)

Appointed to the Board:

1 October 1999.

Skills and experience:

Peter Cole is a Chartered Surveyor who joined the Company in 1989 as a Senior Development Surveyor. He was appointed to the board of the Company's UK business in 1992. In 1999, he assumed responsibility for Hammerson's development, acquisition and disposal programme. He implemented the disposal of the London offices in 2012 and he has led the Company's major regeneration and investment projects.

Previously he was president and general council member of the City Property Association.



Timon Drakesmith

Chief Financial Officer
(Age 51)

Appointed to the Board:

30 June 2011.

Skills and experience:

Timon Drakesmith is a Chartered Accountant who joined the Company in 2011 as Chief Financial Officer. He has experience of working in commercial property having spent six years as finance director at Great Portland Estates plc. He is currently a non-executive director of Value Retail PLC and The Merchants Trust plc, and Chairman of VIA Outlets advisory and investment committees.

His previous roles include finance director of the MK Electric division of Novar plc, group director of financial operations of Novar plc, chairman of the British Property Federation's finance committee and other financial roles at Credit Suisse, Barclays and Deloitte Haskins and Sells.



Jean-Philippe Mouton

Executive Director
(Age 55)

Appointed to the Board:

1 January 2013.

Skills and experience:

Jean-Philippe Mouton joined Hammerson in 2003 with responsibility for property leasing, development and asset management in France. In 2006, he assumed responsibility for managing the French portfolio as Director of Operations and in 2009 became the Managing Director of Hammerson's French business. He also has Board responsibility for marketing where he can draw on years of experience working for Disneyland Paris.

His previous roles include director of strategic planning at Disneyland Paris and positions at The Walt Disney Company and Standard Chartered Bank.

DIRECTORS SEEKING RE-ELECTION



Pierre Bouchut

Non-Executive Director
(Age 61)

Appointed to the Board:
13 February 2015.

Committee membership:
Nomination Committee and
Chairman of the Audit
Committee.

Skills and experience:
Pierre Bouchut has
considerable senior
management experience
in finance, European retail
and European property. He is
currently the chief operating
officer, Europe and Indonesia
for Ahold Delhaize and a non-
executive director and
chairman of the audit
committee of Firmenich SA.
His previous roles include
executive vice president and
chief financial officer of
Delhaize Group SA, executive
director growth markets zone
and chief financial officer of
Carrefour SA, chief financial
officer and member of the
management board of
Schneider Electric SA and
chief executive officer and
member of the Board of
Casino Guichard-Perrachon
SA. He has also been a non-
executive director of La
Rinascente SpA and a non-
executive member of the
advisory boards of Qualium
Investissement and Lombard
Odier Asset Management
(Switzerland) SA.



Gwyn Burr

Non-Executive Director
(Age 54)

Appointed to the Board:
1 May 2012.

Committee membership:
Audit Committee,
Nomination Committee
and Chairman of the
Remuneration Committee.

Skills and experience:
Gwyn Burr has expertise in
marketing and leading
customer service processes
for major retail brands. She is
currently a member of the
board and the remuneration
committee, and chairman of
the nominations committee
of Sainsbury's Bank plc. She is
also a non-executive director
of Just Eat plc, Metro AG, DFS
Trading Limited and Ingleby
Farms and Forests ApS.
Previously she held senior
roles in marketing, customer
service and financial services
at Asda plc. She was also
customer service and
colleague director at
J Sainsbury plc, non-executive
director of the Principality
Building Society, director of
the Incorporated Society of
British Advertisers and chair
of Business in the Community,
community investment board.



Terry Duddy

Non-Executive Director and
Senior Independent Director
(Age 60)

Appointed to the Board:
3 December 2009.

Committee membership:
Nomination Committee and
Remuneration Committee.

Skills and experience:
In addition to the capabilities
and experience related to
managing a large public
company, Terry Duddy brings
specific insight into customer
behaviour and retail markets.
He is currently the chairman
of Retail Trust and a
non-executive director
of Debenhams plc.
His previous roles include
chief executive of Home Retail
Group plc, director of DSG
Retail Limited and trustee of
Education and Employers
Taskforce.



Andrew Formica

Non-Executive Director
(Age 45)

Appointed to the Board:
26 November 2015.

Committee membership:
Audit Committee and
Nomination Committee.

Skills and experience:
Andrew Formica is an
Actuary, having qualified in
Australia and the UK. He has
considerable experience in
capital markets and fund
management, including
property management, and
has managed portfolios and
businesses across Europe
and globally. In 1993 he joined
the Henderson Group, where
he has held various senior
positions, and in 2008 became
the chief executive of
Henderson Group plc.
He is also a director of the
Investment Association.
Previously he was non-
executive director of TIAA
Henderson Real Estate
Limited.



Judy Gibbons

Non-Executive Director
(Age 60)

Appointed to the Board:
1 May 2011.

Committee membership:
Audit Committee,
Nomination Committee and
Remuneration Committee.

Skills and experience:
Judy Gibbons has a
background in e-commerce,
software, internet
technologies, digital media
and mobile applications.
She also has extensive
experience in marketing and
international business. She
is currently a non-executive
director of Guardian Media
Group plc, Michael Kors
Holdings Limited and Virgin
Money Giving Limited.
Her previous roles include
non-executive director of O2
plc, corporate vice-president
of Microsoft Corporation,
venture partner of Accel
Partners and senior roles
in marketing and product
development at Apple Inc.
and Hewlett-Packard.

NOTES

1. Attending, voting or appointing a proxy

As a shareholder you are entitled to attend and vote at the Meeting but may appoint another person(s) (who need not be a shareholder of the Company) to exercise all or any of your rights to attend, speak and vote at the Meeting. You can appoint more than one proxy in relation to the Meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by you.

A proxy does not need to be a shareholder of the Company but must attend the Meeting and must vote as you instruct for your vote to be counted. Your proxy could be the Chairman, another Director of the Company or another person who has agreed to attend to represent you. Details of how to appoint the Chairman or another person as your proxy are set out in the notes to the Form of Proxy. The valid appointment of a proxy does not prevent you from attending the Meeting and voting in person. If you attend the Meeting in person, your proxy appointment will automatically lapse.

2. Appointment of proxies by shareholders registered on the UK share register

In order to be valid, a proxy appointment must be returned (together with any authority under which it is executed or a copy of the authority certified by an attorney, a bank, a stockbroker or a solicitor) by one of the following methods:

- (i) Online by logging onto www.capitashareportal.com and logging into your share portal account. If you have not previously registered you should go through the registration process. Once you have registered, you will be able to vote immediately;
- (ii) In hard copy form by delivery to the Company's registrar, Capita Asset Services at the address shown on the Form of Proxy. If you do not have a Form of Proxy and believe that you should have one, or if you require additional Forms of Proxy, please contact the Registrar; or
- (iii) In the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out in note 3 below.

The appointment of a proxy in each case must formally be received by the Company by 11.00 am on 21 April 2017.

A copy of this Notice has been sent for information only to persons who have been nominated by a shareholder to enjoy information rights under section 146 of the Companies Act 2006 (a 'Nominated Person'). The right to appoint a proxy cannot be exercised by a Nominated Person; it can only be exercised by a shareholder. However, a Nominated Person may have a right, under an agreement with the shareholder by whom she or he was nominated, to be appointed as a proxy for the Meeting or to have someone else so appointed. If a Nominated Person does not have such a right or does not wish to exercise it, she or he may have a right under such

an agreement to give instructions to the shareholder as to the exercise of voting rights.

3. Appointment of proxies by shareholders on the UK share register through CREST

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual on the Euroclear website www.euroclear.com/CREST. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment made using the CREST service to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & Ireland Limited's (EUI) specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID number RA10) by 11.00 am on 21 April 2017. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

NOTES

4. Changing your proxy instructions

To change your proxy instructions you may return a new proxy appointment using the methods set out above. Where you have appointed a proxy using the hard copy Form of Proxy and would like to change the instructions using another hard copy Form of Proxy, please contact Capita Asset Services. The deadline for receipt of proxy appointments (see above) also applies in relation to amended instructions. Any attempt to terminate or amend a proxy appointment received after the relevant deadline will be disregarded. Where two or more valid separate proxy appointments are received in respect of the same share in respect of the same meeting, the one which is last sent shall be treated as replacing and revoking the other or others. If the Company is unable to determine which is last sent, the one which is last received shall be so treated. If the Company is unable to determine either which is last sent or which is last received, none of them shall be treated as valid in respect of the relevant share(s).

5. Appointment of proxies by shareholders registered on the South Africa share register

If you wish to appoint a proxy you should complete the Form of Proxy which accompanies this Notice. If you do not have a Form of Proxy and believe that you should have one, or if you require additional Forms of Proxy, please contact Computershare on telephone number +27 (0) 11 370-5000 or by email at proxy@Computershare.co.za.

6. Record date for shareholders on the UK share register

Only persons entered on the register of shareholders of the Company at close of business on 21 April 2017 (or, if the Meeting is adjourned, at close of business on the date which is two days prior to the adjourned meeting excluding non-business days) shall be entitled to attend and vote at the Meeting or adjourned meeting. Changes to entries on the register after this time shall be disregarded in determining the rights of persons to attend or vote (and the number of votes they may cast) at the Meeting or adjourned meeting. Shareholders on the South African share register should refer to note 16.

7. Voting at the Meeting

Voting on all resolutions will be conducted by way of a poll rather than a show of hands. This is a more transparent method of voting as shareholders' votes are counted according to the number of shares held. As soon as practicable following the Meeting, the results of the voting at the Meeting and the numbers of proxy votes cast for and against and the number of votes withheld in respect of each of the resolutions will be announced via a Regulatory Information Service and also placed on the Company's website at www.hammerson.com/investors.

8. Electronic Communication

Please note that the Company takes all reasonable precautions to ensure no viruses are present in any electronic communication it sends out but the Company cannot accept responsibility for loss or damage arising from the opening or use of any email or attachments from the Company and recommends that you subject all messages to virus checking procedures prior to use. Any electronic communication received by the Company, including the lodgement of an electronic proxy form that is found to contain any virus, will not be accepted.

You may not use any electronic address provided in this Notice of Meeting to communicate with the Company for any purposes other than those expressly stated.

9. Corporate Representatives

A shareholder of the Company which is a corporation may authorise a person or persons to act as its representative(s) at the Meeting. In accordance with the provisions of the Companies Act 2006, each such representative may exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual shareholder of the Company, provided that they do not do so in relation to the same shares.

10. Shareholders' statement of audit concerns

If you satisfy the thresholds in section 527 of the Companies Act 2006 you can require the Company to publish a statement on its website setting out any matter relating to (i) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the Meeting; or (ii) any circumstances connected with an auditor of the Company ceasing to hold office since the last Annual General Meeting, that the shareholders propose to raise at the Meeting. The Company cannot require the shareholders requesting the publication to pay its expenses. Any statement placed on the website must also be sent to the Company's auditor no later than the time it makes its statement available on the website. The business which may be dealt with at the Meeting includes any statement that the Company has been required to publish on its website.

11. Questions at the Meeting

All shareholders or their proxies will have the opportunity to ask questions at the Meeting. A question may not be answered at the Meeting if it is considered not to be in the interests of the Company or the good order of the Meeting or if it would involve the disclosure of sensitive information. The Chairman may also nominate a representative to answer a specific question after the Meeting or refer the shareholder to the Company's website.

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12. Issued share capital

As at 24 February 2017, the Company's issued share capital consists of 793,188,451 ordinary shares. The Company does not hold any shares in treasury. Therefore the total voting rights in the Company are 793,188,451.

13. Display documents

Copies of the Executive Directors' service contracts with the Company, the letters of appointment of the Non-Executive Directors, the New Articles and the proposed rules of the 2017 LTIP are available for inspection during normal business hours on any weekday, excluding bank holidays, at the registered office of the Company and will be available for inspection at the Meeting for at least 15 minutes prior to the Meeting and until its conclusion.

14. Shareholder rights

Under sections 338 and 338A of the Companies Act 2006, shareholders meeting the threshold requirements in those sections have the right to require the Company (i) to give, to shareholders of the Company entitled to receive notice of the Meeting, notice of a resolution which those shareholders intend to move (and which may properly be moved) at the Meeting; and/or (ii) to include in the business to be dealt with at the Meeting any matter (other than a proposed resolution) which may properly be included in the business at the Meeting. A resolution may properly be moved, or a matter properly included in the business unless (a) (in the case of a resolution only) it would, if passed, be ineffective (whether by reason of any inconsistency with any enactment or the Company's constitution or otherwise); (b) it is defamatory of any person; or (c) it is frivolous or vexatious. A request made pursuant to this right may be in hard copy or electronic form, must identify the resolution of which notice is to be given or the matter to be included in the business, must be authenticated by the person(s) making it and must be received by the Company not later than 14 March 2017, being the date six clear weeks before the Meeting, and (in the case of a matter to be included in the business only) must be accompanied by a statement setting out the grounds for the request.

15. Shareholder enquiries

- (i) Shareholders on the UK register should contact Capita Asset Services on 0871 664 0300 or +44 371 664 0300 from overseas. Calls cost 12p per minute plus your phone company's access charge. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9.00 am to 5.30 pm, Monday to Friday excluding public holidays in England and Wales.
- (ii) Shareholders on the South African register should contact Computershare on +27 (0) 11 370-5000 or contact them by email at web.queries@computershare.co.za.

16. Additional information for shareholders registered on the South Africa share register

For shareholders whose shares are held in South Africa through Central Securities Depository Participants ('CSDP') and brokers and are traded on the JSE:

(i) Record Date

The record date for the purpose of determining which shareholders are entitled to receive the convening notice of the Meeting is 24 February 2017. The record date for the purpose of determining which shareholders are entitled to participate in and vote at the Meeting is 13 April 2017 ('the voting record date'). The last day to trade in the Company's shares in order to be recorded as a shareholder by the voting record date is therefore 10 April 2017.

(ii) Voting at the Meeting

Your broker or CSDP should contact you to ascertain how you wish to cast your vote at the Meeting and should thereafter cast your vote in accordance with your instructions. If you have not been contacted by your broker or CSDP, you should send them your voting instructions. If your broker or CSDP does not obtain voting instructions from you, it will be obliged to vote in accordance with the instructions contained in the custody agreement concluded between you and your broker or CSDP. You must not complete a Form of Proxy.

(iii) Attendance and representation at the Meeting

In accordance with the mandate between you and your broker or CSDP, you must advise your broker or CSDP if you wish to attend the Meeting and, if so, your broker or CSDP will issue the necessary letter or representation to you to attend and vote at the Meeting.

APPENDIX 1

Deloitte.

Deloitte LLP
2 New Street Square
London
EC4A 3BZ

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Fax: +44 (0)20 7583 1198
www.deloitte.co.uk

The Directors
Hammerson plc – registration number 00360632
Kings Place
90 York Way
London
N1 9GE
1 March 2017

Dear Sirs

This notice confirms that we will not be seeking re-appointment as auditors to Hammerson plc (the ‘Company’) at the conclusion of our current term of office which expires at the end of the Annual General Meeting scheduled to take place on 25 April 2017.

Statement of reasons relating to the intention of Deloitte LLP not to seek re-appointment as auditors to Hammerson plc (Company No. 00360632) at the conclusion of our term of office

The company put the audit out to tender and Deloitte LLP were not asked to participate given the period for which we had already been appointed statutory auditors, which restricted our ability to serve the company for a period of more than four years.

Yours faithfully

Deloitte LLP

Deloitte LLP

Deloitte LLP is a limited liability partnership registered in England and Wales with registered number OC303675 and its registered office at 2 New Street Square, London EC4A 3BZ, United Kingdom.

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APPENDIX 2

Summary of the principal terms of the Hammerson plc 2017 LTIP

Operation

The Remuneration Committee of the Board of Directors of the Company (the 'Committee') will supervise the operation of the 2017 LTIP.

Eligibility

Any employee (including an Executive Director) of the Company and its subsidiaries will be eligible to participate in the 2017 LTIP at the discretion of the Committee.

Grant of awards

The Committee may grant an award in one of two forms:

- (i) conditional awards, where a participant will receive free ordinary shares in the Company ('Shares') on the vesting of an award; or
- (ii) nil or nominal cost options, where a participant can decide when to exercise the award during a limited period of time after it has vested.

The Committee may also grant cash-based awards of an equivalent value to share-based awards or to satisfy share-based awards in cash.

The Committee may normally grant awards within six weeks following the Company's announcement of its results for any period. The Committee may also grant awards when there are exceptional circumstances which the Committee considers justifies the granting of awards.

No awards will be granted more than ten years after the approval of the 2017 LTIP by shareholders and the Committee will review its operation prior to each grant.

No payment will be required for the grant of an award. Awards are not transferable (other than to the participant's personal representatives in the event of death). Awards are not pensionable.

Individual limit

An individual may not receive awards in any financial year over Shares having a market value in excess of 200% of his annual base salary except in exceptional circumstances (for example on recruitment) where the limit may be increased to 300% of annual base salary.

Base salary for these purposes means the individual's base salary at the grant date (excluding benefits in kind) expressed as an annual rate or, where the Committee has approved any increased base salary, such increased amount (notwithstanding that such increase may take effect following the grant of the award).

Overall plan limits

The 2017 LTIP may operate over new issue Shares, treasury Shares or Shares purchased in the market.

In any period of ten calendar years, the Company may not issue (or have the possibility to issue) more than:

- (i) 10% of the issued ordinary share capital of the Company under the 2017 LTIP and all other employee share plans adopted by the Company; and
- (ii) 5% of the issued ordinary share capital of the Company under the 2017 LTIP and any other discretionary share plan adopted by the Company.

Treasury Shares will count as new issue Shares for the purposes of these limits, but they will cease to count if the guidance for share-based incentives issued by the Investment Association state that they need not do so.

Vesting of awards

Awards normally vest on or shortly following the fourth anniversary of grant, once the Committee has determined the extent to which the applicable performance conditions have been satisfied and provided the participant is still employed by the Hammerson group.

Holding period

A holding period will apply following the vesting of an award, if the Committee so determines. Participants will not receive shares subject to a vested award and, in relation to an option, will be restricted from exercising the option until the expiry of the holding period. The holding period will apply until the fifth anniversary of the grant date.

The holding period will end in the case of a takeover, and will not apply to any shares which are sold to cover any tax liability arising on vesting.

Performance conditions

All awards will be subject to performance conditions set by the Committee each year that will reflect the Company's performance over a performance period.

Details of the performance conditions that will apply to awards granted to Executive Directors under the 2017 LTIP will be disclosed in the Directors' Remuneration Report in the Annual Report.

APPENDIX 2

The Committee will keep the performance conditions under review to ensure that they operate as intended and remain appropriate for future awards and, accordingly, the Committee will have the power to set different performance conditions for future awards.

The Committee will have the power to vary the terms of existing performance conditions if exceptional circumstances have arisen which lead it to consider that it is appropriate to do so. However, the amended target will have to be, in the opinion of the Committee, no less challenging as a result of the change.

Leaving employment

As a general rule, an award will lapse upon a participant ceasing to hold employment within the Hammerson group. However, if, before vesting, a participant ceases such employment by reason of death, disability, injury, ill-health, redundancy, retirement, sale or transfer of their employing company or business out of the Hammerson group, or in other circumstances at the discretion of the Committee, then his award will vest on the normal vesting date (i.e. the fourth anniversary of the grant date) to the extent determined by the performance conditions measured over the full performance period unless the Committee, in its discretion, determines otherwise.

The Committee may, at its discretion, permit or require awards to vest at the time of cessation of employment, in which case awards would be subject to the performance conditions as measured over the shorter period.

In either case, there will also be a pro-rata reduction in the size of the award based on the period from the start of the financial year in which the grant was made up to the date of cessation compared to the length of the original vesting period, unless the Committee determines that it would be inappropriate to apply such a reduction.

Corporate events

In the event of a takeover, scheme of arrangement or winding up of the Company (not being an internal corporate reorganisation), all awards would vest early to the extent that the performance conditions have, in the opinion of the Committee, been satisfied at that time. There will also be a pro-rata reduction in the size of the award based on the period from the start of the financial year in which the grant was made up to the date of the corporate event compared to the length of the original vesting period, unless the Committee determines that it would be inappropriate to apply such a reduction.

In the event of an internal corporate reorganisation, awards will be replaced by equivalent new awards over shares in a new holding company unless the Committee decides that awards should vest on the basis described above.

Awards may also vest on the same basis if a demerger, special dividend or other similar event is proposed which, in the opinion of the Committee, would affect the market price of Shares to a material extent.

In the event of a takeover through an all-share offer (or part share offer) in circumstances where Hammerson shareholders will hold at least 40% of the shares in the acquiring company (i.e. a “reverse takeover”), awards may be replaced by new equivalent awards over shares in the acquiring company or a cash sum.

Malus and clawback

Malus and clawback provisions have been included in the 2017 LTIP, and provide the Committee with discretion to recover the value of awards granted to participants in certain circumstances. Malus and clawback, may be applied where:

- (i) the accounts used to assess the satisfaction of performance conditions are materially corrected and as a result relevant performance is demonstrated to have been materially worse than previously assumed;
- (ii) the Committee forms the view that in assessing the extent to which any condition to the vesting of an award has been satisfied, such assessment was based on an error;
- (iii) the Committee becomes aware of an act or omission committed by the participant which the Committee reasonably believes could have justified summary dismissal; or
- (iv) the participant has contributed to reputational or potential reputational damage to the Company.

In such circumstances the Committee has the discretion to:

- (i) negatively adjust awards before they have vested;
- (ii) negatively adjust other outstanding awards (including by way of forfeiture) to account for clawback on already vested awards; and
- (iii) require participants to return shares and / or repay the equivalent value of those shares to the Company after they have been transferred to the participant.

APPENDIX 2

Participants' rights

Awards will not confer shareholder rights on participants until they have vested and participants have received their Shares.

Participants will receive a payment (in Shares), on or shortly following the later of vesting of their awards or the expiry of the holding period, of an amount equivalent to the dividends that would have been paid on the Shares (assuming reinvestment in shares on the relevant ex-dividend dates) that vest between the granting of the awards and the later of the vesting date or the expiry of the holding period.

Rights attaching to Shares

Any Shares allotted in satisfaction of an award will rank equally with all other Shares then in issue (except for rights arising by reference to a record date prior to their allotment).

Variation of capital

In the event of any variation of the Company's share capital, or in the event of a demerger, payment of a special dividend or similar event which materially affects the market price of the Shares, the Committee may make such adjustments as it considers appropriate to the number of Shares subject to an award and/or the exercise price payable (if any).

Alterations to the 2017 LTIP

The Committee may, at any time, amend the 2017 LTIP in any respect, provided that the prior approval of shareholders is obtained for any amendments that are to the advantage of participants in respect of the rules governing eligibility, limits on participation, the overall limits on the issue of Shares or the transfer of treasury Shares, the basis for determining a participant's entitlement to, and the terms of, the Shares or cash to be acquired/received and the adjustment of awards.

The requirement to obtain the prior approval of shareholders will not, however, apply to minor alterations made to benefit the administration of the 2017 LTIP, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for participants or for any company in the Hammerson group.

Overseas plans

The Board of Directors may at any time without further shareholder formality establish further plans in overseas territories, any such plan to be similar to the 2017 LTIP, but modified to take account of local tax, exchange control or securities laws, provided that any Shares made available under such further plans are treated as counting against the limits on individual and overall participation in the 2017 LTIP.

APPENDIX 3

Summary of the principal changes to the Company's Articles of Association

Under Resolution 22, the Company is proposing to adopt the New Articles. Set out below is a summary of the principal changes being made to the Existing Articles. The New Articles also include some other minor modernising, technical and clarificatory amendments which are not detailed below. Article references below are to the New Articles.

Untraced shareholders (Article 46)

The New Articles amend the provisions of the Existing Articles relating to shareholders who are considered untraced after a period of twelve years and will give the Company more flexibility when trying to trace shareholders. They replace the requirement to place notices in newspapers with a requirement for the Company to take reasonable steps to trace the shareholder and let them know that the Company intends to sell their shares. This can include engaging an asset reunification company or other tracing agent to search for the shareholders who have not kept their details up-to-date, or taking any other steps the Company considers reasonable. Shareholders whose shares are sold following this process will not be able to claim the proceeds of sale.

Directors' interests (Articles 100 and 101)

The New Articles clarify that a Director who is interested in a transaction or arrangement with the Company will not be required to disclose to the Company, or use in performing their duties to the Company, any confidential information if the disclosure or use of such information would result in a breach of a duty or obligation of confidentiality owed by them in connection with an office, employment or position which they hold. The New Articles also clarify that the Directors may absent themselves from discussions and exclude themselves from information which will or might relate to such office, employment, position, transaction or arrangement.

Dividend payment procedure (Article 143)

The New Articles update the provisions of the Existing Articles that relate to the way dividends are paid. The provisions will provide the Company with future flexibility to pay dividends to shareholders in a manner most convenient to the shareholder. The New Articles also contain changes in respect of unclaimed dividends.

Scrip dividends (Article 146)

The New Articles clarify certain provisions in respect of any Scrip Dividend Scheme that the Company may introduce. The Existing Articles already allow the Directors to offer a scrip dividend alternative (subject to shareholder approval by ordinary resolution). The proposed amendments provide the Directors with suitable flexibility in relation to the two exchanges on which the Company's shares are listed and amend the method by which the price of a scrip share is to be calculated in order to include the requirements of the JSE.

Notices and other communications (Articles 165 and 168)

The New Articles amend the provisions dealing with the service of notice in the event of a postal strike. The New Articles allow the Company in such circumstances to serve notice only on those shareholders who receive notice by electronic means, provided that, as before, the Company also puts an advert in two national newspapers and sends a confirmatory hard copy notice if the postal service is available again at least seven clear days before the meeting. The New Articles also clarify when notices will be sent or supplied by the Company to those who are entitled to a share in consequence of the death or bankruptcy of a shareholder or otherwise by operation of law.

**THE MEETING WILL BE HELD AT
KINGS PLACE
90 YORK WAY
LONDON N1 9GE**

DIRECTIONS TO THE MEETING

BY TRAIN AND UNDERGROUND

King’s Cross St Pancras (closest station) (Circle, Hammersmith and City, Metropolitan, Northern, Piccadilly and Victoria underground lines)

Exit the station on to Euston Road. Turn left and take the first turning left in to York Way. Hammerson’s offices are located at Kings Place, which is to the right of the third set of traffic lights on York Way.

