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If you have sold or otherwise transferred all of your Shares, please send this document, together with the accompanying Form of Proxy, as soon as possible to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee.

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Hammerson plc

(Incorporated and registered in England and Wales with registered number 360632)

Enhanced Scrip Dividend Alternative and Notice of General Meeting

This document should be read as a whole. Your attention is drawn to the letter from your Chair of the Board which is set out on pages 4 to 6 of this document and which recommends you vote in favour of the Resolutions to be proposed at the General Meeting referred to below.

A Notice of General Meeting of the Company, to be held at 9:00 a.m. (London time) and 11:00 a.m. (South African Standard Time) on 4 December 2020 (the “**General Meeting**”) is set out at the end of this document. The General Meeting will be convened electronically in accordance with the Corporate Insolvency and Governance Act 2020 (the “**2020 Act**”).

In response to the COVID-19 pandemic, the UK Government has introduced a number of measures in England aimed at controlling the spread of the virus (the “**Measures**”). On 26 June 2020, the UK Government enacted the 2020 Act, which introduces flexible arrangements to allow UK companies to hold general meetings. The Board has been closely monitoring the ongoing impact of COVID-19 in the United Kingdom, and has carefully considered the Measures, the 2020 Act and public health guidance. The Board has also taken into account the latest guidance relating to the organisation of general meetings published by the Chartered Governance Institute (“**ICSA**”) / the City of London Law Society (“**CLLS**”) on 9 July 2020 and the Department for Business, Energy and Industrial Strategy (“**BEIS**”) / the Financial Reporting Council (“**FRC**”) on 6 October 2020. Protecting the safety and wellbeing of Shareholders, Hammerson employees and the public is of paramount importance to the Board. The Board is also cognisant of the evolving situation and potential for future lockdowns. The Board has therefore decided to convene the General Meeting electronically in accordance with the provisions of the 2020 Act.

Shareholders should vote by way of proxy in advance of the General Meeting. It is important that you complete, sign and return a Form of Proxy in accordance with the instructions printed on it. To ensure your vote is counted, you should appoint the ‘Chair of the Meeting’ as your proxy. To be valid, the Form of Proxy must be lodged with the Company’s Registrar by not later than 9:00 a.m.: (London time) and 11:00 a.m. (South African Standard Time) on 2 December 2020. Shareholders on the UK Register can obtain a copy of the UK Form of Proxy from the Company’s UK registrar, Link Asset Services. For Shareholders on the South Africa Register, a copy of the South Africa Form of Proxy can be obtained from the South Africa Transfer Secretaries, Computershare Investor Services. See the notes to the Notice of General Meeting for more information.

CONTENTS

	<u>PAGE</u>
PART I LETTER FROM THE CHAIR	4
PART II DETAILS OF THE ENHANCED SCRIP DIVIDEND ALTERNATIVE	7
PART III WORKED EXAMPLE OF THE ENHANCED SCRIP DIVIDEND ALTERNATIVE	11
PART IV SUMMARY OF THE TAX TREATMENT OF DIVIDENDS FOR SHAREHOLDERS	13
PART V ADDITIONAL INFORMATION	17

EXPECTED TIMETABLE OF EVENTS

EVENT	DATE
Date on which Shareholders must be recorded on the South Africa Register to receive the Circular	6 November 2020
Scrip Reference Share Price calculation dates (UK and South Africa)	10 November to 16 November 2020 (inclusive)
Posting of the Circular and announcement on SENS (declaration announcement)	11 November 2020
Currency conversion announced on SENS (Sterling/Rand) (Finalisation announcement)	By 11:00 a.m. (South African Standard Time) on 17 November 2020
Scrip Reference Share Price announcement date	By 9:00 a.m. (London time) and 11:00 a.m. (South African Standard Time) on 17 November 2020
Last day to trade cum dividend (South Africa)	17 November 2020
Last day to trade cum dividend (UK)	18 November 2020
Ex-dividend Date (South Africa)	18 November 2020
Ex-dividend Date (UK)	19 November 2020
Dividend Record Date (UK and South Africa)	5:30 p.m. (London time) or 5:00 pm (South African Standard Time) on 20 November 2020
Latest time and date for receipt of Forms of Proxy (UK and South Africa)	9:00 a.m. (London time) or 11:00 a.m. (South African Standard Time) on 2 December 2020
Voting Record Date for General Meeting (UK and South Africa)	5:30 p.m. (London time) or 7:30 pm (South African Standard Time) on 2 December 2020
General Meeting	9:00 a.m. (London time) and 11:00 a.m. (South African Standard Time) on 4 December 2020
Last date for Shareholders on the South Africa Register to elect to receive the Enhanced Scrip Dividend Alternative	12:00 p.m. (South African Standard Time) on 4 December 2020
Last date for Link Asset Services to receive Forms of Election from Shareholders on the UK Register holding certificated Shares electing to receive the Enhanced Scrip Dividend Alternative	5:00 p.m. (London time) on 4 December 2020
Last date for Shareholders on the UK Register holding uncertificated Shares on CREST to elect to receive the Enhanced Scrip Dividend Alternative	5:00 p.m. (London time) on 4 December 2020
Dividend Payment Date (UK)	18 December 2020
Expected date of issue, admission and first day of dealings in the New Shares on the London Stock Exchange	18 December 2020
Dividend Payment Date (South Africa)	18 December 2020
CSDP accounts credited on the South Africa Register	18 December 2020
Expected date of issue, admission and first day of dealings in the New Shares on the JSE	18 December 2020

Notes:

1. Shareholders registered on the South Africa Register should note that, in accordance with the requirements of Strate, no dematerialisation or rematerialisation of shares will be possible from 18 November 2020 to 20 November 2020, both dates inclusive.
2. Transfers of shares between the UK Register and the South Africa Register will not be permitted between 18 November 2020 and the close of business on 20 November 2020, both dates inclusive.

Shareholders should note that the Board retains the discretion to withdraw or modify the Enhanced Scrip Dividend Alternative and Interim 2020 Dividend.

PART I
LETTER FROM THE CHAIR



Hammerson plc

(Incorporated and registered in England and Wales with company number 00360632)

Registered Office:

Kings Place

90 York Way

London N1 9GE

United Kingdom

Tel: +44 (0) 20 7887 1000

www.hammerson.com

Directors:

Robert Noel (Chair of the Board)

Rita-Rose Gagné (Chief Executive)

James Lenton (Chief Financial Officer)

Pierre Bouchut (Independent Non-Executive Director)

Méka Brunel (Independent Non-Executive Director)

Gwyneth Burr (Independent Non-Executive Director and Senior Independent Director)

Desmond de Beer (Non-Executive Director)

Andrew Formica (Independent Non-Executive Director)

Adam Metz (Independent Non-Executive Director)

Carol Welch (Independent Non-Executive Director)

11 November 2020

To the Shareholders and, for information only, to persons with information rights

Dear Shareholder

Interim 2020 Dividend, Enhanced Scrip Dividend Alternative and amendments to the Articles of Association

1. Introduction

On 11 November 2020, the Company announced the Board's intention to pay Shareholders an interim 2020 dividend of 0.2 pence per Share (the "**Interim 2020 Dividend**"), with an enhanced scrip dividend alternative of 2 pence per Share (the "**Enhanced Scrip Dividend Alternative**").

Shareholders who elect to participate in the Enhanced Scrip Dividend Alternative will, in respect of the Interim 2020 Dividend receive such number of new fully paid Shares (the "**New Shares**") as is equal to 2 pence divided by the Scrip Reference Share Price, multiplied by the number of Shares held. A worked example of the calculation of the New Shares to be issued under the Enhanced Scrip Dividend Alternative is set out in Part III. The Scrip Reference Share Price will be announced to the London Stock Exchange and to the JSE on SENS on 17 November 2020.

Shareholders should consider their own individual circumstances before making an election to receive the Enhanced Scrip Dividend Alternative, and are recommended to seek their own independent financial advice. However, given the significant difference in value between the cash Interim 2020 Dividend and the Enhanced Scrip Dividend Alternative, the Board considers that for most Shareholders it will be in their interests to elect to receive the Enhanced Scrip Dividend Alternative, as each Director intends to do in respect of his or her own beneficial holdings.

The purpose of this document is to provide Shareholders with further information relating to the Interim 2020 Dividend, the Enhanced Scrip Dividend Alternative and the proposed amendments to the Articles of Association that are required to allow the Company to offer the Enhanced Scrip Dividend Alternative, and to give notice of the General Meeting at which certain Resolutions will be considered and, if thought fit, passed to allow the Enhanced Scrip Dividend Alternative to proceed and to approve the amendments to the Articles of Association.

2. Background to and reasons for the Interim 2020 Dividend and the Enhanced Scrip Dividend Alternative

As a UK Real Estate Investment Trust (“REIT”), the Company is obliged to distribute 90% of its tax-exempt income to Shareholders in the form of a Property Income Distribution (“PID”) each year. For the year ended 31 December 2019, in order to comply with the REIT obligations, the Company is obliged to pay PIDs of around £70 million prior to an extended deadline of 30 June 2021. If the Company does not satisfy its PID obligations by the deadline, it could lose its REIT status, notwithstanding an extension agreed with the HMRC, which would cause the Group to be liable to pay UK corporation tax on UK property income and capital gains. Both the Interim 2020 Dividend and the Enhanced Scrip Dividend Alternative will be paid as a PID.

Moreover, as a French Société d’Investissement Immobilier Cotée (“SIIC”), the Company is obliged to distribute exempt property income and capital gains. Following the sale of a 75% stake in the Parisian shopping destination Italie Deux to AXA Investment Managers—Real Assets in 2019, the Company is required to distribute €270 million to Shareholders by no later than 31 December 2022. In addition, €79 million in respect of French property income is required to be distributed by no later than 31 December 2021. Failure to satisfy these SIIC distribution requirements would lead to the Group losing its SIIC status and cause the Group to be liable to pay corporation tax in France on its French property income and capital gains (including the gain on the disposal of Italie Deux). Both the Interim 2020 Dividend and the Enhanced Scrip Dividend Alternative will be designated as a SIIC distribution.

In the Company’s announcement of its preliminary financial results for the year ended 31 December 2019 on 25 February 2020, it was announced that the Board intended to recommend a final dividend of 14.8 pence per Share held. In response to the COVID-19 pandemic, on 30 March 2020 the Company announced that the Board had decided that it was no longer appropriate to recommend a final dividend and accordingly the resolution to approve the final dividend at the Company’s 2020 AGM would be withdrawn, although the Board remained mindful of its REIT tax obligations. Accordingly, no dividends have been paid by the Company in 2020 and the PID obligation and SIIC distribution obligations described above remain outstanding and are required to be made by the deadlines set out above.

On 6 August 2020, the Company announced a proposed rights issue and the disposal of its 50% interest in VIA Outlets. The rights issue and disposal were approved by Shareholders at a general meeting of the Company on 1 September 2020. The rights issue was completed on 25 September 2020 and the disposal completed on 31 October 2020. In the prospectus and circular published in connection with the rights issue and disposal, the Company stated that, assuming the successful completion of the rights issue and disposal, it was the Board’s intention to propose an enhanced scrip dividend in the second half of 2020 in order to satisfy the Group’s 2019 REIT PID obligation.

The Enhanced Scrip Dividend Alternative assists the Company in meeting its REIT PID and SIIC distribution obligations whilst retaining cash for future operating and capital expenses. In light of the ongoing COVID-19 pandemic and its effects on the retail sector, the Board considers that the Enhanced Scrip Dividend Alternative is the most prudent way for the Company to seek to meet its REIT PID and SIIC distribution obligations.

Accordingly, the Board intends to pay a cash Interim 2020 Dividend, with an Enhanced Scrip Dividend Alternative. In order to encourage Shareholders to elect for the Enhanced Scrip Dividend Alternative and assist the Company in meeting its REIT PID and SIIC distribution obligations, Shareholders

electing to receive the Enhanced Scrip Dividend Alternative will be entitled to receive New Shares with a significantly greater value than the cash Interim 2020 Dividend. Both the cash Interim 2020 Dividend and the value of Shares issued pursuant to the Enhanced Scrip Dividend Alternative will be designated as a PID and a SIIC distribution and will contribute to the satisfaction of the Company's REIT PID obligation and SIIC distribution requirement.

The Board retains the discretion to withdraw or modify the terms of both the Enhanced Scrip Dividend Alternative and the Interim 2020 Dividend, because there are certain situations in which the Board may decide that it is no longer appropriate to pay the Interim 2020 Dividend and to offer the Enhanced Scrip Dividend Alternative, or it may not be permissible for the Company to do so.

3. Amendments to the Articles of Association

The Articles of Association of the Company currently allow the Directors, with the authority of an ordinary resolution of the Company, to offer Shareholders the right to elect to receive New Shares instead of cash in respect of the whole or some part of any dividend specified by the ordinary resolution. The Articles of Association provide that the entitlement of any Shareholder to New Shares shall be such that the value of the entitlement shall be as nearly as possible equal to (but not greater than) the cash amount that such Shareholder would have received by way of dividend. Accordingly, the Enhanced Scrip Dividend Alternative would not be permitted by the current Articles of Association.

Therefore the Directors propose to amend the Articles of Association to provide that the Directors may offer Shareholders the right to elect to receive New Shares instead of cash in respect of the whole or some part of a dividend and to provide that the value of such Shares may be greater than the value of the cash dividend foregone, provided that the terms of any such enhanced scrip dividend are approved by a special resolution of the Company.

The resolutions to approve the Interim 2020 Dividend and the Enhanced Scrip Dividend Alternative are conditional on the passing of the special resolution to approve the amendment of the Articles of Association.

4. General Meeting and Resolutions

In order to comply with applicable company law legislation, the amendment to the Articles of Association and the Enhanced Scrip Dividend Alternative require the approval of Shareholders of certain Resolutions to be passed at a General Meeting. Accordingly, this Circular includes a notice of the General Meeting to be held at 9:00 a.m. (London time) and 11:00 a.m. (South African Standard Time) on 4 December 2020. The General Meeting will be convened electronically in accordance with the 2020 Act. Details on proxy appointments and the action to be taken are set out in that notice.

Resolution 1 will approve the amendment to the Articles of Association to allow the Board to offer Shareholders enhanced scrip dividends. Resolution 2 will approve the terms of the Enhanced Scrip Dividend Alternative. Each of the Resolutions is conditional on the passing of the other Resolutions.

Further details of the Resolutions can be found at Part V, paragraph 1 of this Circular.

5. Recommendation

This Circular explains why the Board considers the Resolutions proposed to be in the best interests of the Company and the Shareholders as a whole. **Accordingly, the Board unanimously recommends that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting, as each Director intends to do in respect of his or her own beneficial holdings.**

Shareholders should consider their own individual circumstances before making an election to receive the Enhanced Scrip Dividend Alternative, and are recommended to seek their own independent financial advice. However, given the significant difference in value between the cash Interim 2020 Dividend and the Enhanced Scrip Dividend Alternative, the Board considers that for most Shareholders it will be in their interests to elect to receive the Enhanced Scrip Dividend Alternative, as each Director intends to do in respect of his or her own beneficial holdings.

Yours faithfully,

Robert Noel
Chair of the Board

PART II

DETAILS OF THE ENHANCED SCRIP DIVIDEND ALTERNATIVE

1. The Enhanced Scrip Dividend Alternative

As set out in the Chair of the Board's Letter at Part I of this Circular, the Company intends to offer Shareholders the opportunity to receive New Shares under the Enhanced Scrip Dividend Alternative as an alternative to the cash Interim 2020 Dividend.

Shareholders who elect to participate in the Enhanced Scrip Dividend Alternative will, in respect of the Interim 2020 Dividend receive such number of New Shares as is equal to 2 pence divided by the Scrip Reference Share Price, multiplied by the number of Shares held.

For Shareholders on the UK Register, the Scrip Reference Share Price will be calculated by taking the average of the middle market quotations for Shares on the London Stock Exchange as derived from the daily Official List for the last five dealing days ending on the Currency Conversion Date less the gross value of the Interim 2020 Dividend per Share. For Shareholders on the South Africa Register, the Scrip Reference Share Price will be calculated by taking the average of the middle market quotations for Shares as provided by the JSE for the last five dealing days ending on the Currency Conversion Date less the gross value of the Interim 2020 Dividend per Share.

The Scrip Reference Share Price will be announced to the London Stock Exchange and the JSE on SENS on 17 November 2020. This announcement will also appear on the Company's website, www.hammerson.com/investors.

When allotted, the New Shares shall rank *pari passu* in all respects with the fully paid Shares in issue except that the New Shares will not be entitled to participation in the Interim 2020 Dividend.

2. Fractional Entitlements to New Shares

Entitlements to New Shares of Shareholders who elect for the Enhanced Scrip Dividend Alternative will be rounded down to the nearest whole number of New Shares. Entitlements to fractions of New Shares will be paid to Shareholders who elect for the Enhanced Scrip Dividend Alternative in cash based on the value of the Enhanced Scrip Dividend Alternative.

Cheques in respect of fractional entitlements are expected to be despatched to Shareholders, or CREST accounts or bank accounts credited with cash in respect of fractional entitlements, on 18 December 2020.

3. Overseas Shareholders

The attention of Shareholders who have registered addresses outside the United Kingdom or South Africa, or who are citizens or residents of or located in countries other than the United Kingdom or South Africa, is drawn to the information in Question 3 and Question 15 of the Guide (as defined below), which sets out the availability of the Enhanced Scrip Dividend Alternative to Overseas Shareholders.

All UK Shareholders and South Africa Shareholders may elect to participate in the Enhanced Scrip Dividend Alternative subject to any requirements of local exchange control, although certain restrictions apply to Overseas Shareholders.

Generally, Overseas Shareholders may treat this as an invitation to elect to receive the New Shares unless such an invitation could not lawfully be made to them without any further obligation on the part of the Company or in compliance with any registration or other legal requirements. Consequently, Overseas Shareholders in any jurisdiction where such an offer for the New Shares would require compliance by the Company with any governmental or regulatory procedures or similar formalities may not participate in the Enhanced Scrip Dividend Alternative and may not treat this document as offering a right to receive the New Shares. The right to participate in the Enhanced Scrip Dividend Alternative does not constitute an offer of securities in the United States or in any jurisdiction outside the United Kingdom or South Africa in which it is unlawful to make such an offer and the Circular and Form of Election should not be forwarded by recipients thereof to any person in any territory other than where it is lawful to make such an offer.

The New Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**US Securities Act**"), or with any securities regulatory authority or under the

relevant laws or any state or other jurisdiction of the United States, and may not be offered, sold, taken up, exercised, resold, pledged, renounced, transferred or delivered, directly or indirectly, into or within the United States, except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States and as may be agreed by the Company in writing.

It is the responsibility of any Overseas Shareholder wishing to elect to receive the Enhanced Scrip Dividend Alternative to be satisfied as to the full observance of the laws of the relevant territory without any further obligation on the part of the Company, including obtaining any government or other consents which may be required, observing any other formalities in such territories and any resale restrictions which may apply to the New Shares.

By completing and returning a Form of Election, online election, submitting a CREST Dividend Election Input Message (in the UK) or by an instruction to the Shareholder's CSDP or broker (in South Africa), each Shareholder shall be deemed to confirm that they are not resident in any jurisdiction that would require the Company to comply with any governmental or regulatory procedure or requirements or any similar formalities arising from their election nor holding any Shares as nominee(s) or transferee(s) for any beneficial resident who is so resident.

An Overseas Shareholder or any nominee for such a Shareholder is advised to seek legal advice before completing and returning a Form of Election, making an online election or submitting an electronic instruction.

4. Impact on outstanding options and awards under the Company's employees' share schemes

Participants in the Company's Share Incentive Plan (the "SIP") will be contacted separately regarding their right to elect to receive the Enhanced Scrip Dividend Alternative as beneficial owners of Shares held in the SIP.

The Enhanced Scrip Dividend Alternative may be taken into account when determining the operation of any dividend equivalent provisions applying to options and awards outstanding under the Company's other employees' share schemes.

5. Action required by Shareholders on the UK Register

Whether you elect to receive the Enhanced Scrip Dividend Alternative will depend on your personal circumstances and tax position. A Guide to the Enhanced Scrip Dividend Alternative (the "Guide") setting out the detailed terms and conditions of the Enhanced Scrip Dividend Alternative is also available on the Company's website, <https://www.hammerson.com/investors/shareholder-information/scrip-dividend-scheme/> and includes details of the Enhanced Scrip Dividend Alternative's application to Shareholders holding in CREST or through Strate. You are advised to study the Guide carefully and, if you are in any doubt about what course of action to take, you should consult an independent financial adviser.

Shareholders holding Shares in certificated form:

- **If you wish to elect for the Enhanced Scrip Dividend Alternative, a Form of Election to complete and sign has been posted to you. This Form of Election must be returned in the envelope provided to the Company's Registrars, Link Asset Services, by no later than 17:00 on 4 December 2020. Alternatively you are able to elect online via www.signalshares.com by the same deadline.**
- Forms of Election will only be accepted in relation to an entire holding of Shares, other than where a Shareholder is acting as a nominee holding Shares on behalf of more than one beneficial owner where the Company may, at its discretion, permit that Shareholder to grant a Form of Election in respect of a lesser number than their full holding.

Please note that all previously completed forms of election in respect of earlier scrip dividend schemes have been cancelled. Any Shareholder wishing to elect for the Enhanced Scrip Dividend Alternative must therefore complete a Form of Election.

Shareholders holding Shares in uncertificated form in CREST:

- **If you wish to receive the Enhanced Scrip Dividend Alternative, you will need to make an election by means of the CREST election procedure. Such elections are required for each scrip dividend alternative and, therefore, a specific election is required in respect of the Interim 2020 Dividend. The CREST election must be made by no later than 17:00 on 4 December 2020. You should contact your CREST sponsor who will be able to take appropriate action on your behalf.**
- Shareholders whose holdings are in uncertificated form in CREST may make elections in respect of part of their holdings.
- If you do not wish to receive the Enhanced Scrip Dividend Alternative no further action is required. You will receive a cash dividend in respect of the Interim 2020 Dividend.

6. Action required by Shareholders on the South Africa Register

Shareholders holding Shares in dematerialised form through Strate:

- **If you wish to elect for the Enhanced Scrip Dividend Alternative, you will need to notify your duly appointed Central Securities Depository Participant (“CSDP”), broker or custodian in the manner and the time stipulated in the custody agreement governing the relationship between you and your CSDP, broker or custodian, failing which you will receive a cash dividend in respect of the Interim 2020 Dividend.**
- Shareholders whose holdings are in dematerialised form through Strate may not make elections in respect of part of their holdings.
- If you do not wish to receive the Enhanced Scrip Dividend Alternative no further action is required. You will receive a cash dividend in respect of the Interim 2020 Dividend.

The Company does not accept responsibility and will not be held liable for any action of or omission by any CSDP, broker or other agent of any beneficial owner of Shares.

7. Buying additional Shares after making an election

If a Shareholder buys Shares prior to the Ex-Dividend Date, that Shareholder may be entitled to the Enhanced Scrip Dividend Alternative on those Shares and in these circumstances they are advised to contact the stockbroker or other agent through whom the purchase is made without delay so as to ensure that the purchased Shares are registered promptly in their name.

Any additional Shares which a Shareholder buys, and which are registered in their name in the Register of Members prior to the Dividend Record Date, will be covered by any valid election that they have made in relation to the Enhanced Scrip Dividend Alternative and accordingly they will receive New Shares, instead of cash dividends, for their entire holding of Shares.

8. Selling part of a shareholding after making an election

If a Shareholder sells any of their Shares prior to the Ex-Dividend Date after making an election, they may not be entitled to the Enhanced Scrip Dividend Alternative on those Shares and they are advised to contact their stockbroker or other agent through whom the sale was effected without delay as there may be a claim for the cash amount of the Enhanced Scrip Dividend Alternative by the purchaser.

If a Shareholder sells part of their shareholding prior to the Dividend Record Date and such sale is registered in the Register of Members prior to the Dividend Record Date, any valid election that they have made to participate in the Enhanced Scrip Dividend Alternative will apply only to such Shareholder’s remaining Shares.

9. Dividend Reinvestment Plan (the “DRIP”)

As the Company is offering the Enhanced Scrip Dividend Alternative for the Interim 2020 Dividend, it intends to suspend the DRIP.

Participation in the DRIP does not confer automatic participation in the Enhanced Scrip Dividend Alternative and so participants in the DRIP who wish to receive the Enhanced Scrip Dividend

Alternative will need to elect to participate in the Enhanced Scrip Dividend Alternative by the applicable election process described above.

10. Exchange Control Regulations (in respect of Shareholders on the South Africa Register)

The Guide contains an indicative summary of the Exchange Control Regulations applicable to South Africa Shareholders. South Africa Shareholders who are in any doubt as to the appropriate course of action to take should consult their professional advisers.

11. Further information

Applications will be made for the New Shares to be admitted to listing on the Official List of the UK Listing Authority and to trading on the London Stock Exchange's Main Market for listed securities and on the Main Board of the JSE. Subject to Admission, the New Shares will be issued and new share certificates posted to Shareholders holding Shares in certificated form. Shareholders holding Shares in CREST or through Strate will have their CREST accounts or electronic accounts with the CSDP or broker credited directly.

Shareholders should note that there is no guarantee that the Company will offer a scrip dividend alternative (whether or not enhanced) in respect of any particular future dividend. As noted above, due to its status as a REIT, the Company is obliged to pay a certain level of distributions as PIDs, which are subject to particular tax treatment in the hands of Shareholders. When a dividend is announced, the Company will advise whether a scrip dividend alternative is to be offered for that dividend and, if so, the relevant details and timetable for that scrip dividend alternative, including whether that dividend is a PID or non-PID.

Further information on the Enhanced Scrip Dividend Alternative is available on the Company's website, <https://www.hammerson.com/investors/shareholder-information/scrip-dividend-scheme/>. If Shareholders have any queries regarding the implications of the Enhanced Scrip Dividend Alternative for them, they should contact DF King in the first instance on the Freephone helpline 0800 014 8163 for assistance. Please note DF King cannot give any financial advice and Shareholders should contact a qualified person for any such advice.

If Shareholders on the UK Register have any questions about the procedure for participation, please call 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9:00 a.m. and 5:30 p.m. (London time), Monday to Friday, excluding public holidays in England and Wales. Please note that Link Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

Alternatively, Shareholders on the UK Register can write to Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU.

If Shareholders on the South Africa Register have any questions about the procedure for participation, they should contact the South Africa registrar via email on corporate.events@computershare.co.za or by telephone (+27 11 370 5000) or Computershare on +27 860 100 933 (or 011 870 8216). Due to the current circumstances resulting from COVID-19, the South Africa registrar can also be contacted by email on returnmycall@computershare.co.za or alternatively by dialling *134*20011# (only available within South Africa). Calls outside South Africa will be charged at the applicable international rate. The helpline is open between 8.00am – 4.30pm (South Africa Standard Time), Monday to Friday, excluding public holidays in South Africa. Please note that Computershare cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

PART III

WORKED EXAMPLE OF THE ENHANCED SCRIP DIVIDEND ALTERNATIVE

Shareholders' entitlements to New Shares are calculated by taking the number of Shares held by that Shareholder at the Dividend Record Date multiplied by 2 pence, being the value of the Enhanced Scrip Dividend Alternative and dividing it by the Scrip Reference Share Price.

For Shareholders on the UK Register, the Scrip Reference Share Price will be calculated by taking the average of the middle market quotations for Shares on the London Stock Exchange as derived from the daily Official List for the last five dealing days ending on the Currency Conversion Date less the gross value of the Interim 2020 Dividend per Share. For Shareholders on the South Africa Register, the Scrip Reference Share Price will be calculated by taking the average of the middle market quotations for Shares as provided by the JSE for the last five dealing days ending on the Currency Conversion Date less the gross value of the Interim 2020 Dividend per Share.

The Scrip Reference Share Price in the UK and in South Africa for the Interim 2020 Dividend will be announced by the Company on 17 November 2020, and will also be available on the Company's website.

The number of New Shares a Shareholder would receive is calculated as follows:

$$\frac{(\text{Shares held at the Dividend Record Date} \times \text{dividend cash equivalent value per Share})}{\text{Scrip Reference Share Price}}$$

Subject to certain exceptions, the Company is required to withhold tax at source (at the current rate of 20 per cent.) from its PIDs, whether paid in cash or in the form of New Shares (see Part IV of this Circular for further details about withholding tax). The Company will satisfy its obligation to withhold tax at source on PIDs that are paid in the form of New Shares by not issuing an appropriate number of New Shares to which a Shareholder would otherwise be entitled.

Where withholding tax applies, the formula used in calculating a Shareholder's entitlement to New Shares is therefore modified so that the number of New Shares issued is calculated by reference to 80 per cent. of the aggregate value of cash dividend foregone (instead of the whole amount). If the withholding tax rate changes from 20 per cent., the 80 per cent. figure will be adjusted accordingly.

The formula which will be used is set out below:

$$\frac{(2 \text{ pence} \times \text{number of Shares held at the Dividend Record Date} \times 80 \text{ per cent.})}{\text{Scrip Reference Share Price}}$$

Fractions of Shares cannot be allotted and any resulting fractional entitlements for Shareholders who hold Shares in certificated form will be paid in cash at the Scrip Reference Share Price.

By way of example, assuming the following:

- the Enhanced Scrip Dividend Alternative with a value of 2p per Share;
- withholding tax at a rate of 20%;
- a Shareholder who holds 10,000 Shares; and
- a Scrip Reference Share Price of 23.48p (being the share price at the latest practicable date before publication of this Circular).

The Shareholder would be entitled to an Enhanced Scrip Dividend Alternative with an aggregate value of £160.00 (i.e. 10,000 Shares multiplied by the 2p cash value of the Enhanced Scrip Dividend Alternative multiplied by 80%).

The number of New Shares that the Shareholder would receive would be calculated as follows:

$$\frac{(2p \times 10,000 \times 80\%)}{23.48p} = 681.43$$

The Shareholder would be entitled to 681 New Shares (i.e. 681.43 rounded down to the nearest whole number) with a total value of £159.90 based on the Scrip Reference Share Price of 23.48p. A residual fractional entitlement of 0.43 New Shares would then be paid in cash at the Scrip Reference Share Price (i.e. 0.43 New Shares multiplied by the Scrip Reference Share Price of 23.48p, being 10p rounded down to the nearest whole penny).

Shareholders should note there is a significant difference in value between the cash Interim 2020 Dividend and the Enhanced Scrip Dividend Alternative. By way of comparison, if the same Shareholder chose to receive the Interim 2020 Dividend in cash, that Shareholder would be entitled to a dividend cash value of £20 (less any applicable withholding tax).

POSSIBLE NUMBER OF NEW SHARES TO BE ISSUED IN RESPECT OF THE INTERIM 2020 DIVIDEND

Based on an illustrative Scrip Reference Share Price of 23.48p, being the share price on 9 November 2020 (the last practicable date before the publication of this letter) if all Shareholders were to elect to take up their full entitlement to New Shares under Enhanced Scrip Dividend Alternative in respect of the Interim 2020 Dividend, approximately 326.4 million New Shares would be issued, representing an increase of 8.5% in the issued share capital of the Company (excluding treasury shares) as at 10 November 2020.

PART IV

SUMMARY OF THE TAX TREATMENT OF DIVIDENDS FOR SHAREHOLDERS

The following is a general overview of the tax treatment for UK Shareholders and South Africa Shareholders who hold their Shares as an investment. It does not consider the laws or practices of countries other than the United Kingdom and South Africa; nor does it consider the position of certain types of Shareholder such as dealers in securities, persons acquiring Shares in connection with an office or employment, insurance companies and collective investment schemes who may be taxed differently.

A fuller tax summary is contained in a Guide available on the Company's website, <https://www.hammerson.com/investors/shareholder-information/scrip-dividend-scheme/>.

Although this summary is believed to be correct at the time of preparation of this Circular, the decision whether to elect to receive the Enhanced Scrip Dividend Alternative is the sole responsibility of each Shareholder. The following overview is not a complete analysis of all potential tax consequences arising from the payment of a dividend.

A Shareholder's tax position will depend upon their personal circumstances. Shareholders are advised to consult their professional advisors regarding the tax consequences of the cash Interim 2020 Dividend and the Enhanced Scrip Dividend Alternative should they be in any doubt as to the appropriate action to take.

If you are in any doubt as to your tax position or you are subject to tax in a jurisdiction outside the UK or South Africa, you should consult an appropriate professional adviser before taking any action.

UK TAXATION

The statements made in this section relate only to certain limited aspects of the UK taxation treatment of distributions paid by the Company as PIDs in the form of cash and/or New Shares to Shareholders who are resident (and, in the case of individuals only, domiciled) solely in the UK for tax purposes (except where the position of a non-UK tax resident Shareholder is expressly referred to) that are holding their existing Shares as well as any New Shares as an investment; nor does it consider the position of certain types of Shareholder such as dealers in securities, persons acquiring Shares in connection with an office or employment, insurance companies and collective investment schemes who may be taxed differently. Shareholders should note that the summary is a general guide to the material effects of the UK tax regime currently in force and current HMRC published practice and is not exhaustive.

A. Application of UK withholding tax

Subject to certain exceptions summarised below, the Company is required to withhold income tax at source at the basic rate (currently 20%) from its PIDs (whether paid in cash or in the form of a scrip dividend). Further information on how the gross amount of a PID which is received as a scrip dividend is determined when received subject to withholding tax is set out in section (B) below.

Shareholders should note that, in certain circumstances, the Company is not required to withhold income tax at source from a PID. These circumstances include where the Company reasonably believes that the person beneficially entitled to the PID is: (i) a company resident for tax purposes in the UK; (ii) a company resident for tax purposes outside the UK which carries on a trade through a permanent establishment in the UK and which is required to bring the PID into account in computing the chargeable profits of that permanent establishment for UK corporation tax purposes; or (iii) an entity which falls within an exempt category, such as a charity or local authority.

They also include where the Company reasonably believes that the PID is paid to the scheme administrator of a UK approved pension scheme, the sub-scheme administrator of certain pension sub-schemes, the account manager of an individual savings account, the plan manager of a personal equity plan, or the account provider for a child trust fund, in each case, provided the Company reasonably believes that the PID will be applied for purposes of the relevant scheme, account plan or fund in respect of which the recipient has duties.

In order to pay a PID without withholding tax, the Company will need to be satisfied that the Shareholder concerned is entitled to that treatment. For that purpose, the Company will require such

Shareholders to submit a valid claim form. Shareholders should note that the Company may seek recovery from Shareholders if the statements made in their claim form are incorrect and the Company suffers tax as a result. The Company will, in some circumstances, suffer tax if its reasonable belief as to the status of a Shareholder turns out to have been mistaken.

Where tax has been withheld at source by the Company from the payment of a PID, Shareholders who are individuals may, depending on their particular circumstances, be liable to further tax on their receipt of a PID at their applicable marginal rate, incur no further liability on their receipt of a PID, or be entitled to claim repayment of some or all of the tax withheld on their receipt of a PID. Shareholders who are corporate entities within the charge to UK corporation tax will generally be liable to pay corporation tax in respect of their receipt of a PID and, in the unlikely event that income tax is withheld at source, the tax withheld can be set against their liability to corporation tax in the accounting period in which the PID is received.

For Shareholders that are not resident in the UK, it is not possible to make a claim under a double taxation convention for a PID to be paid by the Company gross or at a reduced rate. The right of a Shareholder to claim repayment of any part of the tax withheld from a PID will depend on the existence and terms of any double taxation convention between the UK and the country in which the Shareholder is resident and the ability of the Shareholder to secure the benefits of the relevant articles of the relevant double taxation convention. Shareholders who are not resident for tax purposes in the UK should obtain their own tax advice concerning tax liabilities on PIDs received from the Company.

B. Enhanced Scrip Dividend Alternative—amount received

It is anticipated that the value of the Enhanced Scrip Dividend Alternative will greatly exceed the cash Interim 2020 Dividend forgone by Shareholders who elect to receive the Enhanced Scrip Dividend Alternative. Where a cash dividend is forgone and the difference between the forgone cash dividend and the value of the scrip dividend alternative is not greater than 15% of the value of the scrip dividend alternative, then Shareholders who have elected for the dividend alternative are broadly taxed by reference to the cash dividend which has been forgone rather than the value of Shares received. However, given the significant difference between the expected value of the Enhanced Scrip Dividend Alternative and the cash Interim 2020 Dividend, this tax treatment is not expected to apply to Shareholders who elect for the Enhanced Scrip Dividend Alternative, and instead the amount on which such Shareholders will be taxable is expected to be as set out below:

- (a) where withholding tax does not apply to a PID which is satisfied by way of the Enhanced Scrip Dividend Alternative, then the amount of the PID regarded as received by the Shareholder will be taken to be the market value of the New Shares issued to them on the date of first dealing in those New Shares.
- (b) where withholding tax does apply a PID which is satisfied by way of the Enhanced Scrip Dividend Alternative, the Shareholder will actually receive 80% of the New Shares they would have received absent any such withholding tax (i.e. given that the withholding tax rate is 20%). However, the amount of the PID regarded as received for tax purposes by the Shareholder will be taken to be the market value of all of the New Shares that would have been issued to them absent any withholding tax, such market value being based on the first day of trading of those New Shares. A tax credit will be available in respect of the New Shares withheld by the Company on any such PID, such credit being equal to the market value of the New Shares which have been so withheld.

In either of the above cases, Shareholders will be subject to tax on the amount of the PID they are treated as receiving in accordance with the applicable sections below.

C. Direct taxation—individual Shareholders

Subject to certain exceptions, a PID will generally be treated in the hands of Shareholders who are individuals as the profit of a UK property business for income tax purposes (as defined in Part 3 of the Income Tax (Trading and Other Income) Act 2005). A PID is, together with any PID from any other company to which Part 12 of the Corporation Tax Act (“CTA”) 2010 applies (i.e. any other REIT), treated as a separate UK property business. Income from any other UK property business carried on by the relevant Shareholder must be accounted for separately. This means that any surplus expenses from a Shareholder’s separate UK property business cannot be offset against a PID as part of a single calculation of the profits of the Shareholder’s UK property business. A Shareholder who is subject to

income tax at the basic rate will be liable to pay income tax at 20% on the PID. Higher rate and additional rate taxpayers will be taxable at the respective prevailing rates (currently 40% and 45%, respectively). A tax credit will be available in respect of the basic rate withheld by the Company on the PID.

Currently, neither the nil rate of income that is otherwise applicable to taxable dividend income nor any property income allowance is available in respect of income tax on PIDs.

D. Direct taxation—corporate Shareholders

Subject to certain exceptions, a PID will generally be treated in the hands of Shareholders who are within the charge to corporation tax as the profit of a property business (as defined in Part 4 of the CTA 2009). A PID is, together with any PID from any other company to which Part 12 of CTA 2010 applies (i.e. any other REIT), treated as a separate Part 4 property business. Income from any other Part 4 property business carried on by the relevant Shareholder must be accounted for separately. This means that any surplus expenses from a Shareholder's different Part 4 property business cannot be offset against a PID as part of a single calculation of the relevant Shareholder's property business profits.

A Shareholder within the charge to corporation tax will generally be subject to corporation tax at the prevailing rates applicable to the respective investor. The current rate of UK corporation tax is 19%.

Where a Shareholder who is not resident for tax purposes in the UK receives a PID, the PID will generally be chargeable to UK income tax under Part 3 of the Income Tax (Trading and Other Income) Act 2005, as a profit of a UK property business and this tax will generally be collected by way of a withholding tax (see further above). Under section 548(7) of the CTA 2010, this income is expressly not non-resident landlord income for the purposes of regulations under section 971 of the Income Tax Act 2007.

Prospective non-UK tax resident Shareholders should consult their own professional advisers on any non-UK tax implications of receiving PIDs which may arise in their relevant jurisdiction.

SOUTH AFRICA TAXATION

A. PID scrip dividend

Under South African tax legislation, a scrip dividend is not regarded as a dividend. Accordingly, the issuing of New Shares by the Company to Shareholders who elect to receive the Enhanced Scrip Dividend Alternative will not result in any income tax or dividends tax consequences in South Africa.

For South African capital gains tax purposes, the New Shares issued by the Company to Shareholders who elect to receive the Enhanced Scrip Dividend Alternative will be regarded to have a base cost of nil.

B. PID cash dividend

Where the dividend is paid as a PID and a South Africa resident does not elect to receive New Shares, the tax position is as follows:

- i) **Withholding tax:** the Company is required to withhold tax at source in the UK at the rate of 20% from its cash PIDs. On application by the Shareholder, a 5% cash rebate is claimable from HMRC in terms of the double tax agreement between the two countries, resulting in an effective UK withholding tax rate of 15%.
- ii) **Dividends tax:** paid by non-South African companies in respect of shares listed on the JSE. Retirement funds (including approved pension funds, provident funds and retirement annuity funds) and approved public benefit organisations enjoy a general exemption from dividends tax. South African companies may also qualify for exemption from dividends tax if they have provided the regulated intermediary (CSDP or broker) with a written declaration confirming their exemption prior to the payment of the PIDs. Furthermore, section 64N of the Income Tax Act reduces dividends tax to the extent of UK withholding tax already having been borne.
- iii) **Individual Shareholders:** Individuals should not be liable to income tax on their cash PIDs as cash PIDs are exempt from income tax under section 10B(2) of the Income Tax Act as being a foreign

dividend from a share listed on the JSE. There are no capital gains tax consequences resulting from receiving cash PIDs.

- iv) Corporate Shareholders: Corporates should not be liable to income tax on their cash PIDs as cash PIDs are exempt from income tax under section 10B(2) of the Income Tax Act as being a foreign dividend from a share listed on the JSE. There are no capital gains tax consequences resulting from receiving cash PIDs.
- v) Trusts: Trusts should not be liable to income tax on their cash PIDs as cash PIDs are exempt from income tax under section 10B(2) of the Income Tax Act as being a foreign dividend from a share listed on the JSE. There are no capital gains tax consequences resulting from receiving cash PIDs.
- vi) Retirement funds and approved public benefit organisations: Retirement funds (including approved pension funds, provident funds and retirement annuity funds) and approved public benefit organisations are generally exempt from income tax and capital gains tax and therefore should not be liable to income tax or capital gains tax on their cash PIDs.

PART V
ADDITIONAL INFORMATION

1. Summary of Resolutions

Two resolutions will be proposed at the General Meeting. Resolutions 1 and 2 will each be proposed as a special resolution, the passing of which requires at least 75 per cent of the votes cast to be in favour. Each of the Resolutions is conditional on the passing of the other Resolution.

A summary of the Resolutions is set out below:

Resolution 1: To approve amendments to the Articles of Association

This Resolution is conditional on the passing of Resolution 2.

The Articles of Association of the Company currently do not allow the Directors to pay a scrip dividend with a value greater than the equivalent cash dividend. Therefore, the Directors propose to amend the Articles of Association to provide that the Directors may offer shareholders the right to elect to receive New Shares instead of cash in respect of the whole or some part of a dividend and to provide that the value of such Shares may be greater than the value of the cash dividend foregone, provided that the terms of any such enhanced scrip dividend are approved by a special resolution of the Company.

The below shows the marked changes proposed to Article 146 of the Articles of Association:

146. The Directors may, with the authority of ~~an Ordinary a~~ Resolution of the Company (being an Ordinary Resolution unless a Special Resolution is required in accordance with Article 146(3)), offer any Holders of Ordinary Shares the right to elect to receive Ordinary Shares, credited as fully paid, instead of cash in respect of the whole (or some part, to be determined by the Directors) of any dividend specified by the ~~Ordinary~~ Resolution. The following provisions shall apply:

- (1) the said resolution may specify a particular dividend or dividends (whether or not declared), or may specify all, some or any dividends declared or payable within a specified period, but such period may not end later than the beginning of the third Annual General Meeting next following the date of the meeting at which the ~~Ordinary~~ Resolution is passed;
- (2) the Directors may offer such rights of election to Holders either:
 - (A) in respect of the next dividend proposed to be paid; or
 - (B) in respect of all subsequent dividends, until such time as the election is revoked by the Company or the authority given pursuant to paragraph 12.1 of this Article expires without being renewed (whichever is the earlier).
- (3) the entitlement of each Holder of Ordinary Shares to new Ordinary Shares shall be such that the Relevant Value of the entitlement shall be as nearly as possible equal to ~~(but not greater than) the~~ the cash amount and may with the authority of a Special Resolution of the Company exceed such cash amount (disregarding any tax credit) that such Holder would have received by way of dividend. For this purpose "Relevant Value" shall be calculated by reference to the average of the middle market quotations for the Company's Ordinary Shares on the London Stock Exchange Daily Official List and/or any other publication relating to a stock exchange on which the Company's Ordinary Shares are listed from time to time on the relevant dealing days, or in such other manner as may be determined by or in accordance with the ~~Ordinary~~ Resolution passed pursuant to paragraph (1) of this Article. Where the Company's shares are listed on more than one stock exchange, the period of dealing days and average value may vary for each such exchange. A certificate or report by the Auditors as to the amount of the relevant value in respect of any dividend shall be conclusive evidence of that amount;
- (4) no fraction of a share shall be allotted and the Directors may deal with any fractions which arise as they think fit;
- (5) if the Directors resolve to offer a right of election, they shall, after determining the basis of allotment, notify the Holders of Ordinary Shares in writing of the right of election offered to them, and shall send with, or following, such notification, ~~forms~~ form of election and specify

the procedure to be followed and place at which, and the latest time by which, elections must be received in order to be effective. No notice need be given to a Holder who has previously made (and has not revoked) an earlier election to receive new shares in place of all future dividends.

- (6) the Directors may exclude from any offer any Holders of Ordinary Shares, if applicable, where the Directors believe that the making of the offer to them would or might involve (i) the contravention of the laws of any territory or (ii) problems relating to the requirements of any recognised regulatory body or stock exchange in any territory, or that for any other reason the offer should not be made to them;
- (7) the dividend (or that part of the dividend in respect of which a right of election has been given) shall not be payable on Ordinary Shares in respect of which an election has been duly made (the "Elected Ordinary Shares") and instead additional Ordinary Shares shall be allotted to the Holders of the Elected Ordinary Shares on the basis of allotment determined as aforesaid. For such purpose the Directors shall capitalise out of any amount standing to the credit of any reserve or fund (including any share premium account or capital redemption reserve) or any of the profits which could otherwise have been applied in paying dividends in cash, as the Directors may determine, a sum equal to the aggregate nominal amount of the additional Ordinary Shares to be allotted on that basis and apply it in paying up in full the appropriate number of Ordinary Shares for allotment and distribution to the Holders of the Elected Ordinary Shares on that basis;
- (8) the Directors shall not proceed with any election unless the Company has sufficient reserves or funds that may be capitalised to give effect to it after the basis of allotment is determined;
- (9) the additional Ordinary Shares when allotted shall rank *pari passu* in all respects with the fully paid Ordinary Shares then in issue except that they will not be entitled to participation in the dividend in lieu of which they were allotted;
- (10) the Directors may do all acts and things which they consider necessary or expedient to give effect to any such capitalisation, and may authorise any person to enter on behalf of all the Members interested into an agreement with the Company providing for such capitalisation and incidental matters and any agreement so made shall be binding on all concerned.

Resolution 2: To approve the terms of the Enhanced Scrip Dividend Alternative

This Resolution is conditional on the passing of Resolution 1.

As an alternative to the cash Interim 2020 Dividend, the Directors propose to offer shareholders the option of receiving ordinary shares, credited as fully paid, instead of cash in respect of the whole of the Interim 2020 Dividend (or part of the Interim 2020 Dividend, as determined by the Directors).

Resolution 2, which will be proposed as a special resolution, will, if approved by Shareholders, provide the Directors with the authority to offer Shareholders the option of receiving such number of New Shares as is equal to 2 pence divided by the Scrip Reference Share Price, multiplied by the number of Shares held, as an alternative to the Interim 2020 Dividend.

2. Documents available for inspection

Copies of the following documents will be available for inspection on the Company's website at <https://www.hammerson.com/investors/shareholder-information/general-meeting/> up to and including the date of the General Meeting:

- the proposed amended Articles of Association; and
- this Circular.

This Circular is dated 11 November 2020.

DEFINITIONS

The following definitions apply throughout this document, unless the context requires otherwise:

“Admission”	together, UK Admission and South Africa Admission
“Articles of Association” or “Articles”	the articles of association of the Company
“BEIS”	Department for Business, Energy and Industrial Strategy
“Board” or “Directors”	the directors of the Company whose names appear in Part I of this document
“Circular”	this document
“CLLS”	City of London Law Society
“CREST”	the relevant system (as defined in the Uncertificated Securities Regulations 2001 (SI 2001/3755)) in respect of which Euroclear UK & Ireland is the operator
“CSDP”	central securities depository participant, a participant as defined in the South African Financial Market Act, 19 of 2012
“CTA”	the Corporation Tax Act
“Currency Conversion Date”	17 November 2020
“Dividend Record Date”	20 November 2020
“DRIP”	the Dividend Reinvestment Plan offered by the Company
“Enhanced Scrip Dividend Alternative”	the enhanced scrip dividend alternative of 2 pence per Share in respect of the Interim 2020 Dividend
“Exchange Control Regulations”	the South African Exchange Control Regulations, 1961 as promulgated by Government Notice R.1111 of 1 December 1961 and amended up to Government Notice R.445 of 8 June 2012, in terms of Section 9 of the South African Currency and Exchanges Act No. 9 of 1933 (as amended)
“Ex-Dividend Date”	18 November 2020 (for South Africa Shareholders) and 19 November 2020 (for UK Shareholders)
“FCA”	the Financial Conduct Authority
“Form of Election”	the form of election accompanying this document for use in connection with the Enhanced Scrip Dividend Alternative by Shareholders holding Shares in certificated form
“Form of Proxy”	the form of proxy accompanying this document for use by Shareholders in connection with the GM
“FRC”	Financial Reporting Council
“General Meeting” or “GM”	the general meeting to be held at 9:00 a.m. on 4 December 2020, or any adjournment thereof
“Guide”	the guide to the Enhanced Scrip Dividend Alternative setting out the detailed terms and conditions of the Enhanced Scrip Dividend Alternative available on the Company’s website
“Hammerson plc” or “Company”	Hammerson plc, a company registered in England and Wales with registered number 360632

“Hammerson Group” or “Group”	the Company and its subsidiary undertakings
“HMRC”	Her Majesty’s Revenue and Customs
“ICSA”	Chartered Governance Institute
“Income Tax Act”	the South African Income Tax Act No 58 of 1962
“Interim 2020 Dividend”	the dividend of 0.2 pence per Share
“JSE”	JSE Limited, a public company incorporated in accordance with the laws of South Africa, with registration number 2005/022939/06, and licensed as an exchange under the South African Financial Markets Act or the securities exchange operated by JSE Limited, as the context indicates
“London Stock Exchange” or “LSE” .	London Stock Exchange plc
“Main Board”	the JSE’s Main Board for listed securities
“Main Market”	the London Stock Exchange’s Main Market for listed securities
“Measures”	the measures introduced in England by the UK Government in response to the COVID-19 pandemic, which are aimed at controlling the spread of the virus
“New Shares”	the new fully paid Shares with a value of 2 pence per Share held instead of a cash dividend of 0.2 pence per Share held to be issued to Shareholders who elect to receive the Enhanced Scrip Dividend Alternative
“Nominated Person”	a person who has been nominated by a Shareholder to enjoy information rights under section 146 of the Companies Act 2006
“Official List”	the Official List of the FCA
“Overseas Shareholders”	Shareholders who have registered addresses, or who are located, outside the United Kingdom or South Africa
“PIDs”	property income distributions
“Rand”	South African Rand, being the lawful currency of South Africa
“Register of Members”	the register of members of the Company
“REIT”	Real Estate Investment Trust—a tax regime which in the United Kingdom exempts participants from corporation tax both on UK rental income and gains arising on UK investment property sales, subject to certain requirements as set out in the Finance Act 2006
“Resolutions”	the resolutions to be proposed at the General Meeting, the full text of which is set out in the Notice of General Meeting at the end of this document
“Scrip Reference Share Price”	<ul style="list-style-type: none"> • for Shareholders on the UK Register, the average of the middle market quotations for Shares on the London Stock Exchange as derived from the Daily Official List for the last five dealing days ending on the Currency Conversion Date less the gross value of the Interim 2020 Dividend per Share • for Shareholders on the South Africa Register, the average of the middle market quotations for the Shares as provided by the JSE for the last five dealing days ending on the Currency Conversion Date less the gross value of the Interim 2020 Dividend per Share
“SENS”	the Stock Exchange News Service of the JSE

“Shares”	ordinary shares of 5 pence each in the capital of the Company
“Shareholder”	a holder of the Shares
“SIIC”	Sociétés d’Investissements Immobiliers Cotées—a French tax-exempt regime available to property companies listed in a regulated market operating in accordance with the same rules as Directive 2004/39 / EC of the European Parliament and of the Council of 21 April 2004 on the markets for financial instruments and their subsidiaries in which they hold at least 95% of the share capital, in accordance with Article 208 C of the French Tax Code (Code général des impôts)
“SIP”	the Hammerson Share Incentive Plan
“South Africa”	the Republic of South Africa
“South Africa Admission”	admission, in accordance with the JSE Listing Requirements, of the New Shares to listing and trading on the Main Board of the JSE
“South Africa Register”	the branch register of members of the Company in South Africa
“United Kingdom” or “UK”	the United Kingdom of Great Britain and Northern Ireland
“UK Admission”	the admission of the New Shares to the premium listing segment of the Official List and to trading on the LSE’s Main Market for listed securities becoming effective
“UK Register”	the register of members of the Company in the United Kingdom
“US Securities Act”	US Securities Act of 1993 (as amended)
“Voting Record Date”	5:30 p.m. (London time) or 7:30 pm (South African Standard Time) on 2 December 2020
“2020 Act”	the Corporate Insolvency and Governance Act 2020

NOTICE OF GENERAL MEETING

Hammerson plc

(incorporated and registered in England and Wales with registered number 360632)

NOTICE IS HEREBY GIVEN that a general meeting of Hammerson plc (the “**Company**”) will be convened electronically in accordance with the Corporate Insolvency and Governance Act 2020 at 9:00 a.m. (London time) on 4 December 2020 (the “**General Meeting**”) for the purpose of considering and, if thought fit, passing the following resolutions (the “**Resolutions**”):

Resolution 1

As a Special Resolution

THAT subject to all other Resolutions in this Notice of General Meeting being duly passed, Article 146 of the articles of association of the Company be replaced with the following:

146. The Directors may, with the authority of a Resolution of the Company (being an Ordinary Resolution unless a Special Resolution is required in accordance with Article 146(3)), offer any Holders of Ordinary Shares the right to elect to receive Ordinary Shares, credited as fully paid, instead of cash in respect of the whole (or some part, to be determined by the Directors) of any dividend specified by the Resolution. The following provisions shall apply:

- (1) the said resolution may specify a particular dividend or dividends (whether or not declared), or may specify all, some or any dividends declared or payable within a specified period, but such period may not end later than the beginning of the third Annual General Meeting next following the date of the meeting at which the Resolution is passed;
- (2) the Directors may offer such rights of election to Holders either:
 - (A) in respect of the next dividend proposed to be paid; or
 - (B) in respect of all subsequent dividends, until such time as the election is revoked by the Company or the authority given pursuant to paragraph (1) of this Article expires without being renewed (whichever is the earlier).
- (3) the entitlement of each Holder of Ordinary Shares to new Ordinary Shares shall be such that the Relevant Value of the entitlement shall be as nearly as possible equal to the cash amount and may (with the authority of a Special Resolution of the Company) exceed such cash amount (disregarding any tax credit) that such Holder would have received by way of dividend. For this purpose “Relevant Value” shall be calculated by reference to the average of the middle market quotations for the Company’s Ordinary Shares on the London Stock Exchange Daily Official List and/or any other publication relating to a stock exchange on which the Company’s Ordinary Shares are listed from time to time on the relevant dealing days, or in such other manner as may be determined by or in accordance with the Resolution passed pursuant to paragraph (1) of this Article. Where the Company’s shares are listed on more than one stock exchange, the period of dealing days and average value may vary for each such exchange. A certificate or report by the Auditors as to the amount of the relevant value in respect of any dividend shall be conclusive evidence of that amount;
- (4) no fraction of a share shall be allotted and the Directors may deal with any fractions which arise as they think fit;
- (5) if the Directors resolve to offer a right of election, they shall, after determining the basis of allotment, notify the Holders of Ordinary Shares in writing of the right of election offered to them, and shall send with, or following, such notification, form of election and specify the procedure to be followed and place at which, and the latest time by which, elections must be received in order to be effective. No notice need be given to a Holder who has previously made (and has not revoked) an earlier election to receive new shares in place of all future dividends.
- (6) the Directors may exclude from any offer any Holders of Ordinary Shares, if applicable, where the Directors believe that the making of the offer to them would or might involve (i) the contravention of the laws of any territory or (ii) problems relating to the requirements of any

recognised regulatory body or stock exchange in any territory, or that for any other reason the offer should not be made to them;

- (7) the dividend (or that part of the dividend in respect of which a right of election has been given) shall not be payable on Ordinary Shares in respect of which an election has been duly made (the "Elected Ordinary Shares") and instead additional Ordinary Shares shall be allotted to the Holders of the Elected Ordinary Shares on the basis of allotment determined as aforesaid. For such purpose the Directors shall capitalise out of any amount standing to the credit of any reserve or fund (including any share premium account or capital redemption reserve) or any of the profits which could otherwise have been applied in paying dividends in cash, as the Directors may determine, a sum equal to the aggregate nominal amount of the additional Ordinary Shares to be allotted on that basis and apply it in paying up in full the appropriate number of Ordinary Shares for allotment and distribution to the Holders of the Elected Ordinary Shares on that basis;
- (8) the Directors shall not proceed with any election unless the Company has sufficient reserves or funds that may be capitalised to give effect to it after the basis of allotment is determined;
- (9) the additional Ordinary Shares when allotted shall rank *pari passu* in all respects with the fully paid Ordinary Shares then in issue except that they will not be entitled to participation in the dividend in lieu of which they were allotted;
- (10) the Directors may do all acts and things which they consider necessary or expedient to give effect to any such capitalisation, and may authorise any person to enter on behalf of all the Members interested into an agreement with the Company providing for such capitalisation and incidental matters and any agreement so made shall be binding on all concerned.

Resolution 2

As a Special Resolution

THAT subject to Resolution 1 in this Notice of General Meeting being duly passed, the Directors be authorised to offer holders of ordinary shares of 5 pence each in the capital of the Company ("**Shareholders**") the right to elect to receive, instead of cash in respect of the interim 2020 dividend of 0.2 pence per ordinary share of 5 pence each in the capital of the Company (the "**Interim 2020 Dividend**"), such number of new ordinary shares of 5 pence each in the capital of the Company, credited as fully paid, as is equal to 2 pence divided by the average middle market quotation for the Company's ordinary shares of 5 pence each for the last five dealing days ending on 17 November 2020 (i) for Shareholders on the register of the Company in the United Kingdom, on the London Stock Exchange, as derived from the London Stock Exchange daily Official List, and (ii) for Shareholders on the register of the Company in South Africa, as provided by the Johannesburg Stock Exchange, in each case less the gross value of the Interim 2020 Dividend.

By order of the Board of Directors of the Company:

Alice Darwall

General Counsel and Company Secretary
Hammerson plc

11 November 2020

Registered office:

Kings Place
90 York Way
London N1 9GE
United Kingdom

Registered in England and Wales No. 360632

www.hammerson.com

Notes:

1. Attending, voting or appointing a proxy

The General Meeting will be convened electronically in accordance with the Corporate Insolvency and Governance Act 2020 (the “**2020 Act**”).

In response to the COVID-19 pandemic, the UK Government has introduced a number of measures in England aimed at controlling the spread of the virus (the “**Measures**”). On 26 June 2020, the UK Government enacted the 2020 Act, which introduces flexible arrangements to allow UK companies to hold general meetings. The Board has been closely monitoring the ongoing impact of COVID-19 in the United Kingdom, and has carefully considered the Measures, the 2020 Act and public health guidance. The Board has also taken into account the latest guidance relating to the organisation of general meetings published by ICSA/CLLS on 9 July 2020 and BEIS/FRC on 8 June 2020. Protecting the safety and wellbeing of our Shareholders, our employees and the public is of paramount importance to the Board. The Board is also cognisant of the evolving situation and potential for future, localised lockdowns. The Board has therefore decided to convene the General Meeting electronically in accordance with the provisions of the 2020 Act.

Whilst the Measures remain in force, you will not be permitted to attend the meeting in person and any proxy appointed other than the Chair will also be prohibited from attending the meeting.

2. Appointment of proxies by Shareholders registered on the UK Register

Shareholders on the UK Register may obtain a copy of a UK Form of Proxy from the Company’s UK registrar, Link Asset Services, by email at enquiries@linkgroup.co.uk or by phone on +44 (0) 371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom are charged at the applicable international rate. Lines are open 9.00 am–5.30 pm Monday to Friday excluding bank holidays in England and Wales. **To ensure your vote is counted, you should appoint the ‘Chair of the Meeting’ as your proxy.**

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 into your share portal account at www.signalshares.com. 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. by delivering a Form of Proxy to the Company’s UK registrar, Link Asset Services, at the address shown on the Form of Proxy; 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 must be received by Link Asset Services by 9:00 a.m. (London time) on 2 December 2020.

A copy of this Notice of General Meeting (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 they were nominated, to be appointed as a proxy for the General 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, they 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 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 9:00 a.m. on 2 December 2020. 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 their 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.

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 Link 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. 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 General 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.

6. Voting Record Date for Shareholders on the UK Register

Only persons entered on the UK Register at 5.30 p.m. (London time) on 2 December 2020 (or, if the General Meeting is adjourned, at 5.30 p.m. (London time) on the date which is two days prior to the adjourned meeting excluding non-business days) shall be entitled to vote at the General Meeting or adjourned meeting (the "**UK Voting Record Date**"). Changes to entries on the UK Register after this time shall be disregarded in determining the rights of persons to vote (and the number of votes they may cast) at the General Meeting or adjourned meeting. However, Shareholders should note that it will not be possible to vote on the day of the General Meeting and that an appointment of a proxy must be received by Link Asset Services by 9:00 a.m. (London time) on 2 December 2020. Shareholders on the South Africa Register should refer to note 12.

7. Voting at the General 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. Given that the General Meeting will be convened electronically and Shareholders will not be able to vote in person, **Shareholders should vote by way of proxy in advance of the General Meeting and should appoint the 'Chair of the Meeting' as their proxy.** As soon as practicable following the General Meeting, the results of the voting at the General 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, by a Stock Exchange News Service announcement of the Johannesburg Stock Exchange and also placed on the Company's website at www.hammerson.com/investors/rns.

8. Questions at the General Meeting

The Board is committed to Shareholder engagement. Shareholders who wish to put a question to the Board relating to the business to be conducted at the General Meeting should email investorrelations@hammerson.com in advance of the General Meeting. We encourage Shareholders to submit questions by 9:00 a.m. (London time) on 30 November 2020 and the Company will endeavour to respond on <https://www.hammerson.com/investors/shareholder-information/general-meeting/> in advance of the proxy voting deadline on 2 December 2020 at 9:00 a.m. (London time) and 11:00 a.m. (South African Standard Time). Where questions are received after 9:00 a.m. (London time) on 30 November 2020 the Company will respond as soon as practicable. The Company reserves the right to consolidate questions of a similar nature. The Company is not required to answer questions if: doing so would interfere unduly with the preparation for the General Meeting or involve the disclosure of confidential information; the answer has already been given on the Company's website in the form of an answer to a question; or it is undesirable in the interests of the Company or the good order of the General Meeting that the question be answered.

9. 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 to communicate with the Company for any purposes other than those expressly stated.

10. Issued share capital

As at 10 November 2020 (being the latest practicable date prior to publication of this Notice), the Company's issued share capital consists of 3,831,468,050 Shares. The Company does not hold any Shares in treasury. Therefore the total voting rights in the Company are 3,831,468,050. The contents of this Notice, details of the total number of Shares in respect of which Shareholders are entitled to exercise voting rights at the General Meeting, details of the totals of the voting rights that Shareholders are entitled to exercise at the General Meeting and, if applicable, any Shareholders' statements, Shareholders' resolutions or Shareholders' matters of business received by the Company after the date of this Notice will be available on www.hammerson.com/investors.

11. Additional information for Shareholders registered on the South Africa Register who hold their Shares in dematerialised form

For Shareholders whose Shares are held in South Africa through Central Securities Depository Participants (CSDP) and brokers and are traded on the JSE, your broker or CSDP should contact you to ascertain how you wish to cast your vote at the General Meeting and should thereafter cast your vote in accordance with your instructions. If you have not been contacted by your broker or CSDP, it is advisable to contact your broker or CSDP and provide your voting instructions (for example and subject to the contract between you and your broker or CSDP) by completing a Form of Proxy and sending it your broker or CSDP. The Form of Proxy is available online at <https://www.hammerson.com/investors/shareholder-information/general-meeting/>. 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 submit a Form of Proxy to the Company directly.

12. Voting Record Date for Shareholders on the South Africa Register

The record date for the purpose of determining which Shareholders on the South Africa Register are entitled to participate in and vote at the General Meeting is 2 December 2020 (the “**South Africa Voting Record Date**”). For Shareholders on the South Africa Register, 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 30 November 2020.

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