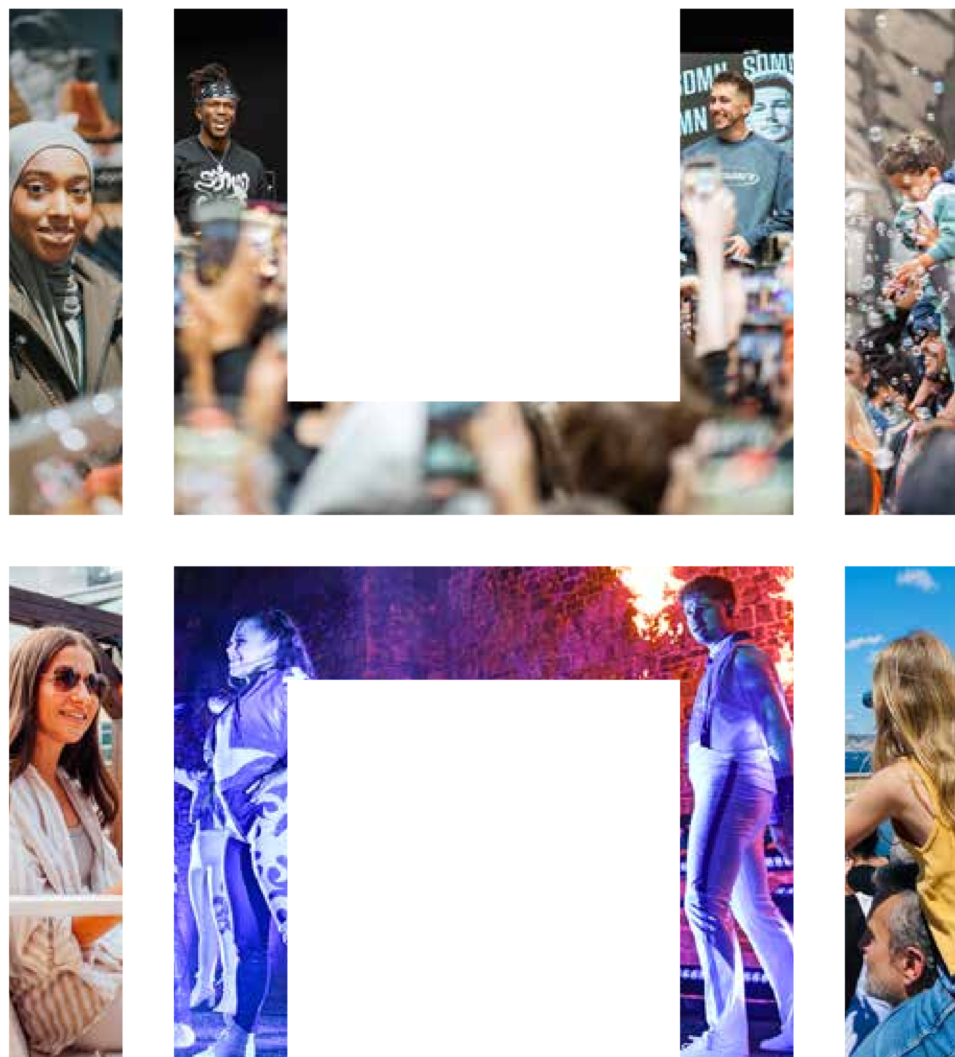

Thriving cities. Landmark destinations. Driving growth.

Annual Report 2024

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Highlights

Transformational disposal of Value Retail

Generating €705m (£595m) of cash proceeds, materially transforming the balance sheet with net debt/EBITDA at 5.8x and LTV at 30%, and expanding capacity to invest for growth. £135m of proceeds already rapidly recycled to gain 100% control of Westquay.

Realigned to a core portfolio

Today, Hammerson is a simplified and unique investment proposition: ten landmark city destinations and 80 acres of strategic land in some of Europe's fastest growing cities. We are well positioned to deliver sustainable growth, with ample opportunities to enhance performance.

Investment and capital recycling driving growth and value creation

Curating the most attractive product and mix to drive lower vacancy, higher quality footfall, greater sales density, and ultimately creating tangible rental tension.

Strong leasing momentum continuing

262 leases signed on 1m ft^2 of space generating annual headline rent of £41m at 100%, another record performance, with principal lettings 56% above previous passing rent and 13% ahead of ERV.

Overhauled operating model driving performance

Embedded a specialist, data-driven and efficient platform that is scalable and delivering operational gearing as we grow rental income and AUM. Costs down 16% year-on-year and 36% since FY20.

Welcome from our Chief Executive

Repositioned to accelerate growth

We enter 2025 as a repositioned business. In landing the strategic disposal of Value Retail and completing our non-core disposals, we are now focused on a high-quality core portfolio, with all destinations in the top 20 retail venues in their territories. We have transformed our balance sheet, enabling investment for growth.

We have strategically realigned the business to benefit from positive market dynamics. These include cities as the engines of economic growth, the flight to quality by brand partners, and a renewed focus on the physical experience for customers and brand partners.

We are leveraging our unique data-driven platform to exploit these trends to curate the right product and mix. This is driving tangible benefits – higher occupancy, leasing, footfall and sales – with more to come.

I'm excited about the opportunity ahead for Hammerson. We are poised to deliver significant revenue and underlying earnings growth, with the full impact of our investments and acquisitions yet to be realised.

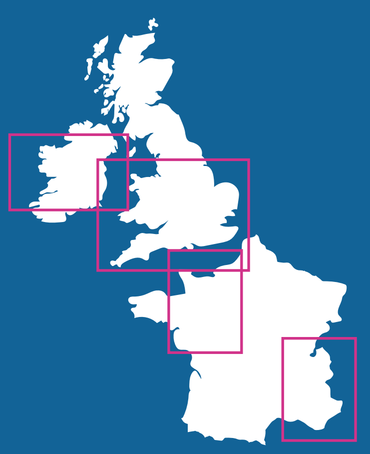
Rita-Rose Gagné
Chief Executive

We believe in the future of cities

We own, manage and invest in landmark city destinations integrating retail, leisure and community hubs to meet evolving customer and occupier needs while delivering sustainable long-term growth for our stakeholders.

Our 10 city locations rank in the top 20 of all retail and leisure venues in their geographies.

Our catchment reach of 40 million people attracts 170 million visitors per annum, generating £3 billion of sales for our occupiers.



Flagship destinations
10

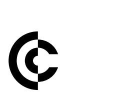
People within our catchment
40m

United Kingdom

1

2

3



4

5

France

6

7

Ireland

8

SWORDS PAVILIONS
9

10

Legend

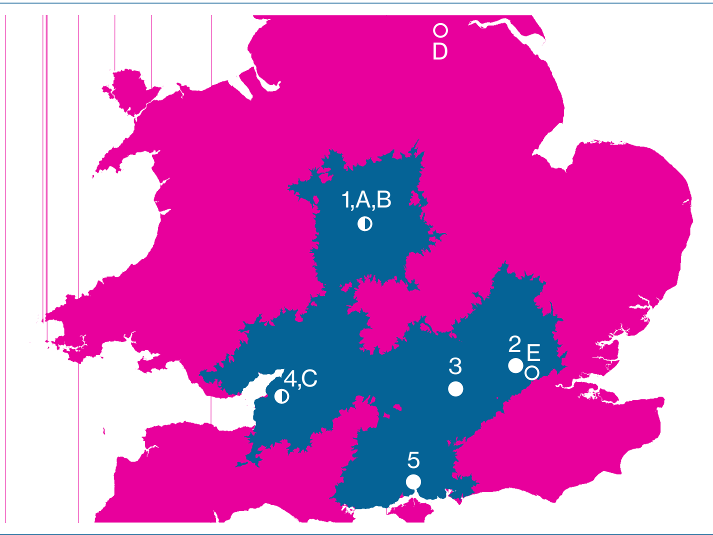
Flagship destination
Strategic land
Both

Catchment area

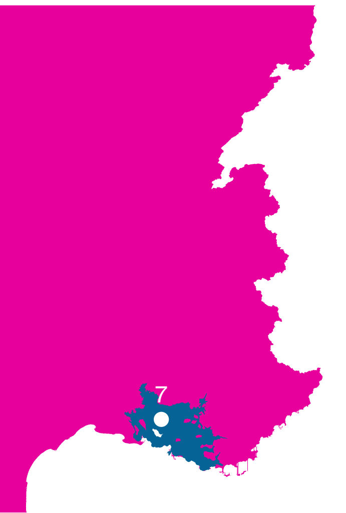
Shopper visits per year
170m

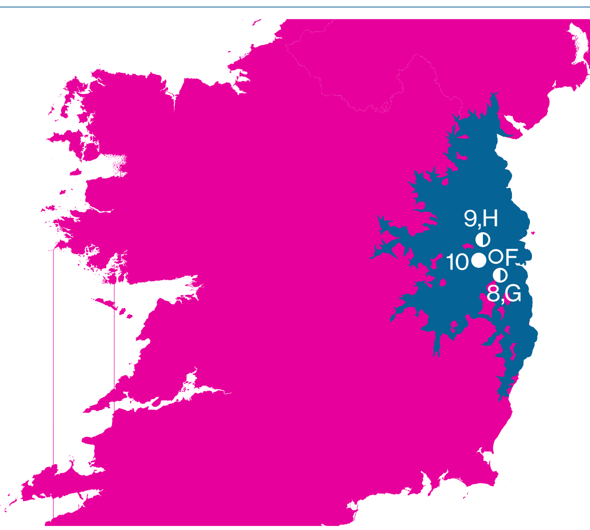
Sq ft of lettable area
10m

Acres of strategic land
80



Strategic land
- A Grand Central, Birmingham
- B Martineau Galleries, Birmingham
- C Bristol Broadmead, Bristol
- D Eastgate, Leeds
- E The Goodsyard, London





Strategic land
- F Dublin Central, Dublin
- G Dundrum Phase II, Dublin
- H Pavilions Land, Swords

Delivering our competitive advantage

We have a well-defined mix of existing and new opportunities to drive growth and returns.

After four years of intensive turnaround, we have entered a new phase with the capacity and capability to invest to accelerate growth.

We have realigned our portfolio to ten landmark city destinations which are highly attractive to customers and best-in-class brand partners.

Our specialist platform has unique expertise in operating city destinations. We have built increased capability to leverage our data and insights, which gives us a differentiated position to curate the right mix and product offering in our destinations.

We continue to invest to reposition our assets alongside enhanced placemaking, commercialisation and digital marketing, to meet the evolving demands of customers and occupiers thereby delivering sustainable long-term and growing income streams for our stakeholders.

Following the disposal of our interest in Value Retail, we have significant capacity to supplement organic growth with acquisitions at more attractive yields. Our expertise puts us in a unique position to better underwrite the risk/return profile of these opportunities.

This backdrop informs our medium-term financial framework.

Organic opportunities in existing portfolio

- Grow occupancy and reduce vacancy
- Curate and improve brand mix to create leasing tension and diversify and grow rental income
- Reposition obsolete space to sustainable and relevant product
- Leverage lean, scalable and data-driven platform to drive operating leverage, and create new income streams

Our investment proposition

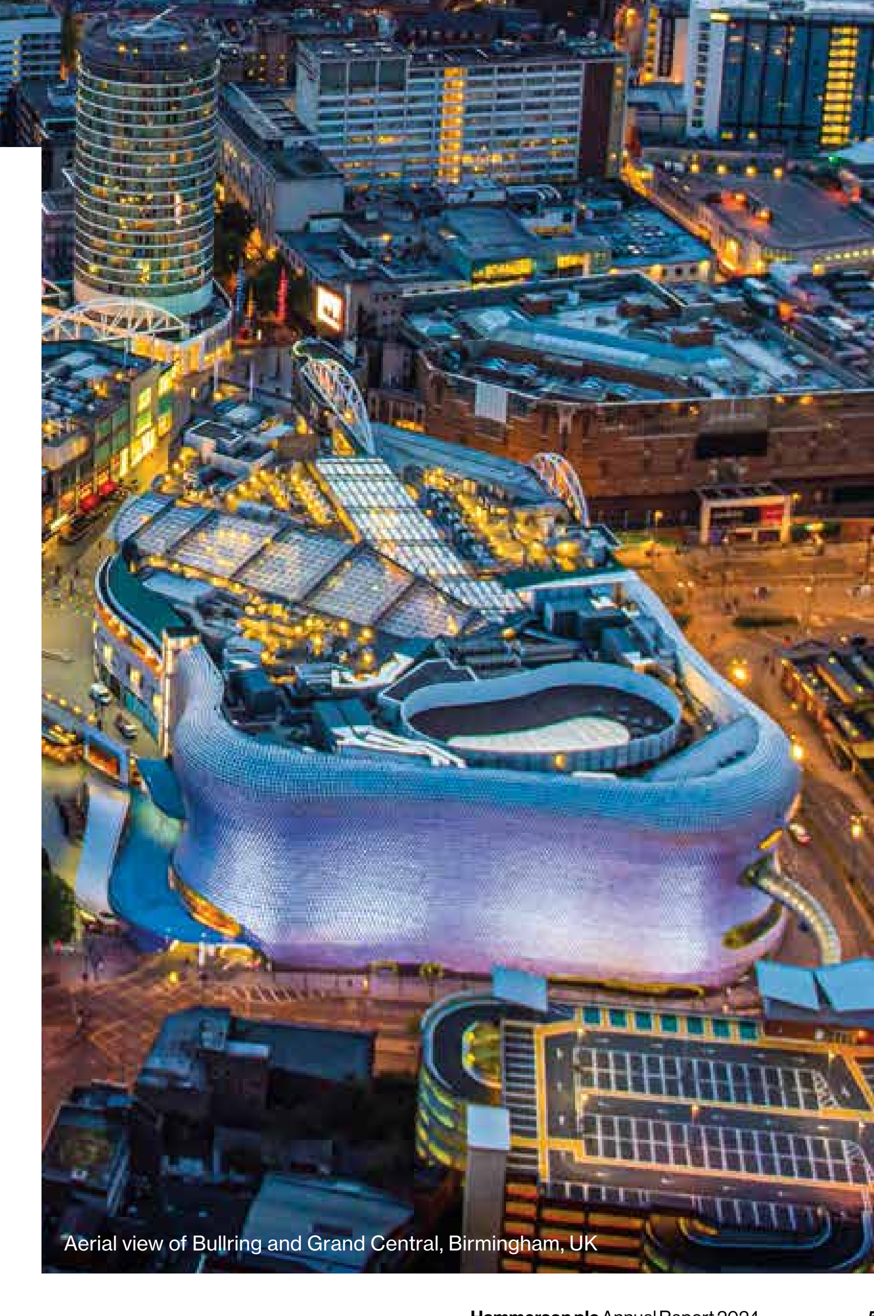
1. **Focus on landmark city destinations**
2. **Acting responsibly**
3. **Investing for growth and value creation**
4. **Our operating model is a proactive driver of our success**
5. **Realising untapped potential of strategic land**

Medium term financial framework:

- GRI CAGR: 4–6%
- EPS CAGR: 6–8%
- DPS CAGR: 6–8%
- Annualised TAR: c.10%

Exploring new opportunities

- Consolidate joint ventures
- Targeted approach to additional accretive acquisition opportunities
- Deploy light pre-development capital into standalone strategic land to create optionality



1

Focus on landmark city destinations

Delivering a uniquely valuable portfolio
We are focused on curating landmark destinations in some of Europe's fastest growing and most affluent cities. The exceptional environments we create for our occupiers and visitors is reflected in strong operational fundamentals. These underpin continued high demand for our destinations, enabling us to attract leading global and local brand partners across retail and experiential propositions for our customers.

Read more about our Market Overview on **page 22**

Aerial view of Bullring and Grand Central, Birmingham, UK

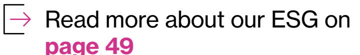
2

Acting responsibly

Delivering a positive impact for future generations

We continue to deliver against our ESG strategy and Net Zero commitments. We are delivering our Net Zero Asset Plans ('NZAPs'), revised Physical Climate Risk Reviews and Nature Assets Plans ('NAPs'). These assessments combine to offer a holistic asset centric approach to managing Climate and Nature risks and opportunities, the two halves of the global environmental emergency.

Our social value agenda and activities continue to grow with delivery through community work, placemaking and charitable giving across all destinations.



Read more about our ESG on **page 49**

Charity Super.Mkt at Cabot Circus, Bristol, UK

3

Investing for growth and value creation

Multiple growth levers within our grasp

Our investment is focused on driving organic growth in our existing portfolio, exploring opportunities for inorganic growth, and laying the foundations and creating option value on our strategic land.

Our investments to date have attracted leading global and local brand partners, brought a mix of new retail, food and beverage and experiential propositions, driving lower vacancy, higher quality footfall, greater sales density, and ultimately creating tangible rental tension.

Following the acquisition of Westquay, we continue to see opportunities for JV consolidation, with a number of discussions ongoing. We continually scan the broader horizon for outstanding opportunities.

Read more about our Strategy on page 12

Birmingham Royal Ballet at Bullring, Birmingham, UK

4

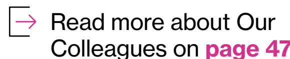
Our operating model is a proactive driver of our success

A lean, scalable platform delivering operating leverage

Our platform is 'Future-fit' – collaborative, data and insights-driven and market-facing. We seek to continually anticipate and respond to global and local customer and brand partner demands to curate the right product and mix, driving rental growth.

We are committed to a high performance, high engagement culture with an emphasis on strategic value creation focused on asset management and delivery, placemaking and the repositioning of our assets.

We will drive operating leverage as we grow AUM, income and earnings.



Read more about Our Colleagues on page 47

Hammerson colleagues at Marble Arch House, London

5

Realising untapped potential of strategic land

Creating optionality and future value
We have a substantial future opportunity for redevelopment and development across both the portfolio and our 80 acres of strategic land. For now, we remain focused on the repositioning of our core assets, and the priority opportunities at these assets, which introduce new uses and densify the estate.

For our medium and longer-term scale projects, we continue to create value through advancing capital light development milestones, such as planning consents and land assembly, whilst retaining optionality for further capital sourcing and/or investment to exceed our return targets.

Read more about our Strategy on page 12

'Topping out' at residential development of The Ironworks, Dublin, Ireland

A decisive year

Completion of our disposal programme and the divestment of Hammerson's interest in Value Retail has transformed the Group's capital structure, enabling the management team to go on the front foot to accelerate growth and value creation.

"Hammerson has the right strategy, the right team and now the capacity to accelerate investment for growth and value creation. I am confident this management team will deliver significant shareholder value in the years to come."

Robert Noel
Chair of the Board

Business environment

Though gradually easing through the year, inflation has remained more stubborn than predicted. Consumers and occupiers continue to face headwinds, which have increased following the UK Budget in October. However, job markets remained tight, supporting continued wage growth and spending power, arguably prolonging the interest rate cycle.

Notwithstanding the economic backdrop, valuations have stabilised across all real estate asset classes. Prime retail-anchored assets, already insulated by much higher spreads, have started to see modest valuation increases driven by strong occupational fundamentals, an improving financing environment and a progressively opening investment market. There continues to be a clear bifurcation between the best destinations, characterised by strong footfall and sales densities, and the rest of the retail market. The robust demand for space in these destinations is reflected in our strong leasing.

By continuing to successfully deliver against strategy – investing for growth in our assets, maintaining a lean, scaleable platform, and a strong balance sheet with disciplined capital allocation – the Hammerson management team has put the foundations in place for the Company to deliver accelerated growth and value creation in the years to come.

Disposal of Value Retail

The disposal of Hammerson's interest in Value Retail completed on 18 September 2024 is a transformative event. Generating €705m (£595m) of proceeds at an attractive exit EBITDA multiple of 24x, it allows the Company to exit an overweight, non-controlling and yield dilutive interest to focus on accelerating value creation from our core managed portfolio, while enhancing returns to shareholders.

The disposal of Value Retail also afforded the opportunity to simplify Hammerson's capital structure through a 1 for 10 share consolidation, and to increase distributable reserves by reducing the Company's share premium account. Both were approved by shareholders at the General Meeting ('GM') on 12 September 2024 with the share consolidation taking effect on 30 September 2024.

Balancing investing for growth against rewarding shareholders, the Company launched a share buyback of up to £140m, representing c.10% of pre-announcement market capitalisation, with £28m completed as at 21 February 2025.

Since FY20, this management team has achieved a remarkable transformation in Hammerson's operating platform and ways of working. There has been a significant reduction in headcount whilst the team has added new talent and digital capabilities to be fit for the future. At the same time, the cost base is down over a third.

Progress on recycling capital into more accretive opportunities is already well under way with repurposing in train at several key assets and the recycling of capital into the acquisition of our JV partner's 50% share of Westquay that completed on 7 November 2024. The Board and I are excited to support further growth activity.

Board changes, AGM and evaluation

There has been no change to the Board in 2024, which comprises six Non-executive and two Executive Directors, with an average tenure of 4.5 years; and no further changes are currently planned.

At the Company's AGM on 25 April 2024, all resolutions were passed with the requisite majority. Resolution 14 (authority to allot shares) received just under 80% (79.4%) of votes in favour and was duly passed at the AGM. The level of allotment authority therefore continues to be supported by a clear majority of the Company's shareholders voting at the AGM, and it is worth noting that Resolution 2 (authority to allot shares) at the GM on 12 September 2024 passed with 83.0% of votes in favour.

This is a customary authority sought by UK listed companies in line with the Investment Association's share capital management guidelines. Following shareholder consultation in previous years, the level of authority sought (and approved currently by shareholders) is less than that typically sought by UK listed companies. The Company is aware that certain overseas institutional investors have a policy of not supporting this authority. The Board considers the flexibility afforded by this authority to be in the best interests of the Company and shareholders. In accordance with provision 4 of the UK Corporate Governance Code the Company will continue to engage with relevant shareholders on this matter. Further details can be found on the Company's website and on page 86 in the Corporate Governance Report.

Board evaluation

In 2022, an externally facilitated evaluation was carried out by Board Alchemy. Accordingly, in 2024, as in 2023, a performance review was undertaken internally in line with the UK Corporate Governance Code. The scope of the review was broad and focused on a range of different areas relevant to Board and Committee effectiveness and corporate governance, having regard to the FRC's guidance on board effectiveness. Overall, I am pleased to report that the findings were positive.

The Board values its diversity. I'm pleased to report that 37.5% of the Board are female and 37.5% of the Board identify as non-white. Further details are contained in the Corporate Governance and Nomination and Governance Committee Reports on pages 79 and 94.

ESG and our people

The Board is fully committed to the Group's continuing recognition as an ESG leader in our sector and ensuring the highest standards of operational performance and corporate governance. Hammerson is committed to being a sustainable business and to reaching Net Zero carbon emissions by 2030.

To achieve our aims we need to maintain the support of our occupiers, customers, partners, the communities affected by our operations, our colleagues, and our equity and debt investors. Collectively, our stakeholders have numerous and changing demands on the way the business conducts itself. We endeavour to maintain the right balance as these demands continue to evolve, and to treat everyone in line with our values.

In 2024, we continued to deliver against our ESG strategy whilst also preparing the Group for our requirements under CSRD. Our focus on Climate and Nature has resulted in us refreshing our TCFD and TNFD risk and opportunities assessment to inform our approach. This combined risk management methodology is also a key part of our CSRD double materiality assessment which we have been undertaking in 2024 to inform our 2025 disclosure. Our Social Value agenda also continues to grow, with our annual Giving Back Day being delivered across all destinations and the wider group for the first time.

Further details of our performance, strategy and materiality assessment are set out on pages 49 to 65, with more detail available in our separate ESG Report 2024, which is available on our website.

Today, the business has a high performance, high engagement culture focused on strategic value creation. As ever, the Board and I congratulate all colleagues for another year of excellent execution, and I once again thank them for their commitment, professionalism and individual contribution.

Dividend

In the announcement of Hammerson's disposal of its interest in Value Retail on 22 July, the Board also announced its intention, following completion, to increase the payout policy for ordinary dividends from 60–70% of Adjusted earnings to c.80–85%.

The Board recommends a final cash dividend of 8.07p per share in respect of 2024 to be paid as an ordinary dividend subject to shareholder approval. Following the interim dividend of 7.56p per share, this would represent a full year cash dividend of 15.63 per share and an increase of 4% year-on-year.

Looking ahead

Hammerson has the right strategy, the right team and now the capacity to accelerate investment for growth and value creation. I am confident this management team will deliver significant shareholder value in the years to come.

Robert Noel
Chair of the Board

Board visit to The Oracle, Reading, UK

Investing for growth

After four years of turnaround and transformation, we are investing to drive high-quality rental, earnings and dividend growth by integrating retail, leisure and community hubs to meet evolving customer and occupier needs.

2024 Key metrics

Flagship occupancy improved to

>95%

Another record year of leasing value

£41m, +2% LFL

Growing rents

LFL GRI +2%

LFL ERVs +2%

Adjusted earnings impacted by disposals

£99m

(FY23: £116m)

IFRS loss driven by sale of Value Retail

(£526m)

(FY23: £51m loss)

Strengthened balance sheet

Net debt: EBITDA 5.8x

(FY23: 8.0x)

Strategic overview

2024 was a transformative and successful year for Hammerson. We enter 2025 as a repositioned business. In the last four years we have strategically reshaped the portfolio to landmark city destinations. In the process, we generated £1.5bn of cash disposal proceeds, including the transformational disposal of Value Retail which closed in September, materially strengthening the capital structure and providing capital to reinvest for growth. We started recycling swiftly, completing the acquisition of our JV partner's 50% stake in Westquay at higher yields, and continuing to simplify the portfolio.

Since I arrived in November 2020, the priority has been to realign the portfolio, the platform and the balance sheet to take advantage of a number of evolving market dynamics and emerging lifestyle changes. First, cities are the engines of economic growth. Our reshaped portfolio now comprises only the best assets in some of Europe's fastest-growing, youngest and most affluent cities. Second, the flight to quality where brands want fewer, better and more productive stores in only these locations, enabling us to attract the very best global and local brand partners across retail and experiential propositions for our customers. Third, the physical experience has become more relevant for consumers and our brand partners, with at least 80% of all retail transactions touching a store.

Today, Hammerson is the leading specialist owner and manager of ten landmark city destinations and 80 acres of strategic land in the UK, France and Ireland. Our flagship destinations all rank in the top 20 of all retail venues in their respective geographies and in the top 1% where retail spend is concentrated. They attract 170m visitors a year and are located in affluent and growing catchments. Our five locations in the UK reach over 30% of the population. Our assets in Paris and Marseille cover 20% of France, whilst we reach 80% of Ireland's population from our three destinations in Dublin.

These destinations are vital to the social and economic fabric of their communities. They are treated as social infrastructure, and this sets them far apart from the obsolete shopping malls that do not possess the scale or inherent brand value of our landmark destinations. Our brand partners continue to redefine the role of their physical space. Their stores remain dominant in unified commerce for point of sale and are increasingly used as fulfilment hubs, experience and service centres, and marketing platforms.

As specialists, and with our reach, we have a unique expertise in operating city destinations. We have built increased capability to leverage our data and insights, investing in AI technology, which gives us a differentiated position to curate the right mix and product offering in our destinations. We anticipate evolving customer and occupier needs beyond traditional retail to multi-use 24/7 buzzing lifestyle city hubs, integrating shopping, leisure and dining, events, wellness, culture, services, office and residential.

This is all driving tangible benefits with higher occupancy, leasing, footfall and sales above national benchmarks. Rents are

affordable with OCRs in the mid teens. We are growing our catchment and market share, and ultimately growing rental income and value. Our flagship portfolio is now reversionary; values are starting to follow with ERVs growing across the portfolio, with some yield compression in the UK at the end of the year.

The major building blocks of the turnaround are complete. The Company is simplified, the portfolio rebased. Our priority is to deliver our ongoing asset repositioning, sustainable and stable organic growth, and pursue inorganic opportunities to scale the business.

These strong foundations mean that our portfolio is well positioned to drive rental growth, earnings and AUM.

I am confident that we will deliver growth in rental income and underlying earnings in 2025, with further growth to come in 2026 and beyond as we see the benefits of our ongoing disciplined investments fully flow through.

2024 highlights

We have grown occupancy, from its Covid-19 low at HY21 of 91% to over 95% today, with several assets close to full. This is a level where rental tension is tangible with only a few available leasable units in most assets.

We signed 262 leases on 1m ft² of space, generating annual headline rent of £41m (at 100%), another record performance up 2% like-for-like. These deals were signed at 56% above previous passing rent and 13% ahead of ERV on a net effective basis at our share.

These long-term deals represent secure and visible cash flows of £255m of rent contracted to first break at 100%. They provide an additional £8m of passing rent to our flagship rent roll in this past year, up 2% like-for-like to £174m as we turned around 10% of the portfolio.

Since FY20, we have secured 956 principal leases totalling £156m of annual rent at an average of 32% ahead of previous passing rent and 4% above ERV. That translates to c.50% of space on new terms and £1.1bn of rent contracted to first break. We are still working some old leases and structures out of the portfolio, some of which are over-rented. However, I am pleased to say that due to our proactive work, all territories are now reversionary. We therefore see further upside as we continue to turn the portfolio.

Demand remains unabated with £8.6m at 100% already exchanged in 2025, 10% above previous passing and 11% ahead of ERV. We have good visibility and a robust pipeline for the remainder of 2025.

Our destinations enjoyed another year of footfall growth above national averages.

> “As specialists, and with our reach, we have unique expertise in operating city destinations. We have built increased capability to leverage our data and insights, which gives us a differentiated position to curate the right mix and product offering in our destinations.”
>
> **Rita-Rose Gagné**
> Chief Executive

Value Retail to Westquay: reinvestment to deliver high single-digit yield

We disposed of our interest in Value Retail for cash proceeds of €705m (£595m), representing an attractive exit multiple of 24x EV/EBITDA and a 3.4% exit cash yield with the proceeds earmarked for acquisitions, share buybacks and debt reduction. Of the £350m of proceeds allocated for acquisitions, we were able to rapidly deploy £135m to gain 100% control of Westquay at a high single-digit yield.

Some of the best year-on-year performances are coming from assets where we have largely completed our repositioning such as Bullring (+3%) and Westquay (+4%) in the UK, and Les 3 Fontaines (+6%) in France. Cabot Circus (-7%) and The Oracle (-6%) have shown resilience considering 30–40% of the space in each asset was being repurposed over 2024.

Looking at the 2024 performance through the year, I was particularly pleased with the surge in footfall quarter-on-quarter of 15% in Q4, significantly ahead of the typical seasonal pick-up and our own expectations. Black Friday, Christmas Eve and New Year's Eve all saw year-on-year footfall increases of 10–12% for our flagship destinations.

Sales performance was also strong with over £3bn of spend in our destinations in 2024. Sales were up 5% in the UK, excluding assets in repositioning, and 3% in France. Anchor brand partners report that their new concepts and stores in our destinations have consistently traded in the top five performers across their UK and European portfolios. In a similar pattern to footfall, some of the best performances reflected new openings and offerings in 2023 and 2024. Bullring in particular had a standout year with sales up 11%, making it the strongest performer in its peer group according to Lloyds Bank data.

On the back of our recent repositioning successes at Bullring and Dundrum, investment in 2024 was focused on Cabot Circus and The Oracle. At Cabot Circus, we signed £5m of long-term deals, representing £43m of rent contracted to first break, occupancy improved from 93% to 97%, including M&S which has been already handed over in the second half of the year. We anticipate a similar pattern at The Oracle in 2025.

We completed our non-core disposal programme in the first half with the sale of Union Square, Aberdeen. In the second half, we exited our interest in Value Retail for cash proceeds of €705m (£595m), representing a 24% discount to GAV but an attractive exit multiple of 24x EV/EBITDA and a 3.4% exit cash yield. Proceeds are earmarked for acquisitions, share buybacks and debt reduction. Of the £350m of proceeds allocated for acquisitions, we were able to rapidly deploy £135m to gain 100% control of Westquay at a high single-digit yield. Several discussions on other assets are underway.

Over the last four years, we have overhauled our platform. In 2024, we completed the outsourcing of our day-to-day property management of our assets to proven partners of scale in all territories. This allows our specialist teams to focus on strategic value-add initiatives with new and improved digital and AI-enhanced tools. This is driving better data-led decision making and improving productivity whilst facilitating greater collaboration across functions, and externally with brand partners, agents, customers and suppliers.

Our relentless focus on productivity and costs delivered a 16% year-on-year reduction in gross administration costs, once again exceeding guidance of 10%, bringing a total reduction of 36% (£24m) since FY20.

Net headcount is down 76% since FY20 to 125, which has enabled us to invest in new skills and capabilities in customer insights, placemaking, digital marketing and engagement.

Bullring: Sephora opened its first regional store in the UK featuring their largest facade in Europe

The opening of Sephora in November is proof positive of the power of our physical and media assets. Ahead of the opening, we had customers camping out overnight. The store saw over 140,000 passers-by in the first two days, and eight thousand visitors per day in the first week. Footfall was up 29% week-on-week.

We supplement the richness of the retail and leisure offering with placemaking and commercialisation. This enlivens space, enhances the experience and environment for customers and brand partners, and contributes meaningfully in its own right in terms of incremental footfall, income, and engagement.

> "2024 saw Bullring enter a new leasing phase with 34 principal deals representing £50m of contracted rent signed to first break. Key new lettings included Sephora, Space NK and a partnership between Adidas and Aston Villa Football Club."

Rita-Rose Gagné
Chief Executive

After four years of heavy lifting, today we have a differentiated proposition: a specialist, data-driven and efficient platform that is scalable and delivering operational gearing as we grow rental income and AUM. We are doing this by delivering a differentiated and distinctive product to our stakeholders.

As we raise the bar on our execution with our enhanced platform, 2025 is about delivering growth at pace.

Financial review

Adjusted earnings were £99m (FY23: £116m), or 19.9p per share (FY23: 23.4p), reflecting the impact of disposals, including the Group's interest in Value Retail. Overall, the Group recorded an IFRS loss of £526m (FY23: £51m loss) largely reflecting the £497m impairment relating to the disposal of Value Retail and its in year revaluation loss, and the net revaluation losses across the retained portfolio.

Like-for-like gross rental income was up 1.6% year-on-year, and like-for-like net rental income was -0.5% reflecting ongoing extensive repositioning at Cabot Circus and The Oracle in the UK. Excluding these assets, like-for-like GRI was up 3%, with some assets exhibiting growth of up to 7%, whilst like-for-like NRI was +0.2%. NRI growth ranged from 2–9% for assets further ahead on their reinvestment journey.

At 31 December 2024, net debt was down 40% to £799m (FY23: £1,326m) and is down 64% since FY20. During 2024, we improved our credit ratings from Moody's and Fitch. Net debt:EBITDA improved to 5.8x from 8.0x at FY23, and LTV from 34% to 30%. Hammerson now has one of the strongest balance sheets in the sector. We remain committed to maintaining a resilient and sustainable capital structure with an investment grade credit rating.

Flagship values in the UK were up 4.2% like-for-like driven by higher contracted rental income and related ERV growth. There was modest yield compression overall including a 10bps improvement at Westquay following acquisition. French flagship values were also up 1.5% and, as with the UK, this reflected the positive progress on leasing and related ERVs, with yields broadly stable.

Ireland flagship values were down 13% due to 90bps of yield expansion, reflecting valuer's interpretation of a distressed debt sale in the market. We own the top asset in Ireland and were pleased to see stabilisation in Q4. Moreover, in all geographies, current valuations now reflect recent transactions.

Operational and strategic review

Our strategy recognises the unique position that we have to leverage our experience and capabilities. Our purpose is to create and manage vibrant 24/7, multi-use, urban 'living spaces' that realise value for all our stakeholders, connects our communities and delivers a positive impact for generations to come.

Our aim is simple – to deliver sustainable and relevant growth in assets under management, income and earnings, thereby enhancing returns to shareholders. We are investing for organic growth and value creation in our core assets, creating option value from our strategic land, and supplementing this with acquisitions. Our asset and customer focus is underpinned by our scalable, agile and data-driven platform, Hammerson's strong capital structure and by our commitment to ESG.

We have a clear medium term financial framework to deliver CAGRs: 4–6% gross rental income growth; 6–8% earnings per share growth; c.10% TAR (assuming stable yields).

Investing for growth and value creation

Our investment strategy is focused on driving organic growth in our existing portfolio, laying the foundations and creating option value from our strategic land, and exploring further opportunities for inorganic growth.

Organic growth

To drive organic growth in our existing flagship portfolio, we continue to invest in our assets to improve the mix of brands and uses to both acknowledge global market trends and cater to the specific needs of the communities and catchments in which we operate. We achieve this either through targeted leasing with trusted partners and/or through asset enhancement and repositioning.

We are uniquely placed to repurpose obsolete department store space into leisure and modern retail, responding to brand demand for more productive flagship space. Where we invest, we seek out brand partners with the same level of commitment, and we estimate our occupiers have invested at least £325m into their space over the last three years. This is a very strong endorsement of our destinations.

Our investments to date have attracted leading global and local brand partners, brought a mix of new retail, food and beverage and experiential propositions, driving lower vacancy, higher quality footfall, greater sales density, and ultimately creating tangible rental tension and increasing the value of our space. All of the above is reflected in our consistently strong leasing performance, with more than £1.1bn of rent at 100% contracted to first break since FY20.

> "2024 was a significant year of reinvestment at Cabot Circus, bringing best-in-class partners to expand and embed Cabot Circus as the top tier retail, F&B, leisure and lifestyle destination in the city centre of Bristol and the wider affluent South West catchment."

Rita-Rose Gagné
Chief Executive

Dizzee Rascal album launches at Bullring and Cabot Circus drove 20% increases in footfall and car parking income versus the same day year-on-year.

Bullring and Dundrum: reaping the benefits of our repositioning
We continue to build on our success at Dundrum and Bullring.

At Dundrum, we invested €31m at 100% from 2019 to 2023 to re-anchor the destination around Brown Thomas and Penneys, also attracting key domestic and international brands including Dunnes Stores and Nike, the latter a first to Ireland concept. This initial investment generated €70m of rent contracted to first break and an IRR of over 20%.

Our success resulted in more demand, attracting new brands and concepts at Dundrum in 2024. In total, we contracted over €45m of rent to first break in 2024. As we move into 2025, we will see the openings of Reiss, and upsized offers from JD Sports and Pull & Bear. Further diversifying the offer, Lane 7 bowling opened in January 2025, having already partnered with us at Bullring. There is a promising pipeline for 2025, including the completion of our 122-unit Ironworks residential project, a first for a retail-anchored destination in Ireland. We signed and handed over 15 residential social housing units with the local authority in November 2024.

At Bullring, we invested £26m at 100% from 2021 to 2023, predominantly to replace the former Debenhams unit with a broader mix of flagship retail and leisure with M&S, Zara and TOCA Social, but also replacing the former Arcadia units with Bershka and Pull & Bear. We generated £39m of contracted rent to first break and an IRR of over 40%, well ahead of our conservative underwrite.

2024 saw Bullring enter a new leasing phase with 34 principal deals representing £50m of contracted rent signed to first break. Following a longstanding strategic relationship in France, Sephora opened its first regional store in the UK featuring their largest facade in Europe, with discussions ongoing at other destinations. Other key new lettings included Space NK and a partnership between Adidas and Aston Villa Football Club.

The opening of Sephora in November in particular is proof positive of the power of our physical and media assets. We delivered a 'total domination' paid-for marketing package, with the Sephora brand taking over Bullring for a duration of six weeks. Ahead of the opening, we had customers camping out overnight. The store saw over 140,000 passers-by in the first two days, and eight thousand visitors per day in the first week. Footfall was up 29% week-on-week.

Looking ahead to 2025, there's a lot going on at Bullring, with competitive tension for the remaining space, enhancement of the public realm, entrances, digital screens and wayfinding. In the medium term, there is a compelling residential redevelopment opportunity of over 700 apartments at the underutilised Edgbaston Street car park.

Cabot Circus and The Oracle: repositioning in progress
The success of our investments at Dundrum and Bullring underpins our confidence in our current repositionings at Cabot Circus and The Oracle.

2024 was a significant year of reinvestment at Cabot Circus with £8m at 100% deployed, bringing best-in-class partners to expand and embed Cabot Circus as the top tier retail, F&B, leisure and lifestyle destination in the city centre of Bristol and the wider affluent South West catchment.

Central to this project was re-anchoring at the heart of the scheme of our retail and leisure offering. We secured vacant possession from House of Fraser and Showcase Cinemas. A new 127,000 ft^2 M&S and a refreshed 53,000 ft^2 offer from Odeon will open in 2025. These anchor investments underscored the enduring strength of our asset and the wider catchment, and we were able to attract existing and new retail and leisure brand partners into Cabot Circus.

Stradivarius opened to complete a full suite of Inditex brands, and we renewed 35,000 ft^2 of scarce space with Next, comfortably ahead of previous passing rent and ERV, and removing an onerous variable rent structure. 2025 will see the opening of King Pins bowling, while Treetop Golf and Six by Nico in the Quakers Friars area have already opened.

In the medium term, the repositioning of the Quakers Friars area also affords the opportunity to increase the mix of uses, including cultural and healthcare, at attractive returns. We are in planning for this area, which could see the transformation begin in the second half of 2025.

The Oracle is currently in an earlier stage of its repositioning journey. We have commenced a works programme to repurpose the 'obsolete' House of Fraser store, enhance the unique riverside experience and F&B offering, and improve circulation with new entrances and wayfinding. In total, around 40% of the asset or 320,000 ft^2 is in scope, making this our most significant transformation project to date.

Two-thirds of the former House of Fraser space is already let to Hollywood Bowl and TK Maxx. The former is bringing their latest and most high-end offer and boosting leisure exposure on the Riverside and will boost the late night economy. TK Maxx is closing its nearby location, further concentrating the prime retail pitch into The Oracle, driving long-term demand and

Cabot Circus: Transformative leasing during a milestone year

Central to this project was re-anchoring our retail and leisure offering. We secured vacant possession from House of Fraser and Showcase. A new 127,000 ft² M&S and a refreshed 53,000 ft² offer from Odeon will open in 2025. These anchor investments underscored the enduring strength of our asset and the wider catchment, and we were able to attract existing and new retail and leisure brand partners into Cabot Circus.

rental levels. We handed over both units in February 2025 and look forward to their openings later this year. We are in advanced discussions for the remaining one third. Alongside, we signed a five year renewal in January 2025 with the existing Riverside cinema operator in line with previous passing rent and well ahead of ERV.

For the medium term, we await final planning for a c.220 unit residential scheme in the former Debenhams unit, which would bring a new use and customer and densify the estate. There remains further residential opportunities, including the Riverside cinema block in time.

High occupancy and impressive leasing across remaining flagships

2024 saw a number of key leases and openings at Brent Cross and Westquay.

At Brent Cross, Social Sports brought padel tennis to the underutilised Southern Lands outside the asset, and we signed key renewals with Vodafone and Halifax. We agreed a significant upsize for JD Sports opening in 2025. We will also see the opening of our new multi-operator 'District' food market hall, importing a successful concept from our French destinations.

At Westquay, important signings and openings in 2024 included Garmin's first UK store, Charles Tyrwhitt, Flying Tiger and Hobbs. All opened in November, helping drive footfall to 112,000 visitors on the Saturday of Black Friday weekend, Westquay's busiest single day since 2017. We are proud to have 100% ownership as long-term stewards of this dominant destination on the South Coast.

In France, it was another big year of leasing at Les Terrasses du Port. At the end of 2023 we faced a ten year leasing wall, which today is 95% complete. We exceeded our own expectations, securing £41m of contracted rent to first break, 3% ahead of previous passing rent and 5% ahead of ERV.

In 2024, we signed a further 34 long-term deals, representing £50m of contracted rent to first break. Inditex as a key brand partner was a key part of this story, upsizing its Pull & Bear offering, which opened in the second half, with Stradivarius opening in 2025. Other brand renewals and lettings included Sephora, The North Face, Skechers, and Eclipso, a new virtual reality-oriented leisure hub.

Footfall and sales increased by 1% and 2% respectively as Les Terrasses du Port continues to differentiate itself at the very top of French destinations, attracting an affluent and high spending customer. Occupancy stands at 97%.

2024 was another busy year at Les 3 Fontaines with the important openings of New Yorker, Snipes and Celio, with new leisure hub Smile World coming in the first half of 2025. This drove footfall up 6%, whilst sales were up 3%.

The focus in the second half was to maintain occupancy with temporary deals whilst we put final planning and permissions with local authorities in place for the remaining undeveloped space at the corner of the extension. Leasing negotiations are advanced with two marquee global operators. We remain excited by the potential next phase at Les 3 Fontaines and expect to provide more detail at the half year.

The Sound of Musicals thrilled crowds at the unique Westquay Esplanade events space during the October half-term, drawing 65,000 attendees and helping to drive a 3% increase in half-term footfall and 7% increase in car park income.

Enlivening our destinations with placemaking and events

Across the portfolio, we continue to evolve our offering, to increase the richness of the retail and leisure mix, with greater emphasis on placemaking and commercialisation. This not only serves to enliven space and enhance the experience and environment for customers and brand partners, but also contributes meaningfully in its own right in terms of incremental footfall, income, and engagement across all channels.

2024 was a standout year for premium brand partnerships and events, showcasing over 200 different brands across our destinations. Over the year, we also hosted seasonal and bespoke events at our assets tailored to local catchments and communities, driving incremental revenue, footfall and engagement. We have 1.2m social media followers, a 16% increase year-on-year. Alongside our usual delivery of seasonal retail F&B, leisure and promotional activity:

- In the first half we were delighted to welcome the Olympic Flame to Les Terrasses du Port, boosting same day footfall by 40% year-on-year, while Les 3 Fontaines hosted a sports village during the Olympic Games.
- Meanwhile, in the UK, we were chosen for three out of nine Team GB Fan Zones in Bullring, Cabot Circus and Westquay, which drew in a combined 12.5m visitors over 12 weeks.
- Les Terrasses du Port also hosted a series of 'Sunset Live' music and radio shows on its seafront terrace, helping to drive August footfall up 3% year-on-year. Its attraction to premium brands was further evidenced by showcasing roadshows for Dior and Dyson.
- Dizzee Rascal album launches at Bullring and Cabot Circus, which drove 20% increases in footfall and car parking income versus the same day year-on-year.
- Successful immersive advertising campaigns included the launch of Paddington in Peru (Bullring), Netflix Squid Games (Bullring) and Moana 2 Aquarium takeover (Dundrum), plus big brand stunt campaign for Specsavers (featuring a car in Dundrum Mill Pond).
- Dundrum hosted its third annual supercar weekend in August which drove footfall to 115,000 for the weekend and over 60,000 on Sunday, marking the busiest day of the year.
- The Sound of Musicals thrilled crowds at the unique Westquay Esplanade events space during the October half-term week, drawing 65,000 attendees and helping to drive a 3% increase in half-term footfall and 7% increase in car park income – F&B occupiers also saw weekly sales uplifts of 20–60%.
- Cabot Circus hosted 'Wallace and Gromit: A Cracking Christmas Experience' in the Friary Building, continuing our cultural partnership with Bristol-based Aardman Animations. Over 27 days, 9,000 attendees enjoyed the experience with footfall at Quakers Friars +5% year-on-year and revenue of £80,000 generated from ticket sales and merchandise.
- Other holiday seasonal brand activity included the return of the annual Apres Ski Bar at Bullring, complementing the city's famous German Christmas Market; ice rinks at Westquay, Dundrum and Swords Pavilions; The Yankee Candle Festive Experience Bus visiting Bullring and Cabot Circus; a festive immersive 'grotto' hosted by Blank Street, and the iconic Coca-Cola festive truck back at Bullring. All these events create a buzz across our destinations.

Inorganic growth: Westquay acquired with more to come

We continue to see opportunities for JV consolidation, with a number of discussions ongoing.

Having earmarked an initial £350m from the proceeds of the disposal of our interest in Value Retail for acquisitions, in 2024 we gained 100% control of Westquay for £135m at an attractive high single-digit yield.

Today, we manage c.£4bn of AUM in a mixture of wholly owned and joint ownership assets. Our specialist, data-driven platform puts us in a unique position to better underwrite the risk/return profile of the deployment of our capital, as long-term stewards of these destinations.

We also continue to scan the horizon for any outstanding opportunities in top tier cities consistent with our landmark destinations strategy and disciplined approach to capital allocation.

Strategic land: laying the foundations for the future

We have a substantial future opportunity for redevelopment and development across the portfolio and 80 acres of strategic land. For now, we remain focused on the repositioning of our core assets – Cabot Circus including Quaker's Friars, The Oracle, Cergy – and the priority redevelopments at our assets, such as The Ironworks in Dundrum.

These projects are strategically located on existing assets. They introduce new uses including residential to the mix and densify our destinations whilst offering attractive risk-adjusted returns and new and more diverse income streams.

As of today, our ongoing and near-term repositioning projects represent around £100m of GDV at our share, with estimated fully-funded capex spend of c.£55m over the next two years.

Near-term redevelopment projects include the completion of the Ironworks at Dundrum and workspace at Grand Central. These projects have a GDV of around a further £175m at our share. Only the Ironworks is committed to with a remaining spend of £10m at our share.

Medium term opportunities including further c.200-unit residential projects at The Oracle and Dundrum, and the >700-unit opportunity at Edgbaston Street car park comprise around £470m of potential GDV at our share. In the longer-term, there is around £4.4bn of potential GDV from both projects on existing assets such as Brent Cross Southern lands, and standalone opportunities such as Martineau Galleries in Birmingham.

We continue to advance capital light development milestones, such as planning consents and land assembly to create land value, whilst retaining optionality for further capital sourcing and/or investment to exceed our return targets.

Across all our redevelopment and development projects, we will continue to analyse potential alternatives for delivery, depending on market circumstances, physical situation and the context and scale of each opportunity. This could include developing ourselves, as is the case with the Ironworks at Dundrum, working with specialist residential development and/or operating partners which can add value, or potential site sales in cases where we have added value and have liquidity at the right price. Importantly, there is no funding commitment decision required before 2027.

We are hopeful that new central government's focus on the planning and policy environment will increase the viability and potential for these projects, whilst we continue to evaluate investment in these projects against other opportunities as well as other ways to advance development.

Agile platform delivering operating leverage

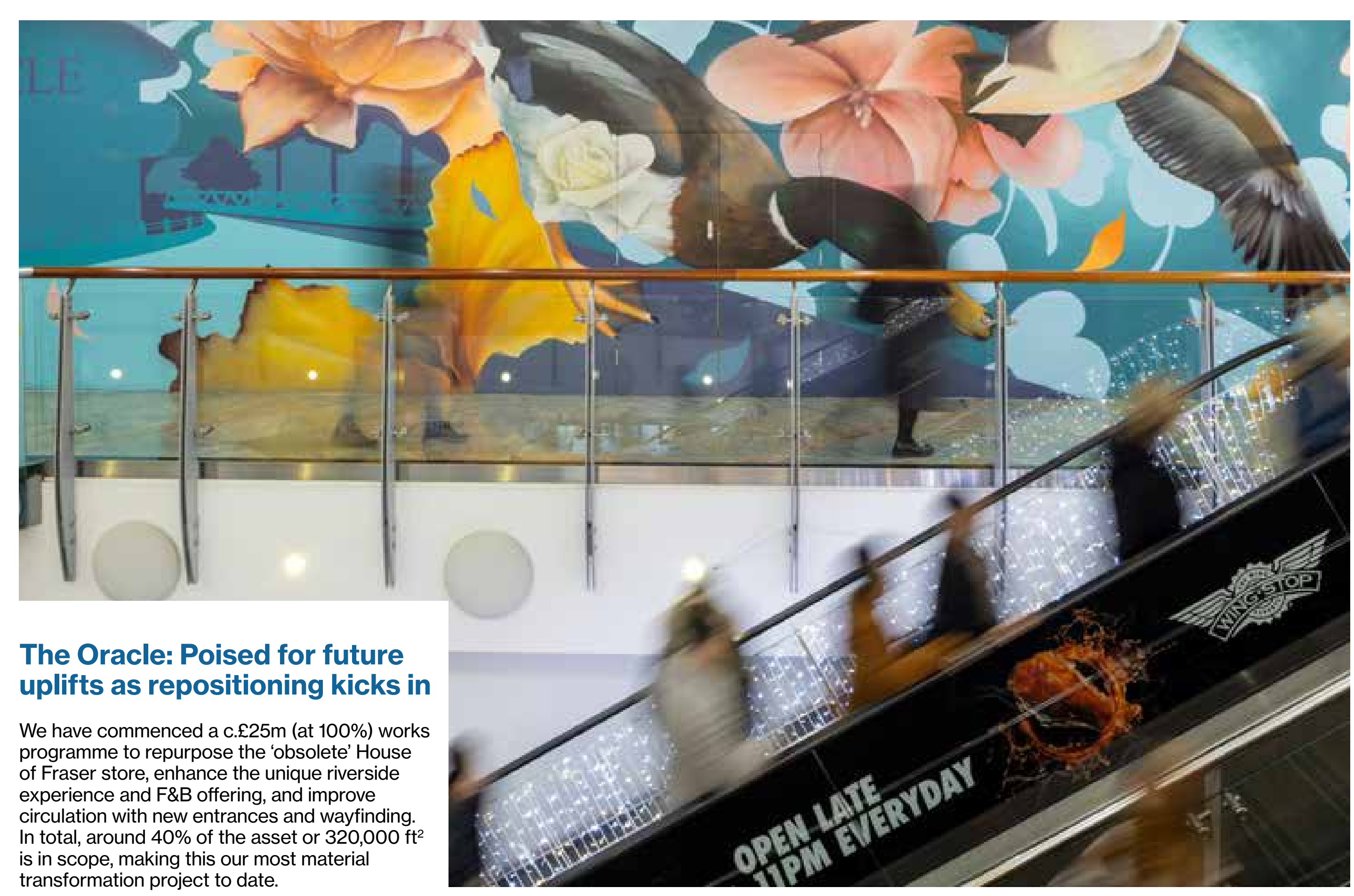
2024 saw the completion of our new operating model. On-site property management and associated accounting services in the UK, France and Dundrum have been consolidated with proven scale strategic partners.

Today, our platform is 'future-fit' – we are a more agile, collaborative, data-driven and market-facing organisation. We seek to continually anticipate and respond to global and local customer and brand partner demands.

At the same time, we are committed to a high performance, high engagement culture with an emphasis on strategic value creation focused on asset management and delivery, placemaking and the repositioning of our assets. In that regard, it was pleasing to see another reduction in employee attrition.

In 2024, we embedded significant improvements to our leasing tools, platform and ways of working, allowing faster deal flows, better data and greater transparency, with average deal speed now around three times faster than in 2022. We aim to do better.

At the same time, we retendered and rationalised our leasing agents, solidifying key relationships whilst also unlocking growth from specialty leasing and new brand partners outside our existing occupier universe. These changes are driving the elevation in brand mix and bringing in new uses, increasing occupancy, rental tension and ultimately increasing current and new income streams.



The Oracle: Poised for future uplifts as repositioning kicks in

We have commenced a c.£25m (at 100%) works programme to repurpose the 'obsolete' House of Fraser store, enhance the unique riverside experience and F&B offering, and improve circulation with new entrances and wayfinding. In total, around 40% of the asset or 320,000 ft² is in scope, making this our most material transformation project to date.

Les Terrasses du Port: Leasing exceeding expectations

At the end of 2023 we faced a ten year leasing wall, which today is 95% complete. We exceeded our own expectations, securing £41m of contracted rent to first break, 3% ahead of previous passing rent and 5% ahead of ERV. Les Terrasses du Port continues to differentiate itself at the very top of French destinations, attracting an affluent and high spending customer. Occupancy stands at 97%.

Alongside better digital tools and software, we have also invested in AI analytics tools at both Group and asset level. This gives us a market-leading capability to better understand our customers, the value of our space, strengthen our bargaining power and inform our decisions. There is also the potential to generate additional revenue opportunities to grow our top line. We are accelerating our roll out of AI tools in 2025, which is now becoming a major source of competitive advantage. We are excited by the possibilities in front of us.

Bullring has been at the forefront of our investment in this area. For example, we now know that in the final quarter of 2024 alone our brand partners there benefited from 466m brand impressions, and our digital screen impressions reached 139m.

We can now also closely analyse individual events. For example, when the YouTube collective, Sidemen, opened at Bullring in October, we were able to specifically track the addition of 80,000 visitors over that weekend to a previously vacant location, or around 13% of that week's footfall. Our media screens saw a 49% uplift in audience levels, and we could tell it was a younger audience with over 80% of these visitors under 40.

Our platform is now future-fit, lean and scalable, which will enable us to drive further operating leverage as we grow AUM and income, and therefore earnings.

Sustainable and resilient capital structure

We materially strengthened our balance sheet in 2024, concluding the £500m disposal programme in the first half, and exiting our interest in Value Retail in the second half for cash proceeds of €705m (£595m). This takes total proceeds since FY20 to £1.5bn. Reflecting this improvement, Hammerson secured an upgrade from Moody's in August to Baa2, whilst Fitch revised Hammerson's outlook from stable to positive.

In the first half of the year, we repaid £109m of private placement senior notes, and extended the maturity of our undrawn RCF from 2026 to 2027. The refinancing of our only secured debt, in the Dundrum JV, was completed in August with a new €350m facility (our 50% share €175m) which expires in September 2031, at an all-in cost of 5.4%, with a combination of existing and new lenders. The loan is non-recourse to the Group.

In October, we completed the well timed and heavily oversubscribed issue of a 12-year £400m bond, with a coupon of 5.875%, whilst at the same time completing tenders for £412m of bonds, comprising £168m of 6% 2026 bonds and £243m of 7.25% 2028 bonds. The exercise was largely leverage neutral but generated an annualised net interest benefit of £3.6m, reducing our weighted average gross interest rate and extending our weighted average debt maturity.

With net debt of £799m, liquidity of £1.4bn, net debt:EBITDA of 5.8x, LTV of 30% and weighted average debt maturity of 4.7 years as at 31 December 2024, we have one of the strongest balance sheets in the sector.

Our capital allocation framework is consistent. We will maintain a stable and resilient capital structure, with an investment grade credit rating, to maintain access to capital markets. We are committed to a sustainable and growing cash dividend, covered by cash flow, and balanced with our total returns focus.

The strength of our balance sheet provides certainty and security to all stakeholders whilst allowing us to prioritise investment for growth and value creation, and enhance distributions to shareholders.

ESG

We made further progress with our ESG strategy in 2024 and achieved an 8.3% like-for-like reduction in emissions compared with 2023. The reduction was driven by the benefits from our Net Zero Asset Plans which we began delivering in 2023.
We have now reached a 43% reduction compared to our 2019 Baseline and remain committed to achieving Net Zero by 2030. We do this by tackling environmental and building efficiency.

Also, in 2024, we increased our scope and range of social initiatives, a key highlight was our Giving Back Day in June which, for the first time, included both colleagues and partners across all our destinations. In total our social value investment was £3.5m, a 40% increase on 2023, reflecting our focus on placemaking and activities directly benefiting our local communities.

We continue to enhance our governance activities, with improvement in a number of our external benchmarks and received a score of 100% for GRESB Public Disclosure. We are also in the process of preparing for the new reporting requirements under both CSRD and EU Taxonomy, under which the Group will report in 2025.

Conclusion and outlook

We had a strong finish to 2024 in terms of footfall, sales, leasing and redeployment of capital, which has continued into 2025. We will see marquee openings in Cabot Circus and The Oracle as we bring major new uses to each of these assets, matching our experiences and building momentum at Bullring and Dundrum. We have already secured £8.6m of leases in 2025, the pipeline is robust, and discussions are progressing on other acquisitions.

The organic growth from investments will flow to the bottom line benefiting from the operational gearing from our specialist data-driven platform.

We have strong momentum. Notwithstanding the uncertainty in the macroeconomic environment, our portfolio is well positioned to drive rental growth and earnings from the high demand for scarce, relevant space where brands are consolidating.

I would like to thank all Hammerson colleagues for their commitment, ambition and resilience, the Board for their collaborative and rigorous approach, and shareholders for their continued support.

Rita-Rose Gagné
Chief Executive

Community focus: volunteering by all colleagues on annual Giving Back Day

A key highlight in 2024 was our Giving Back Day in June which, for the first time, included both colleagues and partners across all our destinations. In total our social value investment for was £3.5m, a 40% increase on 2023, reflecting our focus on placemaking and activities directly benefiting our local communities.

Bright prospects

Our landmark destinations are at the heart of some of Europe's fastest growing and most affluent cities

We have some of the best prime retail and leisure anchored city destinations across the UK, France and Ireland.

We are benefiting from the flight to quality where brands want fewer, better and more productive stores in the best locations.

Physical space is shifting to a broader mix of uses including: point of sale; last mile fulfilment; returns; servicing; experiential; marketing; brand development; education; workspace; and leisure – 'living spaces'. The physical experience has become more relevant for customers and our brand partners, with at least 80% of all transactions touching a store.

Our destinations benefit from young, fast growing affluent catchments, with upwardly mobile customers, which drives spend growth.

Bullring, Birmingham

Demand for landmark city locations

Partnering with the best global and local brand partners

"We knew we had to be in Birmingham, and the Bullring was our only choice. To open the doors here today is such a treat because the reception has been phenomenal from the local Brummie community. The support has been absolutely amazing all the way through, so a huge, huge shout-out to Bullring and Hammerson."

Sarah Boyd
Managing Director of Sephora UK

Description
Cities are the engines of economic growth. Our landmark city destinations are expected to outperform average Eurozone growth in terms of population, employment and GDP growth over the next 10 years.

Demand for prime flagship locations is rising with a growing number of brands looking for fewer, better stores. Research from Colliers shows that in the UK, fashion retailers over the last 10 years have seen an 18% fall in store numbers but a 17% increase in average store size, with city centre stores growing on average almost 40% in size. This trend is further reflected in the investment market in 2024 where the largest transactions were for stabilised flagship city centre assets e.g. Westquay, Liverpool One, Centre MK, Forum des Halles.

How we responded
We continue to curate spaces within our landmark city destinations for leading national and international brands through our repurposing of space. Bullring has already seen 20%+ space repurposed to house flagship store for Sephora, Inditex, M&S and Zara. The Oracle and Cabot Circus are currently undergoing major space upgrades (40% and 30% respectively) including new flagship M&S and TK Maxx stores as well as enhanced leisure offers including Hollywood Bowl and Odeon.

Read more about our Strategy on **page 12**

Description
As our occupier base becomes more diverse, from clothes to cars to laser clinics, the brand opportunities of our high footfall locations have become more varied. Having a specialist owner partner who can help fully activate the brand opportunity in our landmark destinations has become increasingly important for brands.

How we responded
We have become a 'partner of choice' for major brands looking to invest, leading to a number of significant flagships stores opening across our destinations including M&S, Zara, Sephora and Ralph Lauren. Our managed environments allow brands to build their presence beyond the store facade such as the Sephora 'brand takeover' of Bullring to support their first store opening outside London. As a business we continue to build increasingly strong 'value add' partnerships with brands, working closely on brand activations and tracking our performance through partner surveys.

Read more about our Strategy on **page 12**
Read more about Our Stakeholders on **page 28**

"In the last few years, Birmingham's High Street retailers have gravitated towards the Bullring and surrounding pitches, shrinking the traditional retail core and creating opportunities for alternative uses."

CBRE
Better in Birmingham 2025 report

Personalised experiences

Description
Increasing use of AI and data analytics enables us to better understand our catchments and continually evolve and curate our destinations to meet our changing customer and brand needs, in order to maximise the value of our digital and physical assets.

How we responded
We are investing in AI analytics, in a first for UK destinations, to understand in more detail customer engagement at asset and store level to optimise the mix and maximise relevant commercialisation opportunities across leasing, marketing events, and use of media screens.

This will create a more relevant and joined-up experience for visitors whilst also creating more opportunities for brands to showcase in our high footfall locations. This technology will provide detailed audience data for our media estate allowing our media to be sold more effectively through programmatic channels.

Read more about our Strategy on **page 12**
Read more about Our Stakeholders on **page 28**

Community and circular economy

Description
Continued shift towards environmentally-friendly brands, second hand goods, cutting out waste, shift to renewables, replanting and putting the local community first.

How we responded
We continue to enable the trend of community and circular economy through our successful leasing to brands such as Charity Super.Mkt, and through hosting Verte, a pop-up clothes swapping boutique encouraging customers to swap or repair clothes rather than them ending up in landfill.

In addition, all our destinations have strong links to the local community with projects such as the LionHeart/Cuchulainn Heart school entrepreneurship challenge, Happy Cook, a cooking competition against professional chefs, and BarNET Zero, a competition to find a local Barnet resident with an idea for an environmental project to help the borough towards their Net Zero goals.

Read more about our Strategy on **page 12**
Read more about Our Stakeholders on **page 28**

Demand for health and wellbeing

Description
Shift in spend patterns towards health and wellbeing as people become more focused on appearance, health, fitness, nutrition and mindfulness.

How we responded
We continue to evolve our mix to reflect the changing trends of customers around health and wellbeing. Reflected through the brands that we are bringing into our destinations e.g. PureSeoul, Garmin, Randox, Space NK, laser clinics, as well as the events we are holding in our destinations such as our three-day wellness event in the Bullring in January 2024.

Read more about our Strategy on **page 12**
Read more about Our Stakeholders on **page 28**

Convenience and frictionless

Description
Customers continue to look for convenience to support their busy lifestyles. Physical experience has become more relevant for our brand partners, with at least 80% of all transactions touching a store.

How we responded
Physical stores in city centres provide a convergence of omnichannel and lifestyle opportunities as people and brands converge. Our city destinations provide a place to shop, collect and return online purchases, get advice on products and wellness, eat and drink, meet and be entertained, in and around their busy city centric lifestyles. Large flagship stores can showcase a brand's full range with significant backup areas to support online Click & Collect and distribution.

In addition, we look to make any visit to our destinations as frictionless as possible such as installation of our automated car park payment technology in our destinations.

Read more about our Strategy on **page 12**
Read more about Our Stakeholders on **page 28**

Interest rates, operating costs and inflation

Description
Interest rates remaining higher for longer, operating costs rising through increases in minimum wage and National Insurance, whilst business rates relief is reducing.

How we responded
A significant rebase in rents since 2019 still makes physical retail more affordable now. By recognising growing operational costs we support our brand partners with fewer, better stores with additional brand activation opportunities in our high footfall destinations to further reduce overall portfolio costs whilst growing reach.

Read more about Our Stakeholders on **page 28**

> "It's been a long road leading up to the amazing launch event that took place in the Bullring. This event was by far the smoothest and most fun of any launch event we've run. Everyone was 100% on point from start to finish. The people I've worked closest with from Bullring and Project 2, well... you lot really know how to get a proper job done. Thank you all for giving the Sidemen store an incredible opening we can all be proud of!"

Matt Peters
Managing Director of Sidemen

The value of creating exceptional destinations

We own, manage and invest in landmark city destinations integrating retail, leisure and community hubs to meet evolving customer and occupier needs while delivering sustainable long-term growth for our stakeholders.

We continue to leverage our unique data-driven insights to invest in relevant curation and placemaking to bring the right product and mix of brands into our destinations. This enables us to grow our occupancy, leasing, sales and footfall, in turn growing our catchment and market share.

We generate value by...

Diverse and growing customer catchments

Which creates demand for our landmark destinations, broadening our catchments

Targeted relevant leasing, placemaking, and asset management

Creating a high demand from occupiers and consumers

Customers and brand partners

We own, manage and invest in attractive destinations

Unique assets in best locations

We secure and invest in landmark destinations

...leveraging our resources...

Landmark destinations
Our landmark city destinations are located in some of Europe's most affluent and fastest growing cities, benefiting from a strong and diverse customer base with some of Europe's largest brands.

Expertise
Expertise in asset management and regeneration, placemaking, investment, data and insights, and development through our people and technology.

Platform
Lean and scaleable platform with a focus on improving ways of working and reducing costs with a strong balance sheet creating capacity to invest for growth.

...through consistent strategic execution...

Investing for growth and value creation
Investing into our destinations to strengthen and diversify the customer proposition through repurposing, leasing with best-in-class operators, and enhancing public realm.

Lean, scaleable platform
Focus on strategic asset management, placemaking and investment through a transformed, increasingly agile and data driven operating platform.

Sustainable and resilient capital structure
We are committed to maintaining an investment grade credit rating. Our capital allocation is disciplined, with a focus on recycling capital into more accretive opportunities.

...underpinned by our commitment to ESG and effective risk management...

We identify, quantify and monitor risk to the Group through a systematic review of the Group's strategic priorities and we are committed to achieve Net Zero by 2030.

...creating value for our stakeholders

For occupiers
We curate prime city destinations that fosters success for a diverse and evolving mix of brand partners that enables them to deliver unrivalled customer experiences and thrive.

For customers
We create vibrant destinations through continually evolving the mix of brands and experiences through placemaking and events that appeal to a broad range of customers.

For colleagues
We promote a high performance, high engagement, inclusive culture where colleagues can realise their full potential.

For communities
We create better places for our communities through improved infrastructure and public realm, sustainable buildings, exemplary placemaking, events and local employment.

For partners
We create partnerships with our JV and debt investors, suppliers, local authorities and communities based on a collaboration where each partner benefits.

For investors
We aim to generate sustainable long-term growth for our investors. We ensure a resilient capital structure, maintaining our investment grade credit rating.

See Risks and Uncertainties on **page 66**
See ESG on **page 49**
See our Strategic on **page 12**

See Our Stakeholders on **page 28**
See KPIs on **page 32**

Ongoing focus on stakeholder engagement

Occupiers

Why we engage

To be able to create a platform that fosters success for a diverse and evolving mix of occupiers and enables them to deliver unrivalled customer experiences and thrive, we need to understand their needs and expectations and work collaboratively with them.

Regular engagement across our occupier partner business ensures that we maintain mutually beneficial relationships built on trust and understanding. This assists in attracting best-in-class occupiers on commercially competitive deals across the portfolio, whilst also working collaboratively to drive shared objectives around ESG initiatives and reducing occupier costs.

How we engage

- Throughout 2024 we held regular formal meetings at the senior and executive management level. This included additional targeted sessions with our core occupiers to further understand their values and expectations for our destinations in the short, medium and long term.
- Each year we run quantitative and qualitative brand engagement studies with our occupiers to gather both objective and subjective input on their satisfaction with our approach and destinations.
- We assign a dedicated relationship manager to each of our existing and prospective occupiers to provide a single point of contact across our portfolio. These relationship managers will meet with occupiers throughout the year primarily through face-to-face meetings.
- In 2024 we undertook an agency procurement programme to streamline the pool of leasing agents that we work with.
- The Board receives reports from the senior management team on the findings and outcomes of engagement activities undertaken with our occupiers.

Outcome of engagement

- The assignment of dedicated relationship managers enables us to complete leasing deals more efficiently, an area highlighted as important to our occupiers as part of our engagement activities.
- We collaborated with Sephora to create a bespoke six week ‘domination’ marketing package ahead of their opening at Bullring, Birmingham. Read more about this on page 16.
- In 2024 we worked closely with occupiers to utilise activation space to create digital content for their social channels and online brand. For example, YouTube collective Sidemen’s opening in October attracted 80,000 visitors over that weekend.

Customers

Why we engage

Our goal is to create vibrant destinations through continually evolving the mix of brands and experiences through placemaking and events that appeal to a broad range of consumers.

It’s imperative that we understand our customers’ expectations, demands and behaviours in order to develop our strategy and curate our destinations into places customers want to visit and dwell.

How we engage

- We undertake both quantitative and qualitative exercises to understand customer needs including exit surveys, focus groups and tracking online customer reviews. This is supported by detailed footfall, engagement and banking data analytics to track on-site behaviours and trends.
- Our asset management, leasing and marketing strategies are informed by the consumer insights and behaviours obtained from this programme research and analytics.
- The Board receives regular reports on consumer behaviours and associated needs, including detailed sessions at the Board Strategy Day, which provide actionable insights into emerging trends at a national and local level to inform investment decisions and identify future revenue drivers.

Outcome of engagement

- As a result of our consumer insights we are able to target the most requested brands by our customers, for example Sephora at Bullring and M&S at Cabot Circus.
- We also use our insights to invest in our destinations to optimise the mix of uses and improve customer facilities and the public realm.
- Installation of automated car park payment technology in to enhance the customer journey and make any visit to our destinations as frictionless as possible.

Colleagues

Why we engage

Our colleagues are fundamental to achieving our strategic goals. We therefore need to ensure that we create a high-performance culture in which colleagues are empowered to thrive, supported to develop and motivated to deliver the vision of the Company.

To achieve this, we need to understand and be receptive to the views of the workforce as well as ensuring our colleagues are taken on a journey with us.

Two-way engagement ensures that the goals of management and colleagues are understood and that we are all working towards the same goals.

How we engage

- Each year colleagues participate in an engagement survey. The survey results provide empirical data that can be measured and monitored by the Board.
- Updates on current business and performance are delivered to all colleagues throughout the year via town hall 'squad' meetings.
- The Colleague Forum (the 'Forum') was established in May 2019 and is comprised of colleagues who collectively represent each team within the Company. The Forum is chaired by our Diversity, Inclusion and Engagement Manager and the outcome of those meetings are reported to the GEC and to the Board.
- Carol Welch is our Designated Non-Executive Director for Colleague Engagement and regularly attends meetings of the Forum, reporting to the Board on her findings.
- The Company's Affinity Network is comprised of colleagues across the Company supported by our Diversity, Inclusion and Engagement Manager. The Affinity Network is sponsored by our CEO, Rita-Rose Gagné.

Outcome of engagement

- 93% of colleagues completed the engagement survey in 2024.
- The results of the 2024 colleague engagement survey were shared with teams in face-to-face workshops in which personal and team-based actions and initiatives were discussed and set.
- The Designated Non-Executive Director for Colleague Engagement made recommendations to the Board on areas for focus in 2025.
- In 2024 the Board Strategy Day included a wider pool of colleagues and stakeholders. You can read more about our Board Strategy Day on page 83.

Communities

Why we engage

We continually strive to make a positive difference to the communities in which we operate.

To be able to achieve this, we need to engage with the people within those communities to understand the varying demographics around our destinations, what's important to them and where our goals and interests may not always align.

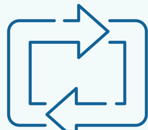
How we engage

- We develop long-term partnerships with organisations that share our values, championed by our dedicated ESG manager. We work with these organisations to understand how we can provide support which best meets their needs.
- We have established an Accessibility Working Group to implement positive change and make Hammerson destinations as welcoming and accessible as possible to all our guests.
- Our destinations engage with local schools on enterprise competitions and careers education, working directly with young people to increase their professional skills and improve their confidence.
- Hammerson destinations each have local charity partners, who receive a grant, access to fundraising and volunteering support and opportunities to raise awareness of their work at their partner destination.
- The Board receives regular reports on ESG matters, including progress against social value targets as part of our wider sustainability strategy and oversight of key ESG policies.

Outcome of engagement

- Engagement and feedback from our community spokespeople was incorporated into the Zet Zero asset plans for each of our destinations.
- In 2024, we delivered £3.5m in social value supporting 267 organisations. We also introduced more corporate volunteering with LandAid as our corporate charity partner. You can read more on our ESG initiatives on pages 49 to 65.
- We set community engagement plans that address issues identified as important to our local communities.
- Our destinations celebrate diverse cultural and religious events throughout the year.

Partners



Why we engage

We strive to be a responsible partner with a wide range of collaborators that enable us to deliver our strategy, including joint venture partners, suppliers, local authorities and other governmental authorities.

Ongoing engagement is key to achieving this to ensure that we have a mutual understanding of our respective visions and goals and an appreciation of where this may not always align.

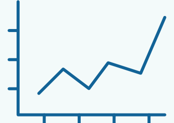
How we engage

- We hold regular formal and informal joint venture meetings throughout the year.
- We maintain active dialogue and engagement with all of our key service partners.
- The Board is regularly updated on engagement with joint venture partners, government bodies and suppliers, and considers relevant matters in the context of ongoing oversight and decision-making.
- Our development team regularly engage with our dedicated relationship managers at local councils and planning authorities throughout the year to discuss matters in relation to planning, public realm enhancements, asset management issues, health and safety and ESG considerations, among other things.

Outcome of engagement

- As a result of our positive relationship and extensive engagement with local councils and planning authorities, we were able to progress a number of our planning applications in 2024.
- In May 2024 we extended our partnership with JLL, initiated in the UK in February 2023 for the delivery of property management services, to Dundrum in Ireland. This is part of our strategy to build an agile and more sustainable platform.
- We are signatories to the Prompt Payment Code to support our service partners, local authorities and debt investors.
- We draft annual business plans for each of our jointly owned destinations.

Investors



Why we engage

We have a broad range of institutional credit and equity investors as well as private shareholders. Our investors provide a vital source of capital to the Company which enables us to execute our strategy. In return, they expect a yield on their investment and hold us to account accordingly.

Ongoing engagement with our investors ensures that expectations are aligned and facilitates healthy and collaborative relationships.

How we engage

- We take a proactive approach to credit and equity investor relations and hold numerous meetings with shareholders and analysts around financial results, at major conferences and industry events, and on an ad hoc basis.
- Directors and senior management meet with institutional shareholders throughout the year to discuss (among other things) progress on our strategy, operational updates, capital allocation, ESG and corporate governance.
- Investor tours of The Oracle and Bullring during 2024 to showcase asset repurposing.
- General Meetings provide an opportunity to engage with shareholders and allows all shareholders to attend and vote on the resolutions recommended by the Board. Shareholders were able to ask questions in person at both the AGM and General Meeting in 2024 and were also able to submit questions to the Board in advance of those meetings.
- The Board receives regular reporting on investor relations matters, including updates from individual Directors on any engagement activities they have undertaken independently.

Outcome of engagement

- Approximately 84% of shareholders voted at the AGM in 2024 and passed all resolutions tabled. Around 83% of shareholders voted at the General Meeting held later that year, with all resolutions receiving over 90% of votes in favour.
- In 2024, key activities such as the sale of the Company's interest in Value Retail and resulting use of proceeds were informed by engagement with shareholders.
- Strong demand for our 12 year £400m bond with peak order book in excess of £2.6bn (over 7x subscribed).
- Shareholder base further evolved to include a more diverse range of real estate specialists and generalists.

Section 172(1) statement

Stakeholder engagement

We seek to deliver value and positive outcomes for all our stakeholders. The Board is aware that its actions and decisions impact our stakeholders including the communities in which we operate. Effective engagement with stakeholders is important to the Board as it strengthens the business and helps to deliver a positive result for all our stakeholder groups.

In order to comply with Section 172 of the Companies Act 2006, the Board is required to take into consideration the interests of stakeholders and include a statement setting out the way in which Directors have discharged this duty during the year.

The Board seeks to understand the needs and the key areas of interest of each stakeholder group and consider them during deliberations and as part of the decision making process. It reviews the long term consequences of decisions on relevant stakeholder groups by ensuring that the Group builds and nurtures strong working relationships with our investors, occupiers, suppliers, joint venture partners, debt capital providers, consumers, and the wider community and government agencies which are important to the success of the Group. It does this by overseeing the work undertaken by management to maintain and seek to enhance these relationships. The Board receives detailed reports and, when relevant, these include assessments of the impact that a proposal or project might have on stakeholders, with appropriate input from the senior management team.

Further information on the Board's engagement with, and consideration of, the Company's stakeholders can be found on pages 28 to 30. In addition, on pages 82 to 86 of the Corporate Governance Report, you can read examples of how specific decisions taken by the Board in the year were informed by engagement with our stakeholders.

Section 172(1) Statement

The Directors of the Company have acted in a way that they considered, in good faith, to be most likely to promote the success of the Company for the benefit of its members as a whole and, in doing so, had regard, amongst other matters, to those matters set out in section 172(1)(a) to (f) of the Companies Act 2006, being:

a) The likely consequences of any decision in the long term
b) The interests of the Company's colleagues
c) The need to foster the Company's business relationships with partners, consumers and others
d) The impact of the Company's operations on the community and the environment
e) The desirability of the Company maintaining a reputation for high standards of business conduct
f) The need to act fairly as between members of the Company

The Board has identified its key stakeholders as being its: occupiers; customers; colleagues; communities; partners; and investors. Building and nurturing these relationships based on professionalism, fair dealing and integrity is critical to our success.

Our extensive engagement efforts help to ensure that the Board can understand, consider and balance broad stakeholder interests when making decisions to deliver long term sustainable success.

While the Board will engage directly with stakeholders on certain issues, stakeholder engagement will often take place at an operational level with the Board receiving regular updates on stakeholder views from the Executive Directors and the senior management team. Directors receive a briefing regarding their duties under s172(1) and board papers for all key decisions include a specific section reviewing the impact of the proposal on relevant stakeholder groups, as well as other s172(1) considerations.

The Board is responsible for establishing and overseeing the Company's values, strategy and purpose, all of which centre around the interests of key stakeholders and other factors set out in s172(1). The Directors remain conscious that their decisions and actions have an impact on stakeholders, including occupiers, customers, colleagues, communities, partners and investors, and they have had regard to stakeholder considerations and other factors in s172(1) during the year.

Whilst the Board acknowledges that, sometimes, it may have to take decisions that affect one or more stakeholder groups differently, it seeks to treat impacted groups fairly and with regard to its duty to act in a way that it considers would be most likely to promote the success of the Company for the benefit of its members as a whole, having regard to the balance of factors set out in s172(1). Considerations relating to s172(1) factors are an important part of governance processes and decision making both at Board and management level, and more widely throughout the Company. Necessarily in a large group, some decisions are taken by management. These decisions are taken within parameters set by the Board and there is a robust framework that ensures ongoing oversight and monitoring.

Strong strategic performance

Link to strategy:

- 1 Investment for growth and value creation
- 2 Agile platform
- 3 Sustainable and resilient capital structure
- R Linked to remuneration – 2024
- R Linked to remuneration – 2025

Financial

Adjusted net rental income[1]

(like-for-like change) % 1

Description

Adjusted net rental income ('NRI') is the Group's key revenue measure and a standard real estate metric. Like-for-like NRI growth is critical to generate earnings and dividend growth. See page 38 of the Financial Review for details on the portfolio performance and Table 4 in Additional Information for the supporting calculation.

Our 2024 performance

On a like-for-like basis, in 2024, NRI fell by 0.5%, this metric was impacted by the extensive repositioning works at Cabot Circus and The Oracle. Excluding these assets, Group NRI grew by 0.2%, with UK recording growth of 1.4%. NRI in France, grew by 4.2%, while in Ireland it was 6.3% lower.

Adjusted earnings

£m 1 3 R R

Description

Adjusted earnings is the Group's primary profit measure and reflects underlying profit calculated based on EPRA guidelines, factoring in a number of Company specific adjustments as explained on page 36 of the Financial Review and shown in note 10A to the financial statements.

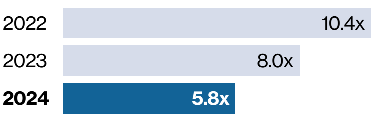
Our 2024 performance

2024 Adjusted earnings were £99m, £17.3m or 15% lower than 2023. Disposals reduced NRI by £16m, and the Group's share of Value Retail earnings were £13m lower following its sale in September. These reductions were partly offset by a reduction in gross administration costs of £8m and £14m lower net finance costs.

Net debt:EBITDA[1] (NEW)

£m 1 3

New KPI replacing Net debt following the completion of the Group's disposal programme



Description

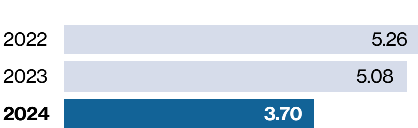
Net debt:EBITDA is a key credit metric which demonstrates the level of indebtedness compared to a Group's operating profit, and hence its ability to service its debt. It is a key focus for rating agencies and debt investors. See Table 14 in Additional Information for the supporting calculation.

Our 2024 performance

The Group's Net debt:EBITDA ratio fell to 5.8x (2023: 8.0x), principally due to the £527m (40%) reduction in net debt to £799m at 31 December 2024. The strength of the Group's balance sheet resulted in improved credit ratings from Fitch and Moody's in the second half of the year. We remain committed to maintaining a resilient and sustainable capital structure with an investment grade credit rating.

EPRA NTA per share

£ 1 3



Description

EPRA net tangible assets ('NTA') per share is the key metric by which we measure the net asset position of the Group. NTA is derived directly from the Group's equity shareholders' funds, with a number of adjustments as per EPRA guidelines. NTA per share is then NTA divided by the number of shares at the balance sheet date. See notes 10B and 11C to the financial statements for further details.

Our 2024 performance

NTA per share fell by £1.38, or 27% in 2024, reflecting a reduction in net assets of £642m. This was principally due to a £472m impairment charge on the disposal of the Group's interest in Value Retail. Other key factors were revaluation losses of £116m, including £25m on the Value Retail portfolio in H1 24, a £26m premium paid on the redemption of £412m of bonds and £21m incurred on the Group's share buyback programme launched in October.

Total accounting return ('TAR')

% 1 3

Description

A key measure of value creation and comparable with the wider real estate sector. It is calculated as the change in NTA per share plus dividends paid in the year as a percentage of the NTA per share at the start of the year and is one of the three key metrics in the Group's new MTFF. See Table 21 in Additional Information for the supporting calculation.

Our 2024 performance

The Group recorded a TAR of -24.2% in 2024. This was principally due to the £472m net impairment charge associated with the sale of Value Retail ('VR'). Other factors are explained in EPRA NTA per share metric above.

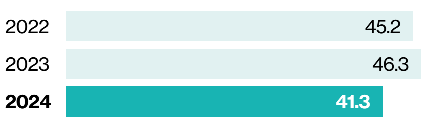
1 Proportionally consolidated, see page 35 for further details.

Link to strategy:

- 1 Investment for growth and value creation
- 2 Agile platform
- 3 Sustainable and resilient capital structure
- R Linked to remuneration – 2024
- R Linked to remuneration – 2025

Operational

Leasing activity (at 100%)
£m 1
Previously shown at the Group's ownership share

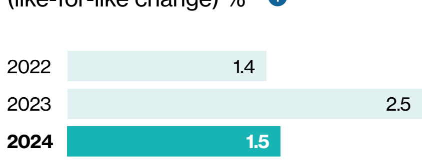


Description
Our leasing strategy is designed to deliver the optimum brand mix to drive footfall, sales and grow our catchments.

This KPI shows the amount of income secured across the flagship portfolio, including new lettings and lease renewals. We have amended the metric to be at 100%, rather than the Group's ownership share to show the our overall performance of our asset and leasing teams.

Our 2024 performance
We secured £41m (£24m at share) of rent across the Flagship portfolio in 2024. This was another record leasing year, with value, on a like-for-like basis, 2% higher than 2023. In total we signed 262 leases, at an average of 13% ahead of prevailing ERV and 56% ahead of the previous passing rent. We are confident that we will continue to benefit from the polarisation of occupier demand towards prime locations which will be a key source of future rental growth.

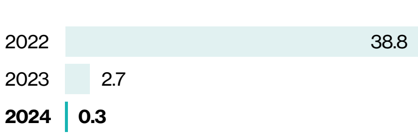
Passing rent[1]
(like-for-like change) % 1



Description
This KPI shows the annual change in passing rent at our flagship portfolio, calculated on like-for-like basis and excluding the impact of foreign exchange translation differences. Passing rent is a better forward indicator of underlying revenue growth than NRI, as the latter metric can contain significant non-cash accounting adjustments. Further detail can be found in Table 5 in Additional Information.

Our 2024 performance
Like-for-like passing rent for our flagship portfolio increased by 1.5% in 2024. This was consistent with our strong leasing performance description above. Passing rent in the UK was up 1.3%, France was up 4.2% with additional benefit from indexation. Ireland was 1.6% lower, principally due to a short-term renewal of an overrented anchor unit at Ilac.

Footfall
(like-for-like change) % 1

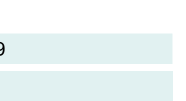


Description
Our destinations serve large, affluent catchments. We strive to grow footfall (visitor numbers) by seamlessly integrating global, national and local retail brands with services, exceptional F&B, leisure and placemaking. This creates a virtuous loop to secure the best occupiers and drive rental growth and value creation. The metric shows year-on-year footfall changes.

Our 2024 performance
In 2024, footfall grew by 0.3%, or 2.1% excluding Cabot Circus and The Oracle. These assets are undergoing major repositioning and footfall was down 7% and 6% respectively. Visitor numbers in France and Ireland were 4% and 1% higher respectively. Footfall in the UK was 1% lower, or if Cabot Circus and The Oracle are excluded was up 2%.

Carbon emissions[1]
(like-for-like change) % 1 3 R R

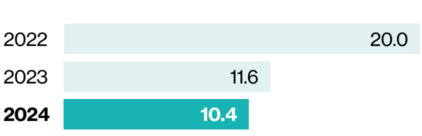
2022 -7.9
2023 -13.4
2024 -8.3



Description
The Group is committed to being Net Zero by 2030. Each flagship destination has a Net Zero Asset Plan with projects to enhance energy efficiency and reduce emissions. This KPI reflects the Group's ownership share of greenhouse gas emissions as explained on page 51, and is calculated on a like-for-like property basis.

Our 2024 performance
Our carbon emissions reduced by 8.3% in 2024 reflecting the delivery of Net Zero Asset Plan initiatives which we launched in 2023. Emissions also fell due to our focus on energy efficiency in conjunction with our property management partners. The performance is consistent with our trajectory to being Net Zero by 2030.

Voluntary colleague turnover
% 2



Description
Our talented people are key to our success and we strive to retain, engage and develop them. We monitor voluntary colleague turnover, together with other people metrics to assess the benefit of our colleague engagement activities and from a well-being perspective.

Our 2024 performance
The level of voluntary colleague turnover fell again in 2024 to 10.4% demonstrating the benefits of our colleague engagement programme and the embedding of the Group's new operating platform.

1 Proportionally consolidated, see page 35 for further details.

A transformed capital structure

The disposal of Value Retail transformed the Group's balance sheet. We now have the capacity to accelerate investment for growth and value creation.

Himanshu Raja
Chief Financial Officer

2024 Key financial metrics

Gross rental income growth (like-for-like) A
1.6%
2023: 5.5%
Calculation in Table 3 of the Additional information

Net assets
£1,821m
2023: £2,463m

Adjusted earnings K A
£99m
2023: £116m
Calculation in note 2 to the financial statements

EPRA NTA per share[1] K A
£3.70
2023: £5.08
Calculation in note 11C to the financial statements

IFRS loss for the year
£(526)m
2023: £(51)m

Net debt:EBITDA K A
5.8x
2023: 8.0x
Calculation in Table 14 of the Additional information

Dividend per share[1]
15.63p
2023: 15.0p

Loan to value ('LTV') – Headline A
30%
2023: 34% (Headline)/44% (Fully proportionally consolidated)
Calculation in Table 17 of the Additional Information

K KPI
A Alternative Performance Measure
1 2023 per share metrics restated to reflect the 1 for 10 share consolidation in September 2024.

Overview

2024 has been a decisive year for the Group. We enter 2025 as a reshaped business with a transformed capital structure. In September 2024, we completed the transformational sale of Value Retail for cash proceeds of €705m (£595m) reflecting a 3.4% exit cash yield and an EBITDA multiple of 24x. Since FY20 we have generated £1.5bn of disposal proceeds. We have already begun redeploying capital with the acquisition, in November, of the 50% JV stake in Westquay, Southampton for £135m.

2024 Adjusted earnings were £99m, 15% lower than 2023 due to the impact of disposals. The IFRS loss was £526m (2023: £51m loss), reflecting £497m Value Retail impairment and H124 revaluation loss.

The Directors have recommended a final dividend of 8.07p per share. This brings the full year dividend to 15.63p per share, a 4.2% increase on 2023.

Net assets at 31 December 2024 were £1,821m (2023: £2,463m), the reduction reflecting the sale of Value Retail. EPRA NTA per share was 370p (2023: 508p). Net debt was £527m (40%) lower at £799m reflecting the net impact of disposals and reinvestment. Our credit metrics also improved with Net debt:EBITDA of 5.8x and LTV of 30%.

We secured improved credit ratings from Moody's and Fitch. With the strength of the Group's position, we issued £400m 5.875% bonds and repurchased £412m of bonds (7.1% average interest rate). We also signed a €350m (Group's 50% share €175m) secured loan to refinance the maturing loan in the Dundrum JV.

Presentation of financial information

IFRS vs Management reporting

The Group's property portfolio comprises properties that are either wholly owned or co-owned with third parties. While the Group prepares its financial statements under IFRS, the Group evaluates the performance of its business for internal management reporting on a 'proportionally consolidated' basis which aggregates the following:

- properties, or entities, which are wholly owned or held in joint operations (see notes 1B and 12C to the financial statements for details) and hence where the results and net assets are directly included, on a line-by-line basis, in the IFRS financial statements. These are labelled as 'Reported Group'.
- the Group's share of properties, or entities, which are co-owned within joint ventures or associates that are under the Group's day-to-day management. Under IFRS each are included in separate line items in the income statement ('Share of results of joint ventures'/'Share of results of associates') and balance sheet ('Investment in joint ventures'/'Investment in associates'). The Group's share of results and net assets are labelled 'Share of Property interests'. Note, that for 2024 this only relates to the Group's share of joint ventures as the Group sold its sole associate which it managed, Italie Deux, in March 2023. The Group's other associate, Value Retail was separately reported (see below).

The combination of properties within the Reported Group and Share of Property interests is labelled as the 'Group portfolio'.

Prior to its disposal in September 2024, management did not proportionally consolidate the Group's investment in Value Retail. While the Group exercised significant influence, and accounted for the investment as an associated undertaking, Value Retail was not under the Group's management, was independently financed and had differing operating metrics to the Group's property portfolio. Accordingly, for both IFRS and management accounting purposes the results and financial assets and liabilities were accounted for separately, and it was excluded from the Group's proportionally consolidated key metrics such as net debt or like-for-like rental income growth.

If, in addition to IFRS figures, information is disclosed under management's reporting basis in the Group's financial statements it is clearly labelled as being 'proportionally consolidated'. Further supporting analysis and reconciliations between management and IFRS bases are also included in this Financial Review and in the Additional Information section.

Value Retail impairment and disposal

On 22 July 2024, the Group announced it had entered into a binding sale agreement for the disposal of its entire interests in Value Retail to L Catterton for cash proceeds of €705m (£595m), or £584m after transaction costs. This was a transformational sale for the Group, completed at an attractive price, representing a 3.4% exit cash yield and an EBITDA multiple of 24x.

At the 30 June 2024 interim balance sheet date the Directors concluded that, given the significant progress made towards agreeing and signing the sale agreement, that a sale was 'highly probable' and hence the Group's interests were judged to have met the criteria outlined in IFRS 5 to be reclassified to being 'held for sale' within current assets.

On reclassification to 'held for sale', in accordance with IFRS 5, the Group's interests were remeasured to the lower of the carrying amount and estimated fair value less sale costs at completion, which was expected in the second half of the year. The fair value was based on the contracted sale proceeds, less estimated transaction costs, and the remeasurement resulted in a £483m impairment loss being recognised in the first half of the year. Also, upon reclassification, equity accounting ceased.

The sale completed on 18 September 2024, and over the period between 30 June and completion the impairment was reduced by £11m, reflecting changes in foreign exchange, distributions and the removal of an allowance for potential tax associated with the disposal. Further details are in note 9 to the financial statements.

In addition, the operations of Value Retail represent a separate major line of the business and therefore has been treated as a discontinued operation. The results for the current and prior financial periods have been separately disclosed from the continuing segments of the business.

> "2024 has been a decisive year for the Group. We enter 2025 as a reshaped business with a transformed capital structure."
>
> **Himanshu Raja**
> Chief Financial Officer

Derecognition of Highcross and O'Parinor

As explained in last year's Financial Review, during 2023, following the actions of the secured lenders on Highcross and O'Parinor, the Group no longer had joint control over these two joint ventures and derecognised its share of assets and liabilities. These two joint ventures had a total of £125m of borrowings secured against their individual property interests, which were both non-recourse to the Group.

For Highcross, there was no loss on derecognition as the joint venture investment had previously been fully impaired. For O'Parinor, the derecognition resulted in a £22m impairment charge recognised in 2023.

In February 2024, the lender on O'Parinor subsequently sold the property held by the joint venture. The Group did not receive any recovery of its fully impaired joint venture investment. As part of the disposal process, the Group sold ancillary wholly-owned units at the asset for £6m, which was in line with the December 2023 book value.

Alternative performance measures ('APMs')

The Group uses a number of APMs, being financial measures not specified under IFRS, to monitor the performance of the business. Many of these measures are based on the EPRA Best Practice Recommendations ('BPR') reporting framework which aims to improve the transparency, comparability and relevance of the published results of listed European real estate companies. Key EPRA measures include EPRA earnings and three EPRA net asset metrics. In September 2024, EPRA issued updated EPRA earnings guidelines within its BPR. These included the addition of two new adjustment categories relating to funding structures and non-operating and exceptional items. In relation to EPRA earnings, the Group will adopt these new guidelines for its next reporting period, beginning 1 January 2025. Details on the EPRA BPR can be found on www.epra.com and the Group's EPRA metrics are shown in Table 1 of the Additional Information.

In addition to presenting the Group's results on an IFRS and EPRA basis, we also present the results on a 'Headline' and 'Adjusted' basis. The former measure is calculated in accordance with the requirements of the Johannesburg Stock Exchange listing requirements. The 'Adjusted' basis reflects the underlying operations of the business and is calculated on a proportionally consolidated basis.

The Adjusted basis also excludes capital and non-recurring items such as revaluation movements, gains or losses on the disposal of properties or investments, as well as other items which the Directors do not consider to be part of the day-to-day operations of the business. Such items are in the main reflective of those excluded for EPRA earnings, but additionally exclude a small number of 'Company only' adjusting items which are deemed not to be reflective of the normal routine operating activities of the Group and have been applied consistently in both accounting periods. We believe that disclosing such non-IFRS measures enables evaluation of the impact of such items on results to facilitate a fuller understanding of performance from period to period.

For 2024, EPRA earnings were £86.1m (2023: £102.8m). The Group had three 'Company only' adjusting items to EPRA earnings totalling £12.9m (2023: £13.5m) as follows:

- the inclusion of a credit of £7.5m reflecting the Group's share of Value Retail's Adjusted earnings over the period from reclassification to an asset held for sale on 30 June 2024 to the date of disposal on 18 September 2024. The adjustment, which is not recognised under IFRS, as equity accounting ceased on reclassification to held for sale, has been calculated on a consistent basis to when the investment in Value Retail was accounted for as an associate. See note 9 to the financial statements for further details.
- the exclusion of a £4.9m charge (2023: £13.2m) in respect of business transformation costs as the Group continues its implementation of strategic change and refining its operating model. For 2024, this charge principally comprises digital transformation costs.
- the exclusion of a £0.5m one-off charge associated with fees incurred on winding up the Group's principal defined benefit pension scheme. See note 23 to the financial statements for further details.

A reconciliation from loss for the year under IFRS to Adjusted, EPRA and Headline earnings is set out in note 10A to the financial statements.

Other APMs used by the Group cover key operational, balance sheet and credit related metrics, including like-for-like analysis, cost ratios, total accounting return, net debt and associated credit metrics: Net debt:EBITDA, gearing, loan to value and interest cover. Reconciliations of these APMs to the IFRS figures in the financial statements are included in the Additional Information section.

Income statement

The table below sets out the reconciliation of the Group's Adjusted earnings of £99.0m (2023: £116.3m) to the IFRS loss for the year of £526.3m (2023: £51.4m loss). It also splits the Group's results between those from wholly owned properties or entities, or in joint operations, labelled the 'Reported Group', and the Group's share on a proportionally consolidated basis of its joint ventures and associates which are under the Group's management and labelled 'Share of Property interests'.

In 2024, the Group's IFRS loss increased by £474.9m predominately due to the impairment of the Group's investment in Value Retail associated with its disposal in September 2024.

On an Adjusted basis, earnings decreased by £17.3m to £99.0m (2023: £116.3m). Gross rental income was £19.4m lower, principally due to disposals over the previous 24 months. Gross administration costs were £8.0m, or 16%, lower reflecting reduced headcount and corporate costs.

The Group's share of Value Retail Adjusted earnings reduced by £12.9m due to the sale of the investment in September 2024. This was offset by £13.6m lower Adjusted net finance costs, reflecting reduced debt levels and increased income from cash deposits and derivatives benefiting from the higher interest rate environment.

Further analysis of the Group's results is set out in note 2A to the financial statements and details on reconciling items between Adjusted earnings and IFRS loss are in note 10A to the financial statements.

Analysis of Adjusted earnings and IFRS loss for the year

Proportionally consolidated, including continuing and discontinued operations	Note[1]	Reported Group £m	Share of Property interests £m	2024 Total £m	Reported Group £m	Share of Property interests £m	2023 Total £m	Change £m
Adjusted earnings analysis:								
Gross rental income	4	81.8	107.2	189.0	92.8	115.6	208.4	(19.4)
Net service charge expenses and cost of sales	5	(20.9)	(22.1)	(43.0)	(17.0)	(23.9)	(40.9)	(2.1)
Net rental income		60.9	85.1	146.0	75.8	91.7	167.5	(21.5)
Gross administration expenses	5A	(43.5)	–	(43.5)	(51.1)	(0.4)	(51.5)	8.0
Other income	4	10.7	0.3	11.0	14.9	–	14.9	(3.9)
Profit from operating activities		28.1	85.4	113.5	39.6	91.3	130.9	(17.4)
Value Retail earnings	9	19.2	–	19.2	32.1	–	32.1	(12.9)
Income from other investments		1.1	–	1.1	–	–	–	1.1
Operating profit		48.4	85.4	133.8	71.7	91.3	163.0	(29.2)
Net finance costs	6	(28.7)	(3.6)	(32.3)	(41.1)	(4.8)	(45.9)	13.6
Tax charge	7	(2.5)	–	(2.5)	(0.7)	(0.1)	(0.8)	(1.7)
Adjusted earnings		17.2	81.8	99.0	29.9	86.4	116.3	(17.3)
Reconciliation to IFRS Loss for the year:								
Revaluation losses – Group portfolio	12	(20.6)	(70.8)	(91.4)	(45.2)	(73.9)	(119.1)	27.7
Revaluation losses – Value Retail	9	(24.9)	–	(24.9)	(7.7)	–	(7.7)	(17.2)
(Loss)/profit on sale of properties/joint ventures	8	(9.2)	–	(9.2)	1.3	(19.1)	(17.8)	8.6
Impairment of joint venture	8	–	–	–	(22.2)	–	(22.2)	22.2
Impairment of Value Retail	9	(471.9)	–	(471.9)	–	–	–	(471.9)
(Premium)/Discount on redemption of bonds	6	(25.5)	–	(25.5)	4.3	–	4.3	(29.8)
Business transformation costs	5A	(4.9)	–	(4.9)	(13.2)	–	(13.2)	8.3
Other	10A	4.7	(2.2)	2.5	9.9	(1.9)	8.0	(5.5)
IFRS Loss for the year		(535.1)	8.8	(526.3)	(42.9)	(8.5)	(51.4)	(474.9)
(Loss)/earnings per share				pence			pence	pence
Basic	11B			(106.0)			(10.3)	(95.7)
Adjusted	11B			19.9			23.4	(3.5)

1 Note references are to notes to the financial statements.

Rental income

Analysis of rental income

Proportionally consolidated	Gross rental income £m	Change in like-for-like	Adjusted net rental income £m	Change in like-for-like
Year ended 31 December 2023	208.4		167.5	
Like-for-like income change:				
– UK	(0.1)	(0.1)%	(0.2)	(0.5)%
– France	4.0	7.8%	1.8	4.2%
– Ireland	(1.3)	(3.4)%	(2.3)	(6.3)%
Group like-for-like income change	2.6	1.6%	(0.7)	(0.5)%
Disposals	(21.3)		(15.9)	
Acquisitions	2.5		1.7	
Developments and other	(0.5)		(4.2)	
Foreign exchange	(2.7)		(2.4)	
Year ended 31 December 2024	189.0		146.0	

Gross rental income

Like-for-like gross rental income increased by £2.6m, or 1.6% in 2024. As anticipated at the time of the 2023 results announcement, UK GRI was adversely impacted by the significant repositioning works ongoing at Cabot Circus and The Oracle. Excluding these assets, GRI growth for the Group was 3.0%, or for the remaining UK flagship assets was 3.1%, with the strongest growth at Westquay at 5.8%. In France, GRI was £4m, or 7.8% higher, with growth from indexation and lease renewals at Les Terrasses du Port. In Ireland, GRI was 3.4% lower, with a reduction in base rent in 2024 associated with occupier mix changes at Dundrum and the renewal of an over-rented anchor store at Ilac.

Disposals reduced income by £21.3m, principally Union Square in 2024 and Italie Deux and O'Parinor in 2023. This was partly offset by £2.5m of income from the acquisition of our JV partners' 50% interest in Westquay in November 2024.

Finally, year-on-year GRI was adversely impacted by foreign exchange movements totalling £2.7m and lower income from our Developments and other portfolio of £0.5m.

Adjusted net rental income

Group like-for-like adjusted net rental income was £0.7m, or -0.5% lower. As with like-for-like GRI, NRI was impacted by repositioning works. Excluding Cabot Circus and The Oracle, the rest of the portfolio grew by 0.2%, or 1.4% for the UK. In France, like-for-like NRI was 4.2% higher. This was driven by the strong GRI performance, partly offset by the impact of occupier failure in the first half of the year, predominately at Les 3 Fontaines. Ireland NRI was -6.3%, due to the lower GRI and a strong comparative in 2023 which benefited from bad debt reversals as collection rates improved.

For FY24, the flagship like-for-like NRI:GRI ratio was 82%, with UK at 78%, France at 82% and Ireland, the highest, at 88%. This ratio will improve as repositioning works are completed and further leasing increases occupancy.

Disposals reduced adjusted NRI by £15.9m, partly offset by £1.7m of income in the final quarter of the year from the 50% acquisition of Westquay.

NRI from our Developments and other portfolio was £4.2m lower. Key factors were reduced income from Martineau Galleries as we actively position the project for future development and a rent settlement received in 2023 in relation to the Les 3 Fontaines extension project. Adverse foreign exchange also reduced NRI by £2.4m.

Further analysis of gross and net rental income by segment is provided note 3 to the financial statements and in Tables 3 and 4 of the Additional Information.

Passing rent

At 31 December 2024, the Group's passing rent totalled £182.4m (2023: £187.8m), the reduction due principally to the disposal of Union Square in March.

On a like-for-like basis, flagship passing rent was up 1.5%. In the UK and France passing rent grew by 1.3% and 4.2% respectively. In Ireland, consistent with the GRI performance, passing rent fell by 1.6%.

Analysis of rental income by ownership

Rental income is further analysed below between the Group's various ownerships.

	2024			2023				
					Share of Property interests			
	Reported Group £m	Share of Property interests £m	Total £m	Reported Group £m	Joint ventures £m	Associates £m	Subtotal £m	Total £m
Gross rental income	81.8	107.2	189.0	92.8	114.4	1.2	115.6	208.4
Net service charge expenses and cost of sales	(20.9)	(22.1)	(43.0)	(17.2)	(24.0)	–	(24.0)	(41.2)
Net rental income	60.9	85.1	146.0	75.6	90.4	1.2	91.6	167.2
Change in provision for amounts not yet recognised in the income statement	–	–	–	0.2	0.1	–	0.1	0.3
Adjusted net rental income	60.9	85.1	146.0	75.8	90.5	1.2	91.7	167.5

The like-for-like GRI and NRI performance of the Reported Group was 5.2% and 2.5% respectively, with the strong performance from the Group's two wholly owned French assets being partly offset by the performance of the two joint operations in Ireland.

Administration expenses

Proportionally consolidated	2024 £m	2023 £m
Employee costs	28.7	35.3
Other corporate costs	14.8	16.2
Adjusted gross administration costs	43.5	51.5
Property fee income	(6.3)	(8.4)
Joint venture and associate management fee income	(4.7)	(6.5)
Other income	(11.0)	(14.9)
Adjusted net administration expenses	32.5	36.6
Business transformation costs	4.9	13.2
Total net administration expenses	37.4	49.8

During 2024, Adjusted gross administration expenses decreased by £8.0m, or 16% compared to 2023. This reflected the Group's continued focus on cost reduction.

This reduction was comfortably ahead of our 10% target. Since FY20 we have reduced gross administration costs by £24.3m, or 36%.

The most significant elements of the cost reduction in the year were:

- employee costs which were £6.6m (19%) lower reflecting the organisational restructuring and simplification of the Group's operating model.
- average headcount, excluding employees recharged to occupiers, reduced from 175 in 2023 to 134 in 2024.
- other corporate costs, comprising mainly professional fees, premises and IT-related costs, fell by £1.4m (9%). The two most significant areas of savings were premises costs of £0.9m, with the French team moving to smaller offices; and a decrease of £0.4m in corporate insurances, with the most significant reduction being in Directors' and Officers' insurance premiums reflecting the Group's strengthened financial position.

Business transformation costs of £4.9m in 2024 comprised mainly IT-related costs for contractors and consultants to deliver the Group's digitalisation and automation programme. These activities were one of the key workstreams of the Group's strategic and operational review undertaken in 2021 and hence do not reflect underlying trading and have been excluded from the Group's Adjusted earnings. This transformation programme is due to complete in 2025.

Other income, from property management fees and joint venture management fees was £3.9m lower in 2024. This reduction was due to lost fee income from disposals, particularly in France, over the last two years.

Loss on sale of properties

In the first half of the year, we realised cash proceeds of £117m from property disposals, with £111m raised from the sale of Union Square, Aberdeen and £6m raised from the disposal of ancillary units at O'Parinor. These two disposals were at an average 8% discount (based on cash proceeds) to 31 December 2023 book value. After taking account of selling costs, the total loss from disposals for the year was £9m (2022: £18m loss).

The sale of Union Square completed the Group's £500m non-core disposal programme started in 2022. In total since FY20, including Value Retail, we have raised cash proceeds from disposals of £1.5bn to reshape the portfolio and strengthen the balance sheet.

Share of results of joint ventures

A listing of our interests in joint ventures is included in note 13A to the financial statements. On an IFRS basis, the Group's share of results in 2024 was £8.8m (2023: £9.4m).

On an Adjusted basis, our share of results from joint ventures was £81.8m (2023: £86.4m). The £4.6m year-on-year reduction was principally due to the disposal of the Group's investments in Croydon and the derecognition of O'Parinor both in 2023.

Given that four out of five of our UK flagship destinations and Dundrum, the largest asset of our Ireland flagships, are held in joint ventures, the financial and operating performance of these assets is consistent with the proportionally consolidated performance explained in this Financial Review and shown in the Additional Information.

Value Retail – Discontinued operations

As explained in the Presentation of Financial Information section on page 35, due to the disposal in September 2024 of the Group's investment in Value Retail for cash proceeds of €705m (£595m), the Group's share of results for Value Retail for both 2024 and 2023 have been re-presented as 'Discontinued operations'.

On an IFRS basis, the loss from discontinued operations was £481.5m in 2024 (2023: £14.8m profit). This loss principally reflected the net £472m impairment charge recognised against the carrying value of Value Retail when it was reclassified to an 'asset held for sale' in June 2024. In addition, the Group's share of Value Retail's property portfolio suffered a revaluation loss of £25m in the first half of the year.

On an Adjusted basis, our share of Value Retail's results up until the date of sale was £19.2m, £12.9m lower than in 2023.

Net finance costs

Proportionally consolidated	2024 Reported Group £m	2024 Share of Property interests £m	2024 Total £m	2023 Reported Group £m	2023 Share of Property interests £m	2023 Total £m
Adjusted finance income	**40.0**	**4.8**	**44.8**	30.9	4.1	35.0
Adjusted finance costs	**(68.7)**	**(8.4)**	**(77.1)**	(72.0)	(8.9)	(80.9)
Adjusted net finance costs	**(28.7)**	**(3.6)**	**(32.3)**	(41.1)	(4.8)	(45.9)
(Premium)/Discount on redemption of bonds	**(25.5)**	**–**	**(25.5)**	4.3	–	4.3
Change in fair value of derivatives	**(1.2)**	**(2.2)**	**(3.4)**	0.7	(1.8)	(1.1)
IFRS net finance costs	**(55.4)**	**(5.8)**	**(61.2)**	(36.1)	(6.6)	(42.7)

Adjusted net finance costs were £32.3m, a decrease of £13.6m, or 30%, compared with 2023. The decrease was driven by the benefits of deleveraging since the start of 2023, early repayment of debt utilising proceeds from disposals, and higher interest income from cash deposits and derivatives benefiting from the higher interest rate environment.

In October 2024, we issued a £400m 5.875% bond maturing in 2036. The proceeds were used to repurchase, via a tender offer, £411.6m of the Group's bonds, comprising £168.4m of 6.0% bonds maturing in 2026 and £243.2m of 7.25% bonds maturing in 2028. This combined refinancing activity reduced net finance costs by £3.6m per annum and increased the Group's weighted average debt maturity by 2.3 years, such that it was 4.7 years at 31 December 2024.

The repurchase resulted in a redemption premium of £25.5m which, as per EPRA guidelines, has been excluded from the Group's Adjusted earnings.

Tax

Due to the Group having tax exempt status in its operating countries the tax charge, on a proportionally consolidated basis, remained low at £2.5m (2023: £0.8m). The £1.7m year-on-year increase was due to the Group's high level of interest income on heightened cash reserves, which could not be fully sheltered from tax under the REIT rules.

The tax charge reflects that the Group benefits from being a UK REIT and French SIIC with its Irish assets being held in a QIAIF. The Group is committed to remaining in these tax exempt regimes and further details on these regimes are given in note 7 to the financial statements. In order to satisfy the REIT conditions, the Company is required, on an annual basis, to pass certain business tests. The Group is expected to meet all requirements for maintaining its REIT status for the year ended 31 December 2024.

Dividends

Following the disposal of Value Retail, the Board announced a new policy to increase the Group's payout ratio for Adjusted earnings from 60–70% to a new sustainable dividend policy of 80–85%.

In line with this new policy, the Board is recommending a final 2024 cash dividend of 8.07p per share. Subject to approval by shareholders at the 2025 AGM, the final dividend is payable as an ordinary dividend on 3 June 2025 to shareholders on the register on 25 April 2025.

When combined with the interim cash dividend of 7.56p per share paid in September as a PID, the total 2024 dividend per share is 15.63p, a 0.63p (4.2%) increase on 2023.

Share buyback

Following the sale of Value Retail, the Company announced the commencement, on 16 October 2024, of a share buyback programme of up to £140m.

In 2024, 7.0m shares were repurchased and cancelled under the programme for total consideration of £20.9m.

Net assets

A detailed analysis of the balance sheet on a proportionally consolidated basis is set out in note 2B to the financial statements with a summary reconciling to EPRA NTA set out in the table below:

	2024				2023			
Summary net assets, proportionally consolidated	**Reported Group £m**	**Share of Property interests £m**	**EPRA adjustments £m**	**EPRA NTA £m**	Reported Group £m	Share of Property interests £m	EPRA adjustments £m	EPRA NTA £m
Investment properties	**1,487**	**1,172**	**–**	**2,659**	1,396	1,380	–	2,776
Investment in joint ventures	**1,088**	**(1,088)**	**–**	**–**	1,193	(1,193)	–	–
Investment in associates – Value Retail	**–**	**–**	**–**	**–**	1,115	–	79	1,194
Trade receivables	**33**	**18**	**–**	**51**	28	15	–	43
Net debt[1]	**(734)**	**(65)**	**4**	**(795)**	(1,163)	(163)	–	(1,326)
Other net liabilities	**(53)**	**(37)**	**–**	**(90)**	(106)	(39)	–	(145)
Net assets	**1,821**	**–**	**4**	**1,825**	2,463	–	79	2,542
EPRA NTA per share[2]				**£3.70**				£5.08

1 See Table 12 in Additional Information for further details.
2 EPRA adjustments in accordance with EPRA best practice, principally in relation to deferred tax and fair value of derivatives, as shown in note 10B to the financial statements. 2023 EPRA NTA per share restated for 1 for 10 share consolidation.

During 2024, IFRS net assets reduced by £642m to £1,821m (2023: £2,463m). Net assets, calculated on an EPRA Net Tangible Assets ('NTA') basis, were £1,825m, or £3.70 per share, a reduction of £1.38 compared to 31 December 2023 and is equivalent to a total accounting return of –24.2% (see Table 21 in Additional Information). The key components of the movement in Reported Group net assets and EPRA NTA are shown in the table below:

Movement in net assets

Proportionally consolidated	**IFRS net assets £m**	**EPRA adjustments £m**	**EPRA NTA £m**	**EPRA NTA per share £**
1 January 2024	**2,463**	**79**	**2,542**	**5.08**
Property revaluation – Group portfolio	**(91)**	**–**	**(91)**	**(0.18)**
Adjusted earnings	**99**	**–**	**99**	**0.20**
Value Retail – Impairment losses on disposal of Value Retail	**(472)**	**(79)**	**(551)**	**(1.11)**
– Revaluation losses	**(25)**	**–**	**(25)**	**(0.05)**
Loss on sale of properties	**(9)**	**–**	**(9)**	**(0.02)**
Premium on redemption of bonds	**(26)**	**–**	**(26)**	**(0.05)**
Dividends	**(77)**	**–**	**(77)**	**(0.15)**
Share buyback	**(21)**	**–**	**(21)**	**0.01**[1]
Foreign exchange and other movements	**(20)**	**4**	**(16)**	**(0.03)**
31 December 2024	**1,821**	**4**	**1,825**	**3.70**

1 Reflects accretion associated with the Group's share buyback programme launched in October 2024.

Property portfolio analysis

Movements in property valuation

Proportionally consolidated	UK £m	France £m	Ireland £m	Flagship destinations £m	Developments and other £m	Group portfolio £m
At 1 January 2024	863	1,003	630	2,496	280	2,776
Foreign exchange losses	–	(47)	(27)	(74)	(5)	(79)
Acquisitions	141	–	–	141	–	141
Disposals	(122)	(6)	–	(128)	–	(128)
Yield	4	–	(80)	(76)	–	(76)
Income	13	4	(3)	14	1	15
Development and other costs	–	–	–	–	(30)	(30)
Revaluation gains/(losses)	17	4	(83)	(62)	(29)	(91)
Capital expenditure	16	10	2	28	12	40
At 31 December 2024	915	964	522	2,401	258	2,659

At 31 December 2024, the Group's portfolio was valued at £2,659m (2023: £2,776m). The acquisition of Westquay for £141m, including costs, was offset by the impact from disposals of £128m, principally Union Square, and foreign exchange translation losses of £79m. On a like-for-like basis, UK values were up 4.2%, France was 1.5% higher, while Ireland values were 13.3% lower.

Further valuation analysis is included in Table 9 of the Additional Information.

Revaluation gains/(losses)

UK flagships reported a £17m gain. Yields were broadly flat, although Westquay saw a 10bp inward movement post acquisition, equivalent to £4m. The strong leasing performance saw ERVs marked up and produced a £13m gain.

In France, we achieved a revaluation gain of £4m, all from increased ERVs as yields were unchanged. Ireland reported a £83m revaluation loss, with £80m due to outward yield shift of 90bps. The valuers cited the sale of Blanchardstown as the key transaction providing the evidence for higher yields.

The Developments and other portfolio recorded a £29m revaluation loss. Grand Central suffered the most significant reduction of £11m associated with an allowance for future repair works at the asset. Martineau Galleries in Birmingham recorded a £6m writedown as the valuers updated forecast yields for the future office element of the scheme. The remainder of the loss was due to subdued land prices and additional project costs being factored into residual appraisals.

In total, we recognised a portfolio revaluation loss of £91m in 2024.

Capital expenditure

Capital expenditure totalled £40m in 2024, of which £28m was on the Flagship portfolio reflecting repositioning and reconfiguration works. In the UK, we are repositioning Cabot Circus with the former House of Fraser department store let to M&S and the vacant cinema being reconfigured into a new right-sized Odeon cinema with the remaining space reconfigured for exciting new leisure offers. At The Oracle, the former House of Fraser store is being split into three new units. Two of these units have been let to Hollywood Bowl and TK Maxx and we are in advanced discussions on the final unit.

£10m was invested in our two French destinations to support the strong leasing performance and refresh Les Terrasses du Port, which celebrated its 10th anniversary in May. £12m was invested in our Developments and other portfolio, the majority (£9m) was spent on the on-site development of the Ironworks residential scheme at Dundrum which topped-out in October ahead of its official sales launch later in 2025. The remaining expenditure was focused on initiatives to progress masterplanning and planning permissions on projects integral to our destinations. Table 10 in Additional information analyses the spend between the creation of additional area and that relating to the enhancement of existing space.

External valuers

During 2024, the Group's external valuations continue to be conducted by CBRE Limited ('CBRE'), Cushman and Wakefield DTL Limited ('C&W') and Jones Lang LaSalle Limited ('JLL'), providing diversification of valuation expertise across the Group. At 31 December 2024 the majority of our UK flagship destinations have been valued by JLL and CBRE, the French portfolio by JLL, and the Irish portfolio and Brent Cross have been valued by C&W. This is unchanged from 31 December 2023.

The Board has decided to change valuers for a number of the Group's properties with effect from 1 January 2025. These changes ensure compliance with RICS new mandatory rotation rules and demonstrate good governance.

In 2024, the Group's investment markets continued to polarise. Key areas of differentiation were asset quality in terms of occupier and customer demand, and future capital expenditure requirements.

There have been an increased number of shopping centre transactions over the course of the year. The valuers cited key deals influencing their yield judgements as the bids on St. James Quarter, Edinburgh; the 50% transaction of Centre MK, Milton Keynes; Landsecs' acquisition of Liverpool ONE; URW's sale of a minority stake in Forum des Halles in Paris; and the Goldman Sachs' sale of Blanchardstown, Dublin.

Like-for-like ERV[1]

Flagship destinations	2024 %	2023 %
UK	2.3	1.8
France	1.9	2.5
Ireland	0.8	0.2
	1.8	1.7

1 Calculated on a constant currency basis for properties owned throughout the relevant reporting period.

Like-for-like ERVs grew by 1.8% during 2024 with the UK achieving the highest uplift at 2.3%. There was strong alignment between ERV growth and investment in the form of recent or ongoing repurposing and repositioning, with the strongest growth at Bullring and Cabot Circus.
In 2024, we signed 127 permanent leases across the UK portfolio at an average net effective rent 20% above prevailing ERVs.

ERVs in France grew by 1.9%, driven by indexation and leasing demand at both of our two wholly owned assets. At Les Terrasses du Port we have completed 95% of the lease renewals which fell due in May 2024, the 10th anniversary of the destination opening. The new deals have been signed at an average of 5% above ERV and 3% above the previous passing rent.

In Ireland, ERVs were up 0.8%. The lower vacancy levels in the Irish portfolio can mean that it is more challenging to provide multiple sources of evidence for the valuers to mark up ERVs. Nonetheless, we signed 37 permanent leases at an average net effective rent 9% above prevailing ERVs. We also have a strong leasing pipeline, particularly at Dundrum which has benefited from recent investment, the most significant project being the opening of Brown Thomas in the former House of Fraser unit in February 2023.

Property returns analysis

The Group portfolio generated a total property return of 2.1%, comprising an income return of 5.7% partly offset by a capital return of -3.4%. The split by portfolio is shown in the table below.

Proportionally consolidated	UK %	France %	Ireland %	Flagship destinations %	Developments and other %	2024 Group portfolio %
Income return	7.9	4.5	6.0	6.0	2.9	5.7
Capital return	0.8	0.5	(13.4)	(3.0)	(7.0)	(3.4)
Total return	8.7	5.1	(8.1)	2.9	(4.3)	2.1

Shareholder returns analysis

Total shareholder return over period	Total shareholder return Cash basis[1] %	Total shareholder return Scrip basis[1] %	Benchmark[2] %
One year	3.9	n/a	(15.8)
Four years	25.8	64.5	(27.0)

1 Cash and scrip bases represent the return assuming investors opted for either cash or scrip dividends with the assumption that those opting for scrip dividends continued to hold the additional shares issued.

2 Benchmark is the FTSE EPRA/NAREIT UK index.

The Group's total shareholder return in 2024 was 3.9%, outperforming the FTSE EPRA/NAREIT UK index which fell by -15.8%. Over four years, the Group also strongly outperformed the benchmark of -27.0% with absolute total shareholder returns of 25.8% and 64.5% on a cash and scrip basis, respectively.

Investment in joint ventures and associates

Details of the Group's joint ventures are shown in note 13 to the financial statements. The Group's only associate, Value Retail, was sold in September 2024.

During the year, our investment in joint ventures decreased by £105m to £1,088m (2023: £1,193m). The Group's acquisition of the 50% joint venture stake in Westquay in November reduced the investment by £142m. Revaluation losses were £71m, principally relating to Dundrum, Dublin which suffered a 90bp outward yield shift in 2024. Cash distributions to the Group were £38m.

These reductions were then partly offset by the Group's share of Adjusted earnings of £82m and capital investment of £85m in relation to the refinancing of the Dundrum secured loan.

Trade receivables

Collection rates remained high over the course of the year such that 97% of the rental income due in 2024 (as at 20 February 2025) has been collected.

On a proportionally consolidated basis, net trade receivables at 31 December 2024 were £51m (2023: £41m), reflecting gross trade receivables of £67m (2023: £60m) against which a provision of £16m (2023: £19m) has been applied.

Pensions

In June 2024, the Group's UK defined benefit scheme (the 'Scheme') was wound up. This followed the purchase of a bulk annuity policy ('buy-in') in December 2022 with Just Retirement Limited to fully insure all future payments to members of the Scheme.

The Trustees of the Scheme triggered the winding-up of the Scheme in December 2023 allowing the Company to terminate its liability to make further contributions to the Scheme. In the first half of 2024, the Trustees completed the assignment of the bulk annuity policy to individual Scheme members and transferred the administration to Just Retirement Limited.

The winding up process resulted in a cost of £0.5m, which, given the one-off nature of this action has been excluded from the Group's Adjusted earnings.

Financing and cash flow

Key financial metrics

Proportionally consolidated unless otherwise stated		Calculation (References to Additional Information)	2024	2023
Net debt		Table 12	**£799m**	£1,326m
Liquidity			**£1,417m**	£1,225m
Weighted average interest rate – net debt			**2.0%**	2.4%
Weighted average interest rate – gross debt			**3.5%**	3.3%
Weighted average maturity of debt			**4.7 years**	2.5 years
FX hedging			**90%**	91%
Net debt:EBITDA		Table 14	**5.8x**	8.0x
Loan to value		Table 17	**30%**	34%
Loan to value – Full proportional consolidation (of Value Retail)[1]		Table 17	**30%**	44%
Fixed rate debt as a proportion of total debt			**100%**	84%
Metrics with associated financial covenants	**Covenant**			
Interest cover	≥ 1.25x	Table 15	**5.03x**	3.91x
Gearing – Bonds maturing in 2025, 2027 and 2036	≤ 175%	Table 16	**45%**	55%
– Bonds maturing in 2026 and 2028, senior notes and revolving credit facilities	≤ 150%	Table 16	**45%**	55%
Unencumbered asset ratio – Senior notes only	≥ 1.5x	Table 19	**3.23x**	2.04x
Secured debt/equity shareholders' funds – All bonds, senior notes and revolving credit facilities	≤50%		**8%**	11%

1 Up until the sale of Value Retail in September 2024, the 'loan' included the Group's share of Value Retail's net debt and 'value' included the Group's share of Value Retail's values. At 31 December 2024, this metric is the same as Loan to Value.

Financing overview

In 2024, net debt reduced by 40% to £799m at 31 December 2024 driven by disposal proceeds, the most significant being from the transformational sale of Value Retail for €705m (£595m). This strengthened the Group's financial position and we achieved improved credit ratings from Moody's and Fitch. At 31 December 2024, net debt:EBITDA was 5.8x (2023: 8.0x) and LTV was 30% (2023: 34%).

At 31 December 2024, net debt comprised loans of £1,615m, less the fair value of currency swaps of £2m and cash and cash equivalents of £814m, of which £738m is held by the Reported Group. Liquidity totalled £1,417m (2023: £1,225m) comprising cash and unutilised committed credit facilities.

Key financing activity in the year included:

- in January, we repaid £109m of maturing senior notes from existing cash balances.
- in March, we obtained lender consent to extend £463m of the Group's revolving credit facilities by one year such that they now mature in 2027.
- in April, we entered into £338m of interest rate swaps to lock in finance income at an average rate of 4.7% on cash deposits matching the value of bonds maturing in October 2025.
- in August, we arranged a €350m (Group's 50% share €175m) secured loan to refinance the maturing loan held by the Dundrum joint venture. The new loan matures in 2031 with an all-in cost of 5.4% and is non-recourse to the Group.
- in October, we issued £400m of 5.875% bonds maturing in 2036. The issue commanded strong demand, with a peak order book in excess of £2.6bn, equivalent to seven times the final issue. The new issue proceeds were used to repurchase, via tender, £411.6m of the Group's bonds at an average interest rate of 7.1%. The repurchased bonds comprised £168.4m of 6% bonds maturing in 2026 and £243.2m of 7.25% bonds maturing in 2028. The combined refinancing resulted in an net interest saving of £3.6m p.a. and increased the Group's average debt maturity by 2.3 years, such that it was 4.7 years at 31 December 2024.

Financing strategy

The Group is committed to maintaining a sustainable and resilient capital structure with an Investment Grade credit rating. Our financing strategy is to borrow predominantly on an unsecured basis to maintain flexibility. Secured loans are occasionally used, principally in conjunction with joint venture partners. We ensure that all secured debt is non-recourse to the rest of the Group.

The Group's debt is arranged to maintain access to short-term liquidity and long-term financing. Short-term liquidity is principally through syndicated revolving credit facilities. Long-term debt comprises the Group's fixed rate unsecured bonds and private placement senior notes. Acquisitions may initially be financed using short-term funds before being refinanced with longer-term funding depending on the Group's financing position in terms of maturities, future commitments or disposals, and market conditions.

Derivative financial instruments are used to manage exposure to fluctuations in foreign currency exchange rates and interest rates but are not employed for speculative purposes.

The Board regularly reviews the Group's financing strategy and approves financing guidelines against which it monitors the Group's financial structure. Where there is any non-compliance with the guidelines, this should not be for an extended period.

Managing foreign exchange exposure

The Group's exposure to foreign exchange translation differences on euro-denominated assets is managed through a combination of euro borrowings and derivatives. At 31 December 2024, the value of euro-denominated liabilities as a proportion of the value of euro-denominated assets was 90% (2023: 91%).

Interest on euro-denominated debt also acts as a partial hedge against exchange differences arising on net income from our overseas operations. Sterling strengthened against the euro during the year by 5%.

Borrowings and covenants

The terms of the Group's unsecured borrowings contain a number of covenants which provide protection to the lenders and bondholders as set out in the Key financial metrics table above. At 31 December 2024, the Group had significant headroom against these metrics.

In addition, Dundrum's secured debt facility contains specific covenants on loan to value and interest cover. Again, at 31 December 2024, there was significant covenant headroom and there is no recourse to the Group.

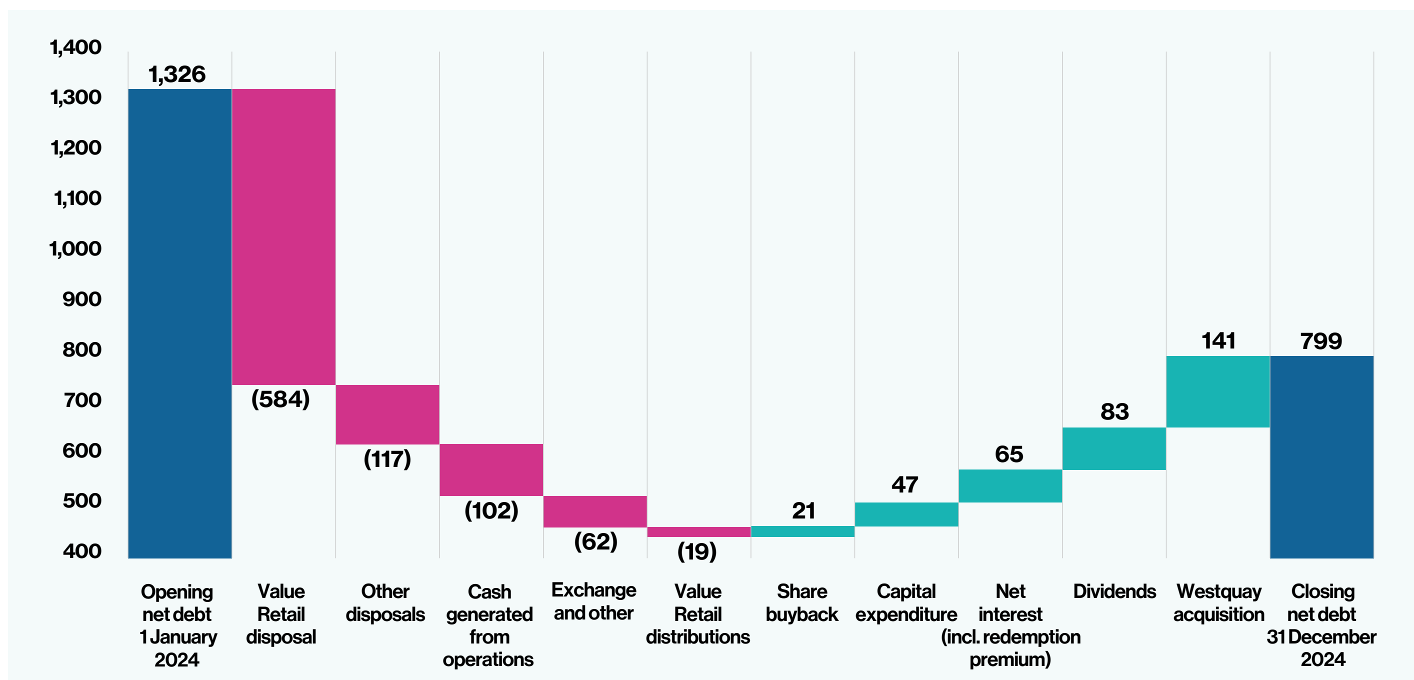
Credit ratings

Following the disposal of Value Retail in September 2024, Moody's upgraded the Group's investment grade long-term debt rating from Baa3 to Baa2. Fitch improved the outlook on their BBB issuer default rating (senior unsecured debt rating at BBB+) from stable to positive.

Cash flow and net debt

Proportionally consolidated net debt

Movement in proportionally consolidated net debt, £m



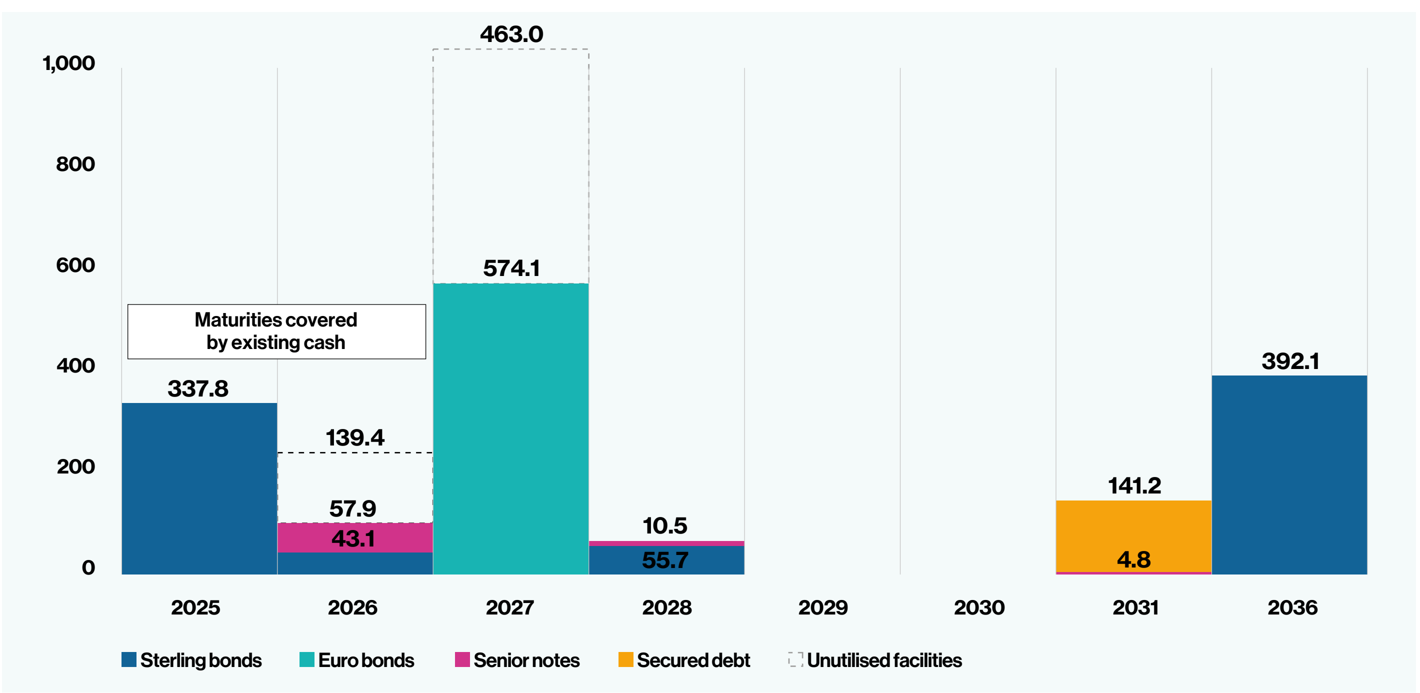
On a proportionally consolidated basis, net debt decreased by 40% to £799m (2023: £1,326m).

The Value Retail disposal raised £584m of net proceeds, with other disposals, principally Union Square, raising a further £117m. Cash generated from operations of £102m comprised profit from operating activities of £109m less a net £7m reduction in working capital and other non-cash items. We also received £19m of distributions from Value Retail in the year.

These cash inflows were partly offset by £141m for the acquisition of the 50% stake in Westquay, £83m of cash dividends paid in the year, £47m of capital expenditure and £65m relating to a £26m premium paid on the redemption of £412m bonds and £39m of net interest payments.

Debt and facility profile
Maturity profile of loans and facilities

Proportionally consolidated at 31 December 2024, £m



The Group's weighted average maturity of debt is 4.7 years (2023: 2.5 years). As at 31 December 2024, the unsecured bonds maturing in 2025 and 2026 and senior notes maturing in 2026, totalling £438.8m, are fully covered by existing cash within the Group.

Maturity analysis of loans and reconciliation to net debt

Loan	Maturity[1]	2024 £m	2023 £m
Sterling bonds	2025–2036	828.7	840.6
Sustainability-linked eurobond	2027	574.1	600.8
Unamortised facility fees	2026–2027	(1.8)	(2.2)
Senior notes (private placements)	2026–2031	73.2	185.3
Total loans – Reported Group		**1,474.2**	**1,624.5**
Secured borrowing[2]	2031	141.2	260.0
Total loans – proportionally consolidated		**1,615.4**	**1,884.5**
Cash and cash equivalents		(814.2)	(569.6)
Fair value of currency swaps		(2.2)	11.4
Net debt – proportionally consolidated		**799.0**	**1,326.3**

1 Maturity for loans at 31 December 2024.
2 Secured loan held by Dundrum joint venture.

Our Colleagues

We are committed to building a high performance, motivated and inclusive culture where colleagues can thrive. We have established a highly skilled and driven talent base to support our growth plans. We achieved strong levels of engagement with colleagues around our ongoing business delivery, and we were proud to drive further progress across all aspects of Equality, Diversity & Inclusion ('ED&I').

Agile and future-fit

With a clear business strategy and growth plan in place, our colleagues are driven to deliver value for all the Group's stakeholders. This is underpinned by our purpose to create outstanding experiences at our city destinations. During 2024, we continued to invest in our people who bring together the skills, experiences and ways of working to help propel our organisation forward.

Our headcount continued to reduce in 2024 to 125 vs 164 in 2023 as we completed the transformation of the organisation. Benefits of restructuring in prior years emerged strongly during the year. The Group's successfully adopted operating model allowed colleagues to focus on asset management and value creation, while non-core functions were delivered by specialist partners, including property management, in the UK, Ireland and France.

Simultaneously, colleagues were able to adopt and benefit from multi year investment in technology and automation to drive smart and data-enriched work processes. This has helped to further improve collaboration, draw out insights and speed up activity across the Group.

We also further invested in our people during 2024, through training, new ways of engaging with colleagues, making further progress on Equality, Diversity, & Inclusion ('ED&I'), and introducing our first annual awards for colleagues as reward and recognition practices continued to improve.

Everything we do for colleagues is outcome-focussed. The combination of our activities across operations, investing in technology and developing our colleagues has enabled positive impacts to Hammerson's delivery, from financial processes and asset management to leasing, placemaking and ESG.

Culture of continuous improvement

As well as benefiting from the updated operating model, 2024 was about driving a culture of continuous improvements across every aspect of Hammerson. Key to unlocking this has been a strong emphasis on leadership and colleague engagement, underpinned by a focus on high performance.

Operational and financial progress was driven by clear targets, first set by the Board and translated into a full cascade of team and personal goals. These were monitored during the year with formal personal reviews undertaken at both the mid and full year.

Our proactive approach in 2024 helped our business maintain its edge and deliver value to our stakeholders. Importantly, it has ensured the organisation is prepared for the future, to deliver our growth strategy and be responsive to future change.

Examples of engagement in 2024 include:

- Monthly Squad meetings – increased engagement through regular, all-colleague events where we share information and business updates, celebrate successes and drive our performance and culture.
- Colleague Forum – regular meetings to give colleagues a voice with the senior leadership team, attended by CEO, Rita-Rose Gagné and our nominated Non-executive Director for Colleague Engagement, Carol Welch.
- Employee awards – colleague awards event to recognise contribution to our business success and alignment to our values.

Read more on our Engagement with colleagues in Our Stakeholder section: **page 29**

In 2025, we plan to build on our momentum, including:

- Colleague survey – latest polling of our colleagues through a dedicated survey, which had an increased Group-wide participation rate of 93% and an extensive programme of follow-up workshops focused on colleague-led actions to improve engagement.
- Improved HR system – designed to further improve colleague information-sharing, data management, learning and development, and reporting in a new, user-friendly digital system.

Equality, Diversity & Inclusion

The most successful businesses from both a colleague and value creation perspective are those that champion diversity. It delivers greater innovation and a deeper understanding of customers and brand partners, resulting in higher organisational performance.

Continuing our journey to shape a more diverse and inclusive culture at Hammerson is a priority for both the Group Executive Committee ('GEC') and the Board. We are committed to accelerating progress in this important area and our work over the past 12 months continues to shape our colleague and ED&I strategy.

Giving Back Day at Open Age

Since their formation, our Affinity Network, with leads for LGBTQ+, Race & Ethnicity, Women, and Wellbeing have made great strides in raising awareness, creating conversations and highlighting educational resources, sharing personal stories and support around these important topics. Events during 2024 focused on increasing awareness and understanding of the unique challenges faced by our diverse colleague base. These included events focused on Pride and the LGBTQ+ community, Black History Month, Diwali, Vaisakhi, Wellbeing and Equality.

We continue to welcome and fully consider all employment applications irrespective of gender, race, ethnicity, religion, age, sexual orientation or disability. Support also exists for colleagues who become disabled to continue in their employment or to be retrained for other suitable roles. Training, career development and promotion opportunities are equally applied for all our employees, regardless of disability.

Looking forward, Hammerson will continue to support the development of management, built around diverse teams, while increasing diversity through recruitment and promotions processes.

Gender representation

See table below showing the gender representation across the Group.

Information relating to the Board's diversity and the gender diversity of those at senior management level and their direct reports as defined by the UK Corporate Governance Code can be found on page 94.

Gender pay reporting

As an organisation we remain clear on our commitment to all aspects of equality and fair pay, and reward is a key element of this. For many years we have undertaken an internal pay audit to ensure that our reward practices are fair to all colleagues, particularly those undertaking like-for-like work.

The results of our 2024 audit demonstrated the fair reward practices in place. Meanwhile, the below Gender representation and UK Gender pay reporting tables show continued improvements during 2024.

Giving Back Day at London Wildlife Trust

Gender representation (as at 31 December 2024)

	2024				2023			
	Female		Male		Female		Male	
	Number	%	Number	%	Number	%	Number	%
Across the Group	**65**	**52**	**60**	**48**	85	51.8	79	48.2
At senior manager level*	**1**	**16.7**	**5**	**83.3**	1	16.7	5	83.3

* As defined in the Companies Act 2006 (being, for this purpose, the GEC excluding Executive Directors).

Gender pay reporting

	2024	2023
Difference in mean hourly rate of pay	**36.0%**	40.7%
Difference in median hourly rate of pay	**30.7%**	39.8%
Difference in mean bonus pay	**27.0%**	37.1%
Difference in median bonus pay	**41.7%**	58.8%
Proportion of male colleagues who received bonus pay	**85.0%**	88.6%
Proportion of female colleagues who received bonus pay	**81.5%**	95.4%

Environmental, Social and Governance ('ESG')

2024 Key metrics

Carbon emissions vs 2023 (like-for-like change)[1]

-8.3%

2023: -10.1%

Carbon emissions vs 2019 (like-for-like change)[1]

-43.1%

2023: -38.0%

Social value investment (100% basis)

£3.5m

2023: £2.5m

1 See Basis of Reporting table on page 51 for calculation basis.

Environmental, Social and Governance ('ESG') is embedded in everything we do. We are pleased with the continued progress made in our ESG activities during 2024, as we continue on our pathway to meet our commitment to being Net Zero by 2030.

Our ESG focus

In 2024, we continued to manage ESG in a holistic way. We built on our progress in 2023 and, in 2024, we introduced updated physical climate risk assessments and completed Nature Assets Plans ('NAPs') for all destinations. This work allowed us to update our Taskforce on Climate-related Financial Disclosures ('TCFD') which now includes nature-related disclosures for the first time.

We have also been undertaking our Double Materiality Assessment ('DMA') as required by the Corporate Sustainability Reporting Directive ('CSRD'). The DMA will result in us reviewing our ESG strategy in 2025 to ensure ongoing alignment with our stakeholders and will be used to further inform our climate and nature transition plan to achieve Net Zero by 2030.

In addition to our environmental work, we have continued to drive the social value agenda across the Group, with destinations ensuring local communities' needs are at the heart of what we do. We also have an ever-growing placemaking agenda to enliven the cities in which we operate.

We are clear that robust data must underpin our transition. We continue to work with our property management partners to gain insights into best practice and plan to implement a new ESG platform in 2025.

Carbon reduction

Carbon reduction remains important for the Group and we are proud of our achievements in 2024 reducing our year-on-year, like-for-like emissions by 8.3% and by 43.1% compared with our 2019 baseline. This trajectory is aligned with our commitment to being Net Zero by 2030. Through the implementation of our Net Zero Asset Plans ('NZAPs') we are seeing a stable decarbonisation as we move towards 2030. However, with increasing climate risk we know we must be forward thinking so continue to drive innovation and pilot projects within our destinations and corporate offices.

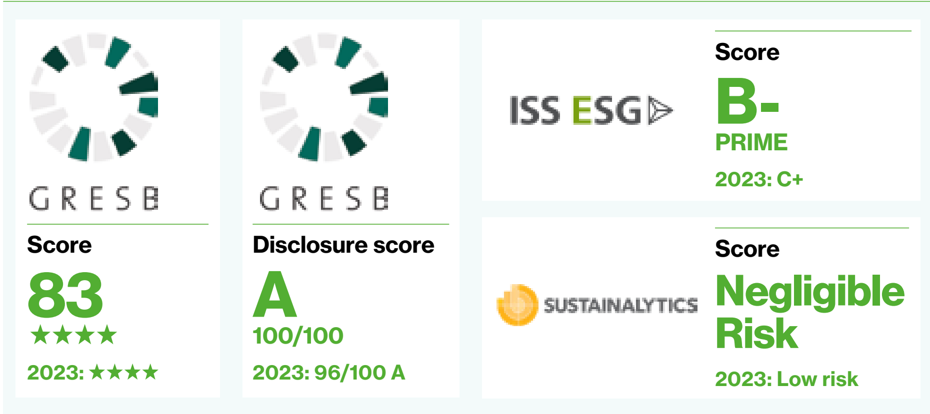
Delivering social value

We continue to increase the scope and range of social value initiatives to continue to respond to the local needs at our destinations, whilst exploring new partnerships. In 2024, we delivered £3.5m in social value investment supporting 267 organisations. We also achieved more corporate volunteering with LandAid, as our corporate charity partner.

Governance

As we deliver against our strategy and progress our ESG agenda we are seeing this have a positive impact in our external benchmarking. We moved to Negligible risk in Sustainalytics and a B- in ISS, demonstrating that our approach is being recognised externally. We are also proud of achieving 100% in our GRESB public disclosure score. In ESG, disclosure requirements are expanding and achieving this in GRESB shows our robust and transparent approach to data and management. We continue to work toward our targets and strategy and aim to continue to progress these scores.

Benchmark results



Environment: Climate and nature

2024 Key metrics

Global emissions intensity, tCO_2e/m^2
(100% basis)

33.0

2023: 39

Carbon emissions vs 2023 (like-for-like change) – Scope 1 and 2 only

-7.2%

2023: -6.5%

Operational waste recycled (like-for-like)

63%

2023: 58%

Water consumption vs 2023 (like-for-like change)

-2%

2023: +4%

% of UK portfolio EPCs (rated A to C)

73%

2023: 73%

Giving Back Day, St Peter's CE Primary School

Environment

We recognise that Climate and Nature are two key elements of a global environmental emergency and we need to act to minimise global temperature rises. We are therefore continuing to manage them in a joined up way to address the risks and opportunities these present.

Climate

Reducing carbon emissions

In 2024, we further reduced our carbon emissions. On a proportionally consolidated basis, our like-for-like GHG emissions fell by 8.3% in the year and are 43.1% below their 2019 baseline level. For Scope 1 and 2 emissions only, these fell by 7.2%. These reductions are consistent with our pathway to being Net Zero by 2030.

Our absolute GHG emissions, calculated on a 100% basis are shown on page 51. These totalled 10,041 tCO_2e (2023: 13,143 tCO_2e) representing an intensity ratio of 33.0 tCO_2e (2023: 39.3 tCO_2e).

In 2024, we generated over 1,900MWh of renewable energy onsite, equivalent to an increase of 7% from 2023. This increase is predominantly due to improving existing systems maintenance and increasing capacity in Pavilions, Swords. We continue to pursue opportunities for onsite and offsite renewables in all countries in which we operate, which are 'new to earth' and meet our additionality requirements. This is another key step towards achieving our Net Zero ambitions.

Net Zero Asset Plans

In 2024, we continued to focus on delivery of our Net Zero Asset Plans ('NZAPs'). Key projects completed included BMS and HVAC redesign in the UK, building controls in France and metering and renewable energy in Ireland. We continue to assess our pathway to Net Zero to ensure we deliver the reductions annually.

In 2025, key NZAP projects are lighting upgrades at Westquay and Cabot Circus, renewable energy in Pavilions, The Oracle and both French destinations, fan upgrades in Bullring, HVAC works across the UK, and additional metering across all destinations, where needed.

Occupiers

To continue to address our climate impacts we not only work to reduce our landlord emissions but also focus on Scope 3 occupier emissions. Partnership in this area is key, and through our green leases we share data and best practice with brand partners to transition to Net Zero together. In 2024, we increased our occupier data coverage to 27% (2023: 10%), with an emissions reduction of 60% since 2019. To further improve in this area we are investigating a new data collection approach in 2025.

At 31 December 2024, 73% of our UK units hold A to C rated EPCs, and none of our flagship units are rated F or G.

Nature

Water and waste

We remain committed to reducing our water usage and diverting waste from landfill.

Water consumption is heavily linked to footfall. In 2024, our water consumption was 2% lower than in 2023 on a like-for-like proportionally consolidated basis. This has been driven down by the installation of water saving fixtures and fittings and more robust management. Our focus on creating enlivened destinations in city locations includes increased placemaking activities to draw in visitors, so to reduce water consumption levels demonstrates our proactive management in this area. Projects such as our well, which was turned on in 2024, in Pavilions, Swords show that water remains an area we will work on even though our consumption is not material.

In 2024, our recycling rate improved to 63% from 58%. Our waste is mainly from our occupiers and we engage to encourage better segregation and recycling. We have found fewer occupiers now manage their own waste which results in higher overall waste levels but projects such as the Biomethanisation plant in Les Terrasses du Port help divert waste from landfill.

Nature Asset Plans

In 2024, we finalised our Nature Asset Plans ('NAPs'). These adopt a risk and opportunities focused output aligned with the Taskforce of Nature-related Financial Disclosure ('TNFD'). We have include this output into the TCFD section on pages 55 to 65. This is the start of our journey towards TNFD and demonstrates our aligned approach to environmental matters.

Basis of reporting

Unless stated otherwise, we report our environmental data on a proportionally consolidated basis reflecting the Group's ownership share for assets and corporate offices under the Group's operational control. To aid comparability, we calculate certain metrics on a like-for-like asset basis.

The data is consistent with the mandatory greenhouse gas basis of reporting, set out in the adjacent table, and includes Scope 1, 2 and selected Scope 3 emissions. Further details on our basis of reporting are in our separate 2024 ESG Report available on the Group's website www.hammerson.com.

As explained in the Metrics and targets section on page 65, our 2024 global GHG emissions disclosure is subject to third-party assurance (limited assurance in accordance with ISAE 3410) by BDO LLP. The full assurance statement is included in our separate 2024 ESG Report.

Voluntary non-financial data

Our ESG reporting complies with both GRI Core Standards and the EPRA Sustainability Best Practice Reporting Gold Standard. Additional metrics reported under these standards are included in our non-financial disclosures in our separate 2024 ESG Report. This report provides additional information on our approach to ESG, our performance, and examples of our ESG strategy in action during the year.

Basis of reporting – Mandatory greenhouse gas data (100% basis)

Compliance	Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 and in accordance with the Streamlined Energy and Carbon Reporting ('SECR').
Standards	Calculated and recorded in accordance with the Greenhouse Gas ('GHG') Protocol and ISO 14064; this guidance codifies using both market and location-based methods for Scope 2 accounting.
Baseline year	2019
Boundary summary	100% of emissions from all assets and corporate offices under Hammerson's direct operational control, where we have authority to introduce and implement operating policies; this includes properties held with third-parties where both Hammerson and partner approval is required. Our reporting excludes emissions from the Group's investment in Value Retail, which was sold in September 2024, as we did not have authority to introduce or implement operating policies. 2023 figures have been amended following more accurate data becoming available in 2024, such as updated consumption data and regional specific emission factors.
Consistency with financial statements	Reporting period matches 31 December financial year end, in accordance with the DEFRA Environmental Reporting Guidelines.
Emissions factor data source	2024 DEFRA GHG Conversion Factors for Company Reporting and reporting sources including, but not limited to, International Energy Agency and Equans.
Assessment methodology	GHG Protocol and ISO 14064 (2006), a more detailed Basis of Reporting is available in our 2024 ESG Report.
Materiality threshold	Selected activities generating emissions have been excluded. This mainly relates to Scope 3 categories where emissions are deemed immaterial or accurate data is not available.
Intensity ratio	Denominator is common parts area of 304,581m² (2023: 334,648m²).

Emissions disaggregated by country (tCO_2e) – 100% basis

					2024					2023
Source	UK	France	Ireland	Total	Total intensity (tCO_2e/m^2)	UK	France	Ireland	Total	Total intensity (tCO_2e/m^2)
Total GHG emissions tonnes (market based)	2,432	902	2,154	5,488	17.9	3.516	2,591	4,416	10,553	31.5
Total GHG emissions tonnes (location based)	6,886	902	2,254	10,041	33.0	8,821	1,758	2,564	13,143	39.3
Scope 1: Direct emissions from owned/controlled operations										
Stationary operations	804	1	91	897	3.0	1,022	529	108	1,659	4.9
Mobile combustion	–	–	–	–	–	–	19	–	19	0.1
Fugitive sources	41	–	–	41	0.1	214	–	–	214	0.6
Total	845	1	91	938	3.1	1,236	548	108	1,892	5.6
Scope 2: Indirect emissions from the use of purchased electricity, steam, heating and cooling										
Electricity (market based)	48	512	1,834	2,394	7.9	18	1,483	4,013	5,514	16.5
Electricity	4,502	512	1,934	6,948	22.9	5,294	651	2,160	8,105	24.2
Steam	–	–	–	–	–	–	–	–	–	–
Heating	145	256	–	401	1.3	203	287	–	490	1.5
Cooling	11	30	–	41	0.1	19	39	–	58	0.2
Total (market based)	204	799	1,834	2,837	9.2	240	1,809	4,013	6,062	18.1
Total	4,658	798	1,934	7,390	24.3	5,516	977	2,160	8,653	25.9
Scope 3: Other indirect emissions										
Fuel and energy-related activities	1,083	68	164	1,315	4.3	1,587	115	182	1,884	5.6
Business travel	158	–	8	166	0.5	144	4	2	150	0.5
Waste	80	18	27	125	0.4	256	79	77	412	1.2
Water	62	16	29	107	0.3	82	35	35	152	0.5
Total	1,383	102	228	1,713	5.6	2,069	233	296	2,598	7.8
SECR energy consumption (MWh)	26,797	13,730	8,112	48,639		32,248	20,916	9,071	62,235	

Social value: Community and volunteering

2024 Key metrics

Social value investment
(100% basis)

£3.5m

2023: £2.5m

Charities, organisation and groups that benefitted

267

2023: 234

Colleague volunteering hours

1,981

2023: 680

Social value

Hammerson is dedicated to ensuring we have a beneficial impact in the communities where we operate. In 2024, we delivered £3.5m in social value investment, a 40% increase on 2023 and supported 267 organisations. This is a 100% figure reflecting the value the Group created through its actions across its portfolio.

Our destinations embrace diversity and host cultural and religious celebrations throughout the year. Destinations also support wellbeing by promoting access to health information and mental health support, with our Birmingham Mind Wellbeing Hub continuing to support local people with direct interventions, wellbeing groups and signposting across our Birmingham Estate. In October, Brent Cross hosted a Cancer Awareness Roadshow in partnership with Cancer Research UK including free health checks for customers.

Our placemaking initiatives generate considerable social value and provide unique opportunities for local communities. Key placemaking projects in 2024 include the continued success of Charity Super.Mkt at Brent Cross, The Oracle and Cabot Circus, Verte at Brent Cross and Supercar weekend at Dundrum.

We are committed to supporting communities local to our destinations and corporate offices, and partnerships with charities is fundamental to this commitment. In addition, each of our destinations is allocated an annual bursary to support the work of a charity delivering a tangible impact in their local community.

Giving Back Day

In 2024, for the first time, colleagues and partners across all destinations and corporate offices volunteered in their communities for Giving Back Day, including cooking social meals for older people in London, cleaning up a beach in Marseille, tackling practical tasks at a hospice in Dublin and more. Key facts from the day were:

- 97% of available colleagues volunteered.
- 108 colleagues and over 50 partners participated.
- Volunteers contributed over 600 hours of their time to over 500 beneficiaries.

Volunteering

Colleagues are encouraged to contribute their time to causes important to them and are allocated a maximum of four volunteering days annually, one of which is dedicated to our annual company-wide Giving Back Day with 97% of colleagues delivering over 600 hours of volunteering in 2024. Beyond Giving Back Day, our colleagues continue to volunteer their time and skills. Our IT team visits a London care home each month to offer free IT support sessions, tackling digital exclusion. At Marble Arch House we have partnered with Marylebone Boys' School, hosting 39 students for a panel talk and workshop to launch their Leadership Programme.

Verte

In July, we collaborated with Verte to host a clothes swapping boutique at Brent Cross. Customers were invited to bring in clothes to swap. The pop-up offered a sustainable way to revitalise wardrobes, and a tailor offered a free repairs service to extend the life of clothes that may otherwise end up in landfill. In total, 415 items were swapped, resulting in 4tCO_2e and 1.4 million litres of water saved. Over 100 items were donated to Charity Super.Mkt at the end of the pop-up, ensuring the clothes remained in circulation.

Accessibility

Ensuring our destinations are as accessible and welcoming as possible for all our customers is a key focus. We work closely with AccessAble, who assess our destinations and provide in-depth accessibility information online for all our UK assets. We recognise that ensuring our destinations are accessible to all requires ongoing learning and improvement. To address this, we have established an Accessibility Working Group tasked with driving change across our destinations to make positive improvements to accessibility.

In 2025, we will refresh the access pages on our destination websites and begin work on enhancing our facilities.

Each year we celebrate Purple Tuesday, the global social movement for improving the customer experience for disabled people and their families. In 2024, Bullring and Grand Central collaborated with an influencer to create content teaching basic sign language and advising on how to communicate clearly and confidently with deaf customers. The Oracle promoted their ongoing partnership with Unseen Aware, an organisation providing training on supporting customers with hidden disabilities. At Marble Arch House we hosted a speaker from the Tresham Centre for Disabled Children and Young People to raise awareness for colleagues of the customer experience for customers with disabilities.

St Peter's CE School

Throughout the year we have partnered with St Peter's CE Primary School. We volunteered to paint a mural, brighten up the grounds and deliver a careers workshop. In partnership with Expect Amazing's Right to Read programme, we are providing pupils with books throughout the academic year, and we donated a book for every child at St Peter's to take home at Christmas. Many pupils at the school face food insecurity, and for World Food Day our colleagues packed essential food parcels for families.

Affinity Network

Throughout 2024, our Affinity Network delivered a total of 38 events. These events shone a light on religious festivals, celebrating Easter, Eid, Rosh Hashanah and Diwali at Marble Arch House, offering colleagues an opportunity to learn about the cultures and background of colleagues represented at Hammerson.

The Network also facilitated workshops supporting colleague wellbeing, including a seminar led by personal trainers discussing the importance of exercise for your mental health.

> "Hammerson supports our school with book donations, and this term's focus on disabilities is particularly impactful. The collection educates our children on disabilities and fosters a sense of inclusivity. We value their commitment to understanding and acceptance."

Alice Ducros
Headteacher at St Peter's CE Primary School, Paddington

Infinity run

In February 2024, Les Terrasses du Port hosted a charity run which invited participants to challenge their fitness whilst supporting a major national cause, with 100% of profits donated to cancer charity Ligue Contre le Cancer. The 6.7km course began and ended at the destination, and attendees ran the course on the hour every hour for up to 27 hours. We provided an empty unit for race preparation, medical assistance, and refreshments, alongside hosting the event's awards ceremony.

Social value:
Health, safety and security

2024 Key metrics

Enforcements notices

2023: 0

RIDDOR reportable injuries

2023: 5

Our approach
The Group is wholly committed to achieving consistently high standards of health, safety, and security ('HSS') management and performance. We aim to provide a safe and healthy environment at our destinations and workplaces for the prevention of work-related injury and ill health, to our employees, customers and contractors, and anyone else who may be impacted by our actions or activities.

Management and compliance
Hammerson remains accredited to ISO 45001 across the UK and Ireland and in 2024 was successfully re-accredited with no minor or major nonconformities being identified. We aim to build on this success in 2025 with the inclusion of our non-flagship properties in the UK and Ireland. We will also begin our journey to gain accreditation in France in 2025.

It has now been over 12 months since we saw significant changes in the way residential properties must be managed for fire and structural risks with new legislation under the Building Safety Act and changes to the Regulatory Reform (Fire Safety) Order 2005 ('Fire Safety Order') in the UK. We have submitted our Building Safety Cases to the Building Safety Regulator and are awaiting Building Assessment Certificates. Resident engagement has improved and good practice will be shared with colleagues in Ireland.

Training
In 2024, we introduced new Lunch and Learn training that received positive feedback from colleagues. These sessions, combined with our new monthly HSS updates are designed to communicate key HSS focuses, lessons learned, incident statistics and explain legislation. All of these were areas of improvement noted in the 2023 HSS culture survey.

Property management
The new online risk management platform we launched in 2023 has been pivotal in reducing risk across the portfolio. This is demonstrated by our continued low number of RIDDORs and no enforcement notices being received in 2024.

Health and safety culture
2024 saw our second Health and Safety Culture Survey. 80% of colleagues responded, which was 30% higher than 2023. The survey showed that there is a strong leadership commitment to HSS, contributing to high levels of knowledge and awareness across the Group and a widespread acknowledgment of a robust HSS culture.

Governance

Benchmarks
We continue to participate in key benchmarks identified by our stakeholders and evolve our approach to reporting and governance with further enhancements in our 2024 ESG report and reporting strategy.

We rank as one of the top property companies in ISS ESG Corporate, with a score improvement from C+ to B- with Prime Status. We also lowered our Sustainalytics ESG risk score to Negligible risk.

We maintained our 4-star GRESB rating, despite the benchmark's restructure to capture advances in the industry and we received full marks in the management section demonstrating our strategic approach to ESG. We also scored 100% in GRESB ESG Public Disclosure. This makes us first out of our peers in our transparency surrounding ESG practices.

Management and compliance
Hammerson remains accredited to ISO 14001 across all destinations and for the Group. In addition, we have ISO 50001 accreditation in the UK and Ireland with plans to roll this out in France over the next two years. The management system was rewritten in 2024 to take account for our property management partners taking responsibility of the destinations' accreditation. We had no major non-conformities identified and successfully recertified the Group and our corporate offices.

CSRD and EU Taxonomy
2024 has been a year of preparation for disclosures under CSRD. Key ongoing workstreams are the delivery of a double materiality assessment and gap analysis to ensure full compliance for our 2025 reporting. In addition, we are reviewing our practices to align to the EU taxonomy requirements.

Taskforce on Climate-related Financial Disclosures ('TCFD')

Introduction

Since 2018, our climate management approach has been guided by the TCFD recommendations, reporting publicly in line with them since 2020. In 2024, we refreshed on our approach with a TCFD and Taskforce on Nature-related Financial Disclosures ('TNFD') combined workshop. Then, through utilising our performance data, Net Zero Asset Plans, Nature Asset Plans and revised physical climate risk assessments, we developed revised climate, and new, nature risks and opportunities for the Group, The output from this work is on pages 61 to 64.

For 2024, we have enhanced our TCFD public disclosure which focuses on how we continue to meet the 11 TCFD recommendations and our initiatives to address the key risks and opportunities.

As agreed in 2023, aligned with the latest IPCC, we have focused our ESG strategy on climate scenarios 2 and 3 which forecast global temperature increases of 2°C and 4°C respectively (see page 60).

We are committed to the Paris Agreement and believe limiting climate change to 1.5°C remains an essential goal. However, we also believe it is critical that we recognise the latest research and hence have decided to focus our climate and nature activities to address the risks under scenarios 2 and 3. However, these scenarios require us to transition quicker, and in a more inclusive way, as risks scores increase resulting in mitigating actions requiring a shorter delivery window. This change, increased our climate mitigation activities and led to the integration of nature into our disclosure.

We will continue to review our risks twice a year in line with our Group risk methodology with the output presented to the Audit Committee.

Recommendation	Commentary	Further information
Governance		
Describe the Board's oversight of climate-related risks and opportunities.	The Board has overall accountability for ESG which includes climate risks and opportunities and receive regular updates from the ESG team. From an operational perspective, the Group Executive Committee ('GEC') is responsible for monitoring ESG. The GEC member with overall responsibility is the CFO.	page 57
Describe management's role in assessing and managing climate-related risks and opportunities.	The delivery of ESG initiatives and the monitoring of risks and targets is undertaken by the GEC. There is also ESG representation on both the Group Management Committee and the Group Investment Committee to ensure that ESG is embedded across the Group's activities. Emissions reduction is also one of the targets in the Group's annual bonus plan for all colleagues. In line with the Group's risk methodology, climate risks and opportunities, including transition risks, are reviewed by the Audit Committee twice a year. The reviews inform our transition plans at both a Group and asset level.	page 57
Strategy		
Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term.	The Group performed a detailed review in 2024 to assess and plan for climate and nature risks and identified 20 key risks and 16 key opportunities. These will be reviewed for suitability annually. Revised physical climate risk assessments were finalised for all destinations in 2024. This informed the revision of the Group's consolidated risks and opportunities in 2024, as described above.	pages 61 to 64
Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning.	A commitment to mitigate risks and manage opportunities informs our strategic objectives and underpins the Group's strategy. Our primary ESG focus continues to be the reduction of emissions from our destinations through energy efficiency and our commitment to being Net Zero by 2030. Each asset has a Net Zero Asset Plan with a pathway to support the Net Zero target. These plans are now supported by our physical climate risk assessments and Nature Asset Plans both finalised in 2024.	pages 61 to 64
Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	The Group assesses risk against three climatic scenarios: 1.5°C, 2°C and 4°C increases. In May 2023, the Board endorsed a change to our strategy to focus our TCFD disclosure and related mitigation activities on the 2°C and 4°C increase scenarios, aligned to the latest IPCC research. These scenarios reflect the earlier onset and higher impact and likelihood of climate-related risks and informed the risk and opportunity review in 2024.	page 60

Recommendation	Commentary	Further information
Risk management		
Describe the organisation's processes for identifying and assessing climate-related risks.	The Group has an overall risk management process for all operational, financial, reputational and regulatory risks, which allows the Board to identify, assess and manage the Group's key risks including climate-related and ESG risks. Regular reviews are undertaken throughout the year of all risks, including climate-related risks as explained in the Risks and Uncertainties section of this report.	page 65
Describe the organisation's process for managing climate-related risks.	The Board, supported by the Audit Committee, has oversight of the Group's risks including climate-related risks. Climate risks and opportunities are reviewed by the Audit Committee twice a year.	pages 57 and 65
Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	Our climate-related risks and opportunities are fed into the Group's management process, reviewed half yearly, and our response is managed by our governance structure. This addresses both physical and transitional risks.	pages 57 and 65
Metrics and targets		
Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management.	The Group uses a range of metrics to assess exposure to climate-related risks and opportunities including energy consumption and Scope 1, 2 and 3 carbon emissions. We regularly assess and seek feedback on our disclosures and strive to enhance transparency.	page 65
Disclose Scope 1, Scope 2, and if appropriate, Scope 3 greenhouse gas ('GHG') emissions, and the related risks.	We continue to enhance our emissions disclosure and this is visible in our GRESB Public Disclosure score of 100% in 2024. For 2024, our Scope 1, 2 and selected Scope 3 emissions are disclosed in this report with further detail provided in our separate 2024 ESG report.	page 51
Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	We have a range of metrics and targets covering environmental, social and governance matters. These align to our broader ESG strategy of being Net Zero by 2030 and include emissions reductions, social value investment and external benchmarks. For 2024, the year-on-year emissions reduction target has been included for the first time in all colleagues' annual incentive plan.	page 65

Our response to TCFD

We have considered our 'comply or explain' obligation under the UK's Financial Conduct Authority's ('FCA') Listing Rules, and confirm that we have made disclosures consistent with the TCFD recommended disclosures, including the "Guidance for All Sectors" and the specific guidance applicable to the "Materials and Buildings" industry to the extent it is applicable to the Group's operations. We will continue to refine our approach in line with the FCA's requirements.

Our disclosures include the Group's material TCFD climate risks and opportunities. In our assessment of the risks, we did not identify any material financial impacts on the Group's 2024 financial statements. We will continue to review the risks for new impacts each year as part of our standard ESG governance.

The Board can therefore confirm that it has considered the relevance of climate and transition risks associated with the transition to Net Zero as part of the preparation of the Annual Report 2024.

In accordance with the Listing Rules, the Company has included all the relevant climate-related financial disclosures under the TCFD recommendations and recommended disclosures within this Annual Report.

Governance

Managing climate and transition risks requires us to embed ESG across the Group and to support our teams in building the capabilities required to deliver against our ESG strategy. In 2024, we also started on our journey towards future reporting under TNFD and incorporate this into our governance structure. The Board collectively has overall responsibility for climate and nature risks and wider ESG matters and ensures that risk management is effectively integrated across the Group, including in its policies, processes, culture and values. The Audit Committee supports the Board in the oversight of risk and is responsible for reviewing the effectiveness of the risk management and our internal control system over the course of the year. A clear governance structure with ownership at a senior level and a set of strong foundations is key to our approach, and the Group's governance structure for ESG, TCFD and TNFD, both from a committee and individual responsibility perspective, is shown below.

Board and Committee governance structure for ESG, TCFD and TNFD as at 31 December 2024

Board

Chair of the Board
The Board is responsible for TCFD, TNFD and the overall ESG strategy. Audit Committee outputs are reported to the Board. The Board also receive an annual ESG update, including TCFD and TNFD, delivered by the Deputy CFO and Head of ESG.

Audit Committee

Chair of the Audit Committee
The Audit Committee is responsible for reviewing the TCFD and TNFD risks and opportunities twice a year. The Audit Committee endorses the approach adopted to manage climate risks and opportunities as part of their overall risk management responsibilities. This information is prepared by the Head of ESG.

Group Executive Committee

CFO, Deputy CFO
The GEC meets weekly and is accountable for the management of climate-related risks and opportunities. The CFO is a GEC member and is responsible for the Group's ESG strategy including TCFD and TNFD governance, risks, and opportunities. The Deputy CFO is also a GEC member and leads the ESG team. Regular ESG, TCFD and TNFD updates are provided to the GEC during the year.

Group Management Committee

CFO, Deputy CFO, Head of ESG
The Group Management Committee ('GMC') meets weekly and reviews operational matters in more detail than the GEC. This includes considering ESG as part of wider operational matters. In addition to our CFO and Deputy CFO, our Head of ESG is also a GMC member.

Asset level

Asset managers and property management partners
Delivery of the ESG business plans including climate and nature risk mitigation and opportunity delivery. This includes the NZAP programme of works. The ESG team supports the asset managers and monitors the overall programme progress.

To support the TCFD, TNFD and wider ESG governance the Group has a suite of ESG policies. These policies form part of the Group's ISO 14001 and ISO 50001 compliant Environment and Energy Management System and are reviewed and evaluated annually for suitability. Policies are approved by the GEC and then Board prior to publication and, unless stated otherwise, are available on the corporate website.

In addition to the below, further policies which have wider corporate coverage such as Responsible Procurement, are included in Non-financial and Sustainability Information Statement on pages 76 to 77.

ESG policies

Policy	Description	Policy application and 2024 outcomes
Climate change policy	Sets out the Group's commitment to develop and implement climate change management and mitigation strategies at a corporate and asset level as part of TCFD. Recognising three climatic scenarios and the risks and opportunities that arise from these scenarios.	In 2024, we undertook a Climate and Nature workshop involving colleagues from across the business, including the CFO. To support this process, we reviewed the Net Zero Asset Plans and Nature Asset Plans. The workshop also identified risks and opportunities and mapped these across the assets to confirm the deliverability of the areas identified. Revised Physical Climate Risk Reviews were also completed to enable us to assess these under a double materiality lens. The output of this work was reviewed by the Audit Committee.
Energy policy	Sets out the Group's commitment to endeavour to use best practice in the design and operation of the Group's assets to minimise energy demand across multiple time horizons and procure energy in a responsible manner.	We undertook audits and compliance reviews within the ISO 50001 compliant energy management system. To transition the Group to Net Zero by 2030 we have Net Zero Asset Plans for each flagship asset, containing projects to address building controls, energy efficiency and onsite renewables through the application of the energy hierarchy.
Environmental policy	Includes the Group's overarching commitment to design and build properties using sustainable materials and practices and managing assets under the Group's control efficiently to ensure compliance and continually improve environmentally.	In 2024, we maintained our ISO 14001 accreditation across the UK, France, and Ireland. To ensure we continue to improve and ensure consistent management approaches we integrated of our management systems to merge with our ISO 45001 compliant Health and Safety Management System. In 2024, the Environment and Energy management system for Group was externally audited under this new combined system and retained its certification with no major non-conformities identified.
Biodiversity policy	Aims to ensure that opportunities to protect, enhance and restore biodiversity are maximised while ensuring that any negative impacts resulting from the Group's business operations are minimised.	In 2024, we acknowledged that in order to address our operational impacts we need to not only focus on climate change but more robustly work on nature based solutions to ensure we minimise our contribution to the global biodiversity crisis. We continue to install beehives and pollinator planting regimes at destinations including both of our French assets, Dundrum and Brent Cross. We also deliver education programmes to position our destinations as supporters of nature. In 2024, we also finalised Nature Asset Plans for all our destinations.
Human rights policy	Documents the Group's approach to human rights and our alignment to recognised human rights standards.	In 2024, we introduced a new Group-wide Human rights policy. This was produced to document the existing approach to human rights adopted by the Group and combine elements from a number of existing policies and procedures in a formalised way.
Volunteering policy (internal)	Sets out the Group's volunteering policy and approach adopted to align to our wider asset centric strategy, to ensure we serve the communities in which we operate.	In 2024, we updated our Group-wide Volunteering policy to align our approach to volunteering across the Group. This policy reaffirmed Hammerson's asset-centric focus and demonstrates how volunteering underpins our approach to enhancing social value and links to our people's contribution to this. In 2024, we had all destinations and 97% of available colleague participate in Giving Back Day.
Charitable donations policy (internal)	Documents how we support charitable causes in relation to donations and match funding.	This is our second social value focused policy which documents our commitment to match funding for causes our people are passionate about.

Strategy

ESG underpins everything we do and we remain committed to being Net Zero by 2030. Our ESG agenda grew in 2024, with a continued focus on achieving our targets, addressing both the Climate and Nature emergencies, whilst continuing to deliver an expanded Social Value programme.

Our strategy is guided by the issues material to the Group and its stakeholders. To ensure the strategy and our reporting remains relevant, we carry out materiality assessments every three years.

Our last review, undertaken in 2022, engaged with both debt and equity investors, along with key occupiers, joint venture partners, and colleagues to present a view of material issues for the Group.

In 2025, we will update the issues to reflect the stakeholder feedback from our ongoing CSRD double materiality assessment ('DMA').

Our material issues

Our material issues are presented in the adjacent table and reflect the top 10 issues from our stakeholder consultation for the Group's ESG strategy. Tier 1 areas are deemed the most material but we continue to work on the areas in the other two tiers to deliver an inclusive ESG strategy. The issues have also been mapped to the United Nations Sustainable Development Goals ('UN SDGs') and four issues have a direct link to TCFD.

Material issues by area (based on our 2022 review)

	Tier 1	Tier 2	Tier 3	UN SDGs
Environment	Net Zero carbon pathway for operations and development*	Water efficiency in operations and developments Material use and sustainable procurement, including embodied carbon Energy security, demand and carbon pricing Sustainable buildings and building labels (i.e. BREEAM, EPCs etc.)	Waste management in operations and development Physical climate risks* CRREM pathways	7 Affordable and clean energy; 12 Responsible consumption and production; 13 Climate action
Social	Community engagement	Placemaking and community development	Health, safety and wellbeing of colleagues Supply chain	3 Good health and well-being; 5 Gender equality; 10 Reduced inequalities; 11 Sustainable cities and communities; 12 Responsible consumption and production
Governance	Reporting, including data and communications* Ethical business practices Climate change, risk, action, transition and resilience*	Impact of ESG on property valuations Compliance with legislation and reporting requirements i.e. TCFD	Meeting stakeholder ESG objectives	9 Industry, innovation and infrastructure; 11 Sustainable cities and communities; 13 Climate action; 17 Partnerships for the goals

* Direct link to TCFD

Strategy in action in 2024

In 2024, we continued on our Net Zero carbon pathway and reduced our like-for-like emissions by 8.3%. These are now 43% lower than our 2019 baseline. This outcome was through our focus on operational energy saving and the impact of the implementation of our Net Zero Asset Plans ('NZAPs'). Key projects completed included BMS and HVAC redesign in the UK, building controls in France and metering and renewable energy in Ireland. We also generated over 1,900MWh of renewable energy onsite, 7% higher than in 2023.

Emissions reductions were also due to improved waste recycling of 63% (2023: 58%) and 2% lower like-for-like water consumption.

From a risk management perspective, in 2024, we completed our Nature Asset Plans ('NAPs'), these adopt a risk and opportunities focused output aligned with the Taskforce of Nature-related Financial Disclosure ('TNFD'). Later in the year we also held a Climate and Nature workshop involving colleagues from across the business, including the CFO. This resulted in updated climate and nature risk and opportunities for Group.

From a reporting perspective, we have incorporated the output of the NAPs into this TCFD section to join up climate and nature risks and opportunities. We have also prepared for CSRD, under which the Group must report for 2025. A key workstream has been undertaking our double materiality assessment ('DMA') and we have sought feedback from all our stakeholder groups. The DMA will result in us reassessing our ESG strategy and will be used to further inform our climate and nature transition plan to achieve Net Zero by 2030.

Future planned actions

In 2025, our focus areas will be on securing further emissions reductions and CSRD compliance.

Emission reductions will be driven by the delivery of NZAP projects including lighting upgrades at Westquay and Cabot Circus, renewable energy installations at The Oracle, Pavilions, and both French assets; fan upgrades in Bullring; and HVAC and metering works across the UK.

We will also continue to actively manage our energy procurement and pursue opportunities to secure offsite renewables in the UK and Ireland which is a key element of the Group's 2030 Net Zero commitment.

For CSRD, we will complete our DMA activities. The output will be reported to the Board for approval and intend to engage PwC, the Group's External Auditor, to provide assurance in this area. During 2025, we will develop the extensive reporting required to ensure compliance with CSRD in 12 months time and will also incorporate EU Taxonomy reporting.

Other areas to monitor are the evolution of climate-related matters on property valuation and any legislative changes to UK ESG regulations including EPCs or reporting.

Climate scenarios

In May 2023, the Board approved a shift in focus to the Intergovernmental Panel on Climate Change ('IPCC') Representative Concentration Pathways ('RCPs') Scenarios 2 and 3. This demonstrated our acknowledgement of the latest IPCC reports which draws into question achieving global warming below 1.5°C, due to the current global warming levels.

Given this shift, we reviewed the Group's climate risks and opportunities, including updated mitigating activities. The review also involved revised Physical Climate Risk Assessments. We then used this scenario focus to inform our 2024 climate and nature risk and opportunities workshop. The work undertaken, against the more alarming climate scenarios, was able to reaffirm the Group's resilience to climate change and outputs were factored into the Group's five year financial business planning process. The three IPCC climate scenarios are summarised in the table below.

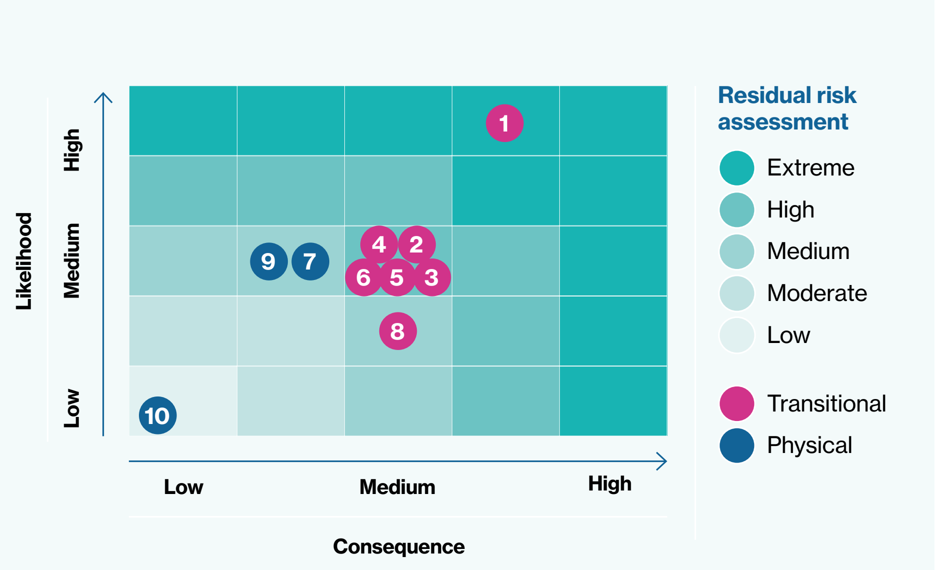
Climate scenarios

	Scenario 1	Scenario 2	Scenario 3
	Steady state to sustainability	**Late policy action**	**Fossil-fuelled growth**
IPCC RCP	RCP 1.9 (<1.5°C)	RCP 2.6 (<2°C)	RCP 8.5 (<4°C)
Narrative	Under the 1.5°C scenario the world takes rapid and drastic policy measures to meet the Paris Agreement. Low-carbon technologies are implemented alongside reduced economic growth to meet Net Zero by 2050. The Paris Agreement is achieved.	Under the 2°C scenario action to address climate change is delayed by ten years. To compensate this, deeper and more drastic action is needed and is less coordinated creating 'winners' and 'losers'. The Paris Agreement is still met but after the economy and society experience a significant degree of disruption and ultimately damage.	The 4°C scenario is a route where the world continues to use fossil fuels as a means to achieve economic growth. This is considered a worst case scenario where climate disruption and events increase and result in severe damage. Governments then adopt resilience plans as opposed to working towards global climate commitments. The Paris Agreement is not met.
Societal approach	Globally coordinated decarbonisation efforts commence in a meaningful way in the early 2020s and are consistently achieved to transition to Net Zero by 2050.	Delayed, disorderly transition to Net Zero where drastic and divergent action is undertaken to limited emissions resulting in widening inequalities.	Global collaboration focused on protecting the population from a hostile climate as opposed to reducing anthropogenic climate change.
Economy	Globally there is a continual shift away from consumerism. Economic activity is limited to protect the environment.	Due to the delay in the transition, severe interventions are required to stay within the Earth's remaining carbon budget. Global economic shocks occur, and inequality increases.	The economy initially experiences consistent growth but there is significant deterioration from 2040 onwards as the economic toll of climate change increases in frequency and amplitude.

Risk matrix – Climate

Time frames
Physical risks and opportunities are assessed on a short-term (2030), medium-term (2050) and longer-term (2100) basis. Transitional risks and opportunities are assessed on a short-term (0–3 years), medium-term (3–10 years) and longer-term (10+ years) basis. These time frames apply to both climate and nature assessments.

Climate risks
The risks were identified in 2024 through a climate and nature workshop. We now assess the impact and likelihood to inform the mitigating activities to manage our climate risks. These risks are then combined to understand the Group's principal Climate risk (see page 70). The heat map represents the climate Scenario 2 risk assessment. In the table below risks are presented in risk assessment order.



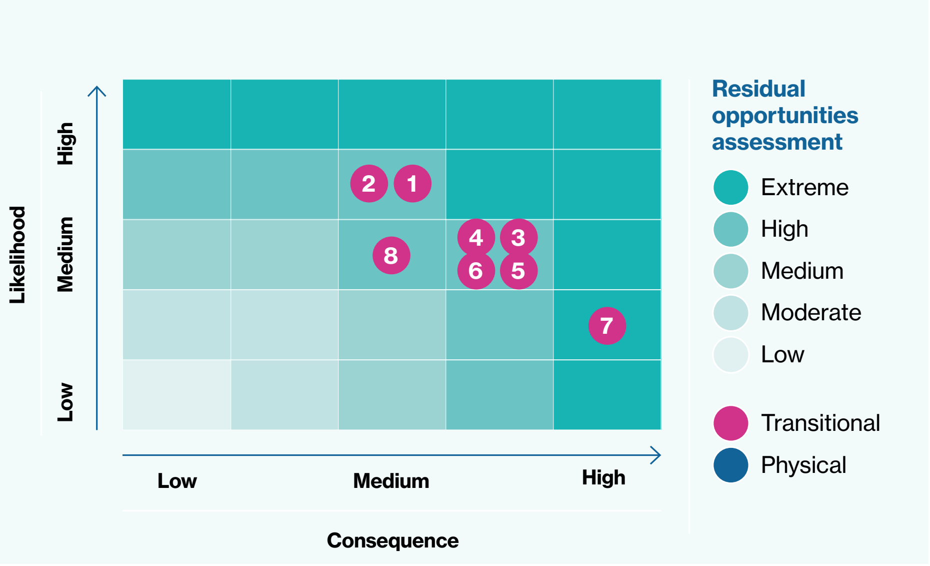
Risks, commentary and future actions

No.	Name	Primary category	2024 commentary and future actions
1	Imposition of stricter regulation and requirements on Hammerson due to increased policies targeting ESG	Regulatory	In 2024, we undertook a legal review and recertified our Environment and Energy Management System to ISO 14001 and ISO 50001. We are currently preparing for CSRD under which we will report in our 2025 Annual Report.
2	Shift in customer preferences, as climate-related awareness increases, to more sustainable and environmentally friendly products and services	Financial	Continue to undertake research on consumer trends to ensure a targeted leasing strategy. Maintain commercialisation and placemaking opportunities to support customer preferences.
3	Failure to provide assets in line with market standards due to requirement for substantial investment or service charge increases	Financial	Leverage property management partners experience and expertise to deliver destinations aligned market standards. This includes conducting periodic occupier surveys to understand their needs, as already completed in 2024. In addition, 73% of our UK units have A to C rated EPCs and we are implementing a new EPC strategy to further enhance the ratings.
4	Failure to meet Net Zero targets	Reputational	In 2024, we continued to deliver our NZAP program and emissions reduced by 8.3%. We remain on course to be Net Zero by 2030 and will continue our robust planning and reporting to track progress and assess innovation to support delivery.
5	Harm to Hammerson's brand reputation and investor confidence due to failure to address climate-related issues	Reputational	Our climate risks and opportunities were revised in 2024 to account for our progress and new physical climate risk assessments. We will continue to report on our risks and opportunities to maintain confidence in our management approach.
6	Macroeconomic shocks and impeded economic growth due to low-carbon world transition	Financial	We will continue to monitor legislative changes and macroeconomic factors to ensure we are able to manage them if they materialise.
7	Increased risk of flooding from nearby rivers due to increased rainfall intensity and prolonged periods of heavy precipitation	Environmental	Riverine flooding was identified as our primary climate peril in our revised 2024 physical climate risk assessments for one destination. Under RCP8.5 (Scenario 3) the total potential modelled cost of damage up to 2050 is c. £70m. However, with existing mitigating activities this exposure is reduced. We will continue to assess risk to ensure it is effectively managed.
8	Reduced investment in retail sector due to investor's shifting focus towards more resilient and sustainable sectors	Financial	We will continue to assess market trends and build resilience into our strategy if the impacts materialise. To support this our strategy is focused on city destinations with an ever-growing range of uses.
9	Difficulty insuring assets due to increased climate-related impacts	Financial	We will continue to engage with our insurance brokers and review market trends to ensure if climate risks impact the Group that we have appropriate insurance cover.
10	Increased risk of surface water flooding due to intense rainfall events overwhelming drainage systems and urban infrastructure	Environmental	Surface water flooding was identified as our primary climate peril in our revised 2024 physical climate risk assessments for four destinations. Under RCP8.5 (Scenario 3) the total potential modelled cost of damage up to 2050 for the four assets is c. £170m. However, with existing mitigating activities this exposure is reduced. We will continue to assess risk to ensure it is effectively managed.

Opportunities matrix – Climate

Climate opportunities

Under TCFD we are required to identify and manage both risks and opportunities. The focus needs to be equitable between the risks and opportunities based on their impact. Our Group's opportunities were also identified in the business workshops in 2024 and their scores have been assessed against our revised climatic Scenario 2 focus. In the table below opportunities are presented in opportunity assessment order.



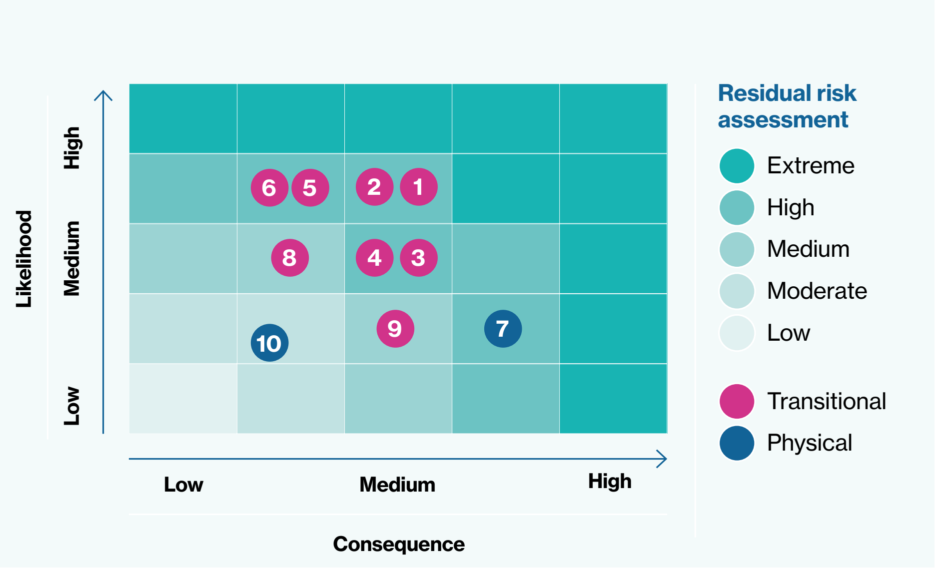
Opportunities, commentary and future actions

No.	Name	Primary category	2024 commentary and future actions
1	Being known as a truly green real estate business e.g. by investing in green building certifications (e.g., BREEAM)	Reputational	In 2024, we introduced a building certification project, we will obtain BREEAM in use certification for all UK and Ireland destinations by the end of 2025 and the end of 2026 for our two French assets.
2	Priming assets with low-carbon infrastructure to enhance the sustainability and appeal of assets	Financial	In 2024, we completed nine NZAP projects and completed feasibility to support wider 2025 project delivery. Since 2019, our landlord emissions have reduced by 43%, in part due to our NZAP program. We will continue to deliver our NZAP projects to help achieve Net Zero by 2030.
3	Anticipated reduction in the use of vehicles due to low emissions zones across cities, which provides the opportunity to repurpose car parks into alternative uses	Financial	We continue to monitor car park usage and engage with designers and local authorities to ensure accessibility whilst also promoting the diversification of our existing car parking provision.
4	A low carbon transition could favour urban locations compared to rural locations due to better public transport provisions, accessibility, sustainable developments	Financial	Our NZAPs are destination-specific, accounting for local infrastructure and individual city strategies. We will continue to deliver our NZAP projects and innovation workstreams to support local decarbonisation activity.
5	Improving long-term asset viability by investing in climate resilient buildings	Financial	Physical climate risk assessments were completed for all destinations in 2024 with revised risks and opportunities identified. Combining this with out NZAP projects will ensure climate resilience in the portfolio as we transition to Net Zero by 2030.
6	Reducing reliance on external suppliers by implementing onsite energy generation	Financial	The NZAP program continues our focus on increasing onsite renewable energy generation with five destinations looking at feasibility studies and projects in 2025. We will continue to investigate opportunities as technology improves.
7	Portfolio adaption to changing preferences of occupiers and customers	Reputational	Continue to engage with occupiers and customers to understand their emerging needs and review related market preferences.
8	Upgrade infrastructure to enhance occupier experience and attract new customers	Financial	Continue to deliver NZAP projects and consider wider placemaking, wayfinding and landlord demise enhancements to improve occupier experience.

Risk matrix – Nature

Nature risks

For the first time we have included nature-related risks and opportunities in our TCFD disclosures. Risks have been mapped based on scoring assigned during the 2024 workshop, residual consequence and likelihood scoring was provided, assessing the impacts with risk management controls in place. In the table below risks are presented in risk assessment order.



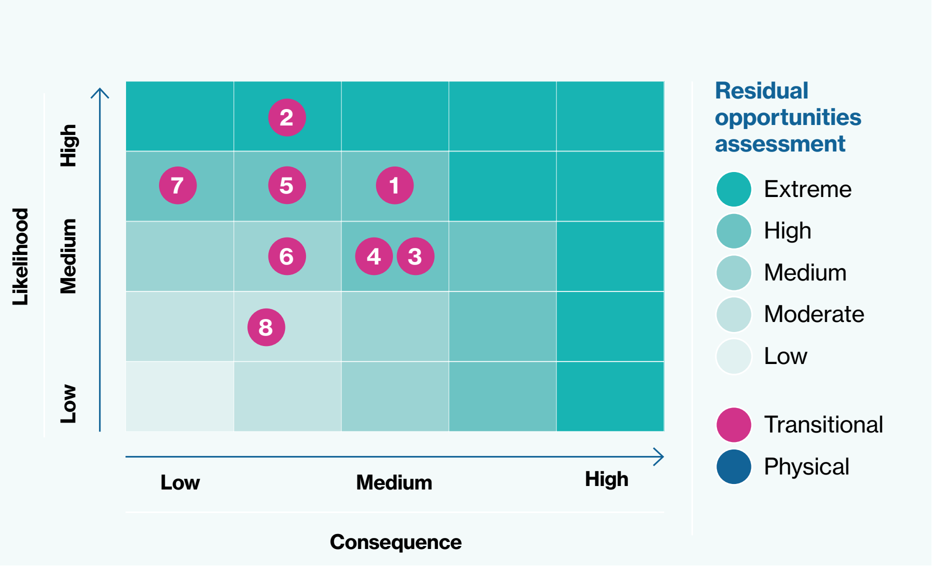
Risks, commentary and future actions

No.	Name	Primary category	2024 commentary and future actions
1	Increased maintenance cost as a result of new regulations requirements for net-gain actions to be carried out	Financial	We have a Sustainability Implementation Plan which commits to biodiversity net-gain for all developments.
2	Investment requirement in monitoring technologies – required to meet reporting obligations and management of impacts over building lifecycle	Financial	In 2024, we began our CSRD DMA process, this will support the identification of required metrics and reporting in 2025. As part of our route to compliance we will also be reviewing our data platform in 2025 and updating if needed.
3	Introduction of more stringent nature-related reporting obligations e.g. (TNFD, CSRD, SFDR). Risk of non-compliance – competition, loss of reputational capital, access to capital flows	Regulatory	In 2024, we recertified our Environment and Energy Management System to ISO 14001 and ISO 50001, no major nonconformities were identified. We will continue to maintain this system and its related legal review to keep our strategy compliant and mitigate the compliance risk.
4	Fines/penalties received due to nature-negative outcomes or failure to comply with regulations and laws	Financial	In 2025, we will maintain our Environment and Energy Management System which includes a Biodiversity and Nature Policy which is approved annually by the Board.
5	Requirement to have more diverse, local plants, which may increase initial purchase and ongoing maintenance costs, particularly if these plants are less resilient to climate change	Financial	In 2024, we finalised Nature Asset Plans ('NAPs') for all destinations and included projects from these in our 2025 business plans. In 2025, we will deliver the plan projects and continue to monitor local biodiversity requirements to ensure alignment.
6	Insurance premiums increase due to increased flood risk (e.g. loss of water storage by wetlands)	Financial	In 2024, we revised all destinations physical climate risk reviews. In 2025, we will continue to engage with our insurance brokers and review market trends to ensure if climate risks impact the Group that we have appropriate insurance cover.
7	Fresh water scarcity due to resource depletion (acute or chronic physical risk)	Environmental	Through the application of our Environment and Energy Management System we will ensure destinations continue to comply with legislation and do not pollute controlled waters. There were no breaches in 2024.
8	Stakeholder conflicts e.g. due to competition for ecosystem services, differing preferences of customers	Reputational	Where needed, we will manage stakeholder expectations through engagement and a focus on materiality, which they have informed as part of our CSRD readiness.
9	Reduced value of urban assets due to pollution or lack of green space deterring potential tenants and buyers	Financial	We will engage with local authorities to actively manage our urban environments and introduce enhancements to the public realm which support green space where feasible.
10	Acute physical risks of flooding due to soil sealing and reduced water infiltration capacity	Environmental	Surface water flooding is the highest risk climate peril impacting the majority of our destinations from a medium to very high extent by 2100. This was identified via our revised physical risk assessments completed in 2024. We will continue to review the risk profile and introduce additional mitigating activities if needed.

Opportunities matrix – Nature

Nature opportunities

Opportunities have been mapped based on scoring assigned during the 2024 workshop, residual consequence and likelihood scoring was provided incorporating current actions being taken. In the table below opportunities are presented in opportunity assessment order.



Opportunities, commentary and future actions

No.	Name	Primary category	2024 commentary and future actions
1	Green infrastructure to reduce pollution: air, light and sound	Environmental	In 2024, we finalised all destinations Nature Asset Plans ('NAPs') and included projects from these in our 2025 asset business plans.
2	Leader on disclosure against Nature/ Biodiversity frameworks	Reputational	We completed a climate and nature risks and opportunities workshop in 2024, we also began our CSRD route to compliance. In 2025, we will finalise our material areas and address disclosure requirements accordingly.
3	Increased recognition of circular economy strategies	Reputational	We will review the application of circular economy needs based on the outputs from our CSRD double materiality process.
4	Onsite and offsite habitat creation and maintenance	Environmental	In 2025, we will deliver the NAPs projects included in all destinations business plans.
5	Participative budget planning, green financing and local community engagement e.g. through urban gardens, micro forests, tree adoption etc. to strengthen climate change adaption and mitigation efforts	Reputational	In 2024, we delivered a range of communities focused activities as part of our annual Giving Back Day which supported nature with beach cleans, river cleans and habitat creation projects. In 2025, we will review social value activities which support engagement.
6	Promotion of endemic plant species and citizen stewardship to increase natural maintenance practices (e.g. less frequent mowing and no pesticides)	Environmental	In 2025, we will review the scope of any landscaping works to ensure alignment to NAPs outputs, we will also review grounds maintenance regimes, where applicable.
7	Implementation of healthy green/blue infrastructure leading to the reduction of insurance premiums and energy costs	Financial	In 2025, we will deliver the NAPs projects included in all destinations business plans.
8	Restoration of urban waterways to semi-natural conditions to improve biodiversity value, reduce flood risk and improve water quality	Environmental	In 2025, we plan to build on the success of our 2024 projects with waterway cleaning and enhancements in applicable destinations.

Risk management

The Group's approach to risk management is explained in the Risks and Uncertainties section on page 66. The Group adopts a top-down and bottom-up approach to ensure comprehensive risk identification, including emerging risks, and risk appetite is clearly defined. This allows us to respond quickly to changes in our risk profile and ensures risk management is factored into strategic decision making whilst embedding a strong risk management culture amongst colleagues with clear accountability.

In 2024, we revised our physical risk assessments through a workshop involving colleagues from across the Group. This ensured that we received comprehensive input and captured new risks which had emerged since the previous review.

Top-down

The Board has overall responsibility for risk oversight, including ESG risks. It ensures that effective risk management is integrated throughout the business and embedded within the Group's policies, processes, culture and values. The Board also sets the Group's risk appetite. Where controllable risks are outside the Group's risk appetite, the Board seeks to manage these down by implementing appropriate mitigations wherever possible.

The Audit Committee supports the Board in the oversight of risk and is responsible for reviewing the effectiveness of the risk management relating to TCFD, TNFD and ESG. The Group Executive Committee has overall accountability for risk management across the business including Climate.

Bottom-up

The effective day-to-day management of risk is embedded within our operational teams. This aligns risk management with operational responsibility. It also allows potential new risks to be identified at an early stage and escalated as appropriate, such that required mitigating actions can be put in place. For TCFD, TNFD and ESG, this is primarily covered by the ESG team.

Metrics and targets

To demonstrate the scope of our ESG activities and enable us to validate how we are managing our strategic material issues we publicly disclose our metrics and targets. These are summarised in the Key metrics and targets table below.

To ensure accuracy and transparency our global greenhouse gas emissions shown on page 51 are subject to third-party assurance (limited assurance in accordance with ISAE 3410) by BDO LLP. Our third-party assurance certificate will be included in our 2024 ESG report.

Our emissions data is summarised within this TCFD disclosure. Greater granularity on our environmental data, metrics and targets can be found in our separate 2024 ESG report.

The 2024 ESG report aligns with external reporting standards including the Global Reporting Initiatives ('GRI') and the EPRA Best Practices Recommendations on Sustainability Reporting. We again received an EPRA Gold Award for our 2023 ESG Report.

As we continue to progress our ESG strategy and align to emerging public disclosure requirements, we will be finalising our double materiality assessment in 2025 to update material issues. This is likely to change the scope and coverage of our metrics and targets moving forward.

We also participate in public benchmarks, including but not limited to, the Global Real Estate Sustainability Benchmark ('GRESB'), Sustainalytics and the ISS ESG benchmark to maintain transparency on our ESG activities.

Key metrics and targets[1]

	2024 target	2024 performance	2025 targets	Longer-term targets
Environment				
Emissions reduction (like-for-like)	7% reduction	8.3% reduction	7% reduction	Achieve Net Zero by 2030
Water consumption (like-for-like)	0% change	2% reduction	Reduce	
Waste – recycling rate	NEW	59%	65%	
Net Zero Asset Plans	Implement targeted activities in NZAPs	Nine completed projects	19 planned projects	Complete all projects by 2028
Social				
Social value investment	NEW for 2025	£3.5m	>£3.5m	Social plans and targets are renewed annually to ensure we continue to meet local needs
Volunteering	Support colleagues to undertake one day volunteering	Achieved, total volunteering of 1,981 hours	> 2,000 hours	
Governance				
Benchmarking	Maintain rankings	GRESB: 83 (4 stars) ISS: B- Prime Sustainalytics: Negligible risk	Improvements vs 2024	Further improvements on an annual basis
BREEAM In-Use	NEW for 2025	One flagship certified	All flagships compliant	Maintain certification
MEES (UK unit EPCs rated A to C)	NEW for 2025	73%	Improvements vs 2024	100% by 2027

In addition, in 2023 we set targets for 2024 to complete Nature Asset Plans for all flagship assets, divert 100% of waste from landfill, deliver social value initiatives at all assets including work experience events, complete a climate risk and opportunities assessment, embed ISO compliant management services and continue to incorporate ESG in our leasing activities. We achieved all of these targets.

1 See ESG section on pages 49 to 54 for further details on 2024 performance and calculation methodology.

Risks and Uncertainties

Risk overview
The Board confirms that during 2024 it has carried out a robust assessment of the Group's emerging and principal risks, including mitigations, which are presented in this section of the Annual Report.

The Group has made positive strategic, operational and financial progress notwithstanding the continued uncertain macroeconomic environment in 2024. The Group's specialist focus on only the highest quality city destinations has led to sustained outperformance, including a strong finish to the year for both footfall and leasing, leaving the Group well positioned to drive rental and earnings growth in 2025. From a position of balance sheet strength, there is an opportunity to continue to invest to drive further organic growth from core operations, create option value from strategic land, and complete inorganic growth opportunities. These positive trends contrast with the continued high level of macroeconomic and geopolitical uncertainty and the associated challenges that both consumers and businesses face as a result. Whilst gradually easing through the year, inflation has remained more stubborn than predicted, interest rates appear to be staying higher for longer, and consumers and occupiers continue to face headwinds.

Throughout the year, the Board maintained its focus on ensuring the Group was effectively managing its risks. This included a thorough review exercise involving the Audit Committee and senior management, covering the Group's risks and the associated mitigations. Given the changing risk environment, the residual risk level of each principal risk was also re-assessed. The review resulted in the reduction of the number of principal risks on which the Group reports on from 14 to nine, recognising the position of the Group in its current business and strategic cycles whilst maintaining best practices. These changes are summarised in the 'Changes to principal risks during the year' section of this report on page 67.

The Group's internal controls are aligned to the COSO internal control framework which sets the basis for a strong assurance programme aligned to the Group's principal risks, whilst continuing to promote a strong culture of awareness and accountability for risk management across the Group.

Governance
The Group's approach to risk management is designed to enable the business to deliver its strategic objectives while effectively managing differing levels of uncertainty which directly impact the Group's activities. The Group adopts a top-down and bottom-up approach to ensure comprehensive risk identification and risk appetite is clearly defined. This allows the Group to respond quickly to changes in its risk profile and ensures risk management is factored into strategic decision-making whilst embedding a strong risk management culture amongst colleagues with clear roles and accountability.

Top-down
The key roles and responsibilities for the Group's risk management are shown in the Risk governance structure chart.

The Board has overall responsibility for risk oversight and determining the Group's approach to managing financial, regulatory, operational, environmental and reputational risk. It ensures that effective risk management is integrated throughout the business and embedded within the Group's policies, processes, culture and values.

The Board also sets the Group's risk appetite to ensure that risks are managed within certain parameters with an appropriate level of resource. Where controllable risks are outside the Group's risk appetite, the Board seeks to implement appropriate mitigations wherever possible. The Board ensures each year that its risk appetite is consistent with its strategy.

The Audit Committee supports the Board in the oversight of risk and is responsible for reviewing the effectiveness of the risk management and internal control system over the course of the year, as well as overseeing the Group's Internal Audit activity.

The Group Executive Committee has overall accountability for the management of risks across the business.

Bottom-up
The effective day-to-day management of risk is embedded within our operational business teams. This aligns risk management with operational responsibility. It also allows potential new risks to be identified at an early stage such that required mitigating actions can be approved and put in place on a timely basis.

Internal Audit acts as an independent assurance function by evaluating the effectiveness of our risk management and internal control processes.

Through this approach the Group operates a 'three lines of defence' model of risk management, with operational management forming the first line, risk management forming the second line, and finally Internal Audit as the third line of defence.

Risk review process
The Group's key risks are derived from a systematic review of the Group's strategic priorities, and recurring work with senior management and business teams to identify and quantify key risks. These are reviewed and monitored during the year by the Group Executive Committee, the Audit Committee and approved annually by the Board.

The Group's principal risks are defined as those likely to significantly affect the Group's strategic objectives, operations, or financial performance if not effectively managed. The risks are classed as either 'external' risks, where market factors are the main influence on change, or 'operational' risks which, while subject to external influence, are more in the control of management. The level of residual risk for each principal risk is assessed taking account of the likelihood of occurrence and potential impact on the Group, and also applicable mitigating actions. The assessment of the Group's principal risks at the date of this report is shown on the Residual Risk heat map.

To support the assessment process, the Group produces a quarterly Risk Dashboard which comprises several key risk indicators, both historical and forward-looking, for each principal risk. The risk indicators help identify whether those risks are changing and hence whether mitigating actions need to be amended.

In 2024, the annual exercise to formalise the Board's risk appetite found that the Board and senior management remain aligned in their risk appetite for each principal risk.

Risk governance structure

Top-down
Determines risk appetite and provides oversight, monitoring, identification, assessment, and agrees mitigations of key risks at a Group level.

Risk Governance	**Board**	– Overall responsibility for risk management – Sets overall risk framework for the Group – Sets risk culture and appetite – Considers and approves risk and controls work undertaken by Audit Committee
	Audit Committee	– Reviews effectiveness of risk management frameworks – Oversight of system of internal control – Approves third line assurance activity by Internal Audit – Reviews going concern and viability assessment – Reviews climate risk and TCFD and TCFN compliance
Risk Management	**Group Executive Committee**	– First line of defence – Manages risk day-to-day through policy, process and people – Embeds risk appetite across the Group – Oversight of third parties under our onsite property management agreements – Reviews risk mitigation activities
	Risk Management	– Second line of defence – Work with management to identify principal risks, considering current and emerging risks – Monitors and reports on key risk indicators – Monitors risks and mitigations against risk appetite
	Internal Audit	– Third line of defence – Designs and delivers the internal audit plan – Provide assurance on effectiveness of the risk programme, testing key controls – Tracks and verifies completion of agreed audit actions
Risk Ownership	**Teams and colleagues**	– Identifies, evaluates and mitigates operational risks – Responsible for operating effectiveness of key controls – Monitors risks assigned to each team, including escalation of emerging risks – Monitoring of third parties

Bottom-up
Detailed identification, monitoring, assessment, prioritisation and active mitigation of risks at an operational level.

It is noted that there is one principal risk, 'Macroeconomic and geopolitical', where the current residual risk rating is deemed 'high' as shown on the Residual Risk Heat Map. This assessment is largely due to external factors beyond management's control with mitigating actions where possible to reduce the risk assessment, as explained on page 69.

Assurance activity
As explained in the Audit Committee Report, the Audit Committee approves the annual Internal Audit plan. The plan is designed to cover a number of the Group's principal risks, with a focus on those with an elevated residual risk relative to risk appetite or where activities are undergoing significant change. In addition, it includes cyclical reviews of key financial, reporting, operational and compliance controls.

The scope and finalised audit reports are reviewed by the Group Executive Committee and Audit Committee, and agreed actions are monitored to completion.

Changes to principal risks during the year
Following a detailed review of the Group's principal risks in the period, the Board concluded upon nine risks, a reduction from the previously reported 14. The nine principal risks reflect where the Group is strategically and the external factors which may affect this.

The nine risks are demonstrated in the Residual Risk Heat Map and full descriptions of each risk are summarised on pages 69 to 73.

Increase in risk
Climate change (risk D): An increase in the number and severity of climate events around the world in 2024 and the expectation that more rapid climate action is required to mitigate this risk has meant the Group have increased the risk profile for Climate change. A re-assessment of the risks and opportunities to manage this has been performed in the year, whilst also noting that this assessment is considered over a three year residual period and therefore is appropriately still as a Medium risk overall.

Residual Risk Heat Map

Note: Arrows indicate change in risk since 2023 Annual Report.

Decrease in risk

Capital structure (risk G): Following the disposal of Value Retail in 2024, the refinancing of the loan secured against Dundrum, and the Group's successful bond issuance which demonstrated strong demand and favourable pricing, we have reduced the residual risk for Capital structure to reflect the strengthened financial position.

New and emerging risks

New and emerging risks are a particular area of focus and are explicitly considered as part of the regular risk review process explained above. Further identification work is undertaken through the review of internal activities and external insights, covering both the real estate and wider commercial sectors. During the year several potential emerging risks were highlighted including; geopolitical tensions and potential trade conflicts/sanctions, economic uncertainty, increasing regulatory burden, and cyber threats including AI.

On review, it was determined that these risks are appropriately captured by the Group's existing principal risks or are not significant enough for the Group to be deemed a new principal risk. As part of the annual risk review, the Board therefore concluded that no significant emerging risks have been identified in 2024.

Climate risk

The Board has an obligation to assess climatic risks and opportunities under TCFD, and in May 2023 the Group received approval from the Board to transition its public reporting to focus on the adoption of IPCC Scenarios 2 and 3 which are more reflective of the latest scientific reports on global climate transition.

The risk and opportunities were reassessed and updated accordingly, noting no material changes due to the inclusive approach adopted to date. This will be updated again in 2025 following the outputs of the Group's physical climate risk reviews.

Further details on this important risk area are in the detailed risk section on page 70, in the TCFD section on page 61 and the Group's separate 2023 ESG Report available on the Group's website.

Future outlook

The impact of external factors continues to be the main concern for the Group, particularly given the prolonged levels of inflation, persistent higher interest rates, and the impact of geopolitical tensions. Nonetheless, the successful delivery of the Group's strategic objectives will continue to act to reduce the level of residual risk and ensure the longer-term success and viability of the Group for the benefit of all stakeholders.

Link to strategy:

1. Investment for growth and value creation
2. Agile platform
3. Sustainable and resilient capital structure

Risk movement in 2024:

- Increased
- Decreased
- No change

A. Macroeconomic and geopolitical (new)

Residual risk: **High** Link to strategy:

Adverse changes to the geopolitical landscape and macroeconomic environment in which the Group operates have the potential to hinder the ability to deliver the strategy and financial performance.

Risk mitigations

- Geographical spread with specialist focus on only the highest quality city destinations with a catchment reaching over 30% of the UK population, 80% of Ireland and 20% of France
- Near-term debt maturities fully covered by existing cash reserves with limited capital commitments
- Diversified portfolio (sectors, geography and occupiers) limits impact of downturn or major market change in a single market
- Strong balance sheet following the disposal of Value Retail and successful pricing of £400m 12-year bond in the year
- Monitoring of macroeconomic research and forecasts
- Economic outlook incorporated into annual Business Plan
- Board annual strategy review
- Regular monitoring and review of financing and capital structure in the context of various market scenarios by the Chief Financial Officer and the Executive Committee

Change in year

Despite persistent challenges in the macroeconomic environment with higher for longer levels of inflation and interest rates, limited GDP growth, supply chain constraints, continued geopolitical uncertainty across many regions, and an increased likelihood of tariffs and trade wars globally, the Group continues to successfully deliver its strategic goals with a strong leasing performance and resilient property valuations

B. Occupational markets (new)

Residual risk: **Medium** Link to strategy:

The Group fails to anticipate and address structural market changes and target optimal property sectors. This could impair leasing performance, result in a sub-optimal occupier mix and thus impact the ability to attract visitors, and grow footfall/spend and income at the Group's properties.

Risk mitigations

- Flagship destinations in the heart of fast growing, major European cities
- High-quality, diversified occupier base with weighted average lease term to first break of 4.4 years
- Regular Board and Executive Committee assessment of our occupier market outlooks to identify risks and opportunities
- Greater data insights and analytical capabilities including regular catchment and occupier analysis
- Leasing process and policy aligned to occupier and visitor requirements
- Clear delegation of authority with Group Management Committee ('GMC') scrutinising all significant leasing transactions
- Asset centric organisational structure to ensure leasing team fully aligned with asset management team with approved property strategies
- Digital strategy providing detailed customer insight and communication with our customers
- Use of short-term, 'temporary' leases to enhance occupier mix, reduce vacancy costs and incubate new brands

Change in year

Whilst the wider occupier market environment has been consistent throughout the period and occupiers face headwinds, the Group continues to see a flight-to-quality for best-in-class destinations which has seen the Group deliver another strong leasing performance, with a positive outlook for 2025.

C. Investment market, valuations and capital allocation (new)

Residual risk: **Medium** Link to strategy:

Investor demand in our property markets is reduced due to macroeconomic and/or property market factors including increased borrowing costs, economic downturn, and consumer and occupier confidence. This could adversely impact property valuations and risk hindering the liquidity of the Group's portfolio which in turn would reduce the availability of funds for reinvestment in core assets and/or refinancing of debt. There is also a risk that the Group allocate capital sub-optimally, including in JV partnerships that are not fully aligned on our strategy, resulting in reduced returns, weaker investor sentiment and poorer capital performance.

Risk mitigations

- Portfolio focuses on high-quality flagship destinations in the heart of major European cities
- Strong balance sheet providing capital to continue to invest to drive further organic growth, create option value from strategic land, and close inorganic growth opportunities
- Strong leasing performance and pipeline to maintain security of income
- Asset level ESG plans in place with future improvement initiatives planned to ensure alignment with investors' environmental expectations
- Maintenance of solid capital structure prevents forced sales
- Independent valuations performed half yearly
- Investor relations programme to showcase the Group's assets and maintain strong relationships with active/potential investors

Change in year

The capital return of the Group's property portfolio was -3.4% in the year reflecting the negative impact of outward yield movement in Ireland and write-down of some development valuations. In the UK and France, yields were stable in the year and towards the end of the year were trending inwards, reflecting an increase in investment activity and improved buyer perception for the best assets. There is the potential for yield compression going forward. Interest rates are also forecast to fall albeit at a slower rate than previously expected, further supporting the investment market. Similarly the occupational market strengthened in the best locations with continued polarisation and there is evidence of ERV growth as tension builds.

D. Climate change

Residual risk: **Medium** Link to strategy:

Climate-related risks, particularly the reduction in carbon emissions and addressing the risk of physical impacts including extreme weather events to our assets as a result of climate-related incidents, are not appropriately managed. This could adversely impact valuations and investor sentiment and may result in an increased final year bond coupon if the Group's 2027 sustainability linked bond targets are not met.

Risk mitigations

- Net Zero Asset Plans and Nature Asset Plans embedded operationally for all flagship assets
- Clear action plan and quarterly updates provided to Group Executive Committee and regular updates provided to Audit Committee and Board
- Established ESG governance and reporting structure, from asset to Board level, monitors key ESG metrics, including performance and management of climate and nature-related legislative and regulatory risk
- Senior management and Board provided with TCFD training
- Experienced ESG team designs and implements our strategy in collaboration with the wider business
- Regular engagement with investors and across the wider property industry on ESG matters
- ISO accredited Energy and Environment Management System implemented across the Group (ISO 14000 everywhere and ISO 50001 in the UK and Ireland)
- Insurance in place to cover property damage
- Triennial review of physical climate risk
- Strong governance structure in place (refer to page 57)

Change in year

ESG remains a high area of focus for the Group's stakeholders and significant progress was made during 2024 to enhance the execution of the Group's ESG strategy. Physical Climate Risk Assessments and Nature Asset Plans aligned to the Taskforce on Nature-related Financial Disclosures ('TNFD') were completed and integrated into business planning. These along with our Net Zero Asset Plans were then used to refresh our climate risks and opportunities for Task Force on Climate-related Financial Disclosures ('TCFD'). TNFD aligned risks and opportunities were also introduced for the first time. Our integrated TCFD and TNFD response was approved by the Audit Committee and was delivered in 2024 in readiness for our Corporate Sustainability Reporting Directive ('CSRD') and EU taxonomy disclosures for 2025.

Link to strategy:

1. Investment for growth and value creation
2. Agile platform
3. Sustainable and resilient capital structure

Risk movement in 2024:

- Increased
- Decreased
- No change

E. Legal, regulatory and tax (new)

Residual risk: **Medium** Link to strategy:

The failure to comply with laws and regulations applicable to the Group and/or increased tax levies. These laws and regulations, including tax, cover the Group's role as a multi-jurisdiction listed company; an owner and operator of property; an employer; and as a developer. Failure to comply could result in the Group suffering reputational damage, financial penalties/loss and/or other sanctions. Changes or new requirements may place administrative and cost burdens on the Group and divert resources away from strategic objectives.

Risk mitigations

- Specialist internal functional support and external advisors engaged to assist and provide advice on the ongoing management and assessment of legal and regulatory risk
- Appropriate and proportionate policies and procedures designed to capture relevant regulatory and legal requirements
- Internal systems and processes for the monitoring of compliance with legal and regulatory requirements
- Maintaining constructive and positive relationships and dialogue with regulatory bodies and authorities
- Focus on maintenance of the Group's low risk tax status with regular tax compliance reviews and audits across the Group
- Monitoring and advanced planning for future tax and regulatory changes
- Ongoing engagement with external advisors on the relevant regulatory horizon
- Zero tolerance approach for bribery, corruption and fraud with policies and processes in place to manage and monitor such risks including mandatory training in these areas
- Where appropriate, participation in policy consultations and in industry led dialogue with policy makers through bodies such as REVO, BPF and EPRA

Change in year

There have continued to be changes to applicable laws and regulations in jurisdictions in which the Group operates in 2024. These include areas such as building safety, employment, planning, economic and financial crime, tax, ESG and corporate governance. The appointment of new governments in the UK and the Republic of Ireland following general elections is expected to result in further legal and regulatory change affecting the Group's business and operations, whether directly or indirectly through the impact on our occupiers, customers and other stakeholders. The Group continues to monitor relevant areas of proposed change announced by governments, including in relation to planning reform, investment and business rates in the UK.

F. Operational resilience (new)

Residual risk: **Medium** Link to strategy:

The Group's ability to protect its reputation, income and capital values could be damaged by a failure to manage several key operational risks including but not limited to; poor performance of a key supplier/third party, health and safety issue including a pandemic, civil unrest including acts of terrorism, cyber-attack or other IT disruption.

Risk mitigations

- KPI's built in to contracts with key third parties which are monitored regularly throughout the period
- Annual performance review of key third parties
- ISO 27001 aligned cyber policies setting out standards for penetration testing, vulnerability testing, patch management, access control and data loss prevention
- Implementation of Cisco Umbrella software to enable same level of security in remote working locations
- Cyber incident response plans in place
- Extensive use of multiple cloud based systems
- Health and safety ISO 45001 management system with annual external compliance audits
- ISO 45001 accreditation obtained with no findings raised
- Appropriate insurance cover, including for terrorism, property damage and cyber

Change in year

Significant investment and operational strengthening has been made over recent years to streamline operations with risk mitigations successfully built in to the operational model. Notwithstanding the external environmental with regards to increased technological advances and cyber threats, civil unrest and large scale health and safety threats, the Group continues to demonstrate a robust operational grip with respect to these risks.

G. Capital structure

Residual risk: **Medium** Link to strategy:

Lack of access to capital on attractive terms could lead to the Group having insufficient liquidity to enable the delivery of the Group's strategic objectives.

Risk mitigations

- Board approves and monitors key financing guidelines and metrics and all major investment approvals supported by a financing plan
- Proactive treasury planning to monitor covenant compliance; where necessary, negotiate waivers and amendments; access debt markets when available prior to debt maturities to facilitate early refinancing; and ensure adequate liquidity is maintained relative to debt maturities
- Proactive engagement with ratings agency to support maintenance of Investment grade rating
- Annual Business Plan includes a financing plan, scenario modelling and covenant stress tests
- Interest rate and currency hedging programmes used to mitigate market volatility
- Asset roadshows to develop and maintain good relationships with a wide range of sources of capital
- Ability to access bond market

Change in year

The Group has significantly strengthened the balance sheet following the completion of the Group's £1.5bn disposal programme, the sale of the Group's interests in Value Retail generating £584m of net cash proceeds, the refinancing of Dundrum on favourable terms, and the Group's successful bond issuance which demonstrated strong demand and favourable pricing.

These all acted to increase the Group's flexibility in its options for capital allocation to further strengthen the balance sheet, return value to shareholders and invest further in value accretive opportunities.

With net debt of £799m, down 64% since FY20, Net debt: EBITDA of 5.8 times and LTV of 30%, and recent credit improvements from Moody's and Fitch, Hammerson now has one of the strongest balance sheets in the sector.

H. Property development and repurposing (new)

Residual risk: **Medium** Link to strategy:

Property development and the repurposing of our assets are inherently risky due to the complexity, management intensity and uncertain outcomes, and exposure to the volatile costs of materials and labour and sub-contractor resilience, particularly for major schemes with multiple phases and long delivery timescales. Unsuccessful projects can result in adverse financial and reputational outcomes.

Risk mitigations

- Utilise expertise and track record of developing landmark destinations
- Development plans and exposure included in annual business planning process
- Group's development pipeline provides flexible future delivery options, such as phasing, and requires limited near-term expenditure to progress to the next decision stages
- Board approves all major commitments and performs formal development reviews twice yearly
- Capital expenditure is subject to a strict appraisal process which defines the key investment criteria, the risk assessment process, key stakeholders, and appropriate delegations of authority
- Regular monitoring of capital expenditure, development progress and associated risks

Change in year

While cost inflation and ongoing supply chain issues have adversely impacted the broader property development market, the Group remains confident over its ability to realise future value from its numerous development opportunities.

Link to strategy:

1. Investment for growth and value creation
2. Agile platform
3. Sustainable and resilient capital structure

Risk movement in 2024:

- Increased
- Decreased
- No change

I. People

Residual risk: **Medium** Link to strategy:

A failure to retain or recruit key management and other colleagues to build skilled, high performing, and diverse teams could adversely impact operational and corporate performance, culture and ultimately the delivery of the Group's strategy. As the Group evolves its strategy it must continue to motivate and retain people, ensure it offers the right colleague proposition and attract new skills in a changing market.

Risk mitigations

- Communication to all colleagues of the Group's purpose, vision and values
- Annual business planning process includes people plans covering team structures, training, and talent management initiatives
- Succession planning undertaken across the senior management team and direct reports
- Training and development programmes and twice yearly colleague appraisal process
- Active colleague forum to enable formal Board engagement with feedback incorporated in management plans
- Affinity group to promote diversity, equality and inclusion
- Regular tailored colleague surveys to gain feedback, with action plan in place by function to address colleague feedback
- Implementation of an enhanced HR system to further improve colleague information sharing, data management, and learning and development

Change in year

The colleague survey results were pleasing with high participation and a significant uplift in the engagement score. The results were shared with teams and action plans for further improvement agreed based on colleague feedback.

Viability Statement

Overview

The Directors have assessed the future viability of the Group.

The assessment considered the latest geopolitical, macroeconomic and trading outlook, particularly where persistent challenges remain with higher for longer levels of inflation and interest rates, limited GDP growth, the introduction of tariffs and related supply chain constraints, and geopolitical uncertainty across many regions.

The Group has a clear strategy with three main areas of focus:

- Investing for growth and value creation
- Operating and managing a lean and scaleable, data-driven agile platform
- Maintaining a sustainable and resilient capital structure

These areas of strategic focus are underpinned by the Group's commitment to ESG. Progress has been made in all these areas during 2024, details of which can be found in the Chief Executive's Statement.

Assessment of prospects

In assessing the Group's viability, the Directors considered the Group's recent operational and financial performance, capital structure, strategy and future prospects, and principal risks.

2024 performance

The Group delivered a strong operational and financial performance with growth in like-for-like gross rental income, lower costs, improved occupancy, strong collections, another record year of leasing (+2% like-for-like at 100%) and higher year-on-year footfall and sales.

The decline in adjusted earnings to £99m (2023: £116m) was principally due to lower GRI due to disposals over the previous 24 months, and a lower contribution from Value Retail, both due to a weaker in-year performance and its disposal in Q3. The disposal of the group's interest in Value Retail alongside outward yield shift in Ireland was also the principal driver of the IFRS loss of £526m.

Further details on operational performance can be found in the Chief Executive's Statement and financial performance in the Financial Review.

Capital structure

The disposal of Value Retail generated €705m (£595m) of cash proceeds and drove a material strengthening to the Group's financial position. At £799m, net debt at 31 December 2024 was 40% lower that at the start of the year, also reflecting the completion of the Group's £500m non-core disposal programme with £111m of proceeds from the sale of Union Square.

Due to refinancing undertaken in the year, including the issuance of £400m of 2036 bonds, and the retirement via tender of £412m of 2026 and 2028 Sterling bonds, average debt maturity improved from 2.5 years at the beginning of the year to 4.7 years at 31 December 2024. Liquidity improved by £0.2bn to £1.4bn, including £814m of cash, meaning that the Group has no debt maturities not covered by existing cash balances until 2027.

Strategy and prospects

The Board annually reviews the Group's strategy and also in December assesses and approves a five year Business Plan ('the Plan'). The Plan sets out how the Group will achieve its strategic objectives and contains financial forecasts, financing strategies and asset level and portfolio plans, including potential acquisitions and disposals, capital expenditure initiatives and development projects. It also includes forecasts of financing and debt covenant metrics including reverse stress test headroom calculations.

Another important factor in considering the Group's viability is the diversity and security of the Group's income. At 31 December 2024, the Group's top 10 occupiers represented 19.3% of the Group's passing rent (2023: 18.4%), with the largest brand partner, Inditex, representing 5.7% (2023: 5.1%). For the Group's flagship portfolio, only 23% of passing rent is subject to an occupier break or lease expiry over the next three years and the corresponding WAULB was 4.2 years (2023: 4.6 years).

Principal risks and Viability period conclusion

At 31 December 2024, only one of the Group's nine revised principal risks is deemed to have a 'high' residual risk – macroeconomic and geopolitical – where persistent challenges remain as mentioned above. Capital structure risk was considered to have reduced, following the Group's disposal of Value Retail and strong demand and pricing in refinancing activity during the year, whilst Climate change is believed to have worsened given the increased number of severe climate events in 2024.

The Group made significant progress in 2024. Whilst the Board annually reviews the Group's strategy and approves the Plan over a five year period, given the continuing levels of uncertainty, particularly pertaining to macroeconomic and geopolitical risk remaining elevated, the Directors have concluded that the appropriate period for assessing the Group's viability is three years (from 31 December 2024 to 31 December 2027 ('the Viability period').

Assessment of viability

Approach

To enable the Board to understand the Group's viability, a reverse stress test ('stress test') of the Group's Plan was undertaken to assess the maximum level that the key variables to the Group's unsecured debt covenants could fall before reaching covenant thresholds.

The key variables impacting the unsecured debt covenants are valuations for the gearing and unencumbered asset ratio covenants, and net rental income for the interest cover covenant. Net interest cost also impacts the interest cover ratio, although at 31 December 2024, 100% of the Group's gross debt is at fixed interest rates, limiting volatility. This is not expected to materially change during the Viability period.

Financing assumptions

Whilst the Group has no debt maturities not covered by cash balances until 2027, the Group's €700m 1.75% sustainability-linked bond matures in April 2027. Given the improvement to the Group's financial metrics, credit rating improvements from Moody's and Fitch, and the strong level support the Group has enjoyed from the credit markets (with the £400m 2036 bond 7x oversubscribed at peak), we assume that this is refinanced in the ordinary course.

Of the Group's undrawn £602m of revolving credit facilities ('RCFs'), £139m expire in 2026 and the balance in 2027, following a one-year extension option exercised in 2024. As with the 2027 bond, given the strong working relationships and support from the Group's relationship banks and financial institutions, we assume that these facilities roll onto new terms expiring outside of the Viability period.

Two further financing outcomes have been incorporated into the stress test to test the Group's resilience. First, the early repayment of the Group's private placement notes at 30 June 2025, where £15m either matures after the proposed Viability period (2028). Exercising our option to redeem removes any risk of breaching the unencumbered asset ratio covenant (which is only applicable to these notes) as this has a lower level of covenant headroom to valuation falls than gearing through the assessment period.

Second, in relation to secured debt at Dundrum (Group's 50% share €175m) maturing in September 2031, the Viability assessment assumes the lenders take control of the secured entities and the Group derecognises its entire investment at 30 June 2025. It is worth noting, however, that due to the Group's materially strengthened financial position, these more negative assumptions have little impact on the outcome of the stress test.

Climate risk

The Directors also considered climate-related risk as part of the Viability assessment. An increase in the number and severity of climate events around the world in 2024 and the expectation that more rapid climate action is required has meant that Climate risk was deemed to have increased in 2024. However, it is still judged to be at the medium level of residual risk, due to the long time horizons associated with this topic. In 2024, the Group made further progress on its Net Zero Asset Plans, including the incorporation of revised Physical Climate risk reviews and Nature Asset Plans, which give a clear path to the Group achieving Net Zero by 2030. Overall, given the longer term nature of climate risk, the Directors have concluded that the risk does not have significant impact on the Viability assessment over the three year Viability period.

Scenario outcome

Based on the above Viability assumptions, the outcome of the stress test is shown in the following table:

Level of reduction in key variable to reach covenant threshold

Key variable	Covenant	31 Dec 2024	Viability period
Valuations (including VR)	Gearing	45%	44%
Net rental income	Interest cover	75%	71%

Having reviewed current external forecasts, recent precedents and possible future adverse impacts to valuations and net rental income, the Directors believe it is not plausible that the reductions in valuations or net rental income shown in the stress test will occur over the Viability period.

Other mitigating actions

In addition, there are a number of key mitigation actions available to the Group which would strengthen the Group's financial position and provide additional liquidity including disposals, reductions in the projected levels of uncommitted capital expenditure or other discretionary cash flows, and the reintroduction and encouraged take-up of a scrip dividend.

Conclusion

Based on their detailed Viability assessment, the Directors confirm that they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the three year period to 31 December 2027.

Non-financial and Sustainability Information Statement

Non-financial and sustainability information can be found in the following locations within the Strategic Report (or is incorporated into the Strategic Report by reference for these purposes):

Index of non-financial reporting disclosures

Non-financial information	Pages
Business model	26 to 27
Principal risks	66 to 73
Non-financial key performance indicators	33

The Group also has a range of policies and procedures relating to colleagues, environmental and social matters, human rights and anti-bribery and corruption. The Group's energy, environmental, climate change, biodiversity, human rights, volunteering and charitable donations policies and climate-related financial disclosures consistent with all TCFD recommendations are included in the TCFD section on page 55. A description of the Group's other policies, the due diligence measures we undertake to implement them and the results of applying these policies, are all set out in the table below.

Policy	Description	Policy application and outcomes	Associated reporting requirement
Code of conduct	Sets out expectations for colleagues' personal behaviour including treating others with respect, acting fairly in dealing with stakeholders, complying with laws and maintaining integrity in financial reporting.	The Code of conduct is issued to all colleagues across the Group and supported by training during new colleague induction, as well as being reinforced by the Board's and senior leadership's actions and communications. No material breaches were alleged or identified during 2024. See page 47 for more information on our colleagues.	– Employees – Social matters – Anti-bribery and corruption
Equal opportunities policy	Confirms the Group's commitment to equal opportunities and diversity and the Group's opposition to all forms of unlawful discrimination.	The policy is available to all colleagues and applied in relation to hiring and promotion decisions at all levels. No breaches of the policy were alleged or identified during 2024. The ethos of the policy is supported by our Affinity Network, is sponsored by our CEO, Rita-Rose Gagné and supported by Group Communications and HR to deliver relevant news, events and initiatives to colleagues across the Group. See page 53 for more information on our colleagues and Affinity Network.	– Human rights – Employees – Social matters
Health, safety and security statement of intent	Sets out measures designed to ensure a culture of health and safety best practice that leads to the elimination or reduction in risks to health, safety and security of all associated with the Group.	The policy is applied through our robust management system across the UK, Ireland and France, which enabled us to gain re-accreditation to ISO45001 standard in December 2024 for the Group. As at 31 December 2024, there were no intolerable risks outstanding and no Environmental Health Officer notices were received during the year. The new online risk management platform we launched in 2023 has been pivotal in reducing risk across the portfolio as evidenced in our flagship Destination's achieving re-accreditation of ISO45001 with no actions; the first time this has ever been achieved. A continued improvement in health and safety culture is reflected in compliance scores with the entire portfolio consistently scoring above the 95% KPI. See page 56 for more information on health, safety and security matters.	– Employees – Social matters
Modern slavery and human trafficking statement	Sets out the approach taken by the Group to understand the potential modern slavery risks associated with the Group's business and explains the actions taken to prevent slavery and human trafficking within the Group's operations and supply chains.	Modern slavery awareness is maintained across the Group's operational teams and specific training is provided to colleagues through the Group's online training system. Key risk areas identified are within the Group's supply chain and relate to construction activities and low skilled support services. Both areas remained low risk as part of the Group's overall risk assessment in 2024. We include relevant provisions in applicable supplier contracts and require adherence to our supplier code of conduct. These and other protections seek to reduce the risks of using suppliers who do not comply with this legislation. No incidents of modern slavery or human trafficking were identified or alleged during 2024. The Company's 2023 Modern Slavery and Human Trafficking Statement was approved by the Board in June 2024.	– Human rights – Social matters

Policy	Description	Policy application and outcomes	Associated reporting requirement
Responsible procurement policy	Sets out the Group's objectives to promote responsible procurement through the purchase of environmentally and socially sustainable goods and services and engage with key suppliers to encourage better performance and effective management of environmental and social risks within the Group's supply chain.	The policy was applied to procurement activities undertaken across both operational and development activities in 2024. Supplier adherence to this policy is monitored and enforced at the 'request for information' stage of procurement with the most compliant suppliers being progressed to the next stages of the procurement process. The policy is also linked to the due diligence process necessary to approve third party consultants, contractors and suppliers. No material breaches were alleged or identified during 2024.	– Human rights – Social matters – Anti-bribery and corruption – Environmental matters
Supply chain code of conduct and procurement	Outlines a set of best practice standards that apply to all Group suppliers (covering legal requirements, labour standards, health and safety and environmental responsibility) and explains how the Group measures and monitors supplier adherence to such standards.	This is fully embedded in our procurement process – each new supplier to the Group must subscribe to the code of conduct and complete the accompanying questionnaire in order to gain 'approved supplier' status. Suppliers must be fully compliant with health and safety, ESG regulations and must be fully insured. Reporting of Injuries, Diseases and Dangerous Occurrences Regulations ('RIDDOR') issued by the Health and Safety Executive must be fully resolved and disclosed before we can use such suppliers. This has resulted in only the most compliant suppliers being selected to reduce risk exposure and associated costs. This is also linked to the due diligence process necessary to approve third party consultants, contractors and suppliers. No material breaches were alleged or identified during 2024.	– Human rights – Social matters – Anti-bribery and corruption – Environmental matters
Anti-bribery and corruption policy*	Sets out the Group's zero tolerance policy in relation to bribery and corruption, including prohibitions on improper and facilitation payments, and penalties for breach of policy.	The policy is issued to all colleagues across the Group alongside the Gifts and Entertainment Policy and supported by training delivered during the colleague induction programme. The Company has also made available to all colleagues an Anti-Bribery and Corruption Risk Assessment, which provides guidance on carrying out due diligence when appointing third party consultants, contractors and suppliers. No incidents of bribery or corruption were alleged or identified during 2024.	– Employees – Anti-bribery and corruption
Whistleblowing policy*	Encourages colleagues to report, anonymously if preferred, any concerns they may have in relation to health and safety matters, the environment, or any other unethical, unfair, dangerous or illegal behaviour, sets out the process for doing so and confirms that whistleblowers will not be victimised.	The policy is issued to all colleagues across the Group and supported by training during new colleague inductions. Annual reminders are circulated by email to all colleagues and posted on the Group's internal intranet to ensure ongoing awareness of the availability of the policy and the whistleblowing procedures the Company has in place. No whistleblowing concerns were raised by colleagues during 2024.	– Employees – Anti-bribery and corruption
Gifts and entertainment policy*	Explains the forms of, and circumstances in which, gifts or entertainment might be acceptable and the reporting and approval procedures to follow where colleagues wish to offer, or receive, hospitality.	The policy is issued to all colleagues across the Group and supported by training as part of new colleague inductions. Gifts and entertainment registers are maintained across the Group and reviewed periodically. No material breaches were alleged or identified during 2024.	– Employees – Anti-bribery and corruption

All policies are available on the Company's website at www.hammerson.com save for those marked with a * which are available to all colleagues through the Company's intranet.

2024 Strategic Report

Pages 1 to 77 of this Annual Report constitute the Strategic Report which was approved and signed on behalf of the Board on 25 February 2025.

Rita-Rose Gagné
Director

Himanshu Raja
Director

Governance at a glance

Ensuring good governance

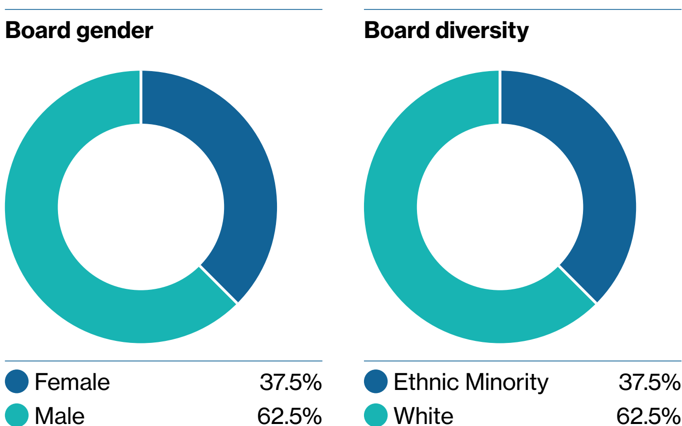
Good corporate governance remains a key focus of the Board and is essential in delivering the long term sustainable success of the Company for the benefit of our stakeholders. Corporate governance procedures are embedded into our culture and provide the foundations for the Board's oversight and decision making."

Robert Noel
Chair of the Board

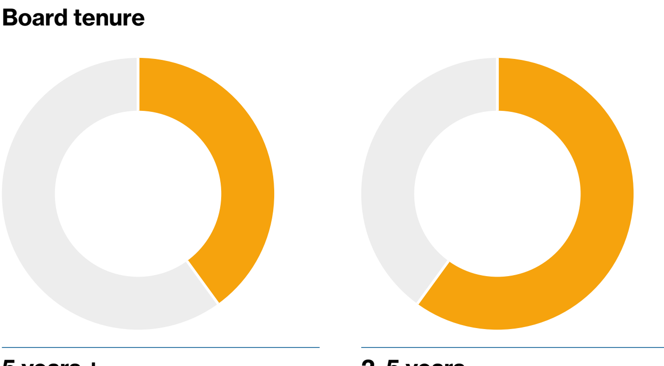
Key Board activities in 2024

- Oversight and approval of the disposal of the Group's interest in Value Retail, together with associated corporate actions including the share consolidation and buyback.
- Assessment and approval of the acquisition of the remaining 50% stake in Westquay, Southampton and other investment activity.
- Annual strategy day including different external and stakeholder perspectives alongside a site visit to The Oracle, Reading.
- Approval of the 2025 Business Plan and oversight of performance against the plan for 2024.
- Ongoing oversight of key compliance, governance and legal matters, including in relation to health and safety.
- Assessing the external environment and changes in the markets in which the Group operates.
- Actions to further strengthen the capital structure, including the 12-year £400m bond issuance and accompanying tender of £412m outstanding bonds maturing in 2026 and 2028.
- Oversight of transformation activity, including updates on technology, risk and colleague considerations.
- Spending time with colleagues and other stakeholders, providing insight on priorities and perspectives.
- 2023 final and 2024 interim dividends, together with increasing the payout policy for ordinary dividends from 60–70% of Adjusted earnings to c.80–85%.
- Review of principal and emerging risks.

Board and Committee Governance Structure



Board tenure



5 years +
Adam Metz
Carol Welch
Méka Brunel

2–5 years
Rita-Rose Gagné
Himanshu Raja
Robert Noel
Mike Butterworth
Habib Annous

How stakeholder considerations inform our decision making

- Occupier
- Customers
- Colleagues
- Communities
- Investors
- Partners

We seek to deliver long-term, sustainable value and positive outcomes for all our stakeholders. Consideration of the impact that the Board's decisions may have on our stakeholders is an important part of the decision making process. Continued meaningful engagement with our stakeholders enables us to understand their interests and priorities and how these change over time.

Read more about our stakeholders, how we engage with them and associated outcomes on **pages 28 to 30**
The Company's s172 Statement appears on **page 31**

* Tenure, gender and diversity data as at 31 December 2024 and remains unchanged as at the date of this report

How the Company complies with the Code

For the year ended 31 December 2024 the Company was subject to the UK Corporate Governance Code 2018 (the Code), which is available on the website of the Financial Reporting Council at www.frc.org.uk. The purpose of the Code is to promote the highest ethical and governance standards for UK listed businesses to contribute to long term sustainable success. The Board considers that, throughout the year, the Company has applied all of the principles and complied with all of the provisions of the Code.

The Company has generally sought to comply with new provisions introduced by the 2024 UK Corporate Governance Code (the 2024 Code) in advance of their formal application from 1 January 2025 (with the exception of new provision 29). However, for the purposes of this Annual Report, compliance is reported against the Code. Compliance against the in force provisions of the 2024 Code will be reported on fully in next year's Annual Report.

The Company's compliance with the Code is reported against each of the five main sections: Board leadership and Company purpose; Division of responsibilities; Composition, succession and Evaluation; Audit, risk and internal control; and Remuneration. The relevant disclosures can be found throughout this Annual Report on the following pages:

Code section	Page
Board leadership and Company purpose	
The role of the Board	82
Purpose and strategy	82
Culture and values	84
Stakeholder and workforce engagement	84 to 86
Division of responsibilities	
The roles of the Directors	87
Director commitment	88
Board Committees	88
Board support	88
Composition, succession and evaluation	
Board effectiveness review	89 to 91
Nomination and Governance Committee Report	92 to 96
Audit, risk and internal control	
Risk management and internal controls	91
Fair, balanced and understandable assessment	91
Audit Committee Report	97 to 103
Remuneration	
Directors' Remuneration Report	104 to 123

Board of Directors

Key to Committee membership

- (A) Audit Committee
- (N) Nomination and Governance Committee
- (R) Remuneration Committee
- ● Solid circle denotes Committee Chair

Executive Directors

Rita-Rose Gagné
Chief Executive

Appointed to the Board
2 November 2020

Experience
Rita-Rose Gagné brings extensive experience in real estate investment and global property markets combined with strong strategic, operational leadership and financial management skills.

Prior to joining Hammerson, Rita-Rose was President of Growth Markets at Ivanhoé Cambridge, responsible for over $8bn of real estate assets, platforms and a development pipeline across Asia Pacific and Latin America, covering logistics, retail, mixed use, office and residential sectors. Having joined Ivanhoé Cambridge in 2006, Rita-Rose held a variety of positions including Executive Vice President of Global Strategy, Portfolio Management and Investment Funds, covering North America, Europe, Asia Pacific, India and Latin America markets.

A trained lawyer, she was a senior partner at Fasken, a global law firm covering real estate, infrastructure, corporate mergers and acquisitions.

Himanshu Raja
Chief Financial Officer

Appointed to the Board
26 April 2021

Experience
Himanshu Raja holds a law degree (LLB), is a Chartered Accountant and was most recently Chief Financial Officer at Countrywide Ltd (formerly Countrywide plc) from 2017 until its sale to Connells Ltd in March 2021.

Prior to that he had served as Chief Financial Officer at G4S plc for three years where he was responsible for finance, treasury, tax, investor relations, M&A, IT and procurement, and led a significant improvement in contract risk management and governance across the Group and delivered significant cost transformation and cash flow improvement. Prior to G4S plc, Himanshu was Chief Financial Officer of Misys plc and also Logica plc, where he led the sale of the group to CGI in a £2.1 billion transaction.

Non-Executive Directors

Robert Noel
Chair of the Board
(N)

Appointed to the Board
1 September 2020 and appointed as Chair on 7 September 2020

Experience
Robert Noel brings extensive property industry knowledge and experience to the Board having built a long and successful career spanning over 30 years in the real estate sector, including other listed companies. Most notably, Robert was Chief Executive Officer at Land Securities Group Plc (Landsec) from 2012 until March 2020.

Prior to joining Landsec in 2010, Robert was Property Director at Great Portland Estates Plc from 2002 to 2009 and from 1992 to 2002 he was a Director of Nelson Bakewell, the property services group. Robert is a past president of the British Property Federation.

External Listed Directorships
Chair of the Board of Taylor Wimpey plc.

Mike Butterworth
Senior Independent Director
(A) (N)

Appointed to the Board
1 January 2021

Experience
Mike is a Chartered Accountant and brings 25 years' experience in senior finance roles in FTSE 250, Small Cap and AIM businesses across a broad range of sectors including manufacturing, technology, communications, healthcare and beverages. Mike was previously Chief Financial Officer of Incepta Group plc, prior to its acquisition by Huntsworth plc in 2005, and Chief Financial Officer of Cookson Group plc until its demerger in 2012. Mike was also Group Financial Controller at BBA Group plc. A graduate of Oxford University, Mike started his early career with Arthur Andersen.

Mike also has extensive Board experience and his previous Non-executive roles have included Senior Independent Director and the Chair of the Audit Committee at Johnston Press plc and at Kin and Carta Group plc, and Chair of the Audit Committee at Cambian Group plc and Stock Spirits plc.

External Listed Directorships
Non-executive Director of Pressure Technologies plc and Focusrite plc.

Full biographical details for each Director and full details of external appointments can be found on our website at www.hammerson.com

You can view details of our Group Executive Committee members on our website at www.hammerson.com

Non-Executive Directors

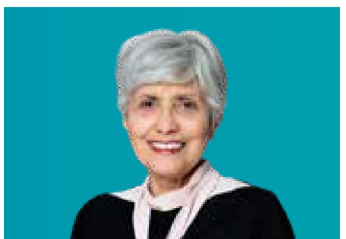
Habib Annous
Independent Non-executive Director
Ⓐ Ⓝ Ⓡ

Appointed to the Board
5 May 2021

Experience
Habib brings 30 years' experience in investment management across a range of sectors.

Most recently, he was a partner at Capital Group, an active investment management business with assets under management of over $2 trillion, from 2002 to 2020, where he was responsible for the European Real Estate sector as well as a number of other industries. He started his career as an equity analyst in 1988 with responsibility for UK Real Estate. He became a Fund Manager in 1989 at Lazard Investors and then moved to Barclays Global Investors and subsequently to Merrill Lynch Investment Managers.

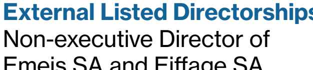
Habib is a former advisor to the Investment Forum.



Méka Brunel
Independent Non-executive Director
Ⓝ Ⓡ

Appointed to the Board
1 December 2019

Experience
Méka Brunel has extensive experience in the European real estate sector which, together with her knowledge and skills in property outside of retail, strengthens the Board's expertise. Méka first joined Gecina, the Euronext listed REIT with French office and residential assets, as executive director of strategic development in 2003. She was then appointed chief executive of Eurosic, the office REIT, in 2006 and became the European President of Ivanhoé Cambridge Inc in 2009. Méka returned to Gecina in 2014, joining as a non-executive director before being appointed as Chief Executive Officer from 2017 to 2022. She is a civil engineer, holds an executive MBA from the HEC Paris School of Management and is a fellow of RICS. Méka has previously served as a non-executive director of Crédit Foncier de France, the chair of France Green Building Council.



External Listed Directorships
Non-executive Director of Emeis SA and Eiffage SA.

Adam Metz
Independent Non-executive Director
Ⓐ Ⓝ

Appointed to the Board
22 July 2019

Experience
Adam Metz has built a successful career in the US over 30 years and brings to the Board wide-ranging experience in retail and commercial real estate, as both an executive and non-executive director. He served as CEO of General Growth Properties and President of Urban Shopping Centres, Inc., two US REITs focused on the retail sector. He also has extensive investment experience gained at Blackstone Group, TPG Capital and most recently the Carlyle Group. At the Carlyle Group, he was a Managing Director and Head of International Real Estate and also served on Carlyle's Management Committee until 2018. His comprehensive experience in real estate investment and strategy in the US, Europe and Asia, through listed companies and private equity, enables him to make a valuable contribution to our Board.

External Listed Directorships
Chair of Seritage Growth Properties and independent Director of Morgan Stanley Direct Lending Fund.

Carol Welch
Independent Non-executive Director
Ⓝ Ⓡ

Appointed to the Board
1 March 2019

Experience
Carol Welch has significant experience in leading business transformation and executing customer led strategy in the retail, leisure, and hospitality sectors at board level. Carol is currently Group CEO of A.F. Blakemore & Son Ltd, where she leads the SPAR retail stores division and a wholesale business that serves major retail and leisure brands. This allows her to bring to the Board extensive knowledge of delivering improved business and organisational performance in the retail sector, including a deep understanding of the changing behaviours of the omnichannel consumer, asset, property, and supply chain development, alongside operations and people leadership. Carol also brings insightful European consumer, operations, and occupier experience from her time at ODEON Cinemas Group, where she led the transformation of their estate and guest experience, alongside their commercial and digital strategy across Europe.

Carol is our Designated Non-executive Director for Colleague Engagement.

Corporate Governance Report

Board leadership and Company purpose

The role of the Board

The purpose of the Company is to create exceptional city destinations that realise value for our stakeholders, connect our communities and deliver a positive impact for future generations.

The primary duty of the Board is to promote the long term success of the Company by setting a clear purpose and strategy which create long term value for our investors and other stakeholders. It aligns the Group's culture with its strategy, purpose and values and sets the strategic direction and governance of the Group. The Board has ultimate responsibility for the Group's management, strategic direction and performance, and ensures that sufficient resources are available to enable management to meet the strategic objectives set. You can read more about our strategy on pages 4 to 9 and pages 12 to 21.

The Company's governance framework supports strong governance across its activities, enabling oversight of performance, delivery against strategic objectives and effective decision making. As part of this framework, the Company has a Schedule of Matters Reserved for the Board (Matters Reserved), which was reviewed and updated in December 2024, and is available to view at www.hammerson.com.

The Board undertakes various duties in accordance with the Matters Reserved, including approving major acquisitions, disposals, capital expenditure and financings. The Board also oversees the Company's system of internal controls and risk management, including climate related risks and opportunities, and approves and monitors performance against the annual Business Plan.

Details of the Board of Directors of the Company as at the date of this report are set out on pages 80 to 81 and can also be found on the Company's website at www.hammerson.com. Details of the various Director roles are set out in the 'Division of responsibilities' section on page 87 and details of Board and Committee composition can be found in the Nomination and Governance Committee Report on pages 92 to 96.

Purpose and strategy

The Board discharged its responsibilities in relation to strategy and purpose through a number of activities in the year. These included the annual Board Strategy Day held in October 2024, which covered a wide range of strategic issues. Directors were able to meet with a broad range of colleagues throughout the business via a 'speed dating' style event held at our London office as well as a separate site visit and tour hosted at The Oracle, Reading, the following day. A range of different external perspectives were provided at the Strategy Day through the participation of occupiers, advisers and other third parties. These perspectives facilitated discussion in different areas relevant to the Company's strategy, operations and markets, including the identification of potential risks and opportunities for consideration by the Board and management.

The Board also considers strategic matters as part of regular meetings through the year. At each scheduled meeting, management provide updates on performance against strategic goals and initiatives, together with relevant updates on external developments and stakeholder perspectives.

Throughout 2024, the Board focused on providing leadership and support to the executive team as well as an objective, independent and constructive view on the Company's strategy and business model, to ensure they adequately reflect the core capabilities of the business and the changing external environment, particularly during a period of uncertain macroeconomic and geopolitical conditions. Further detail on how the Company generates and preserves value over the long term is set out in the Chief Executive's Statement on pages 12 to 21 and Business Model on pages 26 to 27.

Meetings of the Board

Formal meetings of the Board throughout the year present an opportunity for the Directors to be updated on, and oversee, the performance of the business, progress against strategic objectives, external and internal developments and stakeholder perspectives, among other things. As part of these meetings, its annual Strategy Day and other sessions with management during the year, the Board considers opportunities and risks relating to the future development of the business, including matters relating to the wider ESG agenda.

Key activities of the Board in 2024

In addition to consideration of standing items such as the CEO's Report, updates on financial and operating performance, investment and transaction reporting, legal and governance updates and stakeholder updates, during 2024, the Board's key activities and areas of focus included:

February

- Approval of the 2023 full year results and accompanying documentation
- Approval of 2023 final dividend
- Review of AGM documents and shareholder engagement plan

April

- Updates on ESG, health and safety, and cyber security, including the review and approval of associated policies
- Feedback from the Chair of the Board on the outcome of his engagement with shareholders ahead of the AGM

June

- Strategic aims and the financial forecasts
- Review and approval of the Company's Modern Slavery Statement
- Refinancing of the secured loan on Dundrum, Dublin

Board and Committee meetings attendance – 2024

	Scheduled Board meetings	Audit Committee meetings	Nomination and Governance Committee meetings	Remuneration Committee meetings
Robert Noel	7/7	n/a	3/3	n/a
Rita-Rose Gagné	7/7	n/a	n/a	n/a
Himanshu Raja	7/7	n/a	n/a	n/a
Habib Annous	7/7	5/5	3/3	4/4
Méka Brunel	7/7	n/a	2/3*	4/4
Mike Butterworth	7/7	5/5	3/3	n/a
Adam Metz	7/7	5/5	3/3	n/a
Carol Welch	7/7	n/a	3/3	4/4

* Méka was unable to attend one Nomination and Governance Committee meeting due to a prior commitment. Méka was able to provide her input on the agenda items and meeting papers ahead of the meeting and was briefed following the meeting on the discussions that took place and the decisions made.

2024 Board Strategy Day

- In October, the Board held its annual strategy event, including time spent at The Oracle, Reading.
- The Board held wide-ranging discussions on strategic priorities focused on growth in the Company's destinations. Specific topics included leasing strategy, use of data and insights, artificial intelligence, asset repurposing and placemaking.
- The strategy day included discussions with colleagues from across the business and sessions facilitated by external speakers in relation to consumer/occupier trends, the UK development market and technology.

During the year, Directors attend meetings of Committees of which they are not a member by invitation. This includes: (i) the Chair's attendance at meetings of the Audit and Remuneration Committees; (ii) the Chief Executive and Chief Financial Officer's attendance at meetings of the Audit Committee; and (iii) the Chief Executive's attendance at meetings of the Remuneration and Nomination and Governance Committees. This attendance is not reflected in the table above.

The annual schedule of Board meetings is set well in advance so that, so far as possible, all Directors are available to attend meetings. If, in exceptional circumstances, a Director is unable to attend a meeting, they receive the papers as usual and have the opportunity to provide any questions or comments ahead of the meeting and to discuss the outcome of the meeting with the Chair or executive management. The same applies to meetings of the Board's committees.

The table above sets out details of the attendance at meetings of the Board and its committees during 2024. In addition to these scheduled meetings, a number of ad hoc meetings were held to consider specific items of business. In addition, all members of the Board attended the annual Board Strategy Day in October 2024.

Each scheduled meeting of the Board includes time for discussion between the Chair, the Non-executive Directors and the Chief Executive, and separately for discussion between the Chair and the Non-executive Directors without the Executive Directors present. Scheduled meetings of the committees include time for discussion between the members without the presence of management.

The Board's discussion of long-term strategy and value creation continued to be informed by a range of different engagement mechanisms in the year.

The Board met with colleagues through a range of opportunities, as described on page 85. Members of the Board met with other key stakeholders, including shareholders and occupiers as explained on pages 28 to 30.

July
- Approval of sale of interest in Value Retail and accompanying corporate actions
- Approval of the 2024 half year results and investor presentation
- Approval of the 2024 half year dividend

September
- Approval of documents for special shareholder meeting to approve corporate actions arising from the disposal of interest in Value Retail
- Approval of the establishment of the Company's Euro Medium-Term Note Programme and subsequent bond issuance and tender

October
- Annual Board Strategy Day
- Acquisition of the remaining 50% stake in Westquay, Southampton

December
- Approval of 2025 business plan
- Discussion of the 2024 internal Board and Committee performance review and approval of resulting actions
- Review and approval of the Company's principal and emerging risks, including risk appetite and risk mitigation

Culture and values

The Board recognises the importance that culture and values play in the long term success and sustainability of the Company, and the role of the Board in establishing, monitoring and assessing culture. During 2024, the contribution of culture and values has been an important focus for the Board. Hammerson's values are: Connected, Ambitious and Respectful. The senior management team spent time in 2024 working with colleagues to ensure that those values were embraced and embedded into the Company's culture. Workshops co-created and hosted with members of the Colleague Forum were held throughout the year to obtain feedback and actively engage with colleagues to consider what those values mean to them and the difference they can make at an individual and team level to ensure they are embedded efficiently. The Board received updates on the results of these sessions via the Nomination and Governance Committee and will continue to monitor progress in 2025. You can read more on this in the Our Colleagues section on pages 47 to 48.

During 2024, the Board monitored, assessed and promoted the Company's culture and values through a number of different activities, including:

- Asset visits and tours and attendance by Directors at various colleague events and meetings. This included a visit of the Board to The Oracle, Reading, as part of the Board Strategy Day and meetings with colleagues and occupiers.
- Updates to the Board and its Committees by the Chief Executive and the Chief People Officer on matters relating to people and culture.
- The Board discussed plans for, and the results of, the Company's colleague engagement survey, including updates on engagement with colleagues and resulting actions.
- The Remuneration Committee's consideration of matters relating to values and culture as part of its remuneration deliberations.
- The Board's review of arrangements relating to whistleblowing, fraud and anti-bribery and corruption, including with a view to ensuring that appropriate systems are in place for colleagues to raise concerns in confidence.

The Group is committed to complying fully with all applicable laws and regulations and has high standards of governance and compliance. The Code of Conduct has been prepared to help colleagues and Directors to fulfil their personal responsibilities to investors and wider stakeholders. The Code of Conduct covers the following areas:

- Compliance and accountability
- The required standards of personal behaviour
- The Group's dealings with stakeholders
- Measures to prevent fraud, bribery and corruption
- Share dealing
- Security of information

The colleague induction programme includes compulsory modules on health and safety, anti-bribery, financial crime, cyber security, ESG, protection of confidential and inside information, and data protection, which are delivered in the UK, France and Ireland via the Group's online Learning Management System. The content of these modules are regularly reviewed and refreshed to ensure they remain fit for purpose.

The Directors remain committed to zero tolerance of bribery and corruption by colleagues and the Group's suppliers. The Audit Committee receives annual Anti-Bribery and Corruption, Fraud and Whistleblowing Reports and reviews the arrangements in place for individuals to raise concerns. In 2024, the Board reviewed and, on the Audit Committee's recommendation, approved updates to the Company's Anti-Bribery and Corruption Policy. The Group's Whistleblowing Policy and procedures were also reviewed and the minor amendments proposed were approved. The Board also received updates throughout the year on the additional measures to be introduced by The Economic Crime and Corporate Transparency Act 2023 in respect of the new offence of failing to prevent fraud. Relevant updates to the Company's policies and procedures will be presented to the Board during 2025.

There were no allegations of fraud detected or reported during the year and no whistleblowing concerns were raised.

The Group's Modern Slavery and Human Trafficking Statement is submitted to the Board for approval each year, and the statement is published on the Company's website at www.hammerson.com.

Engagement with stakeholders

Stakeholder engagement remains a key focus for the Board. In order to comply with Section 172 of the Companies Act 2006 (the Act), the Board takes into consideration the interests of stakeholders when making decisions and includes a statement setting out the way in which Directors have discharged this duty during the year. Further information on the actions carried out in 2024 by the Board to comply with its obligations to the Group's stakeholders is detailed on pages 28 to 30 and the statement of compliance with Section 172 of the Act is set out on page 31.

The identification of our key stakeholders and the continuing engagement efforts help to ensure that the Board can understand, consider and balance broad stakeholder interests when making decisions to deliver long term sustainable success. While the Board will engage directly with stakeholders on certain issues, stakeholder engagement will often take place at an operational level with the Board receiving regular updates on stakeholder views from the Executive Directors and the senior management team. Board papers requesting a decision from the Board are required to include a specific section reviewing the impact of the proposal on relevant stakeholder groups.

During 2024 the Nomination and Governance Committee spent time reviewing and discussing a stakeholder map setting out details of the Company's principal stakeholders, how the Company engages with them and the issues of interest to them. This discussion was intended to identify, among other things, whether all key stakeholders and their interests had been appropriately identified and potential opportunities for enhancement in relation to the Board's consideration of stakeholder interests in 2025. Following its discussion, the Committee was satisfied that all key stakeholder groups had been appropriately covered in the exercise and that there was valuable and informative engagement with each group, whether by Directors or management during the year.

The Board assesses stakeholder views and takes them into account when making decisions. The case studies on pages 85 to 86 provide practical examples of how the Board takes into account the Company's different stakeholders as an important part of decision-making process.

Board decision: Disposal of the Group's interest in Value Retail and use of proceeds

On 18 September 2024, the Group completed the disposal of its interests in Value Retail, generating €705m (£595m) of proceeds at an attractive exit EBITDA multiple of 24x. This was a transformational transaction for the Group and the Board considered the potential impact on a range of stakeholders as part of its decision making in relation to the transaction and the use of proceeds.

When considering the disposal the Board was mindful of the potential impact of the transaction on different stakeholder groups in different ways and a significant amount of time was dedicated to discussions in this area. In making its decision, the Board was satisfied that the disposal was in the best interests of our stakeholders taken as a whole and would enable the Company to enter into a new phase focused on accelerating growth whilst maintaining our operational focus and financial discipline.

Central to approving the disposal was discussion on the use of the proceeds. Each of the uses approved by the Board, as announced by the Company on 22 July 2024, were decided with due consideration to the potential impact on stakeholders and on the priorities identified from our ongoing engagement with them. A summary of the use of proceeds and the stakeholders considered for each is set out opposite:

- Reinvesting into our assets by consolidating our JV interests (read more about our acquisition of Westquay on page 13)

- Reinvesting into our assets by dedicating capital expenditure to enhance our destinations

- Returning value to shareholders through implementing an enhanced payout ratio for ordinary dividends of c.80–85% of Adjusted Earnings and commencing a share buyback programme on 16 October 2024

- Deleveraging the Company through a reduction in net debt

- Simplification of the Company's share capital structure

Engagement with colleagues

Our colleagues are central to the business and their performance is critical to its long term sustainable success. Colleague engagement in our business is therefore high on our agenda at both Board and senior management levels.

The Colleague Forum (the 'Forum') enhances two way dialogue between the Board and colleagues, offering a structured environment for the Board to listen to feedback from our colleagues, allowing issues to be highlighted and inform future Board decision making.

Carol Welch is our Designated Non-executive Director for Colleague Engagement. The purpose of the role is to:

- Act as the Board's eyes and ears to understand colleagues' views on Company culture, and the degree to which behaviours and values in the business are aligned with culture and values agreed by the Board.
- Provide guidance and feedback, with insight gained from the Forum and from separate sessions held with colleagues, on achieving effective internal communication.
- Provide independent advice and guidance to the Chief Executive, Chief People Officer and other Group Executive Committee ('GEC') members on matters of colleague engagement.
- Speak on behalf of the Board at the Forum's events.
- Assist the Board in understanding colleagues' views based on insight from the Forum and colleague sessions, and provide guidance to the Board on how their decisions may impact colleagues.

Carol attends quarterly meetings with the Forum in addition to separate discussions with its chair and the Chief People Officer. Carol also has monthly sessions with the Chief People Officer. In October 2024, Carol hosted a roundtable discussion with colleagues identified by senior management as potential future leaders to discuss ambition and development at Hammerson. In November 2024, Carol and Habib Annous, Chair of the Remuneration Committee, also carried out an engagement session with the Forum specifically to discuss executive remuneration and its alignment with the wider Company pay policy. The feedback received in that session was then discussed at the Remuneration Committee the following month.

Carol's annual report on colleague engagement in 2024 included an assessment of progress made against 2024 objectives and her recommendations for engagement priorities for 2025, which were reviewed by the Nomination and Governance Committee in December 2024.

In 2024, the Forum's focus has continued to be on how to truly embed Hammerson's values as the foundation of the Company's culture as well as discussing and understanding the results of the colleague survey. Forum members co-created and co-hosted workshops that were held by team or by country and encouraged colleagues to reflect on their own values and how these correlate with Hammerson's values.

The Company also has an Affinity Network comprised of colleagues across the Company and led by our Diversity, Inclusion and Engagement manager. The Affinity Network covers LGBTQ+, Women, Race & Ethnicity and Wellbeing and is integrated with the Forum to support colleague engagement and diversity, inclusion and equal opportunity activities throughout the year. You can read more about the work of the Forum and the Affinity Network in the Our Colleagues section on pages 47 to 48.

The Board values the benefits of engagement with, and input from, colleagues and acknowledges its important contribution to Board discussion and decision making. As part of this engagement, throughout the year, Directors and senior management provide employees with regular updates and information through a range of channels on matters of interests, including internal developments and the performance of the business.

The Board considers that its colleague engagement activities in 2024 have been effective and provided meaningful insight as to employee priorities and sentiment. This insight has ensured that colleague interests have been appropriately considered by the Board in its oversight and decision-making during the year.

Board decision: Launch of £5bn Euro Medium Term Note ('EMTN') programme and subsequent £400m Bond issuance and tender

Ensuring the borrowing levels of the Company are at an appropriate level and at competitive interest rates is an important consideration for stakeholders.

In October 2024, the Company launched a new £5bn EMTN programme which enables it to issue bonds quickly and flexibly from the bond markets. The Company successfully issued £400m of bonds under that programme, the proceeds of which were used to repurchase higher coupon existing bonds with upcoming expiries in 2026 and 2028.

Stakeholder engagement and insight was important in the Board's decision making in each of these steps. Engagement with our bond investors was vital to ensure that investors understood our business and to drive demand to ensure optimal competitive pricing. The success of this engagement was evident from the strong demand for the new bonds, which were over 7x subscribed and led to a significant improvement in pricing.

The combined effect of the new £400m 5.875% bond maturing in 2036 and the repurchase of existing short-dated sterling maturities reduced ongoing interest costs by £3.6m per annum and extended the weighted average debt maturity by 2.3 years, locking in low interest rates and managing future refinancing risk, thus contributing to the long term success and viability of the Company in the interests of all stakeholders.

Further details on colleagues, including our approach to investing in and rewarding our workforce as well as the policies and procedures applicable to colleagues, can be found on pages 47 to 48 and 76 to 77.

Engagement with shareholders

The Company undertakes a broad range of investor relations ('IR') activity to ensure that current and potential investors, as well as financial analysts, are kept informed of performance and have appropriate access to management to understand the Company's business and strategy.

The Board is regularly updated on IR matters and feedback received from investors. The Board believes it is important to maintain open and constructive relationships with investors and for them to have opportunities to share their views with the Board. The Chief Executive and Chief Financial Officer engage with the Company's major institutional investors on a regular basis. As Chair of the Board, I offer to meet with major institutional investors and proxy advisors ahead of our Annual General Meeting ('AGM') to discuss matters such as Corporate Governance and succession planning. The Chair of the Remuneration Committee takes part in consultations with major institutional investors on remuneration issues from time-to-time. The Board also regards the Company's AGM as an important opportunity for investors to engage directly with Directors.

Members of the Board spent time with private shareholders at our AGM in April and the special shareholder meeting in September to approve corporate actions proposed following the sale of the Company's interest in Value Retail.

The Senior Independent Director is available to investors if they have any issues or concerns which cannot be resolved through the normal channels of the Chair of the Board, Chief Executive and Chief Financial Officer, or for which such contact would be inappropriate.

In advance of, and following, the Company's AGM in April 2024, the Board undertook extensive engagement with shareholders on the business of the meeting. In particular, and in accordance with the Code, after the AGM the Board engaged with relevant investors to discuss the voting outcome on resolution 14 (the authority to allot shares) which received more than 20% (20.6%) of votes cast against the Board's recommendation. Following engagement with our investors, the Company published a detailed update on 17 October 2024, including the outcome of that engagement in identifying the reasons for the result and investor feedback. The full statement issued pursuant to the Code can be found on our website www.hammerson.com.

The Board would like to thank shareholders who took part in the engagement process since the AGM and for the insight this provided. Additional relevant information, including the context of resolutions to be proposed at the Company's 2025 AGM, will be set out in the Notice of Meeting to be sent to shareholders in due course.

Conflicts of interest and concerns

The Board has a well-established and detailed process for the management of conflicts of interest. The Directors are required to avoid a situation where they have, or could have, a direct or indirect conflict with the interests of the Company. Prior to appointment and during their term in office, Directors are required to disclose any conflicts or potential conflicts to me, as Chair, and the General Counsel and Company Secretary. At each scheduled meeting of the Board, a register is reviewed, containing details of conflicts or potential conflicts of interest for each Director, noting any changes or matters for authorisation. As part of the year end reporting, each Director reviews the Conflict of Interest Register in respect of their disclosed conflicts and confirms its accuracy to the General Counsel and Company Secretary.

There is regular dialogue between Directors outside Board meetings on any important issues that require discussion and resolution. If necessary, any unresolved matters that are raised with the Chair of the Board, the Senior Independent Director and the General Counsel and Company Secretary would be recorded in the minutes of the next Board meeting. As Chair of the Board, I encourage a culture of open and inclusive debate, challenge and discussion at meetings and outside of the formal environment. This helps to ensure that any concerns can be considered and resolved.

Division of responsibilities

Role of the Chair of the Board and the Chief Executive

The Chair of the Board and the Chief Executive have separate roles and responsibilities which are clearly defined and set out in writing. The division of responsibilities document is reviewed annually by the Nomination and Governance Committee and recommended to the Board for approval. The latest version is available on the Company's website.

Role of the Non-executive Directors and the Senior Independent Director

The Non-executive Directors are identified in their biographies on pages 80 to 81 and play a key role in providing constructive challenge to management and offering strategic guidance through their participation at Board and Committee meetings. The Non-executive Directors hold a meeting without me present annually, led by the Senior Independent Director, to discuss my performance, in addition to playing a key role in appointing and removing Executive Directors and scrutinising management performance against objectives.

I also hold meetings with the Non-executive Directors as part of every Board meeting without the Executive Directors present.

Mike Butterworth is our Senior Independent Director and is available to discuss shareholders' concerns on governance and other matters. He can deputise as Chair of the Board in my absence, act as a sounding board and serve as an intermediary for other Board members. His full role is clearly defined in writing as part of the division of responsibilities document which is available on the Company's website.

Role	Responsibilities
Robert Noel Chair of the Board	– Effective running of the Board and ensuring its effective direction of the Company – Shaping the culture in the boardroom – Ensuring that the Board as a whole plays a full and constructive part in the development, approval and ongoing testing of the Group's strategy and overall commercial objectives and of their implementation – Guardian of the Board's decision making processes – Fostering working relationships between the Non-executive Directors and the Executive team based on trust, mutual respect and open communication both in and out of the Boardroom. The Chair should demonstrate objective judgement throughout their tenure – Ensuring that the Board determines the nature and extent of the significant risks that the Company is willing to embrace in the implementation of its strategy
Rita-Rose Gagné Chief Executive	– Running the Group's business – Setting an example and communicating expectations to the Company's workforce in respect of the Company's culture, ensuring that operational policies and practices drive appropriate behaviour and permeate through all parts of the organisation – Proposing and developing the Group's strategy and overall commercial objectives – Maintaining an effective framework for internal controls and risk management and ensuring that the framework is reviewed regularly by the Board – Implementing the decisions of the Board and its Committees in collaboration with the executive team – Ensuring that the Board knows the views of senior management on business issues to foster high standards of discussion in the Boardroom and encourage constructive challenge from the Non-executive Directors
Mike Butterworth Senior Independent Director	– Be available to shareholders if they have any issues or concerns which contact through the normal channels of Chair, Chief Executive or Chief Financial Officer have failed to resolve or for which such contact is inappropriate – Have appropriate contact with major shareholders and other relevant stakeholders as necessary to develop a balanced understanding of the issues and concerns of such shareholders and report these to the Board – Provide a sounding board for the Chair and Non-executive Directors to discuss confidential issues relating to governance, Board performance, the performance of individual Directors and concerns raised by Directors – Take responsibility for an orderly succession process for the role of Chair, chairing and working closely with the Nomination and Governance Committee when it is considering succession to the role of Chair of the Board – Lead the Non-executive Directors in an appraisal of the Chair's performance annually and on such other occasions as are deemed appropriate, taking into account the views of the Executive Directors – Act as a trusted intermediary for the Non-executive Directors when required to help them challenge and contribute effectively
Non-executive Directors	– Provide constructive challenge and scrutiny of the performance of management – Bring a diverse mix of external knowledge, skills and experience to the Board – Assist in the development of strategy and the decision making process – Promote the highest standards of integrity and governance

Directors' time commitment and additional appointments

All Directors are thoroughly engaged with the work of the Group, as evidenced by their attendance at Board and Committee meetings during the year, which is disclosed in the Board and Committee meetings attendance table, set out on page 83. In addition to Board and Committee meeting attendance, Non-executive Directors also visited the Company's assets during the year.

As part of the selection process for any potential new Directors, any significant external time commitments are considered before an appointment is agreed. The Board has adopted a Directors' Overboarding Policy (Overboarding Policy) to set limits on the number of external appointments which can be held by Directors in line with the guidelines published by Institutional Shareholder Services ('ISS'). The Overboarding Policy was reviewed most recently in December 2024 to ensure it continues to reflect best practice requirements in the Code and latest guidance issued by ISS. Directors are required to consult with the Chair of the Board and obtain the approval of the Board before taking on additional appointments. Executive Directors are not permitted to take on more than one external appointment as a director of a FTSE 100 listed company or any other significant appointment.

The Overboarding Policy states that Non-executive Directors may hold up to five mandates on publicly-listed companies (including their role as a Director of the Company). For the purpose of calculating this limit:

- A non-executive directorship counts as one mandate
- A non-executive chair counts as two mandates
- A position as executive director (or comparable role) is counted as three mandates

None of the Directors' external directorships exceed the limit in the Overboarding Policy. The Overboarding Policy is available to view on the Company's website at www.hammerson.com.

In line with the Code, during the year, the Board considered Méka Brunel's proposed appointment as a non-executive director of Eiffage S.A., a company listed on Euronext Paris. For Méka's appointment, the Board considered (among other things) the time commitment, impact on her ability to continue to serve effectively as a member of the Board and whether it presented a conflict of interest. In each case, the Board concluded that there were no concerns in this regard. It therefore approved the proposed appointment and was satisfied it would not restrict her from carrying out her duties as a Director of the Company. Méka did not participate in the decision or discussion with respect to her proposed appointment.

Non-executive Directors' independence

The Board has assessed the independence of each of the Non-executive Directors. All of the Company's Non-executive Directors are considered to be independent as at the date of this Report, in accordance with the provisions of the Code. I was independent on appointment to the Board in September 2020 for the purpose of the Code. The Company has therefore complied with the Code provision that at least half of the Board, excluding the Chair, should comprise independent Non-executive Directors.

In accordance with provision 10 of the Code, the Board considers factors and circumstances which are likely to impair, or could appear to impair, a Non-executive Director's independence, together with consideration, among other things, of whether they are independent in character and judgment, how they conduct themselves in Board and committee meetings and whether they have any interests which may give rise to an actual or perceived conflict of interest.

Board Committees

The Board has delegated certain responsibilities to its Audit, Remuneration, and Nomination and Governance Committees, each of which reports regularly to the Board. Each of these Committees' terms of reference is available on the Company's website at www.hammerson.com.

Further detail on the work of each of the Audit, Remuneration Committee and Nomination and Governance Committees can be found on pages 92, 97 and 104, respectively.

The Board is also supported by three further committees, the principal of which is the Group Executive Committee ('GEC'), which provides executive management of the Group within the agreed strategy and business plan. The GEC is chaired by the Chief Executive and comprises the senior leadership team. The members of the GEC and their biographies are available to view on the Company's website at www.hammerson.com. The GEC manages the operation of the business on a day-to-day basis, sets financial and operational targets, oversees the Group's risk management and has responsibility for the Company's ESG objectives. The GEC is supported in turn by the Group Investment Committee, which supports the GEC and the Board in the execution of their respective capital allocation responsibilities, and by the Group Management Committee which supports the GEC in the execution of its operational duties.

Board support

The Chair and the General Counsel and Company Secretary are always available for the Directors to discuss any issues concerning the operation of the Board and other governance matters.

The Company Secretary, whose appointment or removal is decided by all Directors, provides independent advice to the Board on legal and governance matters and ensures that the Board has the policies, process, information, time and resources it needs in order to function effectively. This includes ensuring that the Board regularly receives training and updates on relevant legal and governance developments as well as assisting with the induction of new Directors.

Board meeting, December 2024

Composition, succession and evaluation

Composition and succession

Appointments to the Board are subject to a formal, rigorous and transparent procedure based on merit and objective criteria, which is overseen by the Board's Nomination and Governance Committee. The Nomination and Governance Committee also oversees the effective succession planning of the Directors and the process for succession planning to the senior management team. Following a review of composition, it was determined that the Board and its Committees have an appropriate and diverse combination of skills, experience and knowledge that are relevant to the Group in its operating context. For further detail of each Director's skills, experience and knowledge, see the Board Skills Matrix on page 93.

The Board has confirmed that each Director continues to be effective and demonstrate commitment to their role. On the recommendation of the Nomination and Governance Committee, the Board will therefore be recommending that all serving Directors be reappointed by shareholders at the 2025 AGM.

Further information on composition, succession and the work of the Nomination and Governance Committee can be found in the Committee's Report on pages 92 to 96.

The Board acknowledges the benefits that diversity and inclusion can bring to the Board and to all levels of the Company's operations. As such, the Board is committed to the promotion of diversity, inclusion and equal opportunity across the Company and ensuring that all colleagues are treated fairly. Further information on the Board's approach to diversity, inclusion and equal opportunity, and the consideration of relevant matters during 2024 can be found in the Nomination and Governance Committee Report.

Induction

On appointment all new directors receive a comprehensive and personalised induction programme. The programme is developed and overseen by the General Counsel and Company Secretary to familiarise new directors with the Group and the market, risk and governance framework within which it operates.

Induction programmes are tailored to a Director's particular requirements, but typically include site visits, one-to-one meetings with Executive Directors, the General Counsel and Company Secretary and senior management, and meetings with the Company's key advisors. Directors also receive guidance on their statutory and regulatory responsibilities, together with a range of relevant current and historical information about the Group and its business. A key aim of the induction is to ensure that new Board members are equipped to contribute to the Group and the work of the Board as quickly as possible.

Training and development

Directors receive training and presentations during the course of the year to keep their knowledge current and enhance their experience. The Nomination and Governance Committee is responsible for overseeing the training and development needs of the Board and agrees the topics of the training sessions to be held during the year to support the ongoing development and skills of the Directors. This year, these sessions included presentations from external parties on consumer and market insights, legal and regulatory developments, audit and corporate governance reforms, directors' duties and the political and policy landscape in light of changes in 2024.

In addition to these sessions, the Board is regularly briefed on business related matters, investor relations, and legal, regulatory and governance developments. The Audit and Remuneration Committees receive updates on relevant accounting and remuneration changes, emerging market trends and evolving disclosure requirements from external advisers and management.

Board and Committee effectiveness review

The Board undertakes a formal and rigorous annual evaluation of its effectiveness and the performance of the whole Board, its individual Directors and its Committees. The Board's policy, in line with the Code, is to carry out an externally facilitated Board effectiveness review every three years.

Three year review cycle

In 2022, an externally facilitated evaluation was carried out by Board Alchemy. Accordingly, in 2024, the evaluation was undertaken internally and was led by the Chair and the General Counsel and Company Secretary.

In order to produce a set of objective data to form the basis of future comparison, a detailed questionnaire covering the Board and each of its Committees was completed by Directors. The questionnaire included general questions covering areas considered in previous effectiveness reviews (to enable comparison and monitor progress) and questions specifically covering key Board priorities in 2024. Alongside this, there was an assessment of progress against the recommendations from the 2023 internal evaluation.

The scope of the evaluation was broad and focused on a range of different areas relevant to Board and Committee effectiveness and corporate governance, having regard to the FRC's guidance on board effectiveness, including:

- Board composition, skills and diversity
- Board behaviours and dynamics
- Oversight of business performance and strategy and culture
- Board responsibilities and independence
- Board meetings and information
- The operation and contribution of Committees
- Stakeholder engagement
- The performance of the External Auditor and effectiveness of the internal audit function

The findings

The results of the evaluation, progress against the 2023 recommendations and proposed recommendations for 2025 were first discussed by the Chair and the General Counsel and Company Secretary, before being presented to the Board for discussion and approval in December 2024. Overall, the results were positive, with the key outcomes summarised below:

- The Board and its Committees continued to operate effectively in 2024, with clarity as to their role and purpose.
- There remains a good range of relevant skills and experiences on the Board, and the composition demonstrates good diversity in terms of gender and ethnicity.
- Board and Committee papers are of high quality, clear and delivered in good time ahead of meetings.
- There was a good balance of time allocated at meetings between presentation and discussion of meeting papers.
- The Board and its Committees are chaired well, with all members given sufficient opportunity to contribute to discussions, which involve an appropriate balance of constructive challenge and support.
- The training and development sessions held throughout the year were valued by Directors with universal requests for these to be maintained going forward.
- The stakeholder engagement programme was valued by the Board, which appreciated the benefit of opportunities during 2024 to meet and engage with a broader range of stakeholders, particularly through activities that formed part of the Board Strategy Day.
- The reports provided by the Designated Non-executive Director for Colleague Engagement on her activities were well received and provided valuable insight on colleague views and priorities.

Implementation of the findings of the 2023 evaluation

Progress was made against the recommendations arising from the 2023 internally facilitated evaluation throughout the year, resulting in all of the actions being completed by year end with relevant items embedded as part of ongoing Board and Committee processes. Some of the key recommendations and the actions implemented during the year are summarised in the table below.

Recommendations from the 2024 performance review

The Board welcomes the positive conclusions of the 2024 performance review and will focus during 2025 on the recommendations made, with the aim of further improving the effectiveness of the Board and its Committees. The recommendations identified in this year's review include: to consider further the impact of the Company's move from turnaround to growth in the context of Board composition and succession planning; to incorporate additional Committee-specific topics into the Director's training and development programme, including CSRD reporting requirements for the Audit Committee and the evolving practices and guidance around executive pay for the Remuneration Committee; and building on successes in 2024, to consider further opportunities for the annual Board Strategy Day to include site visits and incorporate external viewpoints.

Director performance

During the year, as Chair, I held meetings with individual Directors at which, among other things, their individual performance is discussed. Informed by my ongoing observation of individual Directors, these discussions form part of the basis for recommending the reappointment of Directors at the AGM and cover matters such as the Director's contribution to the Board and its Committees and their time commitment.

Chair performance

As in previous years, the Senior Independent Director led an annual assessment process in respect of my performance as Chair. This involved meeting with other members of the Board and the General Counsel Company Secretary without me being present and consideration of relevant findings from the 2024 Board performance review and other relevant matters. The Senior Independent Director subsequently provided feedback to me.

Progress against recommendations from the 2023 Board evaluation

Key recommendation	Summary of actions taken
To consider the balance between time spent in Board and Committee meetings on presentations and discussion.	Meeting agendas reviewed throughout the year to optimise available time. Given the quality of meeting papers, during 2024 opportunities were taken to reduce the length of presentations and to enable more time on questions and discussion in meetings. This has been supported by the addition of an 'agenda management' item at the start of each Board meeting agenda and the Chair's discussions prior to meetings with the CEO and individual NEDs to identify areas of focus for discussion.
To refresh the cover sheets used for Board and Committee papers to identify key areas on which management would like Directors to focus and, where relevant, any specific points/questions on which Directors are asked to provide input at the meeting.	Updated cover sheets for Board papers were introduced during the year which, among other things, include a section for the presenter to draw out the main areas of the report for discussion or focus by the Board.
To arrange further opportunities for Board site visits.	As discussed in more detail on page 83, the Board Strategy Day was held on site at The Oracle, Reading. Further opportunities for site visits will be a continued area of focus in 2025.
To continue with the programme of training and development sessions introduced at the Nomination and Governance Committee in 2023.	A schedule of training and development sessions for 2024 was approved by the Nomination and Governance Committee in February 2024. Training sessions have been held throughout the year both within formal meetings and at Board dinners. Further information can be found on page 89.

2024 Board evaluation process

1 Scoping and agreement of process

Following initial discussion between the Chair of the Board and the General Counsel and Company Secretary, the proposed methodology and timing for the review was discussed and approved by the Nomination and Governance Committee in February 2024.

2 Completion of questionnaires

All Directors completed tailored questionnaires assessing the effectiveness of the Board and its Committees in different areas.

3 Responses analysed

The responses to the questionnaires were collated and analysed to identify themes and findings.

The Chair of the Board and Nomination and Governance Committee and the General Counsel and Company Secretary reviewed the findings and agreed the proposed recommendations for 2025.

4 Responses discussed and recommendations agreed

A paper was prepared setting out the findings of the evaluation and the recommendations for 2025. The findings and recommendations for 2025 were discussed and approved by the Board in December 2024.

Audit, risk and internal control

Financial statements and audit

The Group has established internal controls and risk management systems in relation to the process for preparing the Financial Statements. The main features of these controls include consistently applied accounting policies, clearly defined lines of responsibility, IT system controls and processes for the review and oversight of disclosures within the Annual Report.

Various checks on internal financial controls take place throughout the year, including cyclical and risk-based internal audits, which are detailed further on page 99.

The Audit Committee oversees the Group's financial reporting and monitors the independence and effectiveness of the internal and external audits. The Committee oversees the valuation of the property portfolio and is responsible for the relationship with the External Auditor. Further information can be found in the Audit Committee Report on pages 97 to 103.

Fair, balanced and understandable assessment

The Board is responsible for presenting a fair, balanced and understandable assessment of the Company's position and prospects. The full statement confirming this can be found in the Statement of Directors' responsibilities on page 126. Additionally, the Group's Viability Statement can be found on pages 74 to 75 and the going concern statement can be found on page 144.

Risk management and internal controls

The Board recognises that it has overall responsibility for monitoring risk management and internal control systems so as to protect the assets of the Group and ensure risks are appropriately managed. Further information on the Group's approach to risk can be found on pages 66 to 73 and in the Audit Committee Report on pages 97 to 103.

During the year, the Board and its Committees discuss and review a range of matters relevant to the overall assessment of risk management and internal controls. This included a thorough review by the Audit Committee and the Board of the principal and emerging risks to which the Group is subject and consideration of risk appetite. Activity in these areas forms a key part of the Board's processes to identify, evaluate and manage the principal risks faced by the Group, and relevant mitigating actions. As part of its assessment of risk, the Board considers relevant internal and external factors, including developments in 2024 as a result of economic and political factors relevant to the Group, its operations and the markets in which it operates.

The Board and its Committees have continued to monitor closely external and regulatory developments in relation to risk management and internal controls, including the introduction of provision 29 in the 2024 UK Corporate Governance Code. The Group's processes and procedures in this area will be subject to a holistic review during 2025 to ensure their appropriateness ahead of that provision coming into force from 1 January 2026.

Remuneration

Remuneration Committee

The Remuneration Committee is responsible for establishing a remuneration policy which is designed to support the Company's strategy and promote its long term sustainable success. The Committee sets the remuneration for the Chair of the Board, Executive Directors and members of the GEC. It also oversees remuneration policies and practices across the Group. The Committee is responsible for the alignment of reward, incentives and culture and approves bonus plans and long term incentive plans for the Executive Directors and members of the GEC. During 2024, the Committee considered a broad range of matters within its Terms of Reference. Further information can be found in the Remuneration Committee Report on pages 104 to 123.

Robert Noel
Chair of the Board
25 February 2025

Nomination and Governance Committee Report

Robert Noel
Chair of the Board
and Chair of the
Nomination and Governance
Committee

Committee membership
Robert Noel (Chair), Habib Annous, Méka Brunel, Mike Butterworth, Adam Metz, Carol Welch

Other regular attendees by invitation
Rita-Rose Gagné, Chief Executive
Jessica Oppenheimer, Chief People Officer

Meeting attendance
In 2024 there were three scheduled meetings.

For details of attendance, see the attendance table on page 83.

Interaction with other committees
The Nomination and Governance Committee makes recommendations to all other Committees regarding the appointment and removal of their members and chair.

Key focus areas in 2024
- Board and Committee composition, including Director reappointment recommendations and term renewals
- Succession planning for the Board and senior management, and talent development
- Assessment of Non-executive Director independence
- Led the 2024 internal Board and Committee performance review
- Colleague engagement, including reports from the Designated Non-executive Director for Colleague Engagement
- Oversight of HR initiatives and activities, including diversity, inclusion and equal opportunity initiatives and targets
- Stakeholder identification and engagement mechanisms
- Board training and development plan for 2024
- Governance policies and documents, including Committee terms of reference, matters reserved for the Board and division of responsibilities
- Oversight of external governance and legal developments, including the new UK Corporate Governance Code and UK Listing Rules

Dear Shareholders

On behalf of the Board, I am pleased to present the Report of the Nomination and Governance Committee (the Committee) covering the work of the Committee during 2024. This report provides an overview of the roles and responsibilities of the Committee and its main activities during the year.

The Committee comprises all our Non-executive Directors and its terms of reference can be found on the Company's website at www.hammerson.com. The Chief Executive and Chief People Officer attend meetings by invitation, together with the General Counsel and Company Secretary, who acts as Secretary to the Committee.

The Committee is responsible for recommending appointments to the Board and its Committees, and ensures that plans are in place for the orderly succession to the Board, its Committees and the senior management team. This includes the development of a pipeline of potential candidates to the Board and the senior management team with the necessary skills and experience, while taking into account diversity, inclusion and equal opportunity. The Committee is also responsible for overseeing the Board and Committee performance review and monitoring developments relating to corporate governance, bringing any issues to the attention of the Board.

Robert Noel
Chair of the Nomination and Governance Committee
25 February 2025

Board balance, composition and skills

The composition of the Board was unchanged during 2024. It currently comprises eight Directors: the Chair of the Board, two Executive Directors and five Non-executive Directors. During the year and in accordance with its usual practice, the Committee reviewed the composition and balance of the Board and its Committees, having regard to requirements under the UK Corporate Governance Code (the Code). The review considered: each Director's skills, experience and knowledge; the membership of the Committees of the Board; the balance on the Board between Executive and Non-executive Directors; the tenure of individual Directors and the Board as a whole; the diversity of the Board; and the independence of the Non-executive Directors.

As demonstrated by the skills and experience summarised in the biographies of the Directors on pages 80 to 81, and the Board skills and experience matrix opposite, the Board members have a wide range of relevant skills and knowledge gained in diverse business environments and different sectors and geographies. This gives the Board varying perspectives during discussions and enhances its decision making and oversight of management. The Committee is satisfied that the Board has the necessary mix of skills and experience to fulfil its role effectively (as confirmed by the internally facilitated Board performance review conducted in 2024 – see pages 89 to 91).

The Committee is also satisfied that the Board is comprised of an appropriate combination of Executive and Non-executive Directors, and that the overall size of the Board remains appropriate given the complexity and scale of the Company's operations. All Non-executive Directors are currently considered to be independent for the purposes of the Code as at the date of this Report. On appointment to the Board, I was considered to be independent in accordance with the terms of the Code.

During 2024, the Committee oversaw the process for the internal performance review of the Board and its Committees. Further information can be found on pages 89 to 91.

Re-election of Directors at the 2025 AGM

All Directors are subject to annual re-election by shareholders at the AGM. Prior to the Company's AGM each year, the Committee considers, and makes recommendations to the Board concerning the reappointment of Directors, having regard to their performance, suitability, time commitment and ability to continue to contribute to the Board. Following this year's review in advance of the 2025 AGM, the Committee has recommended to the Board that all Directors be reappointed at the AGM.

The biographies of the Directors, set out on pages 80 to 81, contain more information on the reasons why the Board recommends the re-election of each Director. Directors are expected to devote sufficient time to the Company's affairs to enable them to fulfil their duties as Directors effectively. The attendance at the meetings for each Director during 2024 is shown in the Board and Committee Meetings Attendance table on page 83. Details of the Company's Overboarding Policy and decisions made during the year in relation to Directors' additional external appointments are set out on page 88. The Committee remains satisfied that each Director continues to devote an appropriate amount of time to the Company and to their responsibilities as a Director.

Board skills and experience

	Rita-Rose Gagné	Himanshu Raja	Robert Noel	Mike Butterworth	Habib Annous	Méka Brunel	Adam Metz	Carol Welch
Risk Management; Audit		●	●	●	●	●	●	
Finance, Banking; Financial Services; Fund Management		●		●	●	●	●	
Investment; Mergers & Acquisitions	●	●	●	●	●	●	●	●
Asset and Property Management, Regeneration & Development	●		●	●		●	●	●
Business Transformation; Strategy	●	●	●	●		●	●	●
Retail	●			●		●	●	●
Media; Marketing				●				●
Digital; Customer Service & Customer Behaviours	●	●		●				●
International Business & Markets	●			●		●	●	●
Environmental, Social & Governance	●	●	●	●	●	●		
People, Talent, Culture and Remuneration	●		●		●	●		●

Board Diversity, Inclusion and Equal Opportunity Policy and objectives

Diversity, inclusion and equal opportunity has continued to be a focus of the Committee, with consideration during the year of relevant developments and activities at Board level, across senior management and within our wider colleague base. The Committee is mindful of the diverse communities within which the Company's destinations are located, and of the advantages of promoting diversity, in its broadest sense, at all levels of the Company's operations.

In December 2024, the Committee reviewed the Board Diversity, Inclusion and Equal Opportunity Policy, with an updated version subsequently approved by the Board. The policy sets out the Company's approach to diversity, inclusion and equal opportunity when reviewing the composition and balance of the Board and its committees. The Board recognises the benefits of diversity and inclusion in their broadest sense in the boardroom and that the skills, knowledge and backgrounds collectively represented on the Board should reflect the environment in which the business operates. The policy can be read in full on the Group's website at www.hammerson.com.

The Board continues to meet its target of having female representation on the Board of at least 33%, and, over time as opportunities arise, it will seek to achieve female representation of at least 40%. It also continues to meet its target of at least one of the Chair of the Board, the Senior Independent Director, CEO or CFO being female, and having at least one non-white Director. Further information on each of these areas is set out on pages 94 to 95.

The Directors believe that the benefits of a diverse and inclusive Board, and wider workforce, will bring different perspectives and build a broad range of capabilities necessary for the Company to achieve its strategic objectives.

At the end of 2024, the Board continued to be diverse: three of the Board's eight members were women (37.5%) and the Board exceeded the Parker Review target of having at least one Director from a minority ethnic group with three of its eight members (37.5%) identifying as non-white.

The Board recognises that due to its relatively small size, the appointment or departure of a single Director can have a significant impact on the achievement of particular numerical targets with respect to the Board's composition. However, considerations relating to diversity of gender and ethnicity, including the targets set out in the UK Listing Rules and relevant investor guidelines, will continue to be important factors for any future Board-level recruitment searches and appointments.

Although there were no recruitment searches at Board-level undertaken in 2024 and the composition of the Board was unchanged throughout the year, the Committee remains committed in future searches to (i) engaging only executive search firms who have signed up to the Voluntary Code of Conduct on gender diversity and best practice and (ii) ensuring that candidate lists for Board positions are compiled by drawing from a broad and diverse range of candidates (including candidates who may not have prior listed company experience).

During the year, the Committee considered the Company's diversity in the context of the UK Listing Rules requirements on diversity reporting, which first applied in last year's Annual Report. Further information and the relevant disclosures follow in the sections below. The Committee will continue to monitor compliance with the targets in the Listing Rules, as well as considering diversity in the Company's senior manager population. As part of this it will continue to be updated on, and discuss, initiatives across the Company in relation to diversity and inclusion.

Gender identity reporting under LR6.6.6R(9) and LR6.6.6R(10)

As at 31 December 2024, being the relevant reference date for the purposes of Listing Rule 6.6.6R(9)(a):

- three of the Board's eight members identified as female (37.5%). This is slightly below the target of 40% in the Listing Rules. This requirement will be an important consideration for future Board appointments. In line with the Board Diversity, Inclusion and Equal Opportunity Policy, the Board will seek to achieve female representation of 40% as opportunities arise as part of future recruitment searches; and
- the position of Chief Executive, being one of the senior positions identified in the Listing Rules (together with the Chair of the Board, the Senior Independent Director and the Chief Financial Officer), was held by a woman.

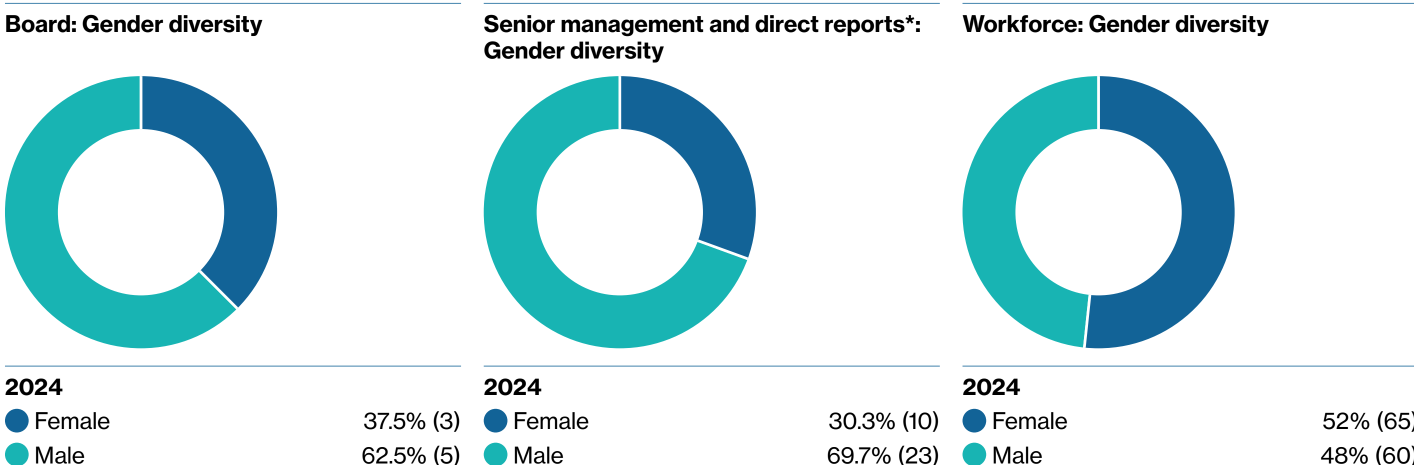
Gender identity

The Board's commitments in these areas are formalised within the Board Diversity, Inclusion and Equal Opportunity Policy.

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in executive management[1]	Percentage of executive management[1]
Men	5	62.5%	3	6	75%
Women	3	37.5%	1	2	25%
Not specified/prefer not to say					

1 In accordance with Listing Rule 6.6.6R(10), executive management for these purposes are the members of the Group Executive Committee.

2 The data in the table was collected via written submissions completed by each relevant individual within scope of the reporting requirements set out in Listing Rule 6.6.6R(10).



All data as at 31 December 2024

* as defined in the UK Corporate Governance Code (excluding executive assistants)

Ethnic background identity reporting under LR6.6.6R(9) and LR6.6.6R(10)

As at 31 December 2024, being the relevant reference date for the purposes of Listing Rule 6.6.6R(9)(a), three of the Board's eight members identified as non-white (37.5%), exceeding the target set in the Listing Rules, the Parker Review and the Board Diversity, Inclusion and Equal Opportunity Policy.

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in executive management[1]	Percentage of executive management[1]
White British or other White (including minority-white groups)	5	62.5%	3	7	87.5%
Mixed/Multiple Ethnic Groups	1	12.5%			
Asian/Asian British	1	12.5%	1	1	12.5%
Black/African/Caribbean/Black British					
Other ethnic group	1	12.5%			
Not specified/prefer not to say					

1 In accordance with Listing Rule 6.6.6R(10), executive management for these purposes are the members of the Group Executive Committee.

2 The data in the table was collected via written submissions completed by each relevant individual within scope of the reporting requirements set out in Listing Rule 6.6.6R(10).

Parker Review – Board and senior management

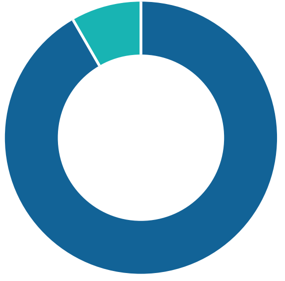
As noted above, three of the Board's members (37.5%) identify as non-white. This exceeds the current target set by the Parker Review.

The Parker Review recommends that FTSE 250 companies set a target for the percentage of their senior management who self-identify as being from an ethnic minority in December 2027. As reported in last year's Annual Report, the Committee set a target of 10% in 2023 and spent time in 2024 reviewing the progress made against achieving that target.

While the progress achieved in this area is encouraging, we remain mindful that further active effort will be required to continue to make progress in this area. The Committee will monitor the target in the years ahead, including consideration of progress and ongoing actions to deliver compliance by December 2027. This will include regular reports from the Chief People Officer on the Company's participation in sector wide activities and discussions in this area.

You can read more about the management development plans that we have in place to encourage and support achieving this target and creating a diverse and inclusive pipeline more broadly in the Our Colleagues section on page 47 to 48.

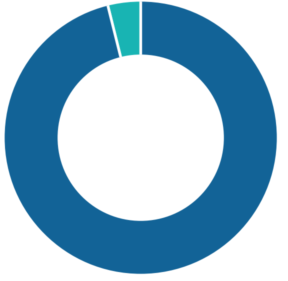
Workforce: Senior Managers



2024

- Identified as white 91% (21)
- Identified as non-white 9% (2)

Workforce: Senior Managers



2023

- Identified as white 96% (23)
- Identified as non-white 4% (1)

Workforce diversity, colleague engagement, and succession planning

In December 2024, the Committee considered the Company's Annual HR Report, including a report on culture and engagement, talent development, progress with diversity and inclusion objectives across the Group, the UK gender pay gap and wider HR initiatives for 2025. The Committee takes seriously its role in overseeing the development of a diverse pipeline for senior management positions and the link between diversity and inclusion, and delivery of the Company's purpose, values and strategic aims. It received updates during the year on diversity and inclusion initiatives across the Group, including management's work with diversity and inclusion campaign groups, and the activities of the Company's Affinity Network. In line with the Code, the Committee discloses that the gender balance of those in senior management (being the members of the GEC) and their direct reports (excluding executive assistants) at 31 December 2024 was 30.3% (10) female (2023: 30.6% (11)) and 69.7% (23) male (2023: 69.4%% (25)).

Further details of gender diversity at senior manager level (as defined in the Companies Act 2006) and across the colleague base can be found on page 48. The charts on these pages illustrate the gender diversity at Board level and with respect to senior management and their direct reports (as defined in the Code) and also the overall workforce, in each case as at 31 December 2024.

Colleague engagement and culture

The Committee continues to be involved in overseeing colleague engagement activities. In 2024, the Company gathered feedback from colleagues via participation in an all colleague survey. The results of that exercise, including the short, medium and long term actions that it highlighted, and the progress achieved against the prior year's results, were presented to the Committee in June 2024.

In December 2024, Carol Welch, as Designated Non-executive Director for Colleague Engagement, also reported to the Committee on her activities during 2024, and on her engagement with colleagues and, in particular, with the colleague forum ('the Forum').

Carol's report included, among other things, perspectives on actions in 2024 to embed the Company's relaunched purpose, vision and values, the development of the talent pipeline, and colleague engagement and communication initiatives.

In June and December 2024, the Chief People Officer presented an update on the work of The Forum, including its focus areas for 2024 and priorities for the period ahead. You can read further details on this on page 85.

The Committee plays an important role in monitoring the Company's culture. In 2024 it received information and data from the Chief People Officer in relation to culture and activities across the organisation to ensure that culture remains aligned with the Company's purpose, values and strategy. This will remain an area of focus during 2025.

Stakeholder engagement

In addition to its activities described above in relation to colleague engagement, the Committee spent time during 2024 considering the Board's wider approach to stakeholder engagement.

Among other things, this included a review of the principal stakeholders identified by the Company together with an assessment of the different methods used to engage with those stakeholders and how their perspectives (and factors identified in section 172 of the Companies Act 2006) are taken into account as part of Board discussion and decision-making.

The review concluded that relevant stakeholders and their interests had been identified and that mechanisms for engaging with them, both directly and indirectly, had been valuable in informing Board decisions in the year. Further information on the Company's stakeholders and the Company's section 172 statement can be found on pages 28 to 31.

Governance

The Committee is responsible for certain governance-related matters, including:

- Monitoring the Board's corporate governance arrangements to ensure that both the Company and the Board operate in a manner consistent with corporate governance best practice.
- Monitoring Director conflicts of interest.
- Reviewing the continued independence of the Non-executive Directors.
- Reviewing and approving the process for the annual performance review of the Board and its Committees, including approval of the appointment of any external evaluator and monitoring progress against any relevant recommendations arising from any such effectiveness review.
- Monitoring training and development needs of the Board and individual Directors.
- Reviewing the Company's delegation of authority policy and making such recommendations as required to the Board for approval.
- Considering the process to be followed for the annual appraisal of the Chair.

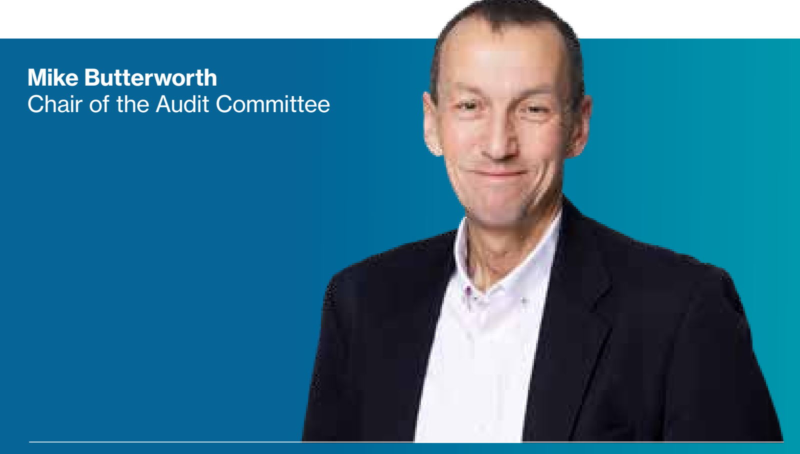
During 2025, the Committee will continue to monitor external governance developments and in particular, oversee the Company's compliance with, and effective reporting against, the new UK Corporate Governance Code which, with the exception of provision 29, will first apply to the Company in its financial year beginning on 1 January 2025. I look forward to providing a full update on our compliance against those new provisions in the 2025 Annual Report. In 2024, the Committee also tracked changes to the UK Listing Rules and on listing reforms relevant to the Company's secondary listing on Euronext Dublin.

Committee effectiveness

As described in more detail on pages 89 to 91, an internal review of the performance of the Board and its Committees was undertaken during the year in line with the requirements of the Code. The Committee considers that during the year it continued to have access to sufficient resources to enable it to carry out its duties and has continued to perform effectively. In 2024, the Committee reviewed and updated its terms of reference to ensure that they remain appropriate.

Robert Noel
Chair of the Nomination and Governance Committee
25 February 2025

Audit Committee Report



Mike Butterworth
Chair of the Audit Committee

Committee membership
Mike Butterworth (Chair), Habib Annous, Adam Metz

Other regular attendees by invitation
Rita-Rose Gagné, Group Chief Executive
Robert Noel, Chair of the Board
Himanshu Raja, Chief Financial Officer
Richard Shaw, Deputy Chief Financial Officer
External Auditor
Internal audit

Meeting attendance
In 2024 there were five scheduled meetings.

For details of attendance, see the attendance table on page 83.

Key topics discussed
- Ensure the integrity of reporting processes, including the Group's property valuation processes
- Agree the accounting treatment of various financial matters, in particular the disposal of the Group's interest in Value Retail
- Review the effectiveness of risk management and internal control processes
- Cyber and information security enhancements and developments
- The effectiveness and independence of the internal audit function and performance of the External Auditor
- Assess the Group's principal risks and ESG risks and opportunities under TCFD and TNFD
- Horizon scanning and preparation for evolving legal and governance landscape, including future ESG reporting requirements
- Advise the Board on whether, as a whole, the Annual Report and Accounts are fair, balanced and understandable
- Recommend to the Board for adoption proposed amendments to Group policies concerning anti-money laundering, anti-bribery and corruption, anti-fraud and whistleblowing
- Consider the results of the 2024 internal performance review in respect of the performance of the Committee
- Review the Committee's terms of reference and recommend amendments to the Board for approval

Dear Shareholders

As Chair of the Audit Committee (the Committee), I am pleased to present my report for the year ended 31 December 2024.

The Committee plays a key governance role for the Group. It acts independently of management to ensure the integrity of financial reporting and the effectiveness of internal controls. The Committee complied with all relevant provisions of the 2018 UK Corporate Governance Code (the Code) in 2024 and has sought to apply the applicable guidance set out within the Financial Reporting Council's ('FRC') Guidance on Audit Committees, including the minimum standards published by the FRC in May 2023. The Committee expects to comply in full with the guidance in 2025 and details on this will be included in the 2025 annual report.

The Committee's terms of reference are available to view at www.hammerson.com.

This report sets out the activities undertaken by the Committee during 2024 and offers insight into how the Committee has discharged the responsibilities delegated to it by the Board and its key areas of focus.

Mike Butterworth
Chair of the Audit Committee
25 February 2025

Membership and meetings

The Committee continues to be comprised exclusively of independent Non-executive Directors with the necessary financial experience and sector specific knowledge to fulfil their responsibilities. There were no changes in the membership of the Committee during the year.

The Committee met five times during the year. To ensure the Committee addresses all its required responsibilities, the agenda for each meeting is planned around the Group's annual reporting cycle and includes particular matters for the Committee's consideration. In addition, the agenda is reviewed by the CFO and I to ensure it addresses any new matters which fall under the Committee's responsibilities. Following each meeting, the Board is appraised of matters arising from the Committee.

The Chair of the Board, the Chief Executive, the Chief Financial Officer and other members of the senior finance team, together with senior representatives of the Company's External Auditor, PricewaterhouseCoopers LLP ('PwC'), are invited to attend all or part of meetings as appropriate. In order to fulfil its duties as set out in its terms of reference, the Committee receives presentations and reviews reports from the Group's senior management and from the Group's external valuers, CBRE Ltd, Cushman and Wakefield LLP, Jones Lang LaSalle Ltd (the Valuers), and the External Auditor, PwC.

The Committee meets, with no Company management present, at least once a year with PwC, and at least once with the Group's member of management responsible for internal audit, enterprise risk and ESG. Each scheduled meeting of the Committee also includes time for discussion between the members without the presence of management.

The Valuers and PwC have full access to one another, and I personally spoke with the Valuers and PwC separately to discuss the half year and year end valuation process to ensure each was satisfied that there had been a full and open exchange of information and views.

Independence and experience

The Board continues to be satisfied that the Committee members provide an appropriate depth of financial reporting, risk management and commercial experience across different industries including commercial real estate and in listed companies. This combined knowledge and experience enables the Committee to undertake its duties properly and act independently of management.

The Board has also confirmed that it is satisfied that being a chartered accountant and having held other senior finance appointments, I meet the Code requirement that at least one member has recent and relevant financial experience.

More information about the Committee members' skills and experience is set out in the Director biographies on pages 80 to 81 and in the Board Skills Matrix on page 93.

Annual review of effectiveness

For 2024, the review of the Audit Committee's performance was carried out internally, led by the Chair of the Board and the General Counsel and Company Secretary. I can confirm that this review concluded that the Committee continues to perform its role effectively with no significant concerns or improvement recommendations. The performance of the External Auditor and the effectiveness of the internal audit function were also assessed as part of this review, with no significant concerns identified.

The private sessions of the Committee, in which members meet without the presence of management, also provide further opportunities to discuss matters in connection with its effectiveness and to highlight any areas for improvement or change.

External advice

The Board makes funds available to the Committee to enable it to take independent legal, accounting or other advice if or when the Committee believes it necessary to do so. No such independent advice was required in 2024.

Key committee activities in 2024

Core duties

The Committee assists the Board in fulfilling its oversight responsibilities by acting independently from the Executive Directors. There is an annual schedule of items which are allocated to the meetings across the year to ensure that those items within the Committee's terms of reference are covered fully and that sufficient time is allocated to allow for thorough discussion and challenge. These items are supplemented and, time allocations amended, throughout the year as key matters arise.

The principal duties of the Committee undertaken in 2024 included:

Accounting and financial reporting matters

- Monitoring the integrity of the Annual Report and Accounts and the Interim Statement to ensure clarity and completeness of disclosures, including those relating to alternative performance measures.
- Reviewing matters of accounting significance, including financial reporting matters, judgements and estimates.
- Advising the Board on whether, as a whole, the Annual Report and Accounts are fair, balanced and understandable.
- Reviewing the Group's valuation process and valuations of the Group's property portfolio.
- Considering and reviewing the basis for the going concern and longer term viability statements in light of financial plans and reverse stress tests
- Reviewing the impact of climate risk on the financial statements and the Group's TCFD and TCFN disclosures.
- Receiving updates on the impact of emerging legislation, regulation and guidance, including The Corporate Sustainability Reporting Directive.
- Reviewing and monitoring the response to queries from the UK or Irish regulators.

Risk management and internal control

- Reviewing the Group's financial controls and internal control effectiveness and maturity.
- Reviewing and monitoring the Group's risk management systems, processes and risk appetite, including those to identify emerging risks, to ensure the Group has an effective internal controls environment and complies with the applicable laws and regulations.
- Ensuring that management has systems and procedures in place to ensure the integrity and accuracy of financial information.
- Debating and agreeing changes to the Group's principal risks and advising the Board on the same.

Internal audit

- Monitoring and reviewing the adequacy, effectiveness and independence of the Internal Audit and Risk functions, ensuring they have adequate resources and appropriate access to information to enable them to perform their function effectively and efficiently in accordance with the relevant professional standards.
- Reviewing and approving a terms of reference for the function which defines its role, responsibility, accountability and how it maintains its independence and objectivity.
- Considering the whistleblowing mechanisms by which colleagues may raise concerns about possible improprieties in financial reporting or other matters.
- Considering the findings of internal audit investigations and the response of senior management to any recommendations arising from those findings.
- Monitoring the resolution of agreed actions from previous internal audit reviews.
- Reviewing and approving the 2025 Group internal audit plan, which comprises a five year cyclical and risk based annual internal audit plan.

External audit

- Approving the annual audit plan presented by the External Auditor.
- Reviewing the results and conclusions of work performed by the External Auditor.
- Reviewing and monitoring the relationship with the External Auditor, including their independence, objectivity, effectiveness, terms of engagement and approval of fees.
- Reviewing and approving the policy on the engagement of the External Auditor to supply non-audit services.
- Engaging with External Auditor and senior management in relation to the appointment of a new lead audit partner.
- Making recommendations for the reappointment of the External Auditor.

General matters

- Reviewing and approving the Group's tax strategy and accompanying statement.
- Reviewing and recommending to the Board for adoption the Group's policies on Anti-Bribery and Corruption, Anti-Money Laundering, Whistleblowing, Fraud and Data Protection.
- Referring matters to the Board which, in its opinion, should be addressed at a meeting of the Board.
- Evaluating its own performance and effectiveness and as part of this, reviewing its constitution and terms of reference, recommending changes to the Board for approval.

Risk management and internal control

Risk management

The Audit Committee continued to review the Group's approach to risk management. As explained in the Risks and Uncertainties section on page 66, the Group uses a number of tools to review the Group's risk management processes including the Group's Risk Management Framework, Residual Risk Heat Map and Risk Dashboard. These tools are reviewed regularly by senior management to ensure that risks, both existing and emerging, are properly identified and managed and the potential impact on the Group assessed. The Committee also supported the Board in its annual review of the Group's risk appetite.

Climate risk

As part of the Group's Task Force on Climate-related Financial Disclosures ('TCFD') response, the impact of climate risk was assessed in the context of the financial statements. Further details on the Group's TCFD response is given on pages 55 to 65.

For the year ended 31 December 2024, while recognising the Group's commitment to achieving Net Zero by 2030 as part of the wider ESG strategy, it was judged that climate risk has not had a material impact on the financial reporting estimates and judgements.

Key areas of the financial statements in which climate risk has been assessed were:

- Property valuations which are stated at fair value as determined by the Group's external valuers in accordance with RICS Valuation – Global Standards. RICS has previously published a guidance note 'Sustainability and ESG in Commercial Property Valuation' and the implications of this for the Group's valuations were discussed with the Valuers. We have also shared the Group's Net Zero Asset Plans with the Valuers to enable them to fully understand the planned programme of works which are a key element of the Group's Net Zero commitment.
- Going concern and Viability: Given the longer term nature of climate risk there is not expected to be a material impact on the Group's financial projections over the shorter Going concern and Viability periods.
- Contingent liabilities: As explained in note 18A to the financial statements, in 2021 the Group issued €700m sustainability linked bonds maturing in 2027. The bonds contain two emissions reduction targets, both of which will be tested in 2025 against a 2019 benchmark. If the targets are not met, a total of 37.5 basis points per annum, equivalent to £2.2m per target, will be payable in addition to the final year's coupon. Given the continued progress made in reducing emissions these potential penalties have been treated as contingent liabilities in the 2024 financial statements.

Further details of the Group's approach to climate risk can be found on pages 55 to 65.

Internal control

The Committee assists the Board in fulfilling its responsibilities relating to the adequacy and effectiveness of the Group's control environment.

During the year, the Committee received regular updates on the Group's internal control systems covering financial, operational and compliance controls. The Group's internal controls provide reasonable but not absolute assurance against material misstatement or loss. The review of the controls involves analysis and evaluation of the key risks to the Group, including a review of all the material controls. This includes the plans for the continuity of the Group and its operations in the event of unforeseen interruption.

Throughout 2024 the COSO 2013 internal control framework was applied. The application of this framework ensures that the Group's control environment and assurance programme is robust and aligned to its principal risks. It also promotes a strong culture of awareness and accountability for risk management across the Group.

In addition, the Committee reviewed the Group's approach to compliance with legislation and the prevention of anti-money laundering and anti-bribery and corruption. Updates were provided throughout the year on the additional measures to be introduced by The Economic Crime and Corporate Transparency Act 2023 in respect of the new offence of failing to prevent fraud and relevant updates to the Company's policies and procedures will be presented to the Committee for recommendation to the Board during 2025. The Committee also oversaw enhancements made to the Group's arrangements relating to whistleblowing, which ensures that appropriate systems are in place for colleagues to raise concerns in confidence. I am pleased to confirm that no allegations of fraud or whistleblowing concerns were raised in 2024.

The Committee confirms that its review of the control environment in 2024 was able to demonstrate that the Group continues to operate an effective internal control environment.

Material matters, judgements and estimates

The Committee received reports from management and the External Auditor setting out the significant accounting and financial reporting matters and judgements in respect of the financial statements as well as how these matters were addressed. The following sets out the main areas of judgement considered by the Committee. For each area, the Committee was satisfied with the accounting and disclosures in the Annual Report and Accounts.

Matter considered	The Committee's review and conclusion
Valuation of the Group's property portfolio The valuation of the Group's property portfolio is a key recurring judgement due to its significance in the context of the Group's net asset value. Valuations are inherently subjective due to the assumptions and judgements made by the Valuers. Key inputs to the valuations are capitalisation yields and market rental income ('ERV'). The Valuers also consider other factors including the location, physical attributes of the property, and environmental and structural conditions. Valuations are undertaken by the Group's three external valuers and are thoroughly reviewed by management.	The external valuers each presented their year end valuations to the Committee in February 2025. These were scrutinised, challenged and debated with a focus on the key judgements adopted to determine ERVs and yields. The impact of climate change and any future capital expenditure requirements on the valuations were also discussed. It was acknowledged that the Group's leasing performance provided good evidence to support the Valuer's ERV assumptions. It was also acknowledged that the increased number of acquisition/sale transactions provided a more robust basis for yield judgements than in recent years. The Committee Chair also held private meetings with each valuer to discuss the valuation process and confirm that the valuers remained independent and objective. The Committee also received a report from the External Auditor detailing their assessment of the valuation process and year end values. Based on the work undertaken, the Committee was satisfied that the valuations had been carried out in an appropriate manner with reference to the widest range of available evidence and was therefore suitable for inclusion in the Group's financial statements.
Accounting for the Value Retail disposal In May 2023, the Group announced that its investment in Value Retail ('VR') was non-core and entered into potential disposal discussions with a third party. These discussions significantly advanced in the first half of 2024 and as part of the preparation of the 30 June 2024 condensed interim financial statements, the Directors had to assess whether the investment met the criteria under IFRS 5 'Non-current assets held for sale and discontinued operations' to require reclassification to an asset 'held for sale'. A binding sale agreement for the Group's entire interest was subsequently signed on 22 July 2024 for gross proceeds of €705m (£595m). The sale completed on 18 September 2024.	The Group has historically accounted for its Value Retail investment as an associated undertaking in accordance with IAS 28 'Investments in Associates and Joint Ventures'. The advanced sale discussions in the first half of the year required the Committee to assess whether the investment should be reclassified as 'held for sale' as per IFRS 5 as part of the preparation of the Group's 30 June 2024 condensed interim financial statements. The Committee reviewed and discussed papers on the matter at both the June and July committee meetings. These set out the judgements required under the IFRS 5 reclassification criteria. Based on this, the Committee concluded that the investment should be reclassified to 'held for sale' as at 30 June 2024 as management were committed to a sale and a transaction was deemed 'highly probable' within the next 12 months. The paper also set out the basis of the impairment review required upon reclassification. This was based on VR's 30 June 2024 financial position, the value of other assets and liabilities directly associated with the sale, the fair value of the expected proceeds, and the estimated costs of the transaction. This resulted in the recognition of a £483m impairment charge at 30 June 2024. The papers also set out the proposed accounting treatment following reclassification to held for sale, such that upon reclassification, equity accounting ceased and any subsequent gains or losses on remeasurement would be recognised in the consolidated income statement as impairment gains or losses. Finally, the Committee concluded that, as VR was an identifiable business segment for the Group, that VR's results for both the current and prior accounting periods needed to be re-presented as 'discontinued operations' and disclosed separately to the Group's 'continuing operations'. The papers explained the disclosure requirements associated with this treatment. Following the completion of the sale, management prepared another paper which was reviewed and discussed by the Committee. This set out the basis of a £11m reduction in the impairment charge over the period from reclassification to held for sale on 30 June 2024 to the completion of the disposal on 18 September 2024. The movement was principally due to foreign exchange translation differences between the two dates; distributions paid as per the sale contract in relation to the Group's period of ownership; and the reclassification of tax on the disposal which had been included in the estimated transaction costs when assessing the impairment at 30 June 2024. The Committee were satisfied with the proposed accounting treatment and associated disclosures relating to the VR sale. Further details on the sale are provided in note 9 to the financial statements.

Matter considered	The Committee's review and conclusion
Accounting for property transactions (including classification of assets held for sale) The accounting treatment of property transactions is a recurring judgement for the Group because of the financial significance and potential complexity of such transactions. For property transactions, judgement can be required to determine the point at which assets should be reclassified as 'held for sale'.	The key property transactions completed in 2024 were the sale of Union Square in March for gross proceeds of £111m and the acquisition of its former joint venture partner's 50% stake in the West Quay Limited Partnership on 7 November 2024, such that from that date the Group owned 100% of the entity. The Committee reviewed and challenged management's paper on the accounting treatment for both transactions. The Union Square sale was recognised on completion, while for the Westquay acquisition judgement was required under IFRS 3 to determine whether the transaction was an asset acquisition or a business combination. The Committee concluded that the acquisition was an asset acquisition since the transaction involved the purchase of a corporate entity that was unable to operate independent of Hammerson's management. Also, the predominant asset acquired was the Westquay flagship destination, with the other sundry net assets acquired ancillary to the property asset. The paper also explained that from an accounting perspective in its 2024 financial statements, the transaction required the Group to derecognise its investment in joint venture, recognise an asset acquisition and subsequently consolidate the entity. The Committee also reviewed and concluded that there were no ongoing potential property transactions which met the reclassification criteria under IFRS5 to be 'held for sale' at 31 December 2024.
Going concern and viability An assessment is required to recommend to the Board that the Group's financial statements be prepared on a going concern basis. A further assessment is also required to support the Group's Viability Statement.	The Committee, in conjunction with the Board, reviewed management's assessments of going concern and viability. The assessments both contained a base scenario derived from the Group's Business Plan and took account of the Group's principal risks, including climate change, and the latest geopolitical, economic and trading outlook. The assessments contained earnings, balance sheet, cash flow, liquidity and credit metric projections, including key covenants. They also contained reverse stress tests to appraise the Group's absolute resilience to adverse changes to the key variables (valuations and net rental income) impacting debt covenants. The Committee reviewed and challenged the financial forecasts and their underlying assumptions and were satisfied that management had conducted a robust assessment which clearly demonstrated the Group's resilience. It noted that the Group's disposal of its interest in Value Retail and the refinancing of the joint venture debt facility secured against Dundrum, Dublin, which both completed in 2024, had strengthened the Group's resilience to adverse changes to the key variables impacting the Group's debt covenants. Based on the work undertaken, the Committee concluded that the 2024 financial statements be prepared on a going concern basis and that the Group should retain a three year Viability period. See pages 144 and 74 for the Going concern and Viability statements respectively.
Fair, balanced and understandable The Directors are required to consider the disclosures in the Annual Report are fair, balanced and understandable. This includes both the narrative explanation of the Group's performance and its use of Alternative Performance Measures ('APMs'), being financial measures not specified under IFRS. These are used to monitor the performance of the business, which management reviews on a proportionally consolidated basis. Judgement is required to ensure disclosures and associated commentary explain clearly the performance of the business and for APMs, provide reconciliations to IFRS.	The Committee reviewed management papers which explained management's judgement that the Annual Report was fair, balanced and understandable. This set out the consistency and balance across the various sections of the Annual Report and the completeness of disclosures. In relation to APMs, the paper explained that APMs: – are not given more prominence than measures under IFRS – are properly explained, including the rationale for their use – where relevant, are reconciled to IFRS Following its review, the Committee was satisfied that the Annual Report and financial statements were fair, balanced and understandable and recommended this conclusion to the Board.

Internal audit

The Group's internal audit function provides independent and objective assurance over the design and operating effectiveness of the system of internal control though a risk focused approach. Internal audit reports functionally to the Chair of the Committee and administratively to the CFO.

Internal audit activities are predominantly carried out internally, with co-sourcing support provided by BDO LLP for more complex reviews. This arrangement also ensures that the function has access to a dedicated resource pool and specialist skills.

Prior to the start of each financial year, the Committee reviews and approves the annual group internal audit plan. A further review occurs during the year to take account of any necessary revisions. The plan takes account of the Group's principal risks and in particular any heightened risks affecting the Group, with audits split between a cyclical annual plan and risk based audits. Other key factors for consideration are key areas of change for the Group which have not been subject to recent audit.

Following the adoption of the COSO 2013 internal control framework in 2023, an assurance map has been developed which enables the Group to determine a five year cyclical internal audit plan based on the risk profile of identified material areas, the levels of assurance obtained through other lines of defence across the business and any external assurance obtained. In 2024, the Committee reviewed and approved a revised five year cycle which had been updated to reflect the significant progress the business had made in respect of automation and reducing risk. I look forward to providing an update against this plan in next year's report.

Internal audits completed during the year included, but were not limited to:

Cyclical:
- Disposals
- Accounts receivable
- Accounts payable
- Anti-money laundering
- ESG
- Treasury
- Human resources

Risk based:
- Technology transformation programme
- Migration to a new lease management software
- Property management outsourcing in the UK, Ireland and France

Recommendations for improvements are agreed with management with clear timelines and responsibilities for implementation. Progress updates on actions arising from current and prior reports are, and have been, provided at Committee meetings throughout the year. The Committee is satisfied that the internal audit programme remains risk focused, is functioning satisfactorily across the Group, and that management is open to reviews and takes action on recommendations on a timely basis.

Accordingly, it has been concluded that the Group's internal audit arrangements provide effective assurance over the Group's risk and control environment and that the function has adequate resources and appropriate access to information to enable it to perform its role effectively and efficiently given the size and complexity of the business. The Committee continues to review how the internal audit function may need to evolve to continue to align with the Group's strategy.

External Auditor

Independence and objectivity

Both the Board and the External Auditor, PwC, have safeguards in place to protect the independence and objectivity of the External Auditor. The Committee receives details of any relationships between the Company and PwC that may have a bearing on their independence. These were reviewed by the Committee during the year and remain satisfactory. In accordance with the FRC's Ethical Standard, PwC formally confirmed to the Committee and to the Board its independence as auditor of the Company.

Auditor effectiveness

The effectiveness of the audit process is subject to ongoing monitoring and the Committee has considered this during the year as part of the internal Board and Committee Performance Review and the 2024 year end process. The Committee considered a number of factors, including, among other things, the quality and scope of the audit plan and the clarity of reporting.

The Committee also sought the views of key members of the finance team, senior management and the Directors regarding the audit process and the quality and experience of the audit partner engaged in the audit. Their overall feedback was positive and that the External Auditor provides an appropriate level of challenge to management. It was agreed that the audit team had continued to be responsive and cooperative and had demonstrated flexibility and adaptability in working with management day-to-day to address any issues arising during the year. Confirmation was also sought that the fee payable for the annual audit is sufficient to enable PwC to perform its obligations in accordance with the scope of the audit.

The Committee has concluded that taken as a whole, PwC has carried out its audit for 2024 effectively and efficiently.

Auditor appointment

PwC has served as the Group's External Auditor since being appointed at the AGM in April 2017 after a full tender process was undertaken in 2016. As highlighted last year, the former audit partner, Sonia Copeland, was subject to a mandatory rotation from the Hammerson audit following the conclusion of the audit for the year ended 31 December 2023 in accordance with the FRC's Ethical Standard. Following collaborative engagement between management, PwC and the Committee, Joanne Leeson has been appointed as the Group's audit partner for the 2024 financial year end.

In compliance with prevailing legislation and best practice, the external audit contract will be put out to a competitive tender at least every 10 years and the Committee has decided to conduct an external audit tender in the first half of 2026. There are no contractual obligations that restrict the Committee's choice of External Auditor.

Planning is underway and the Committee intends to comply with each of the relevant sections of the FRC's Audit Committees and the External Audit: Minimum Standards when conducting the tender process. Disclosure on the extent to which those standards were applied will be set out in the annual report for the financial year ending 31 December 2026.

PwC's objectivity, independence and performance remain strong and the Committee believe it is in the best interests of shareholders that they continue as the Group's External Auditor and that a tender process ahead of 2026 is not necessary. Accordingly, the Committee has recommended to the Board that PwC be re-appointed as External Auditor for the 2025 financial year, subject to approval at the AGM to be held on 15 May 2025.

The Committee is in compliance with The Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Processes and Audit Committee Responsibilities) Order 2014, published by the Competition and Markets Authority.

Non-audit services

The Committee has put in place a robust auditor engagement policy to ensure that the External Auditor remains objective and independent. It considers how such objectivity might be, or appear to be, compromised through the provision of non-audit services by the External Auditor.

The Group's non-audit services policy can be found on the Company's website and reflects the requirements of the Financial Reporting Council ('FRC's') Revised Ethical Standard 2024 such that the External Auditor may only provide services which are included on the FRC's 'whitelist' of services.

Non-audit services with fees up to £50,000 are assessed and, as appropriate, authorised by the Chair of the Committee. Services with fees above this level are considered by the Committee as a whole. The provision of non-audit services is monitored closely to ensure compliance with the 70% non-audit services cap calculated as the average of the fees paid for audit services in the last three consecutive financial years.

During the year, PwC received £0.3m for non-audit services (2023: £0.1m) this related to reporting accountant work in respect of the Group's Euro Medium Term Note programme and on the Value Retail disposal. For 2024, this represented 22% of the Group's audit fee for the year (2023: 4%) and further analysis of fees paid to the External Auditor is set out in note 5E to the financial statements.

Conclusion

The disposal of the Group's interests in Value Retail was transformational for Hammerson and accounting for this disposal was a key topic for the Committee in 2024. The partial use of proceeds to deleverage the Company alongside other initiatives completed during the year such as the completion of the Group's refinancing of the loan secured against Dundrum, Dublin, and the successful issuance of bonds under the Group's EMTN programme and subsequent tender mark the successful turnaround of the Group. These activities further strengthen the balance sheet and provide the foundations to enter into a period of accelerated growth.

The Committee's oversight of financial reporting, external and internal audit, and the further development of the risk and control environments have also continued to be key areas of focus. These are likely to remain so for the 2025 financial year as the Group continues to deliver its strategic objectives.

The Committee remains focused on ensuring that finance and risk capability is appropriate to the scale of the business, whilst also acknowledging an increasingly regulated environment for the Group. As the regulatory landscape continues to evolve, the Committee will continue to monitor developments from the review led by the Department for Business and Trade into restoring trust in audit and corporate governance, and the impact the recommendations may have on the Group.

In particular, the Committee will spend time working with management to prepare to report on the updated UK Corporate Governance Code, published by the FRC on 22 January 2024, with particular attention to the changes introduced to Section 4 in respect of audit, risk and internal control. Sufficient time will also be dedicated to ensuring the Group's readiness for CSRD and EU Taxonomy.

The Committee and management are committed to ensuring that we respond positively to these changes in the regulatory environment.

Mike Butterworth
Chair of the Audit Committee
25 February 2025

Directors' Remuneration Report

Habib Annous
Chair of the Remuneration Committee

Committee membership
Habib Annous (Chair), Méka Brunel, Carol Welch

Other regular attendees by invitation
Robert Noel, Company Chairman
Rita-Rose Gagné, Chief Executive
Jessica Oppenheimer, Chief People Officer
External Remuneration Advisors

Meeting attendance
In 2024 there were four scheduled meetings.

For details of attendance, see the attendance table on page 83.

Key topics discussed

- 2024 review of Executive Directors' pay and the fee of the Chair of the Board
- Review and approval of 2024 AIP structure, performance targets and personal objectives
- Approval of AIP outturn for 2023 and review of likely 2024 AIP outturn
- Review and approval of the underpin for 2021 RSS awards
- Consideration of remuneration policy against developments in market and governance changes
- Review of Directors' Remuneration Report
- Feedback on engagement with investors and the Colleague Forum on remuneration matters

Dear Shareholders

I am pleased to present our Directors' Remuneration Report (the Report) for the year ended 31 December 2024.

Context for the Committee's decisions

2024 was a year of significant political uncertainty with general elections taking place in all three of the countries in which we operate. Inflationary pressures proved to be rather stickier than originally forecast which prompted volatility in debt markets. In the UK, there have been increased fears of stagflation with weak economic growth, combined with headline inflation above central bank targets.

Despite the difficult external challenges, 2024 was a pivotal year in the Company's recovery. Hammerson delivered a strong financial performance and made significant strategic and operational progress, building on the improvements we have seen in the previous three years.

Management continued to deliver a strong operational performance, signing 262 leases representing £41m of rent, a record performance on a like-for-like basis. These deals were signed at 56% above previous passing rent and 13% ahead of ERV on a net effective basis, at our share. Occupancy is at 95% which is a level where rental tension is tangible with only a few available leasable units in most assets.

The Company completed the implementation of the new operating model, outsourcing onsite operational management to proven scale strategic partners, enabling Hammerson to focus on strategic value creation activity. The impact of this can be seen in the repositioning activity across the estate. Alongside this, the team also completed the technology transformation programme, delivering a resilient automated platform to increase speed of delivery.

On the transaction side, we exited our interest in Value Retail in September 2024 for cash proceeds of €705m (£595m), representing an attractive exit multiple of 24x EBITDA and a 3.4% exit cash yield. While this disposal was at a discount to book value, as it was a very complex, non-controlling interest, this was the most significant step in a four-year programme that has delivered £1.5bn of disposal proceeds. As a result of this programme, Hammerson now has one of the strongest balance sheets in the sector. This allowed

the Company to reward shareholders with the start of a buyback of shares and an enhanced dividend policy, as well as allocating £350m of the disposal proceeds to acquisitions and asset enhancements. Management then successfully deployed £135m of these proceeds to gain 100% control of Westquay at a high single digit yield.

Since FY20, the management team, led by Rita-Rose Gagné, has now transformed the business, strategically reshaping the portfolio to ten landmark city destinations and 80 acres of strategic land in the UK, France and Ireland. Hammerson has established itself as a leading specialist in the operation of city destinations, and as the owner and manager of the best assets in some of Europe's fastest growing and most affluent cities. In an environment where brands want fewer, better and more productive stores, Hammerson provides that critical flight to quality for occupiers.

Successful delivery of our strategic goals over the last four years means we go into 2025 well positioned to invest for growth and value creation whilst retaining our commitment to sustainability.

Short-term incentive arrangement

As outlined above and elsewhere in the Annual Report, this was a transformative year for the Group. Significant progress was made both operationally and strategically.

The completion of the Value Retail disposal, which had the full support of the Board as a key strategic step, was the primary driver of the reduction in our gearing (from 55% to 45% in 2024), which has allowed the Company to move on to the front foot.

During the year, the Remuneration Committee noted that the disposal of the non-controlling interest in Value Retail at a discount to stated book value would have a material impact on the Group's Total Accounting Return ('TAR'), one of the financial measures initially included in the 2024 Annual Incentive Plan ('AIP').

Therefore, the Committee concluded that it was no longer appropriate to use Relative TAR as a financial measure for 2024. After careful consideration, we decided to revert to a Relative Total Shareholder Return ('TSR') measure, maintaining the same peer group. This measure was thought to provide a better benchmark of the in-year execution of the strategic plan and is closely aligned with the outcome for shareholders.

Our other AIP financial measures of Adjusted Earnings per share and Net Rental Income were not changed. Combined, these three measures achieved an outturn of 75.33% of the maximum.

The performance of the two Executive Directors against their Personal/Strategic Objectives was assessed in the normal way with both awarded a 100% pay-out against this element of the AIP. Along with the performance against the financial and environmental measures, this would produce an overall assessment for both the CEO and CFO of c.82% of their potential maximum AIP outturn.

The Committee reviewed this indicative outturn considering the extraordinary delivery above and beyond the strategic and operational plan. To appropriately reflect this scale of delivery it was concluded that positive discretion should be applied to increase the total AIP payouts to 100% of the maximum award for the CEO and 95% of the maximum award for the CFO.

By exercising this discretion, amounting to £354,170 in aggregate, the Committee and the Board recognise the extraordinary achievements in 2024 in transforming the business, enabling the pivot to our growth strategy.

Long-term incentive arrangements

Consistent with market practice, our approach is to make annual grants of long-term incentives awards through the Restricted Share Scheme ('RSS'). In line with the Policy, Rita-Rose Gagné and Himanshu Raja received annual RSS awards equivalent to 100% and 75% of base salary, respectively, on 25 March 2024.

The Committee assessed the underpin in the 2021 RSS grant in March 2024 for Rita-Rose Gagné and April 2024 for Himanshu Raja, and determined that the underpin had been met and, therefore, that the awards should be allowed to vest in accordance with the rules. The Committee thoroughly discussed all aspects of the Group's performance over the three years since grant and concluded that the successful delivery of the strategy during this period should result in a full vesting. The Committee noted that, on the basis of performance in the period, the outcome does not reflect any element of windfall. Among other things, the Committee considered the significant debt reduction, organisational and operational transformation, and positive TSR for the three-year vesting period.

2025 pay approach

The Committee has approved a 3% salary increase for each of the Executive Directors in line with the increases awarded to colleagues generally.

We have committed to shareholders to keep the AIP measures under review to ensure they remain appropriate to Hammerson's strategic goals. For 2025, the financial measures we decided to utilise are adjusted EPS, relative TSR and replacing Net Rental Income ('NRI') with Gross Rental Income ('GRI'), being the key driver of revenue growth going forward. In choosing these measures, which are aligned with the Group's Medium Term Financial Framework, we have sought to reflect the key pillars of the Company's growth strategy. This results in the new scorecard comprising:

Gross rental income	21.67%
Adjusted earnings per share	21.67%
Relative Total shareholder return	21.67%
Emissions Reduction	10%
Personal/Strategic objectives	25%

Awards will be made under the RSS in early 2025 in the normal way with grants of 100% and 75% of salary envisaged for the CEO and CFO, respectively, in line with the policy.

Result of the 2024 AGM and shareholder engagement

All remuneration related resolutions were passed by a clear majority of shareholders at the 2024 AGM.

The policy will be due for renewal at the 2026 AGM and we shall review the policy during 2025 to consider any potential changes. I shall engage with our largest shareholders and the various proxy firms together with the Colleague Forum ('the Forum') as part of this process.

Colleague engagement

We communicate with, and receive feedback from, the Company's colleagues through a variety of channels, notably through the Forum. Carol Welch, a member of the Remuneration Committee and Designated Non-executive Director for Colleague Engagement, and I met with the Forum in November 2024 to discuss executive remuneration and explain how it aligns with the wider Company pay policy. Having had an insightful discussion, the feedback was presented at the Committee's meeting in December.

The Committee is regularly updated on Group-wide colleague pay and benefits and considers colleague remuneration, as well as colleague engagement feedback from Carol Welch, as part of its review of executive leadership and remuneration.

Conclusion

After a year of extraordinary strategic execution and operational progress, Hammerson is a stronger business, with unique assets which are well positioned for growth. This is reflected in the remuneration outcomes for 2024.

In summary:

- Following thoughtful consideration, a measure of upwards discretion was applied, with the CEO and CFO being awarded an AIP outcome of 100% of maximum and 95% of maximum respectively, with 40% of each award deferred in shares for two years. This positive discretion resulted in an enhanced payment of £354,170 in aggregate, split £263,360 in respect of the CEO and £90,810 in respect of the CFO.
- The Committee assessed the underpin for the 2021 RSS grants. It determined that the awards should be allowed to vest in accordance with the relevant rules.
- The CEO and CFO will receive RSS awards for 2025 over shares worth 100% and 75% of salary, respectively.
- Both Executive Directors will receive a 3% salary increase in-line with the increase awarded to the wider workforce.

At the 2025 AGM, the Remuneration Report will be submitted to shareholders. I am grateful for the engagement provided by shareholders during the year, and I look forward to receiving your continued support at the AGM.

Habib Annous
Chair of the Remuneration Committee

Key activities and decisions of the Committee in 2024	
Salary and benefits	– 2024 review of Executive Directors' pay and the fee for the Chair of the Board – 2024 review of GEC members' salaries
Annual Incentive Plan and Long Term Incentive Schemes	– Consideration of AIP 2023 outturn – Review and approval of 2024 AIP structure, performance targets and personal objectives – Review of likely 2024 AIP outturn and potential AIP targets for 2025 – Review and approval of the 2024 RSS award levels – Review and approval of the underpin for the 2021 RSS award – Review of RSS awards for GEC members – Review of AIP for GEC members
Policy renewal	– Consideration of the policy against developments in market and best practice – Consideration of changes to the policy
Governance	– Review of AGM season remuneration report results, and shareholders' and proxy agencies' views on remuneration – Review of the Remuneration Committee's terms of reference – Reports on engagement with shareholders on remuneration matters – Review of Directors' Remuneration Report
Other	– Employee share plan award activity – Review of remuneration consultant costs, performance and reappointment – Review of emerging remuneration practice – In consultation with the Designated Non-executive Director for Colleague Engagement, engagement with the wider workforce on how executive pay aligns with pay for the wider workforce

Annual Remuneration Report

The Directors' Remuneration Report (the Report) sets out how the Directors' Remuneration Policy (the Policy) was put into practice in 2024 and how we intend to implement it in 2025. It is divided into three sections:

- Section 1: Single figure tables
- Section 2: Further information on 2024 remuneration
- Section 3: Implementation of the Policy in 2025

The Group's External Auditors have reported on certain sections of this Report and stated whether, in their opinion, those sections have been properly prepared. These sections are labelled as 'audited'.

The Policy was approved by shareholders at the AGM held on 4 May 2023 and is available to view on the Investor Relations section of the Company's website at www.hammerson.com. A summary of the key provisions for each element of the Policy is set out in this Report.

Section 1: Single figure tables

This section contains the single figure tables showing 2024 remuneration for the Executive Directors and Non-executive Directors, and information that relates directly to the composition of these figures.

All figures highlighted in **TEAL** in the Report relate directly to a figure that is found in the Single Figure Table below.

Executive Directors' remuneration: Single Figure Table (audited)

		Salary £000	Benefits £000	Pension £000	Fixed Total £000	Annual Bonus ('AIP') £000	Restricted Share Scheme ('RSS')[1] £000	Variable Total £000	Total £000
Rita-Rose Gagné	**2024**	**734**	**21**	**73**	**828**	**1,483**	**798**	**2,281**	**3,109**
	2023	706	21	71	798	1,241	2,288	3,529	4,327
Himanshu Raja	**2024**	**470**	**19**	**47**	**536**	**676**	**333**	**1,009**	**1,545**
	2023	452	20	45	517	585	–	585	1,102
Total	**2024**	**1,204**	**40**	**120**	**1,364**	**2,159**	**1,131**	**3,290**	**4,654**
	2023	1,158	41	116	1,315	1,826	2,288	3,851	5,166

1 See summary of RSS immediately below. The 2023 value for Rita-Rose Gagné's RSS award has been restated since the closing share price on the fourth anniversary of grant is now known.

Commentary on the Single Figure Table (audited)

Restricted Share Scheme ('RSS')

In 2024, Rita-Rose Gagné's second RSS award met its performance underpin with the Company achieving a positive TSR of 32.3% (on an enhanced scrip dividend basis) over the reference period (being the three years from 31 March 2021). Key highlights over the reference period included a reduction in net debt by £824m (38%), multiple disposals raising £822m of gross proceeds, significant refinancing activity, and substantial internal transformation and team restructuring, leading the Committee to determine that the underpin had been met and that the award should be allowed to vest in accordance with the relevant rules. One-third of the award ceases to be contingent on employment on each of the third, fourth and fifth anniversaries of grant in March 2021 and was therefore, not immediately payable in 2024. The award is then exercisable only from the fifth anniversary of grant and ceases to be exercisable on the seventh anniversary of grant.

The value of her 2021 RSS award has been calculated using the closing share price on the third anniversary of grant date for the one-third of the RSS award which ceased to be contingent on employment in March 2024 (29.78p). The value of the remaining two-thirds of the awards has been calculated using the average share price over the last quarter of the financial year (29.36p). The total value includes dividend equivalents of £286,078. The award's value reflects material positive total shareholder return through the value of dividends over the period (rather than through share price appreciation).

Himanshu Raja's first RSS award (made on his appointment as CFO in April 2021) met its performance underpin with the Company achieving a positive TSR of 14.9% (on an enhanced scrip dividend basis) over the reference period (being the three years from 27 April 2021). Key highlights over the reference period included a reduction in net debt by £824m (38%), multiple disposals raising £822m of gross proceeds, significant refinancing activity, and substantial internal transformation and team restructuring leading the Committee to determine that the underpin had been met and that the award should be allowed to vest in accordance with the relevant rules. One-third of the award ceases to be contingent on employment on each of the third, fourth and fifth anniversaries of grant in April 2021, and was therefore not immediately payable in 2024. The award is then exercisable only from the fifth anniversary of grant and ceases to be exercisable on the seventh anniversary of grant.

The value of his 2021 RSS award has been calculated using the closing share price on the third anniversary of grant date for the one-third of the RSS award which ceased to be contingent on employment in April 2024 (26.98p). The value of the remaining two-thirds of the awards has been calculated using the average share price over the last quarter of the financial year (29.36p). The total value includes dividend equivalents of £83,228. The award's value reflects material positive total shareholder return through the value of dividends over the period (rather than through share price appreciation).

The single figure table above shows the full 2021 RSS awards for both Executive Directors (and, for the avoidance of doubt, not solely the one-third which ceased to be contingent on employment on their third anniversary of grant). This is because the performance underpin has been met.

The value of the 2020 RSS award (disclosed in the 2023 Annual Report) has been restated since the closing share price on the second anniversary of grant is now known. The value of the award is calculated using the closing share price on the third anniversary of grant date for the one-third of the RSS award which ceased to be contingent on employment for 2023 (24.70p) and the fourth anniversary of grant date for the second third of the RSS award which ceased to be contingent on employment for 2024 (29.18p). The value of the remaining third of the awards has been calculated using the average share price over the last quarter of the financial year (29.36p). The total value has increased since it was included in the single figure table in 2023 from £2,025,499 to £2,288,885. The increase is due to additional dividend equivalents of £74,389 and £187,997 of share price appreciation.

Annual bonus for 2024

The Annual Incentive Plan ('AIP') is the Company's annual bonus scheme. As explained in the Committee Chair's statement, the measures and targets were originally set before the sale of Value Retail. The Committee decided in-year to replace the Relative TAR component of the scorecard with Relative TSR.

Subject to that one adjustment, the formulaic out-turn was 82.3% of maximum for both executive Directors. Recognising their extraordinary delivery, the Committee exercised discretion to increase their outturns to 100% and 95% of maximum for the CEO and CFO, respectively, to recognise the extraordinary execution of the Company's strategy in 2024.

The performance targets were not disclosed in advance of the year, as they were considered by the Board to be commercially sensitive information, but full details of the conditions and performance against them are now set out below.

AIP outturn

Performance measures		Performance against targets[1]					Bonus achieved	
		Entry threshold (% vesting at threshold)	On-target (50% vesting)	Full vesting target (100% vesting)	Result achieved[4]	Vesting percentage against maximum	Weighting (% of max bonus available)	% of max bonus achieved[4]
Adjusted earnings per share[2]		17.105p (0%)	19.005p	20.906p	19.932p	74.4%	21.67%	16.1%
NRI[2]		£138.470m (0%)	£145.760m	£153.050m	£146.000m	51.6%	21.67%	11.2%
Relative TSR		Median (25%)	54th percentile	Upper quartile	79th percentile	100.0%	21.67%	21.7%
ESG – emissions reduction vs 2023[3]		5%	7%	9%	8.3%	82.5%	10%	8.3%
Personal/Strategic objectives[4]	Rita-Rose Gagné		See summary of progress in the table below			100% CEO	25%	25%
Personal/Strategic objectives[4]	Himanshu Raja					100% CFO	25%	25%
Total CEO before discretion								82.3%
Total vesting percentage (% of maximum) after discretionary adjustment	CEO							**100%**
	CFO							**95%**
AIP amount (shown in single Figure Table)	CEO							**£1,482,744**
	CFO							**£676,006**

1 Each of the AIP performance conditions is subject to a straight line payment scale between threshold, on-target and full vesting points.

2 Consistent with established practice, the original performance targets for adjusted earnings per share and net rental income are, where relevant, adjusted for variances in the timing of planned disposals, acquisitions and the share buyback programme. Net rental income was also adjusted to be on a constant currency basis.

3 Reduction in emissions is assessed on a proportionally consolidated like-for-like basis aligned with the Group's GHG emissions approach.

4 Personal/Strategic objectives for the CEO and CFO were based on the 2024 Business Plan and Strategy with substantial progress made across the key strategic objectives, as summarised in the table below.

5 The CEO's maximum bonus opportunity is 200% of salary and the CFO's maximum bonus opportunity is 150% of salary.

Performance against AIP Personal/Strategic Objectives

The Executive Directors' Personal/Strategic objectives were assessed in the normal way with a primary focus on the objectives set at the beginning of the year. The Committee assessed individual contribution to these common objectives and concluded that the individual outturns proposed (by the Chairman for the CEO and by the CEO for the CFO) of 100% were reasonable given the outstanding delivery against the objectives.

Value Creation	– Sale of Value Retail at a 24 x EBITDA multiplier – LTV of 30% and Net Debt:EBITDA 5.8x – Increase in Group footfall of +2.1% – Acquisition of 50% of Westquay at an attractive yield – Improved credit ratings with both Fitch BBB+ (positive outlook) and Moody's Baa2 – £400m 2036 bond issuance, 7x oversubscribed, and £412m bonds repurchased of the most expensive 2026 and 2028 sterling bonds, resulting in reduced weighted average interest cost from 3.5% to 3.3% with an annualised interest cost saving of £3.6m – Extended maturities from group weighted average debt maturity from 2.5 years to 4.7 years at 31 December 2024 – Increased engagement with both buy-side and sell-side analysts – New enhanced dividend policy
Colleague and Customer Engagement	– Completion of the outsourcing of on site property management and accounting in UK, Ireland and France – Substantive increase in colleague engagement survey results in both participation rates and outcome measures across all departments – 2024 Occupier survey in the UK & Ireland achieved a +10 point YOY increase in overall NPS
Sustainability	– For the first time, JLL and SCC destination-based colleagues joined Hammerson on Giving Back Day, focusing on charities linked to the local communities. Over 600 colleague volunteer hours donated, benefiting 500 beneficiaries in UK, Ireland and France – Significant increase in colleague volunteering hours of 1,981 compared to 680 in 2023 – Demonstrable progress on NZAP plans, with nine projects completed in 2024 – Created £3.5m of social value investment, a 40% increase – 100% score in GRESB Public Disclosure

Fixed Remuneration

Salary

This represents salary earned in respect of the year. From 1 April 2024, salaries increased by 4%.

Benefits

The taxable benefits shown in the Single Figure Table include a car allowance (£16,000), private health insurance and permanent health insurance for both Executive Directors. In addition, the Company paid for tax advice for Rita-Rose Gagné.

Executive Directors are eligible to participate in the Company's all-employee share plan arrangements (SIP and Sharesave). In 2024, neither of the Executive Directors participated in these plans.

Pension

Executive Directors receive a salary supplement in lieu of pension benefits. Rita-Rose Gagné and Himanshu Raja each received a salary supplement of 10% of base salary which is consistent with the rate available to new joiners and below the rate for longer-serving employees. All salary supplements paid to Executive Directors in lieu of pension benefits are subject to deductions required for income tax and employees' national insurance contributions in the UK.

Non-executive Directors: Single Figure Table (audited)

The table below shows the remuneration of Non-executive Directors for the year ended 31 December 2024 and the comparative figures for the year ended 31 December 2023.

Non-executive Directors' remuneration for the year ended 31 December 2024

	Committee membership and other responsibilities			Fees		Benefits		Total	
	Audit Committee	Remuneration Committee	Other	2024 £000	2023 £000	2024 £000	2023 £000	2024 £000	2023 £000
Robert Noel			Chair of the Board	300	300	4	3	304	303
Habib Annous	✓	✓	Chair of the Remuneration Committee	86	82	–	–	86	82
Méka Brunel[1]		✓		70	67	6	5	76	72
Mike Butterworth	✓		Senior Independent Director and Chair of the Audit Committee	91	87	3	1	94	88
Adam Metz[2]	✓			70	67	66	92	136	159
Carol Welch		✓	Designated Non-Executive Director for Colleague Engagement	78	75	2	1	80	76
Total[3]				695	678	81	102	776	780

1 Méka Brunel is based in France. This is reflected in her benefits figure – see Benefits note below.
2 Adam Metz is based in the USA. This is reflected in his benefits figure – see Benefits note below.
3 All Non-executive Directors are members of the Nomination and Governance Committee. No fee is payable for being Chair or a member of that Committee.

Benefits

Benefits disclosed relate to the reimbursement of travel and accommodation expenses incurred in attending Board meetings at the Company's head office. For those Non-executive Directors based outside the UK, this includes the cost of international travel and accommodation. In accordance with the Policy, any tax arising is settled by the Company. Robert Noel is entitled to private medical insurance which is taxed as a benefit in kind. The grossed-up value of relevant amounts has been disclosed.

Fees payable to Chair of the Board and Non-executive Directors – 2024 annual fees

	£
Chair of the Board	300,000
Non-executive Director	64,575
Senior Independent Director	10,500
Audit Committee Chair	15,750
Remuneration Committee Chair	15,750
Audit/Remuneration Committee Member	5,250
Designated Non-executive Director for Colleague Engagement	8,400

Section 2: Further information on 2024 remuneration

Directors' shareholdings and share plan interests (audited)

Summary of all Directors' shareholdings and share plan interests as at 31 December 2024 (including Persons Closely Associated)

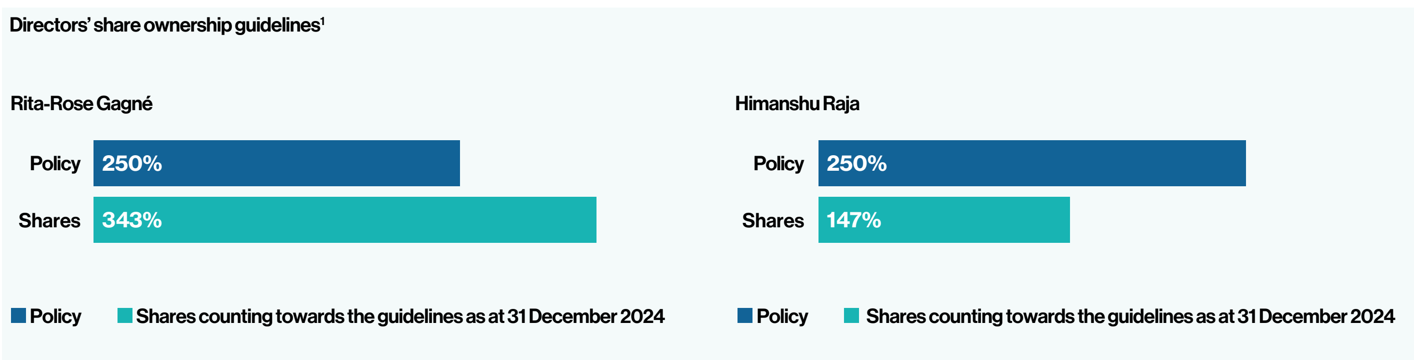
	Outstanding scheme interests at 31 December 2024				Actual shares held		
	Unvested (subject to performance measures)[1]	Unvested (not subject to performance measures)[2]	Vested but unexercised scheme interests[3]	Total shares subject to outstanding scheme interests	At 1 January 2024	At 31 December 2024	Total of all scheme interests and share-holdings at 31 December 2024[4]
Executive Directors							
Rita-Rose Gagné	877,294	856,360	649,248	2,382,902	32,944	110,497	2,493,399
Himanshu Raja	386,162	274,057	39,065	699,284	28,439	88,623	787,907
Non–executive Directors							
Robert Noel	–	–	–	–	124,008	130,206	130,206
Habib Annous	–	–	–	–	86,179	119,221	119,221
Méka Brunel	–	–	–	–	6,518	9,680	9,680
Mike Butterworth	–	–	–	–	21,131	21,131	21,131
Adam Metz	–	–	–	–	115,229	120,437	120,437
Carol Welch	–	–	–	–	5,258	5,258	5,258

1 RSS awards.
2 DBSS, Sharesave and RSS awards (that have completed any underpin period).
3 RSS awards that have vested but remain unexercised plus any notional dividend shares.
4 DBSS and RSS awards are nil cost options, satisfied through market purchase. The DBSS awards are exercisable from the second anniversary of grant until the seventh anniversary of grant. The RSS awards are subject to an employment contingency vesting one third on each of the third, fourth and fifth anniversaries of grant (to the extent the performance underpin is met following the third anniversary of grant). The RSS awards are exercisable from the fifth anniversary of grant and cease to be exercisable on the seventh anniversary of grant.
5 Hammerson completed a 1 for 10 share consolidation in September 2024. The number of shares above are on presented on a post consolidation basis.

Between 1 January 2024 and 24 February 2025 (being the latest practicable date prior to publication of this document) the Executive and Non-executive Directors' beneficial interests in the table above remained unchanged.

Directors' share ownership guidelines (audited)

The chart below shows the Executive Directors actual share ownership compared with the current share ownership guidelines. Executive Directors are normally expected to achieve the minimum shareholding guidelines within seven years of appointment. Non-executive Directors are also encouraged to acquire a shareholding in the Company.



1 The shareholding as a percentage of salary is as at the share price of 27.96p on 31 December 2024. Shares under award are granted on a gross basis but only credited to the ownership requirement on a net of tax basis, as shown above.

Rita-Rose Gagné achieved the share ownership guidelines in 2023. During 2024, the 2021 RSS underpin was met and, therefore, consistent with the Investment Association's guidelines, those shares now count (on a net of tax basis) against her ownership requirement.

Himanshu Raja was appointed as Chief Financial Officer on 26 April 2021 and is required to achieve the share ownership guidelines by April 2028. In practice, it is currently anticipated that the guidelines should be met earlier than this. During 2024, the 2021 RSS underpin was met and, therefore, consistent with the Investment Association's guidelines, those shares now count (on a net of tax basis) against his ownership requirement.

Executive Directors' share plan interests (including share options) (audited)

The table overleaf sets out the Executive Directors' interests under the Deferred Bonus Share Scheme ('DBSS') and the Restricted Share Scheme ('RSS').

Performance conditions and form of awards (audited)

Awards under the DBSS are not subject to any performance conditions (other than continued employment on the vesting date). The RSS awards are subject to a material underperformance underpin. RSS awards were made on 25 March 2024 over shares worth 100% of salary to Rita-Rose Gagné and over shares worth 75% of salary to Himanshu Raja. These awards were granted subject to a broad underpin (measured at the third anniversary of grant) in respect of the entire awards so that the Remuneration Committee may reduce the level of vesting if it feels that it is not appropriate in all the circumstances and may have regard to the various factors mentioned in the Policy in so determining. The underpin requires that the Group's performance and delivery of strategy is sufficient to justify vesting having regard to factors such as absolute and relative TSR, Net Debt and TPR over the underpin period.

Awards to Executive Directors under the RSS and DBSS are made in the form of nil-cost options.

Accrual of dividend shares

DBSS and RSS awards accrue notional dividend shares to the date of vesting (including any holding period).

Face values (audited)

Face values for the DBSS and RSS awards are calculated by multiplying the number of shares granted during 2024 by the average share price for the five business days preceding the awards. Notional dividend shares are not included in the face value calculations.

Dilution limits

Current in flight DBSS awards and Sharesave ('SAYE') grants are satisfied using market purchased shares. RSS awards are also satisfied using market purchased shares (whether via a trust or treasury). It is expected that the 2025 RSS and DBSS awards will be satisfied in a similar way. The Committee may satisfy RSS and SAYE awards with new issued shares and will comply with the dilution limits as set out in the rules of the Company's share incentive plans during the year. The Company operates within the Investment Association's guidelines with reference to share dilution not exceeding 10% of the issued ordinary share capital in any rolling 10-year period under all-employee plans and 5% under its discretionary plans (counting both new issue and treasury shares).

Executive Directors' share plan interests 2024 (audited)

	Date of award	Vesting date	Number of awards held at 1 January 2024[6]	Awarded[6]	Notional dividend shares accrued	Exercised/ released in year	Lapsed[6]	Aggregate total number of awards held as at 31 December 2024[5]	Grant price pence[4]	Face value of awards granted/ purchased during 2024 £000
Rita-Rose Gagné										
RSS[1]	2 Nov 2020	2 Nov 2023	796,412	–	40,001		–	836,413	177.1	–
RSS[1]	31 Mar 2021	31 Mar 2024	261,770	–	13,147		–	274,917	335.9	–
RSS[1]	22 Mar 2022	22 Mar 2025	256,031	–	12,859	–	–	268,890	316.6	–
RSS[1]	20 Mar 2023	20 Mar 2026	302,677	–	15,202	–	–	317,879	241.0	–
RSS[1]	25 Mar 2024	25 Mar 2027	–	276,631	13,894	–	–	290,525	268.0	741
DBSS[2]	22 Mar 2022	22 Mar 2024	141,270	–	–	(141,270)	–	–	316.6	–
DBSS[2]	20 Mar 2023	20 Mar 2025	190,141	–	9,550	–	–	199,691	241.0	–
DBSS[2]	25 Mar 2024	25 Mar 2026	–	185,282	9,305	–	–	194,587	268.0	497
Himanshu Raja										
RSS[1]	27 Apr 2021	27 Apr 2024	111,591	–	5,604		–	117,195	378.1	–
RSS[1]	22 Mar 2022	22 Mar 2025	122,870	–	6,171	–	–	129,041	316.6	–
RSS[1]	20 Mar 2023	20 Mar 2026	145,258	–	7,295	–	–	152,553	241.0	–
RSS[1]	25 Mar 2024	25 Mar 2027	–	99,568	5,000	–	–	104,568	268.0	267
DBSS[2]	22 Mar 2022	22 Mar 2024	46,403	–	–	(46,403)	–	–	316.6	–
DBSS[2]	20 Mar 2023	20 Mar 2025	89,853	–	4,512	–	–	94,365	241.0	–
DBSS[2]	25 Mar 2024	25 Mar 2026	–	87,387	4,389	–	–	91,776	268.0	234
Sharesave[3]	7 Jul 2022	1 Aug 2025	9,786	–	–	–	–	9,786	218.9	

1 RSS awards vest as to one-third on each of the third, fourth and fifth anniversaries of the date of award. The performance period for the purpose of the performance conditions is the period of three years from grant. RSS awards were made on 25 March 2024 over shares worth 100% of salary to Rita-Rose Gagné and over shares worth 75% of salary to Himanshu Raja. None of the RSS awards become exercisable until the fifth anniversary of grant.

2 DBSS awards vest on the second anniversary of the date of award. DBSS awards were made on 25 March 2024 over shares worth 40% of the prior year bonus to Rita-Rose Gagné and Himanshu Raja.

3 The post consolidation exercise price for the Sharesave award is £1.839. This refers to the share price on the business day preceding the start of the Sharesave invitation period of £2.299, with the exercise price set at 80% of this.

4 The grant price refers to the average closing price over the five days prior to grant consistent with the general approach to determining the awards. The grant prices have been shown on a post consolidation price equivalent.

5 In the prior year, this column showed the number of unvested shares. Given they remain subject to a holding period for five years, this year we retained all outstanding awards (whether vested or unvested).

6 Hammerson completed a 1 for 10 share consolidation in September 2024. The number of shares above are on presented on a post consolidation basis.

Executive Directors' SIP interests (audited)

The Executive Directors' interests in ordinary shares of the Company under the Share Incentive Plan ('SIP') as at 31 December 2024 (or at their leaving date if earlier) are shown in the table below on a post consolidation basis. The shares are held in a SIP trust.

	Total SIP shares 1 January 2024[1]	Partnership shares purchased	Matching shares awarded	Free shares awarded	Dividend shares awarded	Total SIP shares 31 December 2024
Himanshu Raja	4,211	–	–	–	197	4,408

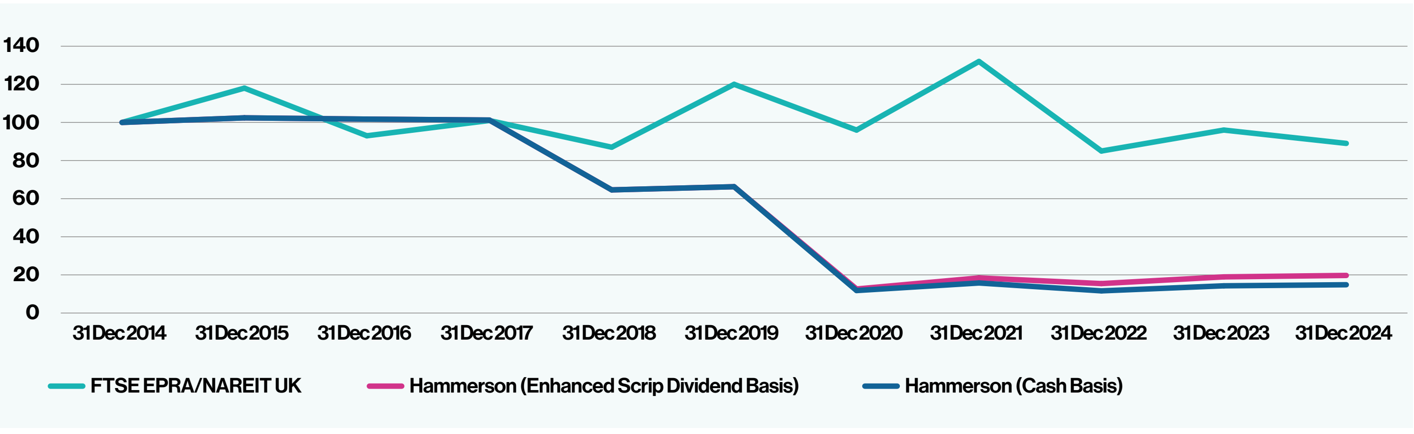
1 Hammerson completed a 1 for 10 share consolidation in September 2024. The number of shares above are on presented on a post consolidation basis.

Total Shareholder Return

The chart below shows the Total Shareholder Return ('TSR') in respect of the Company's ordinary shares of 5p each for the 10 years ended 31 December 2024 against the return of the FTSE EPRA/NAREIT UK Index, which comprises shares of a number of the Company's peers. The total shareholder return is rebased to 100 at 31 December 2014. The other points shown on the chart are the values at intervening financial year ends.

For information, since Rita-Rose Gagné's appointment on 2 November 2020 to the year ended 31 December 2024, Hammerson achieved a positive TSR of 161% compared to 8% achieved by the FTSE EPRA/NAREIT UK Index.

Total Shareholder return index



Remuneration of the Chief Executive over the last 10 years

The table below shows the remuneration of the holder of the office of Chief Executive.

Chief Executive's remuneration history

	Total remuneration £000	As a % of maximum: Annual bonus	As a % of maximum: RSS/LTIP vesting
2024 Rita-Rose Gagné	3,109	100%	100%
2023 Rita-Rose Gagné[1]	4,327	87.1%	100%
2022 Rita-Rose Gagné	1,895	81.7%	n/a
2021 Rita-Rose Gagné	2,106	70.4%	n/a
2020 (Rita-Rose Gagné) from 2 November 2020	148	0.0%	n/a
2020 (David Atkins) to 2 November 2020	617	0.0%	0.0%
2019 David Atkins	1,408	37.1%	29.7%
2018 David Atkins	1,109	n/a	51.5%
2017 David Atkins	1,795	47.5%	56.4%
2016 David Atkins	2,681	65.3%	64.9%
2015 David Atkins	2,147	77.3%	0.0%

1 2023 has been restated to reflect the updates to the single figure table.

Relative importance of spend on pay

The table below shows the Company's total employee costs compared with dividends paid.

Total employee costs compared with dividends paid

	Note[1]	2024 £m	2023 £m	Change
Employee costs[2]	5B	**28.4**	35.3	-19.5%
Dividends	22	**76.6**	35.9	133.4%

1 Note references are to the financial statements.
2 Employee costs before capitalisation of costs against development projects.

Remuneration for the Executive Directors and Non-executive Directors compared with UK employees of the Hammerson Group
The tables show the percentage change from 31 December 2023 to 31 December 2024 in base salary, taxable benefits and bonus for the Executive and Non-executive Directors compared with other employees of the Hammerson Group in the UK. Hammerson Plc does not have any employees. This data has been prepared using the employees of the UK subsidiaries only. The Executive Directors have been excluded from the UK employees' calculation.

Consistent with the approach taken in 2024, the approach to calculating the percentage change for total UK employees is based on the weighted average change in salary, benefits and annual bonus for all employees who were employed throughout both 2023 and 2024, with pay being calculated on a full time equivalent basis. The prior year figures have not been restated.

Percentage change in the Executive Directors' base salary, taxable benefits and bonus

		Rita-Rose Gagné (CEO)	Himanshu Raja (CFO)	Total UK employees
Change % (2023 to 2024)	**Salary**	**4.0%**	**4.0%**	**6.2%**
	Benefits	**–**	**-5.0%**	**6.2%**
	Annual bonus	**19.5%**	**15.6%**	**-0.7%**
Change % (2022 to 2023)	Salary	3.5%	3.7%	6.6%
	Benefits	-16.0%	-20.0%	3.6%
	Annual bonus	10.8%	10.6%	22.3%
Change % (2021 to 2022)	Salary	1.5%	1.4%	12.3%
	Benefits	-94.1%	5.4%	15.5%
	Annual bonus	18.4%	13.4%	32.1%
Change % (2020 to 2021)	Salary	–	n/a	9.5%
	Benefits	180.5%	n/a	18.6%
	Annual bonus	n/a	n/a	324.7%
Change % (2019 to 2020)	Salary	n/a	n/a	3.7%
	Benefits	n/a	n/a	-5.3%
	Annual bonus	n/a	n/a	-73.8%

Percentage change in the Non-executive Directors' fee and taxable benefits

		Robert Noel	Habib Annous	Méka Brunel	Mike Butterworth	Adam Metz	Carol Welch	Total UK employees
Change % (2023 to 2024)	**Salary**	**–**	**4.9%**	**4.5%**	**4.6%**	**4.5%**	**4.0%**	**6.2%**
	Benefits	**33.3%**	**n/a**	**20%**	**200%**	**-28.3%**	**100%**	**6.2%**
	Annual bonus	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**-0.7%**
Change % (2022 to 2023)	Salary	–	5.1%	–	4.8%	–	–	6.6%
	Benefits	–	n/a	150%	100%	31.4%	100%	3.6%
	Annual bonus	n/a	n/a	n/a	n/a	n/a	n/a	22.3%
Change % (2021 to 2022)	Salary	–	11.1%	0.0%	13.9%	–	–	12.3%
	Benefits	-20.2%	n/a	n/a	n/a	3,271.5%	n/a	15.5%
	Annual bonus	n/a	n/a	n/a	n/a	n/a	n/a	32.1%
Change % (2020 to 2021)	Salary	3.8%	n/a	7.4%	n/a	7.4%	17.9%	9.5%
	Benefits	19.0%	n/a	-100.0%	n/a	-93.7%	n/a	18.6%
	Annual bonus	n/a	n/a	n/a	n/a	n/a	n/a	324.7%
Change % (2019 to 2020)	Salary	n/a	n/a	-1.9%	n/a	-1.7%	-4.3%	3.7%
	Benefits	n/a	n/a	-87.7%	n/a	-77.8%	–	-5.3%
	Annual bonus	n/a	n/a	n/a	n/a	n/a	n/a	-73.8%

The table below shows the ratio of Chief Executive pay to that of the UK employees whose pay is at the 25th percentile, median and 75th percentile.

Chief Executive pay ratio

Year	Method	25th percentile pay ratio	Median pay ratio	75th percentile pay ratio
2024	**Option A**	**34:1**	**23:1**	**15:1**
2023	Option A	50:1	36:1	22:1
2022	Option A	41:1	26:1	15:1
2021	Option A	48:1	30:1	18:1
2020	Option A	21:1	13:1	7:1
2019	Option A	31:1	22:1	12:1

Total UK employee pay and benefits figures used to calculate the 2024 Chief Executive Pay Ratio

	25th percentile pay £000	Median pay £000	75th percentile pay £000
Salary	70	85	140
Total UK employee pay and benefits	92	133	214

Supporting information for the Chief Executive Pay Ratio

The Company has chosen the Option A methodology to prepare the pay ratio calculation as this is the most statistically robust method and is in line with the general preference of institutional investors.

As ratios could be unduly impacted by joiners and leavers who may not participate in all remuneration arrangements in the year of joining and leaving, the Committee has modified the statutory basis to exclude any employee not employed throughout the whole financial year.

Employee pay data is based on full-time equivalent ('FTE') pay for UK employees as at 31 December 2024. For each employee, total pay is calculated in line with the single figure methodology (i.e. fixed pay accrued during the financial year and the value of performance based incentive awards vesting in relation to the performance year). Leavers and joiners are excluded. Employees on maternity or other extended leave are included on the basis of their FTE salary and benefits and pro-rata short-term incentives. No other calculation adjustments or assumptions have been made.

The primary reason for the decrease in the Chief Executive pay ratios from 2023 to 2024 is due to the value of the 2021 RSS being materially lower than the value of the 2020 RSS award that was included in the single figure disclosure in 2023. The value of the RSS awards are included in the single figure disclosures when the performance underpin is met even though they are only capable of release after another two years after the underpin is tested. Two-thirds of the 2021 RSS and one-third of the 2020 RSS remain contingent on further employment.

The Chief Executive pay ratio for 2023 has been restated to ensure consistency with the latest single figure disclosure.

Each of the three individuals identified was a full-time employee during the year and received remuneration in line with the Policy.

Generally, the Remuneration Policy supports a greater variable pay opportunity the more senior the employee as these employees are able to influence Company performance more directly. Executive Directors participate in the RSS linked to long-term strategy whilst other employees may participate in the Restricted Share Scheme (Below Board) ('RSSBB') and the Restricted Share Plan ('RSP'). The individuals identified this year for median and the 75th percentile pay were participants in the RSP and all three individuals received an annual bonus for 2024. The median pay ratio is consistent with the pay, reward and progression policies for the Company's UK employees, reflecting the Company's policy to pay market based levels of fixed rewards to its employees with an opportunity to benefit from the annual bonus plan. With a significant proportion of the Executive Directors' pay linked to performance and share price over the longer term, it is expected that the ratio will depend to a significant extent on RSS and RSP outcomes each year, and accordingly may fluctuate from year-to-year.

Payments to past Directors (audited)

There were no payments to past Directors.

Payments for loss of office (audited)

There were no payments to past Directors for loss of office.

Service contracts and notice periods

The dates of the appointments of the Executive Directors in office as at 31 December 2024 are set out below.

	Rita-Rose Gagné	Himanshu Raja
Date of service contract	29 September 2020	19 April 2021
Notice period	12 months' notice (both from and to the Executive Director).	
Payment in lieu of notice ('PILON')	Employment can be terminated by the Company with immediate effect by making a PILON in respect of the outstanding notice period comprising base salary and the value of benefits in respect of pension, private medical insurance and car allowance. No PILON in event of gross misconduct. The Company has the discretion to make any PILON on a phased basis, subject to mitigation.	

The dates of the appointments of the Non-executive Directors in office as at 31 December 2024 are set out below.

	Date of original appointment to Board	Commencement date of current term	Unexpired term as at 31 December 2024
Robert Noel	1 September 2020	1 September 2023	1 year, 8 months
Habib Annous	5 May 2021	4 May 2024	2 years, 4 months
Méka Brunel	1 December 2019	1 December 2022	11 months
Mike Butterworth	1 January 2021	1 January 2024	2 years
Adam Metz	22 July 2019	22 July 2022	7 months
Carol Welch	1 March 2019	24 February 2025	2 months

Non-executive Directors are generally entitled to three months' notice.

External board appointments

Where Board approval is given for an Executive Director to accept an external non-executive directorship, the individual is entitled to retain any fees received. Rita-Rose Gagné and Himanshu Raja do not currently hold any external non-executive directorships.

Committee process

In order to avoid any conflict of interest, remuneration is managed through well-defined processes ensuring no individual is involved in the decision-making process related to their own remuneration. In particular, the remuneration of all Executive Directors is set and approved by the Committee; none of the Executive Directors are involved in the determination of their own remuneration arrangements. The Committee also receives support from external advisors and evaluates the support provided by those advisors annually to ensure that advice is independent, appropriate and cost effective.

Committee membership and meetings

The Committee continues to be comprised exclusively of independent Non-executive Directors and its terms of reference can be found on the Company's website at www.hammerson.com. The members of the Committee are shown at the start of this report.

The Committee met four times during the year. The agenda for each meeting is planned around the Group's reporting cycle and includes particular matters for the Committee's consideration. Following each meeting, the Board is appraised of matters arising from the Committee. The Chair of the Board, Chief Executive, Chief People Officer and external remuneration consultant attend meetings by invitation, together with the General Counsel and Company Secretary, who acts as secretary to the Committee.

Committee effectiveness

In line with the 2018 Code's requirements, an internal review of the performance of the Board and its committees was undertaken in 2024 (following an external evaluation in 2022). Further information on the 2024 performance review can be found on page 89. The Committee considers that it continues to function effectively and in accordance with its terms of reference. In 2024, the Committee reviewed its terms of reference to ensure that they remain appropriate.

Advisors

The Committee appointed FIT Remuneration Consultants ('FIT') in August 2011. FIT has no other connection with the Company or its Directors. Directors may serve on the remuneration committees of other companies for which FIT acts as remuneration consultants. The Committee is satisfied that all advice given was objective and independent having regard to their experience of working with advisors. FIT is a member of the Remuneration Consultants Group and subscribes to its Code of Conduct. Fees paid for services to the Committee in 2024 totalled £94,709 (2023: £107,723). FIT does not provide any other services to the Company. Terms of engagement (available on request to shareholders) specify that FIT will only provide advice expressly authorised by or on behalf of the Remuneration Committee. FIT's fees were charged on the basis of the time spent advising the Company.

Slaughter and May provides legal advice and Lane Clark & Peacock LLP provides actuarial advice to the Company. The Committee may seek advice from both firms where it relates to matters within its remit. No such advice was sought in 2024.

Statement of voting at Annual General Meeting

The table below shows votes cast by proxy at the AGMs held on 4 May 2023 and 25 April 2024 in respect of the Directors' Remuneration Report and Directors' Remuneration Policy.

Statement of voting on remuneration

	Votes for		Votes against		Votes withheld number
	Number		Number		
2023 Remuneration Report (at the 2024 AGM)	3,499,200,418	82.83%	725,452,297	17.17%	2,143,344
2023 Remuneration Policy (at the 2023 AGM)	2,546,605,548	60.67%	1,651,063,011	39.33%	12,055,156

Section 3: Implementation of Remuneration Policy in 2025

This section sets out information on how the Remuneration Policy will be implemented in 2025.

In implementing the Remuneration Policy, the Committee will continue to take into account factors such as remuneration packages available within comparable companies: the Group's overall performance; internal relativities; achievement of corporate objectives; individual performance and experience; published views of institutional investors; and general market and wider economic trends.

Summary of planned implementation of the Remuneration Policy during 2025

Salary

Policy

Purpose and link to strategy	Performance measures	Operation
To continue to retain and attract quality leaders To recognise accountabilities, skills, experience and value	Not applicable	Reviewed but not necessarily increased annually by the Committee The base salary for any existing Executive Director will not exceed £850,000 (or the equivalent if denominated in a different currency), with this limit increasing annually at the rate of UK CPI from the date of the 2017 AGM

Implementation

An increase of 3% was approved for each of the Executive Directors to take effect on 1 April 2025.

2025 Executive Directors' salaries	£000
Rita-Rose Gagné	764
Himanshu Raja	489

Benefits

Policy

Purpose and link to strategy	Performance measures	Operation
To provide a range of benefits in line with market practice To continue to retain and attract quality leaders	Not applicable	The aggregate value received by each Executive Director (based on value of P11D tax calculations or equivalent basis for a non-UK based Executive Director) will not exceed £100,000, with this maximum increasing annually at the rate of UK CPI from the date of the 2017 AGM

Implementation

In 2025, these benefits will continue to include a car allowance, enhanced sick pay, private medical insurance, permanent health insurance and life assurance.

Pension

Policy

Purpose and link to strategy	Performance measures	Operation
To provide market competitive retirement benefits to continue to retain and attract quality leaders	Not applicable	Executive Directors receive a 10% non-contributory allowance (Pension Choice) to be paid as, or as a combination of: – an employer contribution to the Group's defined contribution pension plan; – a payment to a personal pension plan; or – a salary supplement.

Implementation

Executive Directors will continue to receive a 10% salary supplement by way of pension provision.

Annual Incentive Plan ('AIP') and deferral under the Deferred Bonus Share Scheme ('DBSS')

Policy

Purpose and link to strategy	Performance measures	Operation
To align Executive Director remuneration with annual financial and Company strategic targets as determined by the Company's Business Plan To differentiate appropriately, in the view of the Committee, on the basis of performance The partial award in shares aligns interests with shareholders and supports retention	The annual bonus operates by reference to financial and personal performance measures assessed over one year. The weighting of financial measures will be at least 60% of the total opportunity	Awards are paid in a mix of cash and deferred shares, with the deferred shares element being at least 40% of the total award. The deferral period is at least two years. The Committee retains a broad discretion to adjust the provisional outturn (including reducing such assessment to zero). AIP Awards are subject to clawback and malus provisions in situations of personal misconduct and/or where accounts or information relevant to performance are shown to be materially wrong and the bonus paid was higher than should have been the case and/or, in the case of malus, where the individual's actions contributed to a significant adverse impact on the reputation of the Company or Group or a group insolvency. The clawback period applies for 12 months from payout. The deferred share element is subject to clawback and malus provisions in situations of personal misconduct and/or where performance in the year to which the bonus relates is shown to be materially different from that assumed and, in the case of malus, where there has would otherwise be material reputational damage and/or a group insolvency. The clawback period applies for 2 years from vesting. All participants agree a declaration acknowledging the provisions.

Implementation

The AIP maximum will remain at 200% of base salary for the Chief Executive and 150% of base salary for the CFO.

Performance measures for the AIP for Executive Directors in 2025 will be amended to replace Net rental income with Gross rental income which aligns with the Group's Medium Term Financial Framework. Total Accounting Return has also been replaced with Relative Total Shareholder Return which is provides greater alignment with wider shareholder experience.

Weighting of performance measures for 2025 AIP

Gross rental income	21.67%
Adjusted earnings per share	21.67%
Relative Total shareholder return	21.67%
Emissions reduction	10.00%
Personal/Strategic objectives	25.00%

The Personal/Strategic objectives will again be focused on key strategic areas, including Value Creation, Colleagues, Customers, and Sustainability.

The Committee designs the financial targets and Personal/Strategic objectives to align with the Group's strategy, as well as to the Business Plan and the priorities for the coming year. It is therefore felt that the specific financial targets and important personal objectives are commercially sensitive such that, having considered this carefully, the Board is of the view that it is in the Company's interests not to disclose this information in advance.

Further details of the specific targets and key personal/strategic objectives set will be disclosed in the 2025 Annual Report.

40% of the 2025 AIP vesting will be deferred by making an award of shares under the DBSS, with a deferral period of two years. No change to current arrangements is proposed for 2025.

Restricted Share Scheme

Policy

Purpose and link to strategy	Performance measures	Operation
To incentivise the creation of long-term returns for shareholders To align interests of Executive Directors with shareholders and support retention to create alignment with the workforce	Subject to underpin as described in full in the Remuneration Policy. The underpin requires that the Group's performance and delivery of strategy is sufficient to justify vesting against the consideration of absolute and relative TSR, net debt and TPR and provides a broad discretion to reduce vesting levels, including to zero	A discretionary annual award up to a value of 100% of base salary. The Committee reserves the discretion to increase the maximum award to 150% of base salary in exceptional circumstances. Awards are subject to clawback and malus provisions in situations of personal misconduct and/or where performance in the year prior to grant is shown to be materially different from that assumed and/or, in the case of malus, where there has would otherwise be material reputational damage and/or a group insolvency. The clawback period applies 2 years from the end of the holding period. All participants agree a declaration acknowledging the provisions.

Implementation

Annual award of 100% of base salary for the Chief Executive and 75% of base salary for the CFO. Vesting of the award is subject to the underpin described above.

Participation in all-employee arrangements

Policy

Purpose and link to strategy	Performance measures	Operation
In order to be able to offer participation in all-employee plans to employees generally, the Company is either required by the relevant UK and French legislation to allow Executive Directors to participate on the same terms or chooses to do so	Not generally applicable. Any award of free shares under the SIP may be subject to a Company performance target	Executive Directors are eligible to participate in all-employee incentive arrangements on same terms as other employees

Implementation

All-employee arrangements currently offered in the UK are Sharesave and SIP share awards. The opportunity to participate in all-employee arrangements continues on the same basis as for all staff in the UK. No change to current arrangements is proposed for 2025.

Share ownership guidelines

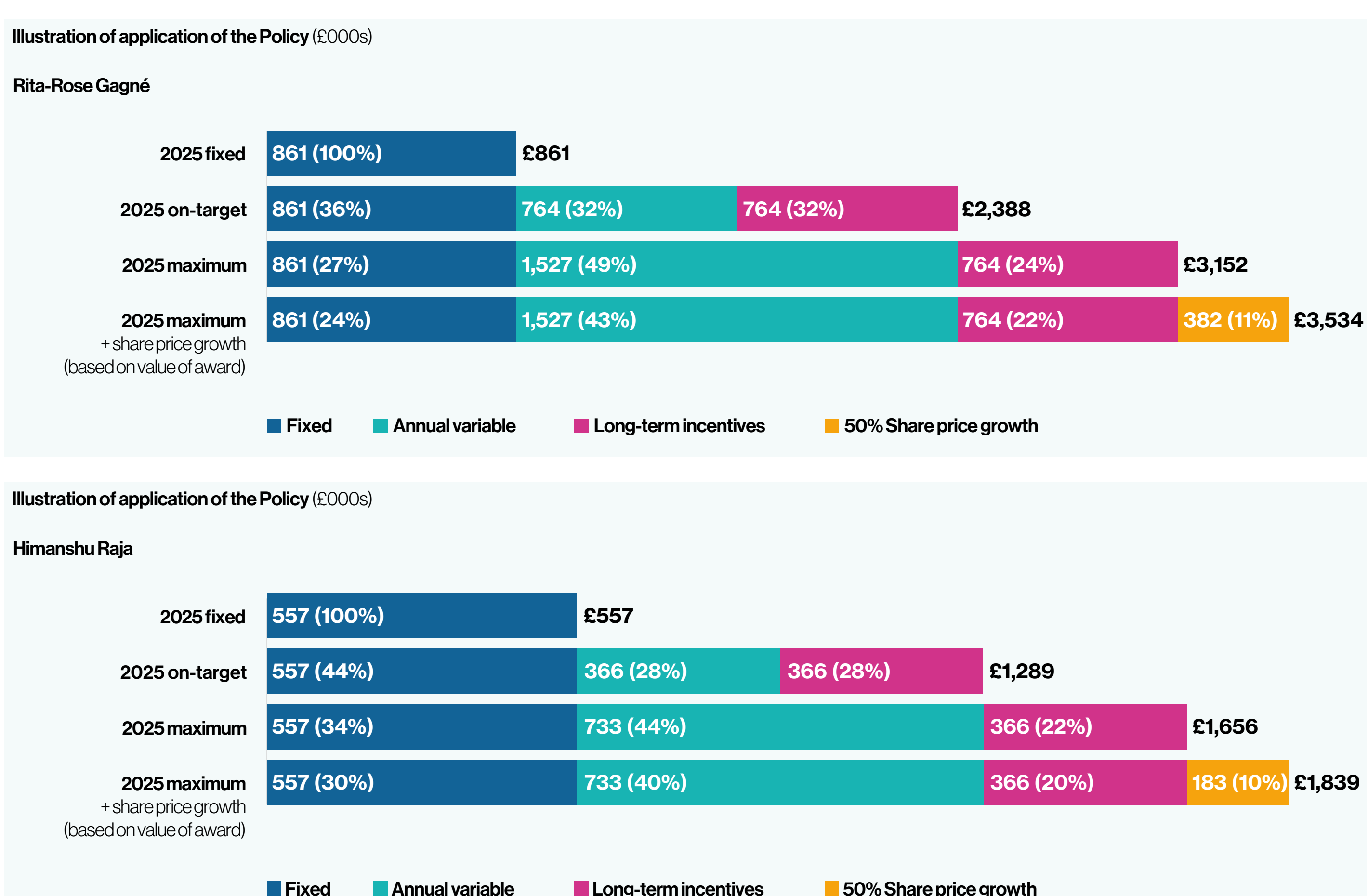
The Company has in place a share ownership policy for the Executive Directors. Executive Directors are normally required to achieve the minimum shareholding requirement within seven years of the date of appointment. An annual calculation as a percentage of salary is made against the guidelines as at 31 December each year based on the middle-market value share price on the last business day in December. Executive Directors are expected to accumulate and maintain a holding in ordinary shares in the Company equivalent to no less than 250% of base salary. The Company has a post cessation share ownership guideline of 250% of salary for two years after termination of employment. This includes vested shares and shares which are unvested but have met the performance conditions or underpins on a net of tax basis.

Implementation

250% of base salary for the Chief Executive and all other Executive Directors.

Illustration of application of the Policy

Set out below is an illustration of the reward mix for the Executive Directors for 2025 at minimum, on-target and maximum performance.



Assumptions: Executive Director remuneration scenarios 2025

Element	Approach/Policy
Fixed	Consists of base salary, contractual and non-contractual benefits, pension and participation in the UK all-employee share plans. Base salary is the salary to apply after salary increases to take effect on 1 April 2025. Benefits are as shown in the Single Figure Table for 2024 in the Annual Remuneration Report. Pension contributions are based on salary after salary increases to take effect on 1 April 2025.
On-target	Based on what the Executive Director would receive if performance was in line with expectation (excluding share price appreciation and accrual of dividend equivalent payments): AIP: consists of on-target levels (50% of maximum bonus opportunity). RSS: Assumes maximum vesting of awards granted in 2025 (using the face value of awards based on 100% of salary for the CEO and 75% for the CFO).
Maximum	Based on the maximum remuneration receivable (excluding share price appreciation and accrual of dividend equivalent payments): AIP: consists of the maximum bonus opportunity (200% of base salary for CEO, 150% of base salary for the CFO). RSS: assumes maximum vesting of awards granted in 2025 (using the face value of awards based on 100% of salary for the CEO and 75% for the CFO).
Impact of share price appreciation	50% of maximum RSS award value (using the face value of awards to be granted in 2025).

Fixed elements:

	Base Salary £000	Benefits £000	Pension £000	Total Fixed £000
Rita-Rose Gagné	764	21	76	861
Himanshu Raja	489	19	49	557

Chair of the Board and Non-executive Directors' Fees
Policy

Purpose and link to strategy	Performance measures	Operation
To ensure the Company continues to attract and retain high-quality Chair and Non-executive Directors by offering market competitive fees	Not applicable	The Chair of the Board's fee is determined by the Committee. Other Non-executive Directors' fees are determined by the Board on the recommendation of the Executive Directors. Aggregate total fees payable annually to all Non-executive Directors are subject to the limit stated in the Company's Articles of Association (currently £1,000,000)

Implementation

Chair and Non-executive Directors' 2025 annual fees	£
Chair of the Board	300,000
Non-executive Director	64,575
Senior Independent Director	10,500
Audit Committee Chair	15,750
Remuneration Committee Chair	15,750
Audit/Remuneration Committee Member	5,250
Designated Non-executive Director for Colleague Engagement	8,400

The Chair of the Board's fee was reviewed by the Committee in December 2024 and the Non-executive Directors' fees were reviewed by the Board in December 2024 (with relevant individuals recusing themselves from discussion and decision-making). No fee increases were proposed for either the Chair of the Board or the Non-executive Directors for 2025. Although fees are subject to periodic review: (i) the Chair of the Board's fee has not changed since his appointment to the Board in 2020; (ii) the Non-executive Directors' fees were subject to a 5% increase with effect from 1 January 2024.

There is no fee for the Chair, or membership, of the Nomination and Governance Committee.

Remuneration for employees below Board level in 2024

Remuneration packages for all Group employees may comprise both fixed and variable elements. Generally, the more senior the individual, the greater the variable pay offer as a proportion of overall pay due to the ability of senior managers to impact more directly upon the Group's performance. As well as assessing the remuneration packages of the Executive Directors, the Committee reviews the remuneration of the senior management team and is kept informed of remuneration developments and principles for pay and reward across the Group. This includes any salary increases and benefits of the wider employee population and considers them in relation to the implementation of the Remuneration Policy for Executive Directors, ensuring there is an appropriate degree of alignment throughout the Group. The Designated Non-executive Director for Colleague Engagement is a member of the Remuneration Committee and attended meetings of the Company's employee forum in the year, including one specifically focused on discussing executive remuneration to explain how executive remuneration aligns with the wider company pay policy, as required by the UK Corporate Governance Code. This latter meeting was also attended by the Chair of the Remuneration Committee.

2018 UK Corporate Governance Code ('Code') considerations

The Committee has considered the factors set out in provision 40 of the Code. In the Committee's view, the Policy addresses those factors as set out below:

Factor	How addressed
Clarity – remuneration arrangements should be transparent and promote effective engagement with shareholders and the workforce.	Remuneration policy and arrangements are clearly disclosed each year in the Annual Report. The Committee proactively seeks engagement with shareholders on remuneration matters and is regularly updated on workforce pay and benefits across the Group during the course of its activity.
Simplicity – remuneration structures should avoid complexity and their rationale and operation should be easy to understand.	Our remuneration structure is comprised of fixed and variable remuneration, with the performance conditions for variable elements clearly communicated to, and understood by, participants. The RSS provides a mechanism for aligning Executive Director and shareholder interests, removes the difficult challenge of setting robust, appropriately challenging and easily understandable performance targets in a volatile market which could lead to potentially unintended remuneration outcomes and significantly reduces the maximum pay available to Executive Directors.
Risk – remuneration arrangements should ensure that reputational and other risks from excessive rewards, and behavioural risks that can arise from target-based incentive plans, are identified and mitigated.	The rules of the AIP and RSS provide discretion to the Committee to reduce award levels and awards are subject to malus and clawback provisions. The Committee also has overriding discretion to reduce awards to mitigate against any reputational or other risk from such awards being considered excessive. The RSS reduces the risk of unintended remuneration outcomes associated with complex performance conditions.
Predictability – the range of possible reward values to individual directors and any other limits or discretions should be identified and explained at the time of approving the policy.	The RSS increases the predictability of reward values (removing the risk of potentially unintended outcomes). Maximum award levels and discretions are set out in the illustration and application of policy chart on page 121.
Proportionality – the link between individual awards, the delivery of strategy and the long-term performance of the Group should be clear. Outcomes should not reward poor performance.	Variable performance related elements represent a significant proportion of the total remuneration opportunity for the Executive Directors. The Committee considers the appropriate financial and personal performance measures each year to ensure that there is a clear link to strategy. Discretions available to the Committee ensure that awards can be reduced if necessary to ensure that outcomes do not reward poor performance.
Alignment to culture – incentive schemes should drive behaviours consistent with company purpose, values and strategy.	The Committee seeks to ensure that personal performance measures under the AIP incentivise behaviours consistent with the Group's culture, purpose and values. The RSS clearly aligns Executive Director interests with those of shareholders by ensuring a focus on delivering against strategy to generate long-term value for shareholders.

By order of the Board

Habib Annous
Chair of the Remuneration Committee
25 February 2025

Directors' Report

The Directors of the Company present their report together with the audited consolidated financial statements for the year ended 31 December 2024. This report has been prepared in accordance with requirements outlined within The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 and the Directors' Report forms part of the management report as required under the Disclosure Guidance and Transparency Rules ('DTR').

The Company has chosen, in accordance with Section 414C(11) of the Companies Act 2006 (the Act), to include certain information in the Strategic Report that would otherwise be required to be included in this Directors' Report, as follows:

Information	Pages
Likely future developments in the Company	12 to 21
Information about dividends	11
Employment of disabled persons	48
Engagement with colleagues	29 and 85
Engagement with customers, suppliers and other external stakeholders	28 to 30 and 86
Going concern and viability statements	144 and 74 to 75

The Strategic Report set out on pages 1 to 77 is incorporated into this Directors' Report by reference. Other information, which forms part of this Directors' Report by reference, can be found in the following sections:

Information	Pages
Corporate Governance	78 to 126
Financial instruments and risk management	173 to 177
Statement of Directors' responsibilities, including confirmation of disclosure of information to the Auditors	126
Subsidiaries and other related undertakings outside the UK	192 to 195
Disclosures concerning greenhouse gas emissions and energy consumption	65
Shareholder information	209 to 210

Articles of Association
The Company's Articles of Association (Articles) may be amended by special resolution in accordance with the Act and are available at www.hammerson.com.

2025 Annual General Meeting
The Company's 2025 Annual General Meeting ('AGM') will be held at 9:00 am (UK time) on 15 May 2025. The resolutions to be proposed at the AGM will be set out in the Notice of AGM sent to the Company's shareholders.

Auditors
PricewaterhouseCoopers LLP ('PwC') has indicated its willingness to remain in office and, on the recommendation of the Audit Committee, a resolution to reappoint PwC as the Company's External Auditor will be proposed at the AGM.

Authority to allot shares in the Company
At the general meeting held on 12 September 2024, the Company was granted authority by shareholders to allot shares up to an aggregate nominal value of £8,315,428. This authority will expire on the earlier of 12 December 2025 or the conclusion of the 2025 AGM, at which a resolution will be proposed for its renewal. The Company made no allotments of shares during the year pursuant to this authority.

Branches
Details of the Company's French branch are provided on page 193.

Colleagues
Colleagues receive regular briefings and updates from the Board and management, including via all-colleague meetings, email and the Group's intranet, to inform them of the performance of the business and opportunities to participate in employee share schemes. Further details of engagement with colleagues can be found on pages 28 to 30, 47 to 48 and 85.

Corporate Governance Statement
The Directors' Report (including the information specified as forming part of this Report) fulfils the requirements of the Corporate Governance Statement for the purposes of DTR 7.2.

Directors and their share interests
Details of the Directors who served during the year ended 31 December 2024 and continue to serve at the date of approval of the Directors' Report are set out on pages 80 to 81.

Directors are appointed and replaced in accordance with the Articles, the Act and the UK Corporate Governance Code. The powers of the Directors are set out in the Articles and the Act.

The Directors' interests in ordinary shares in the Company are set out in the table in the Directors' Remuneration Report on page 111.

Dividends
The Board has recommended a final 2024 dividend of 8.07 pence per share (2023: 7.8 pence) bringing the total dividend for 2024 to 15.63 pence (2023: 15.0 pence)*. If approved by shareholders at the 2025 AGM, the final dividend will be paid as a non-PID, and treated as an ordinary UK company dividend.

The ex-dividend date for the final dividend will be Thursday, 24 April 2025, the record date will be Friday, 25 April 2025 and the payment date will be Tuesday, 3 June 2025, subject to shareholder approval.

Further information on the final dividend recommended by the Board can be found on page 11.

Indemnification of and insurance for Directors and officers
The Company has in place directors' and officers' liability insurance, which is reviewed annually. The Company's Directors and officers are appropriately insured in accordance with standard practice. Directors are also indemnified under the Articles and through a Deed Poll of Indemnity. Qualifying third party indemnity provisions for the purposes of section 234 of the Companies Act 2006 were accordingly in force during the course of the year, and remain in force at the date of this Annual Report.

Political donations
It is the Company's policy not to make political donations and no political donations, contributions or political expenditure were made in the year ended 31 December 2024.

Post balance sheet events
There are no post balance sheet events disclosed in the financial statements.

Provisions on change of control
A change of control of the Company, following a takeover, may cause a number of agreements to which the Company is party to take effect, alter or terminate. These include certain insurance policies, joint venture and associated agreements, financing arrangements and employee share plans.

* Figures adjusted to take account of the 2024 Share Consolidation where necessary.

The Company's share plans contain provisions which could result in options and awards vesting or becoming exercisable on a change of control, in accordance with the rules of the plans. There are no agreements between the Company and its Directors or employees providing for compensation for loss of office or employment or otherwise that occurs specifically because of a takeover.

A number of joint venture, investment and associated arrangements to which members of the Group are party could allow the counterparties to terminate or alter those arrangements or exercise certain rights in the event of a change of control of the Company, or the rights of relevant members of the Group under those arrangements may change in such circumstances.

The Group has a number of borrowing facilities provided by various lenders. These facilities generally include provisions that may require any outstanding borrowings to be repaid or the amendment or termination of the facilities upon the occurrence of a change of control of the Company.

Purchase of own shares

At the 2023 AGM, the Company was granted authority by shareholders to purchase up to 499,457,436 ordinary shares of 5 pence each (representing approximately 10% of the Company's issued ordinary share capital as at Thursday, 30 March 2023). On 12 March 2024, the Company commenced a share buyback programme to acquire up to a maximum of 5,317,013 ordinary shares to be used to meet certain obligations arising from employee share option programmes operated by the Company. The Company completed this programme on 21 March 2024. All of the 5,317,013 ordinary shares acquired under that programme continue to be held in treasury.

At the general meeting held on 12 September 2024, the Company was granted authority by shareholders to purchase up to 49,892,573 ordinary shares of 5 pence each (representing approximately 10% of the Company's issued ordinary share capital at the point at which the 2024 Share Consolidation took effect). This authority will expire at the conclusion of the 2025 AGM, at which a resolution will be proposed for its renewal, or, if earlier, on 12 December 2025.

On 16 October 2024, the Company commenced a share buyback programme of its ordinary shares of 5 pence each up to a maximum consideration of £140 million (the Programme). The sole purpose of the Programme is to reduce the Company's share capital. During the year ended 31 December 2024, the Company bought back 7,028,112 ordinary shares pursuant to the Programme, representing approximately 1.43% of the issued share capital of the Company as at 31 December 2024, for a total consideration of approximately £20.9 million. All of the ordinary shares bought back under the Programme were immediately cancelled. Further details on share purchases can be found in note 21 to the financial statements. Purchases of ordinary shares under the Programme have continued in 2025, as announced by the Company in accordance with applicable regulatory obligations.

As at 31 December 2024, the Company held 1,300,825 ordinary shares in treasury.

Interests disclosed under DTR 5

As at 31 December 2024, the following information had been received by the Company, in accordance with Chapter 5 of the DTRs, from holders of notifiable interests in the Company's issued share capital. It should be noted that these holdings may have changed since they were notified to the Company. Substantial shareholders do not have different voting rights from those of other shareholders.

	Number of voting rights	% of issued share capital carrying voting rights[1]
APG Asset Management N.V.	997,468,698[2]	19.97%
BlackRock, Inc.	41,191,579	8.24%
Wellington Management Group LLP	24,797,075	5.03%
Coronation Fund Managers	19,854,994	4.00%

1 Percentages based on ordinary shares in issue, excluding treasury shares, as at the date the notification was received by the Company.

2 Notification received prior to the 2024 Share Consolidation taking effect. The stated number therefore reflects the share capital of the Company at the date of that notification.

Between 1 January 2025 and 24 February 2025 (the latest practicable date before the publication of this Report), the Company received the following additional notifications of interests in accordance with Chapter 5 of the DTRs: (i) on 7 January 2025 from Wellington Management Group LLP with respect to a decrease in voting rights from 5.03% to 4.95%; (ii) on 14, 16 and 27 January 2025 from Coronation Fund Managers with respect to an increase in voting rights to 5.03%, 6.13% and 7.13%, respectively; and (iii) on 10 February 2025 from BlackRock Inc. with respect to a decrease in voting rights from 8.24% to 7.63%.

Research and development activities

The Group continues to invest in new technology and systems and to develop new products and services to improve operating efficiency and strengthen its proposition for occupiers, customers and partners.

Share capital

Details of the Company's share capital and structure are set out in note 21 to the financial statements. The rights and obligations attached to the Company's shares are set out in the Articles, in addition to those conferred on shareholders by law. All of the Company's shares rank equally in all respects. On a show of hands, each member of the Company has the right to one vote at general meetings of the Company. On a poll, each member would be entitled to one vote for every share held. The shares carry no rights to fixed income. No person has any special rights of control over the Company's share capital and all shares are fully paid. The Articles and applicable legislation provide that the Company can decide to restrict the rights attaching to shares in certain circumstances, including where a person has failed to comply with a notice issued by the Company under section 793 of the Act.

There are no restrictions on the transfer of shares except the UK Real Estate Investment Trust restrictions and certain restrictions imposed by the Articles, law and the Company's Share Dealing Policy. The Articles set out certain circumstances in which the Directors of the Company can refuse to register a transfer of shares. The Company is not aware of any agreements between holders of securities that may result in restrictions on the transfer of securities or on voting rights. No dividends are paid in respect of shares held in treasury.

Shares held in the Employee Share Ownership Plan

The Trustees of the Hammerson Employee Share Ownership Plan hold Hammerson plc shares in trust to satisfy awards under the Company's employee share plans. The Trustees have waived their right to receive dividends on shares held in the Company. As at 31 December 2024, 1,341,278 ordinary shares were held in trust.

Listing Rule 6.6.1R disclosures

The table below sets out where disclosures required by Listing Rule 6.6.1R are located and these disclosures are incorporated into this Directors' Report by reference.

LR 6.6.1R requirement	Page
Interest capitalised and tax relief	157 to 158
Details of long term incentive schemes	155
Shareholder waivers of dividends	125
Shareholder waivers of future dividends	125

By order of the Board

Alex Dunn
General Counsel and Company Secretary
25 February 2025

Statement of Directors' responsibilities

Directors' responsibilities in respect of the preparation of the financial statements

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the Group financial statements in accordance with UK-adopted international accounting standards and the Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 'Reduced Disclosure Framework', and applicable law). The Group has also prepared financial statements in accordance with international financial reporting standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union.

Under Company law, Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group for that period. In preparing the financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently.
- State whether applicable UK-adopted international accounting standards and international financial reporting standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union have been followed for the Group financial statements and United Kingdom Accounting Standards, comprising FRS 101 have been followed for the Company financial statements, subject to any material departures disclosed and explained in the financial statements.
- Make judgements and accounting estimates that are reasonable and prudent.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The Directors are responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements and the Directors' Remuneration Report comply with the Companies Act 2006.

The Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' confirmations

The Directors consider that the Annual Report and financial statements, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's and Company's position and performance, business model and strategy.

Each of the Directors, whose names and functions are listed in the Corporate Governance Report, confirms that to the best of their knowledge:

- The Group financial statements, which have been prepared in accordance with UK-adopted international accounting standards and international financial reporting standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union, give a true and fair view of the assets, liabilities, financial position and loss of the Group.
- The Company financial statements, which have been prepared in accordance with United Kingdom Accounting Standards, comprising FRS 101, give a true and fair view of the assets, liabilities and financial position of the Company.
- The Strategic Report includes a fair review of the development and performance of the business and the position of the Group and Company, together with a description of the principal risks and uncertainties that it faces.

Provision of information to the Auditor

In the case of each Director in office at the date the Directors Report is approved:

- So far as the Director is aware, there is no relevant audit information of which the Group and Company's Auditors are unaware.
- They have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Group's and Company's Auditors are aware of that information.

This confirmation is given, and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

By order of the Board

Rita-Rose Gagné
Chief Executive

Himanshu Raja
Chief Financial Officer
25 February 2025

Independent Auditors' Report
to the members of Hammerson plc

Report on the audit of the financial statements

Opinion

In our opinion:

- Hammerson plc's Group financial statements and Company financial statements (the "financial statements") give a true and fair view of the state of the Group's and of the Company's affairs as at 31 December 2024 and of the Group's loss and the Group's cash flows for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006;
- the Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: Consolidated and Company Balance Sheets as at 31 December 2024; the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated and Company Statements of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended; and the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Our opinion is consistent with our reporting to the Audit Committee.

Separate opinion in relation to international financial reporting standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union

As explained in note 1B to the financial statements, the Group, in addition to applying UK-adopted international accounting standards, has also applied international financial reporting standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union.

In our opinion, the Group financial statements have been properly prepared in accordance with international financial reporting standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)"), International Standards on Auditing issued by the International Auditing and Assurance Standards Board ("ISAs") and applicable law. Our responsibilities under ISAs (UK) and ISAs are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed public interest entities, and the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants ('IESBA' Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by either the FRC's Ethical Standard or Article 5(1) of Regulation (EU) No 537/2014 were not provided.

Other than those disclosed in note 5E, we have provided no non-audit services to the Company or its controlled undertakings in the period under audit.

Our audit approach

Overview

Audit scope

- The UK, French and Irish components were subject to a full scope audit. We also performed audit procedures over specific large balances in Bishopsgate Goodsyard, and Value Retail's financial information was subject to a full scope audit for the period ended 30 June 2024. Together these components account for approximately 100% of the Group's total assets at 31 December 2024.

Key audit matters

- Valuation of investment property, either held directly or within joint ventures (Group)
- Accuracy of the accounting for and loss recognised on disposal of the Group's investment in Value Retail (Group)
- Valuation of investments in subsidiary companies and amounts owed by subsidiaries and other related undertakings (Company)

Materiality

- Overall Group materiality: £34.7m (2023: £32.5m) based on 1% of Group's total assets (2023: based on 0.75% of Group's total assets).
- Specific Group materiality: £5.0m (2023: £5.8m) based on 5% of the Group's adjusted earnings.
- Overall Company materiality: £49.2m (2023: £44.0m) based on 1% of Company's total assets (2023: based on 0.75% of Company's total assets).
- Overall performance materiality: £26.1m (2023: £24.4m) (Group); Specific performance materiality: £3.7m (2023: £4.4m) (Group); and Company performance materiality: £36.9m (2023: £33.0m) (Company).

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit.

The key audit matter in relation to the investment in Value Retail has been updated to reflect its disposal in the year. Otherwise, the key audit matters below are consistent with last year.

Key audit matter	How our audit addressed the key audit matter
Valuation of investment property, either held directly or within joint ventures (Group) Refer to page 100 (Audit Committee Report), page 146 (Material accounting policies), page 149 (Significant estimates – Property valuations) and pages 165 to 170 (Notes to the Consolidated Financial Statements – notes 12 and 13). The Group directly owns, or owns via joint ventures, a property portfolio which includes properties within the flagship destinations segment, developments and, prior to the Value Retail disposal, premium outlets. The total value of this portfolio as at 31 December 2024 was £2,659.0m (2023: £4,661.8m) and reflects the impacts of disposals during 2024. Of this portfolio £1,487.0m (2023: £1,396.2m) is held by subsidiaries within 'Investment properties', and £1,172.0m (2023: £1,379.9m) is held by joint ventures within 'Investment in joint ventures'. In the prior year a further £1,885.7m was held within the Value Retail associate. Together these properties are spread across the UK, French, Irish and Bishopsgate Goodsyard components. The valuation of the investment property portfolio was identified as a key audit matter given it is inherently subjective and complex due to, among other factors, the individual nature of each property, its location, and the expected future rental income for that particular property. In 2024, even with increased transaction activity in retail real estate, investor sentiment is still impacted by fragile economic growth and geopolitical uncertainty. As a result, significant subjectivity remains within these valuations for the year ended 31 December 2024. The closing valuations were carried out by CBRE Limited, Jones Lang LaSalle Limited and Cushman & Wakefield DTL Limited (the 'external valuers'), in accordance with the Royal Institution of Chartered Surveyors ('RICS') Valuation – Global Standards.	Given the inherent subjectivity involved in the valuation of investment properties, the need for deep market knowledge when determining the most appropriate assumptions and the technicalities of valuation methodology, we engaged our internal valuation experts (qualified chartered surveyors) to assist us in our audit of this matter. **Assessing the valuers' expertise and objectivity** We assessed each of the external valuers' qualifications and expertise and read their terms of engagement with the Group to determine whether there were any matters that might have affected their objectivity or may have imposed scope limitations upon their work. We further assessed the valuer's objectivity by considering their fee arrangements and other engagements which might exist between them and the Group. **Data provided to the valuers** We checked the accuracy of the underlying lease data and capital expenditure used by the external valuers in their valuation of the portfolio by tracing the data back to the relevant component accounting records and signed leases on a sample basis. **Assumptions and estimates used by the valuers** We read the external valuation reports for the properties and confirmed that the valuation approach for each was in accordance with RICS standards and suitable for use in determining the final value for the purpose of the financial statements. We held discussions with each of the external valuers to challenge the valuation process, the key assumptions, and the rationale behind the more significant valuation movements during the year. We considered the extent to which the valuers had taken into account each property's individual characteristics at a detailed, tenant by tenant level, as well as considered the property specific factors such as the latest leasing activity, tenant mix, vacancy levels, the impact of CVAs and administrations, geographic location and the desirability of the asset as a whole. We also questioned the external valuers as to the extent to which recent market transactions and expected rental values which they made use of in deriving their valuations took into account the impact of climate change and related ESG considerations. In addition we performed the following procedures for each type of property. We were able to obtain sufficient evidence to support the valuation and did not identify any material issues during our work.

Key audit matter	How our audit addressed the key audit matter
Valuation of investment property, either held directly or within joint ventures (Group) continued **Flagship destinations** In determining the valuation of investment properties within the flagship destinations segment the valuers take into account property specific information such as the current tenancy agreements and rental income. They then apply judgemental assumptions such as estimated rental value ('ERV') and yield, which are influenced by prevailing market yields and where available, comparable market transactions and leasing evidence, to arrive at the final valuation. Due to the unique nature of each property the judgemental assumptions to be applied are determined having regard to the individual property characteristics at a detailed, tenant by tenant level, as well as considering the qualities of the property as a whole. **Developments** In determining the valuation of development property under a residual valuation method the valuers take into account the property specific information such as the development plans for the site. They then apply a number of judgemental assumptions including ERV and yield within the gross development value, estimated costs to complete and developers profit to arrive at the valuation. Due to the unique nature of an ongoing development the judgemental assumptions to be applied are determined having regard to the nature and risks associated with each development. In determining the value of development land the valuers primarily have regard to the value per acre achieved by recent comparable land transactions.	– **Flagship destinations** For investment properties within the flagship destinations segment we obtained details of each property and set an expected range for yield and capital value movement, determined by reference to published shopping centre benchmarks and using our experience and knowledge of the market. We compared the yield and capital movement of each property with our expected range. We also considered the reasonableness of other assumptions that are not so readily comparable with published benchmarks. Where assumptions were outside the expected range or otherwise appeared unusual we undertook further investigations and, when necessary, obtained corroborating evidence to support explanations received. This enabled us to assess the property specific factors that had an impact on value, including recent comparable transactions and leasing evidence where available, and to conclude on the reasonableness of the assumptions utilised. – **Developments** For significant ongoing developments valued via the residual valuation method we obtained the development appraisal and assessed the reasonableness of the valuers' key assumptions. This included comparing the yield to comparable market benchmarks, comparing the costs to complete estimates to development plans and contracts, and considering the reasonableness of other assumptions that are not so readily comparable with published benchmarks, such as ERV, cost contingencies and developers profit. Where assumptions appeared unusual we undertook further investigations and, when necessary, obtained corroborating evidence to support explanations received. For development land valued on a per acre basis we obtained details of the comparable land transactions utilised by the valuers. We verified the value of these transactions to supporting evidence and considered their comparability to the asset being valued. **Overall findings** Based on the procedures performed and the evidence obtained, we consider the valuation of investment property, either held directly or within joint ventures, to be reasonable.

Key audit matter	How our audit addressed the key audit matter
Accuracy of the accounting for and loss recognised on disposal of the Group's investment in Value Retail (Group) Refer to page 100 (Audit Committee Report), page 148 to 149 (Significant judgements – Accounting for disposal of Value Retail and Accounting for property transactions, including classification of assets held for sale) and pages 159 to 161 (Notes to the Consolidated Financial Statements – note 9). At the start of the year, the Group held an investment in Value Retail, a separate group owning a number of premium outlets in the United Kingdom and Europe. Value Retail has a complex ownership structure and this creates significant complexity in determining the overall investment in Value Retail held. On 22 July 2024, the Group announced it had entered into a binding sale agreement for the disposal of its entire interests in Value Retail, and the disposal completed on 18 September 2024. Key judgements arising from this transaction were the point from which the asset was considered to be held for sale and equity accounting would cease, and the extent to which it represented an identifiable segment of the Group's operations. In addition, the loss recognised on disposal was impacted by the value of the underlying properties, which is a significant estimate. Therefore these matters were focus areas for our audit. **Reclassification to "assets held for sale"** The Group had historically accounted for its Value Retail interests as an associate under the equity method. At 30 June 2024, given the significant progress made towards agreeing and signing a sale agreement, the Directors concluded that a sale was "highly probable" and hence the Group's interests were judged to have met the criteria outlined in IFRS 5 'Non-current Assets Held for Sale and Discontinued Operations' for reclassification. As a result, the Group's interests were reclassified as "assets held for sale" within current assets and equity accounting for the investment ceased. **Loss recognised on disposal** Upon reclassifying the investment as an "asset held for sale," the Group's interests were re-measured to the lower of the carrying amount and estimated fair value less costs to sell. The carrying amount considered was updated to reflect the latest value of the underlying properties. The fair value was based on the contracted sale proceeds less estimated transaction costs. This resulted in a £483.0m impairment loss being recognised at 30 June 2024. Following completion of the disposal on 18 September 2024 and finalisation of sales proceeds, management re-measured the impairment loss on reclassification to £471.9m. **Discontinued operations** In addition, the Directors' concluded that Value Retail was a discontinued operation. The results for the current and prior financial periods have therefore been separately disclosed from the continuing operations of the business.	**Reclassification to "assets held for sale"** We considered the criteria in IFRS 5 for an asset to be reclassified as "held for sale" and assessed whether the investment in Value Retail met those criteria at 30 June 2024. In particular we considered whether the sale was "highly probable" at that date. **Loss recognised on disposal** The Value Retail component's financial information was subject to a full scope audit for the period ended 30 June 2024. This included audit work over the valuation of investment property within Value Retail as at 30 June 2024. We assessed the reasonableness of the property valuations at 30 June 2024. Procedures were performed similar to that set out in the key audit matter "Valuation of investment property, either held directly or within joint ventures". In particular this included; assessing the valuer's expertise and objectivity; using internal valuation experts to assist in assessing the methodology and assumptions used by the valuers; and comparing key assumptions used including yield and growth rates to market benchmarks. In respect of the complexity within the calculation of the Group's investment in Value Retail, the Group's ownership holding was agreed to supporting evidence and we recalculated the Group's share of Value Retail's net assets at 30 June 2024. We have reviewed the sale agreement and final completion statement to verify contracted sale proceeds less transaction costs. We verified the cash proceeds received against bank statements and agreed the material transaction costs to corresponding invoices. **Discontinued operations** We assessed whether the Group's investment in Value Retail constituted a separate major line of the business under IFRS 5, as at 30 June 2024, and if it should be re-presented as a discontinued operation. We also assessed whether the disclosure requirements of IFRS 5 had been met once that representation had been made. **Overall findings** From the work undertaken we concluded that the accounting for the transaction, the loss recognised on the disposal and the disclosures under IFRS 5 were appropriate.

Key audit matter	How our audit addressed the key audit matter
Valuation of investments in subsidiary companies and amounts owed by subsidiaries and other related undertakings (Company) Refer to page 190 (Significant estimates) and page 191 (Notes to the Company Financial Statements – notes C3 and C4). The Company has investments in subsidiary companies of £1,032.8m (2023: £1,086.1m) and amounts owed by subsidiaries and other related undertakings of £3,156.9m (2023: £4,324.3m) as at 31 December 2024. This is following the recognition of a revaluation loss of £52.9m (2023: £236.1m loss) on investments in subsidiary companies and an expected credit loss provision balance of £1,155.1m (2023: £606.5m) recognised on amounts owed by subsidiaries and other related undertakings as at 31 December 2024. The Company's accounting policy for investments is to hold them at fair value, while amounts owed by subsidiaries and other related undertakings are carried at amortised cost but are subject to the Expected Credit Loss impairment requirements. Given the inherent judgement and complexity in assessing both the fair value of a subsidiary company, and the Expected Credit Loss of amounts owed by subsidiaries and other related undertakings, this was identified as a key audit matter for our audit of the Company. The primary determinant and key judgement within both the fair value of each subsidiary company and the Expected Credit Loss assessment of amounts owed by subsidiaries and other related undertakings is the value of the investment property held by each investee/counterparty. As such it was over this area that we applied the most focus and audit effort.	We obtained the Directors' valuation for the value of investments held in subsidiary companies and their Expected Credit Loss assessment of amounts owed by subsidiaries and other related undertakings as at 31 December 2024. We considered the accounting policies for investments and amounts owed by subsidiaries and other related undertakings and assessed whether they were compliant with FRS 101 'Reduced Disclosure Framework'. We considered the methodology used by the Directors in arriving at the fair value of each subsidiary, and the Expected Credit Loss 'general approach' provision for amounts owed by subsidiaries and other related undertakings, and assessed whether they were compliant with FRS 101 'Reduced Disclosure Framework'. We identified the key judgement within both the valuation of investments held in subsidiary companies and amounts owed by subsidiaries and other related undertakings to be the valuation of investment property held by each investee/counterparty. For details of our procedures over investment property valuations please refer to the related Group key audit matter above. **Overall findings** From the work undertaken we concluded that the valuation of investments in subsidiary companies and amounts owed by subsidiaries and other related undertakings were supportable.

How we tailored the audit scope
We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Group and the Company, the accounting processes and controls, and the industry in which they operate.

The Group owns and invests in a number of investment properties within its flagship destinations segment and developments across the United Kingdom and Europe, which are held within a variety of subsidiaries and joint ventures. For part of the year the Group also owned an investment in Value Retail, which was held as an associate prior to being reclassified to assets held for sale before its subsequent disposal.

Based on our understanding of the Group, we focused our audit work primarily on five components being: UK, France, Ireland, Bishopsgate Goodsyard and Value Retail.

Three components being UK, France and Ireland were subject to a full scope audit given their financial significance to the Group. We supplemented this with audit procedures over specific large balances in Bishopsgate Goodsyard, and a full scope audit of Value Retail's financial information for the six month period ended 30 June 2024, when the Group's investment in Value Retail was reclassified to assets held for sale.

The UK, French, Irish and Bishopsgate Goodsyard components account for approximately 100% of the Group's total assets at 31 December 2024 (2023: the UK, French, Irish, Value Retail and Bishopsgate Goodsyard components accounted for approximately 100%).

As part of our direction of the component auditors, we issued instructions outlining our expectations for the component auditors' work. As part of our supervision of component auditors, we participated in regular discussions with the component auditors in order to monitor the progress of their work.

These ongoing communications covered matters impacting the execution, completion and reporting of the Group audit. We also attended certain key client meetings between the component auditors and component management. In addition, we reviewed the component auditors' working papers to verify that their work was performed appropriately and carried out in line with our instructions.

These procedures, together with additional procedures performed at the Group level (including audit procedures over the consolidation and consolidation adjustments), gave us the evidence we needed for our opinion on the Group financial statements as a whole.

In respect of the audit of the Company, we performed a full scope audit.

The impact of climate risk on our audit
The Directors have made commitments for the Group to be Net Zero by 2030 and Net Zero Asset Plans exist for each investment property within the Hammerson portfolio.

The key areas of the financial statements where management evaluated that climate risk could have a potential impact are: the valuation of investment properties, the coupon rate on its €700m sustainability-linked bond and cash flow assumptions in the going concern assessment.

Using our knowledge of the business, we evaluated management's risk assessment, its estimates as set out in note 1F of the financial statements and resultant disclosures where significant. We considered the following areas to potentially be materially impacted by climate risk and consequently we focused our audit work on climate change in these areas:

- Valuation of investment properties;
- The coupon rate on the €700m sustainability-linked bond; and
- Cash flow assumptions in the going concern assessment.

To respond to the audit risks identified in these areas we tailored our audit approach to address these, in particular:

- We made enquiries of management to understand the process management adopted to assess the extent of the potential impact of climate risk on the Group's financial statements and support the disclosures made within the financial statements;
- We challenged the completeness of management's climate risk assessment by challenging the consistency of management's climate impact assessment with internal climate plans (including the Net Zero Asset Plans), and reading the entity's external communications for details of climate-related impacts;
- We evaluated, with assistance from our internal valuation experts, how management's external experts had considered the impact of ESG and climate change within the valuations of the Group's investment properties (refer to our key audit matter over the valuation of investment property);
- We performed an independent sensitivity analysis to evaluate the financial impact if the Group fails to meet the two sustainability performance targets in December 2025 linked to the €700m bond; and
- We challenged whether the impact of climate risk, and the Group's Net Zero by 2030 commitment, had been factored into the Directors' assessments and disclosures surrounding going concern.

We also considered the consistency of the disclosures in relation to climate change (including the disclosures in the Task Force on Climate-related Financial Disclosures ('TCFD') section) within the Annual Report with the financial statements and our knowledge obtained from our audit.

Our procedures did not identify any material impact in the context of our audit of the financial statements as a whole, or our key audit matters, for the year ended 31 December 2024.

Materiality
The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Financial statements – Group	Financial statements – Company
Overall materiality	£34.7m (2023: £32.5m).	£49.2m (2023: £44.0m).
How we determined it	1% of Group's total assets (2023: 0.75% of Group's total assets)	1% of Company's total assets (2023: 0.75% of Company's total assets)
Rationale for benchmark applied	We determined materiality based on total assets given the valuation of investment properties, whether held directly or through joint ventures, is the key determinant of the Group's value. This materiality was utilised in the audit of investing and financing activities	Given the Hammerson plc entity is primarily a holding company we determined total assets to be the appropriate benchmark.
Specific materiality	£5.0m (2023: £5.8m)	Not applicable.
How we determined it	5% of the Group's Adjusted earnings (2023: 5% of the Group's Adjusted earnings)	Not applicable.
Rationale for benchmark applied	In determining this materiality we had regard to the fact that Adjusted earnings is a secondary financial indicator of the Group (refer to note 10A of the financial statements which includes a reconciliation between IFRS and Adjusted earnings). This materiality was utilised in the audit of operating activities.	Not applicable.

For each component in the scope of our Group audit, we allocated a materiality that is less than our overall Group materiality. The range of materiality allocated across components was £1.8m to £31.0m. The range of materiality allocated across components for operating activities was £0.4m to £4.3m.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality for investing and financing activities was 75% (2023: 75%) of overall materiality, amounting to £26.1m (2023: £24.4m) for the Group financial statements and £36.9m (2023: £33.0m) for the Company financial statements. Our performance materiality for operating activities was 75% (2023: 75%) of Specific materiality, amounting to £3.7m (2023: £4.4m) for the Group financial statements.

In determining the performance materiality, we considered a number of factors – the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls – and concluded that an amount in the middle of our normal range was appropriate.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £1.7m (Group audit) (2023: £1.6m) and £2.4m (Company audit) (2023: £2.2m) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

Our evaluation of the Directors' assessment of the Group's and the Company's ability to continue to adopt the going concern basis of accounting included:

- We agreed the underlying cash flow projections to the Board approved business plan and assessed how these projections were compiled. We compared the prior year projections to actual performance to assess management's ability to forecast accurately;
- We evaluated the key assumptions within the projections, namely forecasted investment property valuations and the levels of forecasted net rental income, under the base scenario. We did so with reference to available third party data sources, contractual rental income, together with the most recent data on levels of expected rental concessions/tenant failure. We also considered the appropriateness of the key variables sensitised under the Group's stress tests and recalculated and assessed the headroom available against each covenant threshold;
- We examined the minimum committed facility headroom under the base scenario and stress tests, and evaluated whether the Directors' conclusion, that sufficient liquidity headroom existed to continue trading operationally throughout the period to 30 June 2026, was appropriate;
- We reviewed the terms of financing agreements to determine whether forecast covenant calculations were in line with those agreements and to determine whether the maturity profile of the debt included within the projections was accurate;
- We obtained and reperformed the Group's forecast covenant compliance calculations, under both the base scenario and stress tests to assess the Directors' conclusions on covenant compliance; and
- We reviewed the disclosures relating to the going concern basis of preparation and we found that these provided an explanation of the Directors' assessment that was consistent with the evidence we obtained.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Group's and the Company's ability to continue as a going concern.

In relation to the Directors' reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' statement in the financial statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2024 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Group and Company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Directors' Remuneration

In our opinion, the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

Corporate governance statement

The Listing Rules require us to review the Directors' statements in relation to going concern, longer-term viability and that part of the corporate governance statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified for our review. Our additional responsibilities with respect to the corporate governance statement as other information are described in the Reporting on other information section of this report.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit, and we have nothing material to add or draw attention to in relation to:

- The Directors' confirmation that they have carried out a robust assessment of the emerging and principal risks;
- The disclosures in the Annual Report that describe those principal risks, what procedures are in place to identify emerging risks and an explanation of how these are being managed or mitigated;
- The Directors' statement in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the Group's and Company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- The Directors' explanation as to their assessment of the Group's and Company's prospects, the period this assessment covers and why the period is appropriate; and
- The Directors' statement as to whether they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period of its assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Our review of the Directors' statement regarding the longer-term viability of the Group and Company was substantially less in scope than an audit and only consisted of making inquiries and considering the Directors' process supporting their statement; checking that the statement is in alignment with the relevant provisions of the UK Corporate Governance Code; and considering whether the statement is consistent with the financial statements and our knowledge and understanding of the Group and Company and their environment obtained in the course of the audit.

In addition, based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- The Directors' statement that they consider the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for the members to assess the Group's and Company's position, performance, business model and strategy;
- The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems; and
- The section of the Annual Report describing the work of the Audit Committee.

We have nothing to report in respect of our responsibility to report when the Directors' statement relating to the Company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified under the Listing Rules for review by the auditors.

Responsibilities for the financial statements and the audit

Responsibilities of the Directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities, the Directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) and ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Group and industry, we identified that the principal risks of non-compliance with laws and regulations related to compliance with Real Estate Investment Trust ('REIT') status Part 12 of the Corporation Tax Act 2010, the French SIIC regime and UK regulatory principles, such as those governed by the Financial Conduct Authority Listing Rules, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue and management bias in accounting estimates, such as investment property valuation. The Group engagement team shared this risk assessment with the component auditors so that they could include appropriate audit procedures in response to such risks in their work. Audit procedures performed by the Group engagement team and/or component auditors included:

- Discussions with management, internal audit, legal team and those charged with governance, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud, and review of the reports made by internal audit;
- Reviewing relevant meeting minutes, including those of those charged with governance and attending all Audit Committee meetings;
- Evaluation of management's internal controls designed to prevent and detect irregularities. Assessment of matters reported on the Group and Company's whistleblowing helpline and fraud register and the results of management's investigation of such matters;
- Designing audit procedures to incorporate unpredictability into the nature, timing or extent of our testing;
- Reviewing tax compliance with the involvement of our tax specialists in the audit;
- Challenging assumptions and judgements made by management in their significant areas of estimation including procedures relating to the valuation of investment property;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations; and
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements in accordance with ISAs (UK) is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group and Company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Use of this report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- the Company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Appointment

Following the recommendation of the Audit Committee, we were appointed by the members on 25 April 2017 to audit the financial statements for the year ended 31 December 2017 and subsequent financial periods. The period of total uninterrupted engagement is eight years, covering the years ended 31 December 2017 to 31 December 2024.

Other matter

The Company is required by the Financial Conduct Authority Disclosure Guidance and Transparency Rules to include these financial statements in an annual financial report prepared under the structured digital format required by DTR 4.1.15R – 4.1.18R and filed on the National Storage Mechanism of the Financial Conduct Authority. This auditors' report provides no assurance over whether the structured digital format annual financial report has been prepared in accordance with those requirements.

Joanne Leeson (Senior Statutory Auditor)
for and on behalf of
PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
25 February 2025

Consolidated Income Statement
Year ended 31 December 2024

	Notes	2024 £m	2023[1] £m
Revenue	2A,4	**121.1**	134.3
Profit from operating activities[2]	2A	**23.2**	26.2
Net revaluation losses on properties	2A	**(20.6)**	(45.2)
Other net gains	2A	**0.6**	1.2
Share of results of joint ventures	13B	**8.8**	9.4
Impairment of joint ventures	8B	**–**	(22.2)
Share of results of associates	14B	**–**	1.2
Income from other investments		**1.1**	–
Operating gain/(loss)		**13.1**	(29.4)
Finance income	6	**40.0**	35.2
Finance costs	6	**(95.4)**	(71.3)
Loss before tax		**(42.3)**	(65.5)
Tax charge	7	**(2.5)**	(0.7)
Loss from continuing operations		**(44.8)**	(66.2)
(Loss)/Profit from discontinued operations	9B	**(481.5)**	14.8
Loss for the year		**(526.3)**	(51.4)
Basic and diluted (loss)/earnings per share[3]			
Continuing operations	11B	**(9.0)p**	(13.3)p
Discontinued operations	11B	**(97.0)p**	3.0p
Total		**(106.0)p**	(10.3)p

1 The Group's share of Value Retail's results reported for the year ended 31 December 2023 have been re-presented as discontinued operations in line with the requirements of IFRS 5 "Non-current assets held for sale and discontinued operations". See note 9 for further details.

2 Includes a net charge of £2.8m (2023: £1.4m) relating to provisions for impairment of trade (tenant) receivables as set out in note 15E.

3 (Loss/)Earnings per share figures for the year ended 31 December 2023 have been restated to reflect the 1 for 10 share consolidation completed in September 2024, see note 11 for further details.

Consolidated Statement of Comprehensive Income
Year ended 31 December 2024

	2024 £m	2023 £m
Loss for the year	**(526.3)**	(51.4)
Other comprehensive income/(expenses):		
Recycled through the profit or loss on disposal of overseas property interests and associate		
Exchange gain previously recognised in the translation reserve	**(49.6)**	(100.3)
Exchange loss previously recognised in the net investment hedge reserve	**39.7**	80.2
Net exchange loss relating to equity shareholders[1]	**(9.9)**	(20.1)
Items that may subsequently be recycled through profit or loss		
Foreign exchange translation differences	**(74.7)**	(35.2)
Foreign exchange translation differences of discontinued operations	**0.2**	(14.1)
Gain on net investment hedge	**70.7**	39.3
Net gain on cash flow hedge	**–**	0.2
Share of other comprehensive losses of discontinued operations	**(4.4)**	(8.8)
	(8.2)	(18.6)
Items that will not subsequently be recycled through profit or loss		
Net actuarial losses on pension schemes	**(0.5)**	(1.4)
Other comprehensive loss for the year	**(18.6)**	(40.1)
Total comprehensive loss from continuing operations	**(59.2)**	(83.4)
Total comprehensive loss from discontinued operations	**(485.7)**	(8.1)
Total comprehensive loss for the year	**(544.9)**	(91.5)

1 For the year ended 31 December 2024 this related to the sale of the Group's investment in Value Retail which is treated as a discontinued operation as described in note 9. For the year ended 31 December 2023 this related to the sales of Italie Deux and Italik and the derecognition of the O'Parinor joint venture as described in note 8B.

Consolidated Balance Sheet
As at 31 December 2024

	Note	2024 £m	2023 £m
Non-current assets			
Investment properties	12	1,487.0	1,396.2
Interests in leasehold properties	20	34.8	32.7
Right-of-use assets		7.5	3.9
Plant and equipment		0.4	0.9
Investment in joint ventures	13C	1,088.2	1,193.2
Investment in associate	14C	–	1,115.0
Other investments		9.2	8.8
Trade and other receivables	15A	0.2	1.9
Restricted monetary assets	16	21.4	21.4
		2,648.7	3,774.0
Current assets			
Trade and other receivables	15B	87.6	74.1
Derivative financial instruments	19A	2.2	5.2
Restricted monetary assets	16	–	2.2
Cash and cash equivalents		737.9	472.3
		827.7	553.8
Total assets		3,476.4	4,327.8
Current liabilities			
Trade and other payables	17	(109.3)	(129.8)
Obligations under head leases	20	(0.1)	(0.1)
Loans	18A	(337.8)	(108.6)
Tax		(2.8)	(0.3)
Derivative financial instruments	19A	(0.1)	(2.3)
		(450.1)	(241.1)
Non-current liabilities			
Trade and other payables	17	(28.7)	(55.5)
Obligations under head leases	20	(39.7)	(37.3)
Loans	18A	(1,136.4)	(1,515.9)
Deferred tax		(0.4)	(0.4)
Derivative financial instruments	19A	–	(15.0)
		(1,205.2)	(1,624.1)
Total liabilities		(1,655.3)	(1,865.2)
Net assets		1,821.1	2,462.6
Equity			
Share capital	21A	24.6	250.1
Share premium		–	1,563.7
Capital redemption reserve	21A	225.5	–
Other reserves	21B	91.8	105.5
Retained earnings		1,486.9	549.7
Investment in own shares		(7.7)	(6.4)
Equity shareholders' funds		1,821.1	2,462.6
EPRA net tangible asset value per share[1]	11C	£3.70	£5.08

1 EPRA net tangible asset value per share at 31 December 2023 has been restated to reflect the 1 for 10 share consolidation completed in September 2024, see note 11 for further details.

These financial statements were approved by the Board on 25 February 2025 and signed on its behalf by:

Rita-Rose Gagné
Chief Executive

Himanshu Raja
Chief Financial Officer

Consolidated Statement of Changes in Equity
Year ended 31 December 2024

	Share capital[1] £m	Share premium £m	Capital redemption reserve[2] £m	Other reserves[3] £m	Retained earnings £m	Investment in own shares[1] £m	Equity shareholders' funds £m
At 1 January 2023	250.1	1,563.7	–	135.4	646.0	(8.8)	2,586.4
Recycled exchange gains on disposal of overseas property interests	–	–	–	(20.1)	–	–	(20.1)
Foreign exchange translation differences[4]	–	–	–	(49.3)	–	–	(49.3)
Gain on net investment hedge	–	–	–	39.3	–	–	39.3
Loss on cash flow hedge	–	–	–	(3.4)	–	–	(3.4)
Loss on cash flow hedge recycled to net finance costs	–	–	–	3.6	–	–	3.6
Share of other comprehensive loss of associates[5]	–	–	–	–	(8.8)	–	(8.8)
Net actuarial losses on pension schemes	–	–	–	–	(1.4)	–	(1.4)
Loss for the year	–	–	–	–	(51.4)	–	(51.4)
Total comprehensive loss	–	–	–	(29.9)	(61.6)	–	(91.5)
Share-based employee remuneration	–	–	–	–	3.6	–	3.6
Cost of shares awarded to employees	–	–	–	–	(2.4)	2.4	–
Dividends	–	–	–	–	(35.9)	–	(35.9)
At 31 December 2023	250.1	1,563.7	–	105.5	549.7	(6.4)	2,462.6
Recycled net exchange gains on disposal of overseas associate	–	–	–	(9.9)	–	–	(9.9)
Foreign exchange translation differences[4]	–	–	–	(74.5)	–	–	(74.5)
Gain on net investment hedge	–	–	–	70.7	–	–	70.7
Gain on cash flow hedge	–	–	–	2.2	–	–	2.2
Gain on cash flow hedge recycled to net finance costs	–	–	–	(2.2)	–	–	(2.2)
Share of other comprehensive loss of associates[5]	–	–	–	–	(4.4)	–	(4.4)
Net actuarial losses on pension schemes	–	–	–	–	(0.5)	–	(0.5)
Loss for the year	–	–	–	–	(526.3)	–	(526.3)
Total comprehensive loss	–	–	–	(13.7)	(531.2)	–	(544.9)
Share capital consolidation[6]	(225.1)	–	225.1	–	–	–	–
Share premium cancellation[7]	–	(1,563.7)	–	–	1,563.7	–	–
Share buyback and cancellation[8]	(0.4)	–	0.4	–	(20.9)	–	(20.9)
Share-based employee remuneration	–	–	–	–	4.3	–	4.3
Purchase of own shares and treasury shares	–	–	–	–	–	(3.4)	(3.4)
Cost of shares awarded to employees	–	–	–	–	(2.1)	2.1	–
Dividends	–	–	–	–	(76.6)	–	(76.6)
As at 31 December 2024	24.6	–	225.5	91.8	1,486.9	(7.7)	1,821.1

1 Share capital includes shares held in treasury and shares held in an employee share trust, which are held at cost and excluded from equity shareholders' funds through 'Investment in own shares' with further information set out in note 21A.

2 The capital redemption reserve comprises the nominal value of shares cancelled by way of the Company's 1 for 10 share capital consolidation in September 2024 (see footnote 6) and shares purchased and cancelled under the Group's share buyback programme which commenced in October 2024 (see footnote 8). This reserve is non-distributable.

3 Other reserves comprises Translation, Net investment hedge and Cash flow hedge reserves as set out in note 21B.

4 Relates to continuing and discontinued operations.

5 Relates to discontinued operations.

6 Following shareholder approval at a General meeting on 12 September 2024, the Company completed a 1 for 10 share consolidation on 30 September 2024 whereby each of its ordinary shares were subdivided into 9 deferred shares and one ordinary share, following which the deferred shares were cancelled. See note 21 for further details.

7 Following shareholder approval at a General meeting on 12 September 2024 and subsequent sanctioning by the High Court of England and Wales on 8 October 2024, the Company cancelled its share premium account. The effect of this Capital Reduction was to increase the distributable reserves of the Company through a transfer to retained earnings.

8 On 16 October 2024, the Company announced the commencement of a share buyback programme of up to £140m. In 2024, 7.0m shares were repurchased and cancelled under the programme for total consideration of £20.9m.

Consolidated Cash Flow Statement
Year ended 31 December 2024

	Note	2024 £m	2023 £m
Profit from operating activities	2A	**23.2**	26.2
Net movements in working capital and restricted monetary assets	24A	**(6.6)**	(4.7)
Non-cash items	24A	**5.3**	2.8
Cash generated from operations		**21.9**	24.3
Interest received		**49.0**	39.1
Interest paid (including bond issue fees)		**(86.5)**	(80.8)
Bond early termination fees		**(25.5)**	–
Debt and loan facility issuance and extension fees		**(2.7)**	(1.0)
Tax received/(paid)		**0.2**	(0.9)
Distributions and other receivables from joint ventures		**48.1**	57.6
Cash flows from operating activities		**4.5**	38.3
Investing activities			
Property acquisition		**(140.8)**	–
Equity investment in joint venture		**(85.1)**	–
Capital expenditure		**(13.7)**	(18.7)
Sale of properties (including trading properties in 2023)		**117.4**	49.0
Sale of investments in joint ventures		**–**	69.0
Sale of investments in associate (held as asset held for sale)		**583.6**	96.7
Advances to joint ventures	13D	**(6.9)**	(8.3)
Distributions and capital returns received from associates	9D	**19.4**	73.6
Distributions from other investments		**1.1**	–
Cash flows from investing activities		**475.0**	261.3
Financing activities			
Purchase of own shares		**(3.4)**	–
Share buyback and cancellation		**(20.9)**	–
Proceeds from new borrowings		**394.7**	96.0
Repayments of borrowings		**(499.6)**	(111.1)
Equity dividends paid	22	**(82.6)**	(29.9)
Cash flows from financing activities		**(211.8)**	(45.0)
Increase in cash and cash equivalents		**267.7**	254.6
Opening cash and cash equivalents	24B	**472.3**	218.8
Exchange translation movement	24B	**(2.1)**	(1.1)
Closing cash and cash equivalents	24B	**737.9**	472.3

The cash flows above relate to continuing and discontinued operations. See note 9 for further information on discontinued operations.

Notes to the Consolidated Financial Statements
For the year ended 31 December 2024

1. Basis of preparation, consolidation and material accounting policies

A. GENERAL INFORMATION

Hammerson plc is a UK public company limited by shares incorporated under the Companies Act and is registered in England and Wales. The address of the Company's registered office is Marble Arch House, 66 Seymour Street, London W1H 5BX.

The Group's principal activities are as an owner, operator and developer of sustainable prime urban real estate. The Group owns and invests in flagship destinations, developments and other properties in the United Kingdom, France and Ireland. The Group also had an investment in Value Retail, which operates various premium outlet Villages across western Europe, and this investment was sold in September 2024. The Group's material accounting policies are described below.

B. BASIS OF PREPARATION AND CONSOLIDATION

Basis of preparation

The consolidated financial statements have been prepared in accordance with both UK adopted international accounting standards and International Financial Reporting Standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the EU, (IFRS adopted by the EU as at 31 December 2020), as well as SAICA Financial Reporting Guides as issued by the Accounting Practices committee and those parts of the Companies Act 2006 as applicable to companies reporting under IFRS.

With the exception of IFRS 18 – Presentation and Disclosure in Financial Statements, new accounting standards, amendments to standards and IFRIC interpretations which became applicable during the year or have been published but are not yet effective, were either not relevant or had no, or are not expected to have a material, impact on the Group's results or net assets. IFRS 18 applies for accounting periods beginning on, or after, 1 January 2027 and will apply to comparative information.

In addition to the above, an assessment has been undertaken on the Pillar 2 tax legislation (effective 1 January 2024), which is based around undertaxed profits. The Group does not meet the minimum threshold in place for the legislative rules to apply.

The financial statements are prepared on the historical cost basis, except that investment properties, other investments and derivative financial instruments are stated at fair value. Accounting policies have been applied consistently.

Basis of consolidation

Subsidiaries

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power over the investee, is exposed, or has rights, to variable return from its involvement with the investee and has the ability to use its power to affect its returns.

Subsidiaries are fully consolidated from the date on which control is achieved, which is usually from the date of acquisition. They are de-consolidated from the date control ceases.

All intragroup transactions, balances, income and expenses are eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Joint arrangements (joint operations and joint ventures) and associates

The accounting treatment for joint arrangements and associates requires an assessment to determine the degree of control or influence that the Group may exercise over them and the form of that control.

The Group's interest in joint arrangements is classified as either:

- a joint operation: not operated through an entity but by joint controlling parties which have rights to the assets and obligations for the liabilities; or
- a joint venture: whereby the joint controlling parties have rights to the net assets of the arrangement.

The Group's interests in its joint arrangements are commonly driven by the terms of partnership agreements, which ensure that control is shared between the partners.

Associates are those entities over which the Group is in a position to exercise significant influence, but not control or jointly control.

The Group's share of results, assets and liabilities held within joint operations is fully consolidated into the Group financial statements along with subsidiaries.

The results, assets and liabilities of joint ventures and associates are accounted for using the equity method. Investments in joint ventures and associates are carried in the consolidated balance sheet at cost as adjusted for post acquisition changes in the Group's share of the net assets of the joint venture or associate, less any impairment. Loans to joint ventures and associates are aggregated into the Group's investment in the consolidated balance sheet. The Group eliminates upstream and downstream transactions with its joint ventures, including interest and management fees.

Any losses of joint ventures or associates are initially recognised against the equity investment. However, if in excess of the Group's equity interest, losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the other entity. If the value of the Group's equity investment is nil, the share of losses is recognised against other long term interests or if such interests are not available, losses are simply restricted to leave the Group's equity investment remaining at nil.

Distributions and other income received from joint ventures are included within cash flows from operating activities owing to their association with the underlying profits of the joint venture whereas all other cash flows are recognised as investing activities. Distributions from associates are included in investing activities. Distributions reduce the carrying value of the Group's investments in joint ventures and associates.

1. Basis of preparation, consolidation and material accounting policies continued

C. ALTERNATIVE PERFORMANCE MEASURES ('APMs')

The Group uses a number of APMs, being financial measures not specified under IFRS, to monitor the performance of the business. Many of these measures are based on the EPRA Best Practice Recommendations ('BPR') reporting framework which aims to improve the transparency, comparability and relevance of the published results of listed European real estate companies, with key EPRA measures being EPRA earnings and three EPRA net asset metrics. Details on the EPRA BPR can be found on www.epra.com and the Group's EPRA metrics are shown in Table 1 of the Additional Information. In September 2024, EPRA issued updated EPRA earnings guidelines within its BPR. These included the addition of two new adjustment categories relating to funding structures and non-operating and exceptional items. In relation to EPRA earnings, the Group will adopt these new guidelines for its next reporting period, beginning 1 January 2025.

In addition to presenting the Group's results on an IFRS and EPRA basis, the Group also presents the results on a 'Headline' and 'Adjusted' basis. The former measure is calculated in accordance with the requirements of the Johannesburg Stock Exchange listing requirements and the 'Adjusted' basis reflects the underlying operations of the business and is calculated on a proportionally consolidated basis.

The Adjusted basis also excludes capital and non-recurring items such as revaluation movements, gains or losses on the disposal of properties or investments, as well as other items which are not considered to be part of the day-to-day operations of the business. Such items are in the main reflective of those excluded for EPRA earnings, but additionally exclude a small number of 'Company only' adjusting items which are deemed not to be reflective of the normal routine operating activities of the Group and have been applied consistently in both accounting periods. The Directors believe that disclosing such non-IFRS measures enables evaluation of the impact of such items on results to facilitate a fuller understanding of performance from period to period. The inclusion of these 'Company only' adjustment means that this basis may not be directly comparable to similar measures adopted by peers.

A reconciliation between earnings and net asset measures reported under IFRS and the above alternative measures is set out in note 10.

Other APMs used by the Group cover key operational, balance sheet and credit related metrics, including like-for-like analysis, cost ratios, total accounting return, net debt and associated credit metrics: net debt:EBITDA, gearing, loan to value and interest cover. Reconciliations of these APMs to the IFRS figures in the financial statements are included in the Additional Information section.

D. GOING CONCERN

Introduction

In order to prepare the financial statements for the year ended 31 December 2024 on a going concern basis the Directors have undertaken a detailed assessment of the Group's principal risks and current and projected financial position over the period to 30 June 2026 ('the going concern period'). This period has been selected as it coincides with the first six monthly covenant test date for the Group's unsecured debt facilities, falling due after the minimum 12 months going concern period.

Financial position

The financial position of the Group, including details of its financing and capital structure, is set out in the Financial Review on pages 44 to 46. The Group's position materially improved in 2024: net debt declined 40% to £799m, with Net debt:EBITDA improving from 8.0x to 5.8x, and loan to value from 34% to 30%. Liquidity was £1,417m, with £439m of debt maturing over the going concern period.

At 31 December 2024, the Group's key unsecured debt covenants had significant headroom. Gearing and the Unencumbered Asset Ratio had headroom to valuation falls of 48% and 54% respectively, while the Interest Cover Ratio had headroom to NRI reductions of 75%.

Assessment

In making the going concern assessment, the Directors have considered the Group's principal risks (see pages 69 to 73), including climate change, and their impact on financial performance.

The Directors have assessed a Base going concern scenario derived from the Group's 2025 Business Plan, which was approved by the Board in December 2024. They also reviewed reverse stress tests ('stress tests') to assess the Group's ability to cope with adverse changes to key variables in the Base scenario impacting covenant metrics. The assessment included the preparation of a Base scenario which contained earnings, balance sheet, cash flow, liquidity and credit metric projections.

Acknowledging the three macroeconomies that the Group operates in, each with their own distinct risks, the Base scenario projections assume continued improvements in the Group's operating performance in the near term, reflecting enduring demand from customers and brand partners for the best destinations as evidenced by growing footfall and strong leasing in 2024.

Consistent with the Group's strong financial position and operating performance, the Base scenario projections forecast that the Group will maintain significant covenant headroom and liquidity over the going concern period.

The stress tests were undertaken on the Base scenario to assess the maximum level that valuations and net rental income could fall over the going concern period before the Group reaches its key unsecured debt covenant thresholds. The stress test calculations adopted valuation yields and ERVs as at 31 December 2024 and also factored in:

- the secured loan at Dundrum (Group's 50% share £141m), which was refinanced in August 2024, is non-recourse to the Group and has its own debt covenants; and
- £73m of senior notes which mature over the period to 2031 and which are subject to an additional unencumbered asset ratio covenant.

Conclusion

Having reviewed the Base scenario projections, the results of the stress tests, current external forecasts, recent precedents and plausible future adverse impacts to valuations and net rental income, the Directors are satisfied that the Group has sufficient covenant headroom and significant liquidity over the going concern period. Based on these considerations, together with available market information and the Directors' experience of the Group's portfolio and markets, the Directors have therefore concluded that it is appropriate to prepare the financial statements on a going concern basis.

1. Basis of preparation, consolidation and material accounting policies continued

E. MATERIAL ACCOUNTING POLICIES

Revenue

Revenue comprises gross rental income (consisting of base and turnover rents, income from car parks and commercialisation activities, lease incentive recognition and other rental income), service charge income, property fee income and joint venture and associate management fees. These income streams are recognised in the period to which they relate as set out below.

Rental income from investment property is recognised as revenue on a straight line basis over the "term certain" being the shorter of the lease term, or the period to the first tenant break date. Lease incentives are amortised over the term certain as a reduction in rental income. Lease modifications are accounted for as a new lease from the effective date of the modification, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease. On entering into a lease modification any initial direct costs associated with the lease, including surrender premia previously paid, are derecognised through rental expense in the year. Rent reviews are recognised when such reviews have been agreed with tenants.

Contingent rents, being those lease payments that are not fixed at the inception of a lease, such as increases arising on rent reviews and turnover rent, are variable considerations and are recorded as income using the most reliable estimates of such considerations in the periods in which they are earned. Income from rent reviews is recognised from the period it is secured.

Under IFRS 15, the Group's revenue from contracts with customers includes service charge income, property fee income, car park income and joint venture and associate management fees and is recognised in accordance with the following performance obligations:

- Service charge income, property fee income and joint venture and associate management fees are recognised over the period the respective services are provided
- Car park income is recognised at the point in time when the customer has completed use of their car parking space

Retirement benefit costs

Defined contribution pension plans

The cost of defined contribution schemes is expensed as incurred. The Group has no further payment obligations once the contributions have been paid.

Defined benefit pension plans

Until June 2024, the Group had a funded plan where assets were held in separate trustee administered funds. The Group also provides other unfunded pension benefits to certain members. The funded plan was de-risked in December 2022 when the Trustees of the plan purchased a bulk annuity policy. In December 2023, a process was started to transfer the annuity policy to individual members and in June 2024 the plan was wound up.

Prior to the plan being wound up, the Group's net obligation comprised the amount of future benefit that employees have earned, discounted to determine a present value, less the fair value of the pension plan assets. The cost of providing benefits under defined benefit arrangements were determined separately for each plan using the projected unit credit method, with valuations being carried out by the Group's external actuary.

The present value of the defined benefit obligation was determined by discounting the estimated future cash outflows using interest rates of high quality corporate bonds that had terms to maturity approximating to the terms of the related pension obligation. A net pension asset was only recognised to the extent that it was expected to be recoverable in the future and the asset was limited to the present value of any future refunds from the plan or reduction in future contributions to the plan.

The net interest cost was calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of the plan assets. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions were charged or credited to other comprehensive income in the period in which they arose.

Share-based payments

Equity settled share-based employee remuneration is determined with reference to the fair value (excluding the effect of non-market-based vesting conditions) of the equity instruments at the date of grant and is expensed over the vesting period on a straight line basis.

The fair value of share options which are subject only to internal performance criteria or service conditions are measured using input factors including the exercise price, expected volatility, option life and risk-free interest rate. For all schemes, the number of options expected to vest is recalculated at each balance sheet date, based on expectations of leavers prior to vesting. The calculation of the fair value of the market-based element of the Group's restricted share plans factors in the expected volatility, vesting period and risk-free interest rate.

Finance costs

Net finance costs

Net finance costs include interest payable on debt, derivative financial instruments, interest on head leases and other lease obligations, debt and loan facility cancellation costs, net of interest capitalised, interest receivable on funds invested and derivative financial instruments, and changes in the fair value of derivative financial instruments.

Capitalisation of interest

Interest is capitalised if it is directly attributable to the acquisition, construction or production of development properties or the significant redevelopment of investment properties. Capitalisation commences when the activities to develop the property start on site and continues until the property is substantially ready for its intended use, normally practical completion. Capitalised interest is calculated with reference to the actual rate payable on loans for development purposes or, for that part of the development cost financed out of general funds, at the Group's weighted average interest rate.

1. Basis of preparation, consolidation and material accounting policies continued

Tax

Tax exempt status

The Company has elected for UK REIT and French SIIC status and holds its Irish assets in a QIAIF. To continue to benefit from these tax regimes, certain conditions must be complied with as outlined in note 7A. The Directors intend that the Group will continue as a UK REIT, a French SIIC and an Irish QIAIF for the foreseeable future.

Current and deferred tax

Tax is included in the consolidated income statement except to the extent that it relates to items recognised directly in equity, in which case the related tax is recognised in equity.

Current tax is the expected tax payable on the non-tax exempt income for the period, net of allowable expenses and tax deductions, using the tax rate(s) prevailing during the accounting period, together with any adjustment in respect of previous periods.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes. The following temporary differences are not provided for:

- Goodwill not deductible for tax purposes
- The initial recognition of assets or liabilities, with the exception of leases, that at the time of the transaction affects neither accounting nor taxable profit/(tax loss)
- For investments in subsidiaries that at the time of the transaction do not give rise to equal taxable and deductible temporary differences.

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates that are expected to apply in the period when the liability is settled or the asset is realised. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

Foreign currency

Income statement

Transactions in foreign currencies are translated into sterling at exchange rates approximating to the exchange rate ruling at the date of the transaction.

The operating income and expenses of foreign operations are translated into sterling at the average exchange rates for the year. Significant transactions, such as property disposals, are translated at the foreign exchange rate ruling at the date of each transaction.

The Group's financial performance is not materially impacted by seasonality.

Balance sheet

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into sterling at the exchange rate ruling at that date and, unless they relate to the hedging of the net investment in foreign operations, differences arising on translation are recognised in the consolidated income statement.

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated into sterling at the exchange rates ruling at the balance sheet date.

Exchange rates

The principal foreign currency denominated balances are in euro where the translation exchange rates used are:

Consolidated income statement

Average rate	Year ended 31 December 2024	Year ended 31 December 2023
Quarter 1	€1.168	€1.133
Quarter 2	€1.172	€1.150
Quarter 3	€1.184	€1.163
Quarter 4	€1.202	€1.154

Consolidated balance sheet

	31 December 2024	31 December 2023
Year end rate	€1.210	€ 1.153

Net investment in foreign operations

Exchange differences arising from the translation of the net investment in foreign operations are taken to the translation reserve. They are released to the consolidated income statement upon disposal of the foreign operation.

Investment properties and trading properties

Investment properties are stated at fair value, being market value determined by professionally qualified external valuers, and changes in fair value are included in the consolidated income statement. Accordingly, no depreciation is provided.

Expenditure incurred on investment properties is capitalised where it is probable that the future economic benefits associated with the property will flow to the entity and the cost can be reliably measured. This includes the recognition of capitalised tenant incentives, less amortisation and impairment, capitalised interest and other costs.

Interests in leasehold properties

The Group owns a number of properties on long leaseholds from freeholders or superior leaseholders which are depreciated over the lease term. At the start of a lease, the Group recognises lease liabilities for the buildings element of the leasehold, disclosed as obligations under head leases, at the present value of the minimum lease payments due over the term of the lease. The discounted lease liability is calculated, where possible, using the interest rate implicit in the lease, or where this is not attainable, the incremental borrowing rate is utilised. This latter rate is the rate the Group would have to pay to borrow the funds necessary to obtain a similar asset under similar conditions. The Group calculates the incremental borrowing rate using the risk free rate in the country where the asset is held, adjusted for length of the lease and a risk premium.

Payments to the freeholder or superior leaseholder are apportioned between a finance charge and a reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Contingent rents and variable rents payable which are not dependent on an index, such as rent reviews or those related to rental income, are expensed in the period to which they relate. If at inception, or at some point during the course of the lease, rents are fixed, or are in substance fixed, a right-of-use asset is created and a corresponding liability for the present value of the minimum future lease payments is recognised.

1. Basis of preparation, consolidation and material accounting policies continued

Right-of-use assets
The Group has leases for each of its corporate offices in the UK, France and Ireland. Leased assets are capitalised on inception of the lease as right-of-use assets and depreciated over the shorter of the non-cancellable lease period and any extension options that are considered reasonably certain to be taken, or the useful life of the asset.

A corresponding lease liability, representing the present value of the lease payments is also recognised. The discounted lease liability is calculated where possible using the interest rate implicit in the lease or where this is not attainable the incremental borrowing rate is utilised. The incremental borrowing rate is the rate the Group would have to pay to borrow the funds necessary to obtain a similar asset under similar conditions. The Group calculates the incremental borrowing rate using the risk free rate of the country where the asset is held, adjusted for length of the lease and a risk premium.

Lease payments are allocated against the principal and finance cost. Finance costs, representing the unwinding of the discount on the lease liability are expensed to produce a constant periodic rate of interest on the remaining liability.

Plant and equipment
Such assets are stated at cost less accumulated depreciation and, where appropriate, provision for impairment in value. Depreciation is charged to the consolidated income statement on a straight line basis over the estimated useful life, generally between three and five years.

Cloud software license agreements and intangible assets
When the Group incurs configuration and customisation costs as part of a cloud based software-as-a-service ('SaaS') agreement, and where this does not result in the creation of an asset which the Group has control over, such costs are expensed. Licence agreements to use cloud software are treated as service contracts and expensed, unless the Group has both a contractual right to take possession of the software at any time without significant penalty, and the ability to run the software independently of the host vendor. In such cases the licence agreement is capitalised as software as an intangible asset.

Software and licenses which are capitalised include costs incurred to acquire the assets as well as any internal infrastructure and design costs incurred in the development of software in order to bring the assets into use. Capitalised software costs include external direct costs of goods and services, as well as directly attributable internal payroll related costs for employees who are associated with the project. Computer software under development is held at cost less any recognised impairment loss.

Software is stated at cost less accumulated amortisation and, where appropriate, provision for impairment in value or estimated loss on disposal. Amortisation is provided to write off the cost of assets on a straight line basis between three and six years, and is recorded in administration expenses.

Other investments
Other investments are initially recognised at fair value and subsequently remeasured, with changes recognised in the consolidated income statement.

Disposals
Properties are treated as disposed when control transfers to the buyer which typically occurs on completion.

Gains or losses on the sale of properties are calculated by reference to the carrying value at the end of the previous year, adjusted for subsequent capital expenditure, unless reclassified to assets held for sale prior to disposal. Where a corporate entity, whose primary asset is a property, is disposed, the associated gains or losses on the sale of the entity are disclosed as profit or loss on sale of properties.

Assets held for sale
A property or investment may be classed as 'held for sale' if it meets the criteria of IFRS 5.

If an investment in a joint venture or associate is reclassified to assets held for sale, equity accounting ceases on the date of reclassification and any subsequent movements in the fair value are recognised as impairment gains or losses. However, an amount equivalent to the Group's share of adjusted earnings for the period after reclassification, as if the asset had not been reclassified as held for sale, are included in Adjusted earnings as detailed in note 9.

In the event that assets held for sale form an identifiable business segment, the results for both the current and prior year are re-presented as 'discontinued operations'.

Trade and other receivables
Trade and other receivables are initially measured at fair value, subsequently measured at amortised cost and, where the effect is material, discounted to reflect the time value of money. Trade and other receivables are shown net of any loss allowance provision. In order to calculate any loss allowance for trade receivables the Group applies the simplified approach under IFRS 9 to determine the Expected Credit Loss ('ECL').

In addition the Group makes provisions against receivables in the current period in respect of income not yet recognised in the income statement, but instead deferred on the balance sheet to be released to the consolidated income statement in a future period, to match the period to which the income relates.

Other non-trade receivables include loans receivable which are financial assets and are initially measured at fair value, plus acquisition costs, and are subsequently measured at amortised cost, using the effective interest method, less any impairment, determined using the general approach in IFRS 9.

Estimates made in assessing the provisions for impairment of trade (occupier) receivables require consideration of future events which therefore make the provisions inherently subjective. The Group applies the simplified approach under IFRS 9 by adopting a provisioning matrix to determine the Expected Credit Loss ('ECL'), grouping receivables dependent on risk level.

In making these assessments, key factors the Group takes into account include:

- Credit ratings
- Latest information on occupiers' financial standing including the relative risk of the retail subsector in which they operate
- Historical default rates
- Ageing
- Rent deposits (included as part of payables) and guarantees held
- The probability that occupiers will serve out the remainder of the contractual terms of their leases

1. Basis of preparation, consolidation and material accounting policies continued

Specific higher provisioning levels may be applied where information is available which suggests this is required, for instance if the likelihood of default or occupier failure is deemed to be very high a full provision is applied. Trade receivables are written off when there is no feasible possibility of recovery and enforcement activity has ceased.

Some small differences in provision rates across segments exist which reflect the typically experienced local collection rates by age category. However, the effect on overall provisioning rate on the total gross balance by segment is not material.

Cash and cash equivalents and restricted monetary assets
Cash and cash equivalents comprise cash and short term bank deposits with an original maturity of three months or less which are readily accessible.

Restricted monetary assets relate to cash balances which legally belong to the Group but which the Group cannot readily access owing to restrictions imposed by law or legislation and include cash and monies held in escrow accounts for a specified purpose. These do not meet the definition of cash and cash equivalents and consequently are presented separately in the consolidated balance sheet.

Financial liabilities
Financial liabilities are those which involve a contractual obligation to deliver cash or other financial asset to external parties at a future date.

Loans
Loans are recognised initially at fair value, after taking account of any discount on issue and attributable transaction costs. Subsequently, loans are held at amortised cost, such that discounts and costs are charged as finance costs to the consolidated income statement over the term of the borrowing at a constant return on the carrying amount of the liability.

Trade and other payables
Trade payables (excluding derivative financial liabilities) are non-interest bearing and are stated at cost which equates to their fair value.

Derivative financial instruments
The Group uses derivative financial instruments to economically hedge its exposure to foreign currency movements and interest rate risks. These instruments are recognised initially at fair value, which equates to cost and subsequently remeasured at fair value, with changes in fair value being included in the consolidated income statement, except where hedge accounting is applied.

Derivative financial instruments are presented as current assets or liabilities if they are expected to be settled within 12 months after the end of the reporting period, otherwise they are held as non-current assets or liabilities.

Hedge accounting is applied in respect of net investments in foreign operations and of debt raised in non-functional currencies. The fair value gain or loss on remeasurement of derivative financial instruments and the exchange differences on non-derivative financial instruments that are designated in a net investment hedge are recognised in the net investment hedge reserve in total comprehensive income, to the extent they are effective, and the ineffective portion is recognised in the consolidated income statement within net finance costs. Amounts are reclassified from the net investment hedge reserve to the consolidated income statement when the associated hedged item is disposed of.

Hedge accounting is also applied in respect of the foreign exchange exposure on US Dollar loans. The fair value gain or loss on re-measurement of derivative financial instruments that are designated in a cash flow hedge are recognised in the cash flow hedge reserve in total comprehensive income, to the extent they are effective, and the ineffective portion is recognised in the consolidated income statement within net finance costs. Amounts are reclassified from the cash flow hedge reserve to the consolidated income statement when the associated hedged transaction affects the consolidated income statement.

Disclosures in the cash flow statement are consistent with the Group's definition of Borrowings which includes currency swaps.

F. SIGNIFICANT JUDGEMENTS AND ESTIMATES

The preparation of financial statements requires the Directors to make judgements, estimates and assumptions about the application of its accounting policies which affect the reported amounts of assets, liabilities, income and expenses. Actual amounts and results may differ from those estimates.

Judgements and estimates are evaluated regularly and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Any revisions to accounting estimates are recognised in the period in which the estimate is revised.

Significant judgements
Accounting for disposal of Value Retail
The Group has historically accounted for its Value Retail interests as an associated undertaking in accordance with IAS 28 'Investments in Associates and Joint Ventures'. In May 2023, the Group announced that its investment was non-core and it was seeking to dispose of its interests in Value Retail. In the preparation of the 30 June 2024 interim financial statements, the Directors assessed whether the investment met the criteria under IFRS 5 to require reclassification to an asset held for sale. Given the significant progress made towards agreeing and signing a sale agreement, the Directors concluded that a sale was "highly probable" and hence the Group's interests were judged to have met the criteria outlined in IFRS 5 to be reclassified to "held for sale" within current assets. This was further evidenced, when on 22 July 2024, the Group entered into a binding sale agreement for the disposal of its entire interests in Value Retail which subsequently completed on 18 September 2024.

On reclassification to "held for sale", in accordance with IFRS 5, the Group's interests were re-measured to the lower of the carrying amount and estimated fair value less sale costs. The fair value was based on the contracted sale proceeds less estimated transaction costs and the remeasurement resulted in a £483m impairment loss being recognised in the 2024 condensed consolidated interim financial statements for the period ended 30 June 2024. This impairment charge was reduced by £11m over the period from reclassification to held for sale on 30 June 2024 to the completion of the disposal on 18 September 2024. The movement was principally due to foreign exchange translation differences between the two dates; distributions paid in relation to the Group's period of ownership; and the reclassification of tax on the disposal which had been included in the estimated transaction costs when assessing the impairment at 30 June 2024.

In addition, the sale of Value Retail represents a separate major line of business and hence has been treated as a discontinued operation and the results for the current and prior financial periods have been separately disclosed from the continuing segments of the business. Further details on the sale are provided in note 9 to the financial statements.

1. Basis of preparation, consolidation and material accounting policies continued

Accounting for property transactions, including classification of assets held for sale
The Group's accounting policy for property transactions is to recognise an acquisition or disposal on the date on which risks and rewards of ownership transfer, which is usually the transaction completion date. Consideration is also given on whether any potential transaction meet the criteria under IFRS 5 to be reclassified as 'held for sale'.

During 2024, the Group's principal property transactions were:

– the disposal of Union Square, Aberdeen for gross proceeds of £111m
– the acquisition of the Group's former joint venture partner's 50% stake in Westquay, Southampton for £135m (excluding transaction costs), such that the Group now has 100% ownership.

The Union Square sale was recognised on completion in March. While for the Westquay acquisition, the Group has two key elements to reflect in the financial statements: a disposal of a joint venture, and the acquisition of a subsidiary. Consideration was given as to the nature of the acquisition as per IFRS 3, and the Directors' concluded that the acquisition was an asset acquisition rather than a business combination. A key factor in this judgement was that the substance of the transaction was a property acquisition within a corporate entity, where the entity was unable to operate independent of Hammerson's management. Also, the predominant asset acquired was the Westquay flagship destination, with the other sundry net assets acquired ancillary to the property asset.

No other properties or investments met the criteria of IFRS 5 to be classed as 'held for sale' for the 2024 financial statements.

Impairment of non-financial assets and liabilities
Most of the Group's non-financial assets are investment properties and are already carried at their fair value under IAS 40. Investments in joint ventures and associates fall within the scope of IAS 28 and are therefore only assessed for impairment where one or more events cause an indicator of impairment versus the original investment.

Joint ventures and associates are accounted for under the equity method, which equates to the Group's share of the entity's Net Asset Value ('NAV'). NAV is based on the fair value of the assets and liabilities, measured in accordance with IFRS 13 'Fair Value Measurement'. There are no indicators falling outside of NAV which are considered to be grounds for further impairment review.

Climate risk
As part of the Group's Task Force on Climate-related Financial Disclosures ('TCFD') response, the impact of climate risk in the context of the financial statements has been assessed. While recognising the Group's commitment to achieving Net Zero by 2030 as part of the wider ESG strategy, climate risk has not had a material impact on the financial reporting estimates and judgements in these financial statements. Further information on the assessment is in the Audit Committee report on page 99.

Significant estimates
Property valuations
The valuation of the Group's property portfolio, either wholly owned or co-owned with third parties, is the most material area of estimation due to its inherent subjectivity, reliance on assumptions and sensitivity to market fluctuations. The portfolio is valued by external valuers in accordance with RICS Valuation – Global Standards.

The 31 December 2024 reports include a general commentary on wider issues including macro-economic uncertainty caused by cost pressures, supply chain issues and ongoing high interest rates. Key areas of judgement highlighted included:

– Estimation of market rents based on comparable leasing evidence
– Yield assumptions recognising the increasing level of market transactions in the retail sector.

Other non-key factors considered included the levels of vacancy and rent-free periods, environmental matters, and the impact of shortening lease lengths.

Methodology
Investment properties are valued by adopting the 'investment method' of valuation. This approach involves applying capitalisation yields to estimated future rental income streams reflecting contracted income reverting to market rental income ('ERV') with appropriate adjustments for income voids arising from vacancies, lease expiries or rent-free periods. These capitalisation yields (nominal equivalent yield) and future income streams are derived from comparable property and leasing transactions and are considered to be the key inputs to the valuations.

Where comparable evidence of yield movement is lacking, valuers are reliant on sentiment or the movement of less comparable assets. Factors that have been taken into account include, but are not limited to, the location and physical attributes of the property, tenure, tenancy details, lease expiry profile, rent collection, local taxes, structural and environmental conditions. With regards to the latter factor, the valuers comply with the RICS Guidance Note Sustainability and ESG in Commercial Property Valuation, which took effect from 31 January 2022, although make limited explicit adjustment to their valuations in respect of ESG matters. However, both the Group and the valuers anticipate that ESG will have a greater influence on valuations in the future as investment markets place a greater emphasis on this topic.

A tailored approach is taken to the valuation of development properties due to their unique nature. In the case of on-site developments, the approach applied is the 'residual' method of valuation, which is the investment method of valuation (as described above), with a deduction for all costs necessary to complete the development together with an allowance for risk and developers' profit. Properties held for future development are valued using the highest and best use method, by adopting the higher of the residual valuation method, and the investment method of valuation for the existing asset.

Valuations of the Group's premium outlets held by Value Retail to date of its disposal in September 2024 were calculated on a discounted cash flow basis, utilising key assumptions such as net operating income, exit yield, discount rate and forecast sales density growth.

Inputs to the valuations, some of which are 'unobservable' as defined by IFRS 13, include capitalisation yields and ERV. These are dependent on individual market characteristics. With other factors remaining constant, an increase in ERV would increase valuations, whilst increases in capitalisation yields would reduce values and vice versa. However, there are interrelationships between unobservable inputs as they are determined by market conditions. For example, an increase in ERVs may be offset by an increase in yield, resulting in no net impact on values. A sensitivity analysis of changes in key inputs is in note 12A.

2. Proportionally consolidated information

As described in the Financial Review and note 3, for managing reporting purposes the Group evaluates the performance of its business on a proportionally consolidated basis by aggregating its properties or entities which are wholly owned or in joint operations ('Reported Group') with the Group's proportionate share of joint ventures (see note 13) and associates (see note 14) which are under the Group's management ('Share of Property interests').

A. PROFIT/(LOSS) FOR THE YEAR

Adjusted earnings, which are also calculated on a proportionally consolidated basis, is the Group's primary profit measure and this is the basis of information which is reported to the Board. The following table sets out a reconciliation from the Group's loss for the year under IFRS to Adjusted earnings.

						2024
				Proportionally consolidated		
	Note	Reported Group £m	Share of Property interests £m	Sub-total before adjustments £m	Capital and other adjustments[1] £m	Adjusted £m
Revenue	4	121.1	126.3	247.4	–	247.4
Gross rental income[2]	3A, 4	81.8	107.2	189.0	–	189.0
Service charge income	4	28.6	19.4	48.0	–	48.0
		110.4	126.6	237.0	–	237.0
Service charge expenses		(32.6)	(21.9)	(54.5)	–	(54.5)
Cost of sales	5A	(16.9)	(19.6)	(36.5)	–	(36.5)
Net rental income		60.9	85.1	146.0	–	146.0
Gross administration costs	5A	(48.4)	–	(48.4)	4.9	(43.5)
Other income	4	10.7	0.3	11.0	–	11.0
Net administration expenses		(37.7)	0.3	(37.4)	4.9	(32.5)
Profit from operating activities		23.2	85.4	108.6	4.9	113.5
Net revaluation losses on properties	12	(20.6)	(70.8)	(91.4)	91.4	–
Disposals						
– Loss on sale of properties	8A	(9.2)	–	(9.2)	9.2	–
– Recycled exchange gains on disposal of overseas interests		9.9	–	9.9	(9.9)	–
Costs associated with pension scheme wind-up		(0.5)	–	(0.5)	0.5	–
Change in fair value of other investments		0.4	–	0.4	(0.4)	–
Other net gains		0.6	–	0.6	(0.6)	–
Share of results of joint ventures	13B	8.8	(8.8)	–	–	–
Income from other investments		1.1	–	1.1	–	1.1
Operating profit		13.1	5.8	18.9	95.7	114.6
Net finance costs	6	(55.4)	(5.8)	(61.2)	28.9	(32.3)
(Loss)/Profit before tax		(42.3)	–	(42.3)	124.6	82.3
Tax charge	7A	(2.5)	–	(2.5)	–	(2.5)
(Loss)/Profit from continuing operations		(44.8)	–	(44.8)	124.6	79.8
(Loss)/Profit from discontinued operations[3]	9B	(481.5)	–	(481.5)	500.7	19.2
(Loss)/Profit for the year		(526.3)	–	(526.3)	625.3	99.0

1 Adjusting items, described above as 'Capital and other adjustments', are set out in note 10A.
2 Proportionally consolidated figure includes £10.1m (2023: £13.6m) of variable rents calculated by reference to occupiers' turnover.
3 Discontinued operations reflect Value Retail, see note 9 for further details.

2. Proportionally consolidated information continued

	Note	Reported Group £m	Share of Property interests £m	Sub-total before adjustments £m	Capital and other adjustments[1] £m	Adjusted £m
						2023
				Proportionally consolidated		
Revenue	4	134.3	132.4	266.7	–	266.7
Gross rental income[2]	3A, 4	92.8	115.6	208.4	–	208.4
Service charge income	4	26.6	17.1	43.7	–	43.7
		119.4	132.7	252.1	–	252.1
Service charge expenses		(29.1)	(20.4)	(49.5)	–	(49.5)
Cost of sales	5A	(14.7)	(20.7)	(35.4)	0.3	(35.1)
Net rental income		75.6	91.6	167.2	0.3	167.5
Gross administration costs	5A	(64.3)	(0.4)	(64.7)	13.2	(51.5)
Other income	4	14.9	–	14.9	–	14.9
Net administration expenses		(49.4)	(0.4)	(49.8)	13.2	(36.6)
Profit from operating activities		26.2	91.2	117.4	13.5	130.9
Net revaluation losses on properties	12	(45.2)	(73.9)	(119.1)	119.1	–
Disposals						
– Profit/(loss) on sale of properties	8A	1.3	(19.1)	(17.8)	17.8	–
– Recycled exchange gains on disposal of overseas interests		20.1	–	20.1	(20.1)	–
Change in fair value of other investments		(1.1)	–	(1.1)	1.1	–
Loss on sale of joint ventures and associates		(19.1)	19.1	–	–	–
Other net gains		1.2	–	1.2	(1.2)	–
Share of results of joint ventures	13B	9.4	(9.4)	–	–	–
Impairment of joint venture	8B	(22.2)	–	(22.2)	22.2	–
Share of results of associates	14B	1.2	(1.2)	–	–	–
Operating (loss)/profit		(29.4)	6.7	(22.7)	153.6	130.9
Net finance costs	6	(36.1)	(6.6)	(42.7)	(3.2)	(45.9)
(Loss)/Profit before tax		(65.5)	0.1	(65.4)	150.4	85.0
Tax charge	7A	(0.7)	(0.1)	(0.8)	–	(0.8)
(Loss)/Profit from continuing operations		(66.2)	–	(66.2)	150.4	84.2
Profit from discontinued operations[3]	9B	14.8	–	14.8	17.3	32.1
(Loss)/Profit for the year		(51.4)	–	(51.4)	167.7	116.3

For footnotes see page 150.

2. Proportionally consolidated information continued

B. BALANCE SHEET

The following table sets out the Group's proportionally consolidated balance sheet, showing the aggregation of the assets and liabilities of entities which are wholly owned or in joint operations ('Reported Group') with the Group's ownership share of those in joint ventures or associates which are under the Group's management ('Share of Property interests').

				2024			2023
Proportionally consolidated	Note	Reported Group £m	Share of Property interests £m	Total £m	Reported Group £m	Share of Property interests £m	Total £m
Non-current assets							
Investment properties	12	1,487.0	1,172.0	2,659.0	1,396.2	1,379.9	2,776.1
Interests in leasehold properties		34.8	13.3	48.1	32.7	15.4	48.1
Right-of-use assets		7.5	–	7.5	3.9	–	3.9
Plant and equipment		0.4	–	0.4	0.9	–	0.9
Investment in joint ventures	13C	1,088.2	(1,088.2)	–	1,193.2	(1,193.2)	–
Investment in associates	14C	–	–	–	1,115.0	–	1,115.0
Other investments		9.2	–	9.2	8.8	–	8.8
Trade and other receivables	15A	0.2	1.2	1.4	1.9	1.3	3.2
Restricted monetary assets	16	21.4	–	21.4	21.4	–	21.4
		2,648.7	98.3	2,747.0	3,774.0	203.4	3,977.4
Current assets							
Trade and other receivables	15B	87.6	22.9	110.5	74.1	22.0	96.1
Derivative financial instruments	19A	2.2	–	2.2	5.2	1.4	6.6
Restricted monetary assets	16	–	–	–	2.2	0.2	2.4
Cash and cash equivalents		737.9	76.3	814.2	472.3	97.3	569.6
		827.7	99.2	926.9	553.8	120.9	674.7
Total assets		3,476.4	197.5	3,673.9	4,327.8	324.3	4,652.1
Current liabilities							
Trade and other payables	17	(109.3)	(39.7)	(149.0)	(129.8)	(46.0)	(175.8)
Obligations under head leases	20	(0.1)	–	(0.1)	(0.1)	–	(0.1)
Loans	18A	(337.8)	–	(337.8)	(108.6)	(260.0)	(368.6)
Tax		(2.8)	–	(2.8)	(0.3)	–	(0.3)
Derivative financial instruments	19A	(0.1)	–	(0.1)	(2.3)	–	(2.3)
		(450.1)	(39.7)	(489.8)	(241.1)	(306.0)	(547.1)
Non-current liabilities							
Trade and other payables	17	(28.7)	(1.9)	(30.6)	(55.5)	(2.4)	(57.9)
Obligations under head leases	20	(39.7)	(13.7)	(53.4)	(37.3)	(15.8)	(53.1)
Loans	18A	(1,136.4)	(141.2)	(1,277.6)	(1,515.9)	–	(1,515.9)
Deferred tax		(0.4)	(0.1)	(0.5)	(0.4)	(0.1)	(0.5)
Derivative financial instruments	19A	–	(0.9)	(0.9)	(15.0)	–	(15.0)
		(1,205.2)	(157.8)	(1,363.0)	(1,624.1)	(18.3)	(1,642.4)
Total liabilities		(1,655.3)	(197.5)	(1,852.8)	(1,865.2)	(324.3)	(2,189.5)
Net assets		1,821.1	–	1,821.1	2,462.6	–	2,462.6
EPRA NTA adjustments	10B			4.3			79.4
EPRA NTA	11C			1,825.4			2,542.0
EPRA NTA per share	11C			£3.70			£5.08

3. Segmental analysis

The Group's reportable segments are determined by the internal performance reported to the Chief Operating Decision Makers which has been determined to be the Group Executive Committee. Such reporting is both by sector and geographic location as these demonstrate different characteristics and risks, are managed by separate teams and are the basis on which resources are allocated.

As described in the Financial Review, the Group evaluates the performance of its portfolio by aggregating its wholly owned properties and joint operations in the 'Reported Group' with its ownership share of joint ventures and associates which are under the Group's management ('Share of Property interests') on a proportionally consolidated line-by-line basis. The Group does not proportionally consolidate the Group's investment in Value Retail as, prior to its disposal in September 2024, it was not under the Group's management, and instead monitored the performance of this investment separately as its share of results of associates as reported under IFRS.

The Group's activities presented on a proportionally consolidated basis including Share of Property interests are:
– Flagship destinations
– Developments and other

As explained in notes 1F and 9, following the reclassification of the Group's investment in Value Retail and subsequent disposal in September 2024, this segment has been re-presented as a discontinued operation and has been excluded from the "Investment properties by segment" table below.

Total assets are not monitored by segment and resource allocation is based on the distribution of property assets between segments.

A. INCOME AND PROFIT BY SEGMENT

	Gross rental income		Adjusted net rental income	
	2024 £m	2023 £m	**2024 £m**	2023 £m
Flagship destinations				
UK	**80.0**	92.8	**61.6**	72.9
France	**55.3**	58.6	**43.6**	49.4
Ireland	**37.7**	40.0	**32.8**	36.3
	173.0	191.4	**138.0**	158.6
Developments and other	**16.0**	17.0	**8.0**	8.9
Group portfolio – proportionally consolidated	**189.0**	208.4	**146.0**	167.5
Less Share of Property interests – continuing operations	**(107.2)**	(115.6)	**(85.1)**	(91.7)
Reported Group – continuing operations	**81.8**	92.8	**60.9**	75.8

B. INVESTMENT PROPERTIES BY SEGMENT

		2024			2023		
	Note	**Property valuation £m**	**Capital expenditure £m**	**Net revaluation losses[1] £m**	Property valuation[2] £m	Capital expenditure[2] £m	Net revaluation losses[1,2] £m
Flagship destinations							
UK	12A	**915.3**	**15.9**	**16.8**	863.1	13.9	(21.8)
France	12A	**964.1**	**10.1**	**4.5**	1,003.3	14.3	(15.2)
Ireland	12A	**522.0**	**2.3**	**(82.6)**	629.7	5.4	(37.5)
		2,401.4	**28.3**	**(61.3)**	2,496.1	33.6	(74.5)
Developments and other		**257.6**	**11.7**	**(30.1)**	280.0	13.3	(44.6)
Group portfolio – proportionally consolidated		**2,659.0**	**40.0**	**(91.4)**	2,776.1	46.9	(119.1)
Less Share of Property interests[3]	13C	**(1,172.0)**	**(24.9)**	**70.8**	(1,379.9)	(27.3)	73.9
Reported Group	12	**1,487.0**	**15.1**	**(20.6)**	1,396.2	19.6	(45.2)

1 Continuing operations.
2 2023 figures have been re-presented to exclude the Group's share of Value Retail following its disposal in September 2024 and its re-presentation as a discontinued operation.
3 The property valuation of Share of Property interest comprises UK Flagship destinations of £630.1m (2023: £741.8m) and Ireland flagship destinations of £412.7m (2023: £485.2m) and Developments and other properties of £129.2m (2023: £152.9m).

3. Segmental analysis continued

C. ANALYSIS OF NON-CURRENT ASSETS

	2024 £m	2023 £m
UK	1,159.4	1,116.6
France	1,008.7	2,165.5
Ireland	480.6	491.9
Total[1]	2,648.7	3,774.0

1 Includes financial instruments of £30.6m (2023: £30.2m) of which £21.4m (2023: £21.4m) relates to the UK and the remainder of £9.2m (2023: £8.8m) to Continental Europe.

4. Revenue

	Note	2024 £m	2023 £m
Base rent		63.9	69.6
Turnover rent		3.0	4.7
Car park income[1]		9.3	10.9
Lease incentive recognition		2.8	3.2
Other rental income		2.8	4.4
Gross rental income	2	81.8	92.8
Service charge income[1]	2	28.6	26.6
Other income			
– Property fee income[1]		6.3	8.4
– Joint venture and associate management fees[1]		4.4	6.5
		10.7	14.9
Total – continuing operations		121.1	134.3

1 Revenue for these categories amount to £48.6m (2023: £52.4m) and are recognised under IFRS 15 'Revenue from Contracts with Customers'. All other revenue is recognised in accordance with IFRS 16 'Leases'.

5. Costs

A. PROFIT FROM OPERATING ACTIVITIES IS STATED AFTER CHARGING:

Cost of sales	2024 £m	2023 £m
Ground rents payable	1.1	1.1
Inclusive lease costs recovered through rent	2.4	2.8
Other property outgoings[1]	13.4	10.8
	16.9	14.7

Gross administration costs	Note	2024 £m	2023 £m
Employee costs	5B	27.8	35.2
Depreciation		1.4	3.0
Other administration costs[2]		14.3	12.9
Business transformation costs	10A	4.9	13.2
		48.4	64.3

1 Includes charges and credits in respect of expected credit losses as set out in note 15D.

2 Comprises predominantly professional fees (mainly audit, valuation and legal), corporate office costs and insurances, and IT related costs.

5. Costs continued

B. EMPLOYEE COSTS

	2024 £m	2023 £m
Wages and salaries (including bonuses)	19.2	24.4
Social security	3.2	4.9
Other pension costs	1.7	2.4
Share-based remuneration[1]	4.3	3.6
	28.4	35.3
Capitalised into development properties	(0.6)	(0.1)
Total	27.8	35.2

1 Share-based remuneration comprises the share element of performance related bonuses (where the other element is paid in cash) and longer term share plans, some of which contain performance conditions and where further information is provided in the Directors' Remuneration report.

C. EMPLOYEE NUMBERS

	2024 number	2023 number
Average number of employees	138	199
Number of employees whose costs are recharged to occupiers, included above	4	24

D. SHARE-BASED PAYMENTS

Share-based remuneration charge comprises a number of equity settled share schemes which the Group operates for certain employees of the Group. At 31 December 2024, there were no shares exercisable under any of these schemes (2023: none). Details of each scheme are as follows:

Restricted Share Schemes ('RSS' and 'RSSBB') and Long Term Incentive Plan ('LTIP')

The RSS applies to the Executive Directors, through the grant of £nil cost options, which vest one third each on the third, fourth and fifth anniversaries of the date of the award (with an additional two years minimum holding period). There is a vesting performance underpin which is measured at the end of the third anniversary. The RSS superseded the Company's LTIP in 2019. The RSSBB was a new scheme launched in 2023 which applies to members of the Group Executive Committee, excluding Executive Directors, also through the grant of £nil cost options but which vest in total on the third anniversary of the date of the award. In common with the RSS there is also a vesting performance underpin measured at the end of the third anniversary.

	2024 number	2023 number
1 January	26,990,059	15,576,073
Granted	10,520,516	11,855,560
Lapsed	–	(441,574)
Share consolidation (see note 21A)	(33,735,156)	–
31 December	3,775,419	26,990,059

Weighted average	2024	2023
Fair value of awards granted	£2.71	24p
Share price at date of exercise	n/a	n/a
Remaining contractual life	1.4 years	2.1 years

5. Costs continued

D. SHARE-BASED PAYMENTS continued

Restricted Share Plan ('RSP')

UK eligible employees are granted £nil cost options which have a vesting period of three years from the award date. There are no performance criteria to be satisfied for the awards to vest, the employee only needs to be in employment on the third anniversary from the award date.

	2024 number	2023 number
1 January	**12,438,657**	18,410,753
Granted	**3,033,862**	4,192,451
Exercised	**(4,794,046)**	(8,735,735)
Forfeited	**(1,148,079)**	(1,428,812)
Share consolidation (see note 21A)	**(8,559,196)**	–
31 December	**971,198**	12,438,657

Weighted average	2024	2023
Fair value of awards granted	**£2.70**	24p
Share price at date of exercise	**£2.86**	23p
Remaining contractual life	**1.1 years**	1.2 years

Deferred Bonus Share Scheme ('DBSS')

The DBSS is open to Executive Directors and senior management where a deferred element of their annual performance related incentive plan is settled in shares which are deferred for a period of two years from the award date and where the other element of this plan is settled in cash. The share awards are satisfied through the grant of £nil cost options.

	2024 number	2023 number
1 January	**7,467,523**	2,761,940
Granted	**5,118,753**	4,705,583
Exercised	**(2,826,245)**	–
Share consolidation (see note 21A)	**(8,784,050)**	–
31 December	**975,981**	7,467,523

Weighted average	2024	2023
Fair value of awards granted	**£2.69**	24p
Share price at date of exercise	**£2.84**	n/a
Remaining contractual life	**0.7 years**	1.1 years

Other schemes

French share scheme

Eligible employees in France are granted £nil cost options which have a vesting period of two years, and a further holding period of two years, from the award date. There are no performance conditions to be satisfied for the awards to vest, the employee only needs to be in employment on the second anniversary of the award date.

Share Incentive Plan ('SIP')

Eligible UK employees are invited to invest up to £1,800 per annum tax free in SIP partnership shares. As an incentive to participants, the Company will match each partnership share with one matching share. The vesting period is three years from the award date.

Savings related share option scheme

UK eligible employees may participate in this scheme by choosing to enter into one or more contracts for a three or five year term and save up to a total of £500 per month. At the end of the contract employees may exercise an option to purchase shares in the Company at the option price, which is set at the beginning of the contract at a discount of up to 20% of the prevailing share price at the time the invitation is launched.

5. Costs continued

E. AUDITOR REMUNERATION

	2024 £m	2023 £m
Audit of the Group and Company financial statements	1.0	1.0
Audit of subsidiaries	0.4	0.5
Audit related assurance services, including interim review	0.3	0.3
	1.7	1.8
Non-audit services[1]	0.3	0.1
Total auditor remuneration[2]	2.0	1.9

1 2024 non-audit services relate to reporting accountant work in respect of the Group's Euro Medium Term Note programme and on the Value Retail disposal. Services in 2023 related to reporting accountant work in respect of the £100m bond issue.

2 Excludes the additional amounts of £0.2m (2023: £0.2m) incurred in respect of the Group's share of audit services undertaken on behalf of its joint ventures.

6. Net finance costs

	2024 £m	2023 £m
Discount on redemption of bonds	–	4.3
Interest receivable on derivatives	11.3	12.8
Bank and other interest receivable	28.7	18.1
Finance income	40.0	35.2
Interest on bank loans and overdrafts	(4.1)	(4.5)
Interest on bonds and related charges	(59.6)	(59.2)
Interest on senior notes and related charges	(2.6)	(5.4)
Interest on obligations under head leases and other lease obligations	(2.2)	(2.2)
Other interest payable	(0.2)	(0.7)
Gross interest costs	(68.7)	(72.0)
Premium on redemption of bonds	(25.5)	–
Fair value (losses)/gains on derivatives	(1.2)	0.7
Finance costs	(95.4)	(71.3)
Net finance costs – continuing operations	(55.4)	(36.1)

7. Tax charge

A. TAX CHARGE

	2024 £m	2023 £m
UK current tax	2.4	–
Foreign current tax	0.1	0.7
Tax charge – continuing operations	2.5	0.7

The Group's tax charge on its underlying property rental business remains low because it has tax exempt status in its principal operating countries.

The Group has been a REIT in the UK since 2007 and a SIIC in France since 2004. These tax regimes exempt the Group's property income and gains from corporate taxes, provided a number of conditions in relation to the Group's activities are met. These conditions include, but are not limited to, distributing at least 90% of the Group's UK tax exempt profits as property income distributions ('PID') with equivalent tests of 95% on French tax exempt property profits and 70% of tax exempt property gains.

Based on preliminary calculations, the Group has met the REIT and SIIC conditions for 2024. The residual profit in the UK and France, which is not exempt under the REIT and SIIC rules respectively, is subject to corporation tax as normal. The Irish assets are held in a QIAIF which provides similar tax benefits to those of a UK REIT but which subjects dividends and certain excessive interest payments to a 20% withholding tax. The Group is committed to remaining in these tax exempt regimes for the foreseeable future.

7. Tax charge continued

The Group operates in a number of jurisdictions and is subject to periodic reviews and challenges by local tax authorities on a range of tax matters during its normal course of business. Tax impacts can be uncertain until a conclusion is reached with the relevant tax authority or through a legal process. The Group uses in-house expertise when assessing uncertain tax positions and seeks the advice of external professional advisors where appropriate. The Group believes that its tax liability accruals are adequate for all open tax years based on its assessment of many factors, including tax laws and prior experience.

B. TAX CHARGE RECONCILIATION

	Note	2024 £m	2023 £m
Loss before tax – continuing operations	2	**(42.3)**	(50.7)
Loss before tax – discontinued operations	2	**(481.5)**	(14.8)
Profit after tax of joint ventures	13B	**(8.8)**	(9.4)
Profit after tax of associates	14B	**–**	(1.2)
Loss on ordinary activities before tax		**(532.6)**	(76.1)
Tax at the UK corporation tax rate of 25% (2023: 25%)		**(133.2)**	(19.0)
UK REIT tax exemption		**72.6**	12.8
French SIIC tax exemption		**(3.6)**	4.0
Irish QIAIF tax exemption		**12.0**	2.3
Non-deductible and other items		**54.7**	0.6
Tax charge		**2.5**	0.7

C. UNRECOGNISED DEFERRED TAX

A deferred tax asset is not recognised for UK revenue losses or capital losses where their future utilisation is uncertain. At 31 December 2024, the total of such losses was £639m (2023: £556m) and £588m (2023: £645m) respectively, and the potential tax effect of these was £159m (2023: £139m) and £145m (2023: £161m) respectively.

Deferred tax is not provided on potential gains on investments in subsidiaries and joint ventures when the Group can control whether gains crystallise and it is probable that gains will not arise in the foreseeable future. At 31 December 2024, the total of such gains was £133m (2023: £133m) and the potential tax effect before the offset of losses was £33m (2023: £33m).

If a UK REIT sells a property within three years of completion of development, the REIT exemption will not apply. However, the Group had no completed properties falling within this timeframe but also has available capital losses to cover taxes arising if the circumstance were to arise.

Deferred tax is also not recognised in respect of withholding tax on taxable events on the basis the Group controls when such taxable events may occur.

8. Property disposals and impairment on derecognition of joint ventures

A. DISPOSALS

Year ended 31 December 2024

On 15 March 2024, the Group raised cash proceeds of £111m from the disposal of its 100% interest in Union Square, Aberdeen which was 8% below its 31 December 2023 book value. Also, in March 2024, the Group completed the sale of the ancillary wholly owned property at O'Parinor for £6m, this sale was in line with the 31 December 2023 book value.

These disposals, in addition to some small changes in selling costs associated with properties sold in previous years, raised £117.4m in net proceeds and resulted in a total net loss on disposal of £9.2m.

Year ended 31 December 2023

On 31 March 2023, the Group raised cash proceeds of €164m (£144m) from the disposal of its 25% associate stake in Italie Deux in Paris and the wholly owned Italik extension. 75% of the Italik extension had been classified as a trading property up to the point of disposal.

On 21 April 2023, the Group completed the sale of its 50% joint venture investment in Centrale and Whitgift in Croydon for cash proceeds of £70m. Also during the year the Group raised further cash proceeds of £2m from the sale of ancillary non-core land.

In total these disposals resulted in an overall loss on sale of £17.8m. This reflects a profit on disposal of £1.3m in the Reported Group, offset by a loss of £19.1m associated with the sale of joint ventures (Share of Property Interests) as reported in note 2.

8. Property disposals and impairment on derecognition of joint ventures continued

B. IMPAIRMENT ON DERECOGNITION OF JOINT VENTURES

Year ended 31 December 2023
At 31 December 2022, the Group's Highcross and O'Parinor joint ventures, in which the Group had 50% and 25% interests respectively had £125m of debt secured against the property interests which were non-recourse to the Group. In both cases the loans were in breach of certain conditions and the Group had been working constructively with the respective lenders on options to realise "best value" for all stakeholders.

On 9 February 2023, a receiver was appointed to administer Highcross for the benefit of the creditors and, as a result of no longer having joint control the Group derecognised its share of assets and liabilities, including the property value and £80m of debt. There was no loss on derecognition as the Group's joint venture investment in Highcross had been fully impaired at 31 December 2021, from which date the Group had ceased recognising the results of this joint venture in the consolidated income statement.

On 30 June 2023, the lenders for O'Parinor took control of the joint venture. At that point the Group fully impaired its joint venture investment by £22.2m and derecognised its share of assets and liabilities, including the property value of £61m and £45m of secured borrowings.

9. Discontinued operations and assets and liabilities classified as held for sale

A. VALUE RETAIL DISPOSAL

On 22 July 2024, the Group announced it had entered into a binding sale agreement for the disposal of its entire interests in Value Retail for cash proceeds of €705m (£595m). The disposal completed on 18 September 2024.

The Group had historically accounted for its Value Retail interests as an associated undertaking. However, at the time of preparing the 2024 condensed interim financial statements, the Directors concluded that at 30 June 2024, given the significant progress made towards agreeing and signing a sale agreement, that a sale was "highly probable" and hence the Group's interests were judged to have met the criteria outlined in IFRS 5 to be reclassified to being "held for sale" within current assets.

On reclassification to an asset "held for sale" at 30 June 2024, in accordance with IFRS 5, the Group's interests were re-measured to the lower of the carrying amount and estimated fair value less sale costs at completion. The fair value was based on the contracted sale proceeds less estimated transaction costs, including tax, of £15m, and the remeasurement resulted in the recognition of a £483.0m impairment loss in the condensed interim financial statements. The fair value represents a Level 2 measurement basis as defined in IFRS 13 (see note 19).

Following reclassification to an asset "held for sale", the Group ceased to equity account for the investment and reassessed the impairment loss at the date the disposal completed on 18 September resulting in a £11.1m reduction of the impairment. The movement in impairment post reclassification was principally due to foreign exchange translation differences between the exchange rate prevailing on 30 June 2024 and 18 September 2024 of £3m; distributions of £8m in relation to the Group's period of ownership; and the removal of an allowance of £4.5m for potential tax associated with the sale which had been included in the estimated transaction costs when assessing the impairment at 30 June 2024.

In addition, the sale of Value Retail represents a separate major line of the business and hence has been treated as a discontinued operation and the results for the current and prior financial periods have been separately disclosed from the continuing segments of the business.

9. Discontinued operations and assets and liabilities classified as held for sale continued

B. (LOSS)/PROFIT FROM DISCONTINUED OPERATIONS (VALUE RETAIL)

	Year ended 31 December 2024 £m		Year ended 31 December 2023 £m	
	100%	Group share	100%	Group share
Gross rental income	235.8	80.8	482.7	162.4
Net rental income	163.4	58.2	330.6	114.5
Administration expenses	(85.4)	(28.1)	(156.9)	(51.4)
Profit from operating activities	78.0	30.1	173.7	63.1
Revaluation (losses)/gains on properties	(61.2)	(24.9)	15.8	(7.7)
Impairment recognised on reclassification to held for sale	–	(483.0)	–	–
Reduction in impairment after reclassification to held for sale	–	11.1	–	–
	–	(471.9)	–	–
Operating profit/(loss)	16.8	(466.7)	189.5	55.4
Interest costs	(52.9)	(19.4)	(97.0)	(35.2)
Fair value losses on derivatives	(8.3)	(2.4)	(47.5)	(11.1)
Fair value gains on participative loans – other movements	–	2.4	–	6.5
Fair value gains on participative loans – revaluation movement	–	2.2	–	9.1
Net finance costs	(61.2)	(17.2)	(144.5)	(30.7)
(Loss)/Profit before tax	(44.4)	(483.9)	45.0	24.7
Current tax charge	(7.6)	(1.7)	(12.9)	(2.5)
Deferred tax credit/(charge)	15.2	4.1	(28.9)	(7.4)
(Loss)/Profit for the year	(36.8)	(481.5)	3.2	14.8
Adjustments for adjusted earnings (note 10A)		500.7		17.3
Adjusted earnings[1]		19.2		32.1

1 Adjusted earnings include £7.5m relating to the period between reclassification to held for sale and disposal. See note 10A for further details.

Figures above reflect the Group's share of Value Retail's results, except the impairment associated with the reclassification to held for sale which relates to the Reported Group. The figures for 2024 reflect the first half of 2024 during which the Group's investment in Value Retail was classified as an associate but on 30 June 2024 was reclassified as an asset held for sale and equity accounting ceased.

9. Discontinued operations and assets and liabilities classified as held for sale continued

C. SUMMARY OF ASSETS AND LIABILITIES ASSOCIATED WITH ASSETS HELD FOR SALE AT 30 JUNE 2024

	Reported Group[1] £m	Investments in associates[2] £m	Total £m
Non-current assets			
Investment properties	–	1,753.9	1,753.9
Other non-current assets	1.7	96.2	97.9
	1.7	1,850.1	1,851.8
Current assets			
Cash and cash equivalents	–	61.7	61.7
Other current assets	–	33.7	33.7
	–	95.4	95.4
Total assets	1.7	1,945.5	1,947.2
Current liabilities			
Loans	–	(192.9)	(192.9)
Other payables	–	(54.7)	(54.7)
	–	(247.6)	(247.6)
Non-current liabilities			
Loans	–	(557.2)	(557.2)
Participative loan	–	(97.6)	(97.6)
Other payables, including deferred tax	(22.7)	(166.5)	(189.2)
	(22.7)	(821.3)	(844.0)
Total liabilities	(22.7)	(1,068.9)	(1,091.6)
Net assets	(21.0)	876.6	855.6
Reverse participative loans	–	210.4	210.4
Net asset value pre-impairment	(21.0)	1,087.0	1,066.0
Impairment recognised on reclassification to held for sale			(483.0)
Net assets held for sale			583.0

1 The Reported Group included a €2.0m (£1.7m) loan to an intermediate holding company of Value Retail and £22.7m of distributions received in advance from Value Retail, both items were included in the sale.

2 At Group share.

The impairment loss of £483.0m was calculated based on cash proceeds in the sale agreement, less expected transaction costs, including tax, of £15m, compared to the value of the net assets shown above, including the investment properties which were remeasured to fair value at the date of reclassification.

In addition, the cumulative other comprehensive income in relation to foreign exchange and hedge reserve movements relating to the Group's investment in Value Retail of £49.6m have been recycled to the income statement on completion of the disposal.

D. CASH FLOWS

	Year ended 31 December 2024 £m	Year ended 31 December 2023 £m
Distributions and capital returns received from associates	19.4	73.6
Cash inflows from investing activities	19.4	73.6

There were no other cash flows from operating or financing activities in the current or prior financial years.

10. Performance measures – (Loss)/earnings and net assets

As explained on page 36 of the Financial Review, the Group uses a number of alternative performance measures ('APMs'), being financial measures not specified under IFRS, to monitor the performance of the business. In addition to the IFRS figures, we present EPRA, Headline and Adjusted earnings and three EPRA net asset measures. The reconciliation of each of these measures to IFRS is presented below:

A. ALTERNATIVE EARNINGS MEASURES

	2024 £m	2023 £m
Loss for the year – IFRS	(526.3)	(51.4)
Adjustments:		
Net revaluation losses on property portfolio (excluding Value Retail)	91.4	119.1
Disposals:		
– Loss/(Profit) on sale of properties[1]	9.2	(1.3)
– Loss on sale of joint ventures and associates[1]	–	19.1
– Recycled exchange gains on disposal of overseas property interests[2]	(9.9)	(20.1)
Joint venture related:		
– Impairment of joint venture[3]	–	22.2
Value Retail related (discontinued operations):		
– Revaluation losses	24.9	7.7
– Deferred tax	(4.1)	7.4
– Change in fair value of financial asset	0.3	0.2
– Net impairment charge[4]	471.9	–
Sub-total: Adjustments for Headline earnings	583.7	154.3
Value Retail related (discontinued operations):		
– Change in fair value of derivatives[5]	2.4	11.1
– Change in fair value of participative loans[5]	(2.2)	(9.1)
Included in net finance costs:		
– Premium/(Discount) on redemption of bonds[6]	25.5	(4.3)
– Change in fair value of derivatives[6]	3.4	1.1
Change in fair value of other investments[7]	(0.4)	1.1
Sub-total: Adjustments for EPRA earnings	612.4	154.2
Included in profit from operating activities:		
– Costs associated with pension scheme wind-up[8]	0.5	–
– Business transformation costs[9]	4.9	13.2
– Change in provision for amounts not yet recognised in the income statement[10]	–	0.3
– Income from assets held for sale (discontinued operations)[11]	7.5	–
Total: Adjustments for Adjusted earnings	625.3	167.7
Headline earnings	57.4	102.9
EPRA earnings[12]	86.1	102.8
Adjusted earnings	99.0	116.3

1 See note 8 for further details.
2 Exchange gains previously recognised in equity until disposal, in relation to the sale of Value Retail in 2024 and Italie Deux and O'Parinor in 2023.
3 In 2023 relates to the impairment resulting from the derecognition of the O'Parinor joint venture, see note 8 for details.
4 Impairment charge on reclassification of Group's interests in Value Retail. Includes £483m charge recognised upon reclassification at 30 June 2024, less £11.1m reduction post reclassification. See note 9 for details.
5 The change in fair value of derivatives and participative loans are excluded from EPRA and Adjusted earnings as the gains and losses are unrealised and reflect mark-to-market movements in the year which will unwind assuming the instruments are held to maturity.

10. Performance measures – (Loss)/earnings and net assets continued

6 Financing items comprise:

	2024			2023		
	Reported Group £m	**Share of Property interests £m**	**Total £m**	Reported Group £m	Share of Property interests £m	Total £m
Premium/(Discount) on redemption of bonds	**25.5**	**–**	**25.5**	(4.3)	–	(4.3)
Change in fair value of derivatives[6]	**1.2**	**2.2**	**3.4**	(0.7)	1.8	1.1
	26.7	**2.2**	**28.9**	(5.0)	1.8	(3.2)

The write off of up-front fees arising on early cancellation or early repayment redemption premiums are considered outside of day-to-day financing activities and are accordingly excluded from adjusted earnings.

7 Relates to the fair value movement based on the fair value of the underlying net assets of the Group's 7.3% investment in VIA Outlets Zweibrucken B.V.

8 As explained in note 23, in the first half of 2024 the Group wound up its principal defined benefit scheme and incurred fees of £0.5m on this one-off activity which management have determined do not represent the underlying activities of the Group.

9 Business transformation costs comprise:

	2024 £m	2023 £m
Employee severance	**(0.3)**	6.3
IT transformation costs	**4.6**	4.5
Other costs (principally premises related costs)	**0.6**	2.4
	4.9	13.2

Such costs relate to the strategic and operational review undertaken to determine the Group's strategy which was announced during 2021. The related costs are incremental and do not form part of underlying trading. These costs have been incurred since the announcement of the strategy and the final transformation activities will take place in 2025.

10 Reflects a charge in 2023 (2024: £nil) for expected credit losses in accordance with the technical interpretation of IFRS 9 irrespective of whether the income to which the provision relates has been recognised in the consolidated income statement or is deferred on the balance sheet. Because of the mismatch this causes between the cost of provision being recognised in one accounting period and the related revenue being recognised in the following accounting period, the adjustment eradicates this distortion. The charge of £0.3m is split £0.2m for the Reported Group and £0.1m for Share of Property interests.

11 Reflects the Group's share of adjusted earnings from its investment in Value Retail over the period from reclassification to an asset held for sale on 30 June 2024 to the date of disposal on 18 September 2024. The adjustment has been calculated on a consistent basis as when the investment in Value Retail had been classified as an associate. See note 9 for further details.

12 As explained in note 1, in September 2024, EPRA issued updated EPRA earnings guidelines within its Best Practice Recommendations framework. These included the addition of two new adjustment categories relating to funding structures and non-operating and exceptional items. In relation to EPRA earnings, the Group will adopt these new guidelines for its next reporting period, beginning 1 January 2025.

B. ALTERNATIVE NET ASSET MEASURES

The Group uses the EPRA best practice guidelines incorporating three measures of net asset value: EPRA Net Tangible Assets ('NTA'), Net Reinstatement Value ('NRV') and Net Disposal Value ('NDV'). EPRA NTA is considered to be the most relevant measure for the Group.

A reconciliation between IFRS net assets and the three EPRA net asset valuation metrics is set out below.

				2024
	Reported Group £m	**Share of Property interests £m**	**Value Retail £m**	**Total £m**
Reported balance sheet net assets (equity shareholders' funds)	**1,821.1**	**–**	**–**	**1,821.1**
Change to reflect fair value of borrowings[1]	**22.8**	**(3.4)**	**–**	**19.4**
EPRA NDV				**1,840.5**
Deduct change to reflect fair value of borrowings[1]	**(22.8)**	**3.4**	**–**	**(19.4)**
Deferred tax – 50% share[2]	**0.2**	**0.1**	**–**	**0.3**
Fair value of currency swaps as a result of interest rates[3]	**3.0**	**–**	**–**	**3.0**
Fair value of interest rate swaps	**0.1**	**0.9**	**–**	**1.0**
EPRA NTA				**1,825.4**
Deferred tax – remaining 50% share[2]	**0.2**	**–**	**–**	**0.2**
Purchasers' costs[4]	**165.6**	**–**	**–**	**165.6**
EPRA NRV				**1,991.2**

10. Performance measures – (Loss)/earnings and net assets continued

B. ALTERNATIVE NET ASSET MEASURES continued

				2023
	Reported Group £m	Share of Property interests £m	Value Retail £m	Total £m
Reported balance sheet net assets (equity shareholders' funds)	2,462.6	–	–	2,462.6
Change in fair value of borrowings[1]	36.7	(0.2)	–	36.5
EPRA NDV				2,499.1
Deduct change in fair value of borrowings[1]	(36.7)	0.2	–	(36.5)
Deferred tax – 50% share[2]	0.2	0.1	100.7	101.0
Fair value of currency swaps as a result of interest rates[3]	1.0	–	–	1.0
Fair value of interest rate swaps	0.7	(1.3)	(22.0)	(22.6)
EPRA NTA				2,542.0
Deferred tax – remaining 50% share[2]	0.2	–	100.7	100.9
Purchasers' costs[4]	302.9	–	–	302.9
EPRA NRV				2,945.8

1 Applicable for EPRA NDV calculation only and hence the adjustment is reversed for EPRA NTA and EPRA NRV, see note 19F.
2 As per the EPRA guidance we have chosen to exclude 50% of deferred tax for EPRA NTA purposes.
3 Excludes impact of foreign exchange.
4 Represents property transfer taxes and fees payable should the Group's entire property portfolio be acquired at year end market rates. 2024 excludes Value Retail, per footnote 1 above, and 2023 includes Value Retail.

11. (Loss)/earnings per share and net asset value per share

The calculations of the (loss)/earnings per share ('EPS') measures set out below are based on (loss)/profit for the year calculated on IFRS, Headline, EPRA and Adjusted bases as shown in note 10A and the weighted average number of shares in issue during the year. Headline, EPRA and Adjusted earnings per share and EPRA Net assets per share measures are all Alternative Performance Measures ('APMs'). See page 36 of the Financial Review for more details on the Group's approach to APMs.

Headline EPS has been calculated in accordance with the requirements of the Johannesburg Stock Exchange listing requirements. EPRA has issued recommended bases for the calculation of certain per share information which includes net asset value per share as well as EPS.

Basic EPS measures are calculated by dividing the earnings attributable to the equity shareholders of the Company by the weighted average number of shares outstanding during the year. Diluted EPS measures are calculated on the same basis as basic EPS but with a further adjustment to the weighted average number of shares outstanding to assume conversion of all potentially dilutive ordinary shares. Such potentially dilutive ordinary shares comprise share options and awards granted to colleagues where the exercise price is less than the average market price of the Company's ordinary shares during the year and any unvested shares which have met, or are expected to meet, the performance conditions at the end of the year. To the extent that there is no dilution, this arises due to the anti-dilutive effect of all such shares, or under IFRS if the Group records a loss for the year.

Net assets per share comprise net assets calculated in accordance with EPRA guidelines, as set out in note 10B, divided by the number of shares in issue at the year end.

A. NUMBER OF ORDINARY SHARES FOR PER SHARE CALCULATIONS

	31 December 2024 million	31 December 2023[1] million
Weighted average number of shares		
For purposes of basic and diluted IFRS EPS[2]	**496.7**	497.1
Effect of potentially dilutive shares (share options)	**1.7**	1.1
For purposes of diluted Headline, EPRA and Adjusted EPS	**498.4**	498.2

	As at 31 December 2024	As at 31 December 2023[1]
Shares in issue (for purposes of net asset per share calculations)	**493.2**	500.2

1 The number of shares at 31 December 2023 has been restated to reflect the 1 for 10 share consolidation undertaken during 2024. See note 21 for further details.
2 As the Group reported an IFRS loss for the year in both 2024 and 2023, dilutive shares are excluded in calculating diluted IFRS EPS.

11. (Loss)/earnings per share and net asset value per share continued

B. (LOSS)/EARNINGS PER SHARE

		(Loss)/Earnings		(Loss)/Earnings per share			
				Basic		Diluted	
	Note	**Year ended 31 December 2024 £m**	Year ended 31 December 2023 £m	**Year ended 31 December 2024 pence**	Year ended 31 December 2023[1] pence	**Year ended 31 December 2024 pence**	Year ended 31 December 2023[1] pence
Continuing operations		**(44.8)**	(66.2)	**(9.0)**	(13.3)	**(9.0)**	(13.3)
Discontinued operations		**(481.5)**	14.8	**(97.0)**	3.0	**(97.0)**	3.0
IFRS		**(526.3)**	(51.4)	**(106.0)**	(10.3)	**(106.0)**	(10.3)
Headline	10A	**57.4**	102.9	**11.6**	20.7	**11.5**	20.7
EPRA	10A	**86.1**	102.8	**17.3**	20.7	**17.3**	20.6
Adjusted	10A	**99.0**	116.3	**19.9**	23.4	**19.9**	23.3

1 Restated to reflect the 1 for 10 share consolidation undertaken during 2024. See note 21 for further details.

C. NET ASSET VALUE PER SHARE

		Net asset value		Net asset value per share	
	Note	**31 December 2024 £m**	31 December 2023 £m	**31 December 2024 £**	31 December 2023[1] £
EPRA NDV	10B	**1,840.5**	2,499.1	**3.73**	5.00
EPRA NTA	10B	**1,825.4**	2,542.0	**3.70**	5.08
EPRA NRV	10B	**1,991.2**	2,945.8	**4.04**	5.89

1 Restated to reflect the 1 for 10 share consolidation undertaken during 2024. See note 21 for further details.

12. Properties

	2024	2023		
	Investment properties £m	Investment properties £m	Trading properties £m	Total £m
At 1 January	**1,396.2**	1,461.0	36.2	1,497.2
Net revaluation losses	**(20.6)**	(45.2)	–	(45.2)
Transfer from investment in joint ventures[1]	**140.9**	–	–	–
Acquisitions[1]	**140.1**	–	–	–
Capital expenditure	**15.1**	19.6	–	19.6
Disposals (see note 8)	**(127.8)**	(11.9)	(36.2)	(48.1)
Exchange adjustment	**(56.9)**	(27.3)	–	(27.3)
At 31 December	**1,487.0**	1,396.2	–	1,396.2

	2024			2023		
	Freehold £m	**Long leasehold £m**	**Total £m**	Freehold £m	Long leasehold £m	Total £m
Valuation analysis by tenure	**682.8**	**804.2**	**1,487.0**	734.0	662.2	1,396.2

1 Relates to the Group's acquisition of the remaining 50% interest in Westquay. See note 13 for further details.

12. Properties continued

Properties are stated at fair value, valued by professionally qualified external valuers in accordance with RICS Valuation – Global Standards as follows:

Valuer	Properties
CBRE	UK flagships, Developments and other properties
Jones Lang LaSalle	UK flagships, France flagships, Developments and other properties
Cushman and Wakefield	Brent Cross, Ireland flagships, Development and other properties

As detailed in note 1F, due to the estimation and judgement required in the valuations which are derived from data that is not publicly available, these valuations are classified as Level 3 in the IFRS 13 fair value hierarchy. A reconciliation of the Group portfolio valuation to Reported Group is shown in note 3B. A listing of the Group's key properties is on page 207.

A. INVESTMENT PROPERTIES – SENSITIVITY ANALYSIS ON VALUATIONS

The tables below includes the entire property portfolio, whether wholly-owned or the Group's share of properties co-owned with third parties. The equivalent analysis for the range of inputs on a Reported Group basis would not be significantly different.

As at 31 December 2024	Valuation						
Proportionally consolidated	Reported Group	Share of Property interest	Group	Nominal equivalent yield ('NEY')		Estimated rental value ('ERV')	
	£m	£m	£m	-100bp £m	+100bp £m	+10% £m	-10% £m
Flagship destinations							
UK	**285.2**	**630.1**	**915.3**	**133.7**	**(103.5)**	**91.5**	**(91.5)**
France	**964.1**	**–**	**964.1**	**235.3**	**(158.1)**	**96.4**	**(96.4)**
Ireland	**120.6**	**401.4**	**522.0**	**91.6**	**(67.8)**	**52.2**	**(52.2)**
	1,369.9	**1,031.5**	**2,401.4**	**460.6**	**(329.4)**	**240.1**	**(240.1)**
Developments and other	**117.1**	**140.5**	**257.6**	**29.6**	**(24.1)**	**25.8**	**(25.8)**
Total portfolio	**1,487.0**	**1,172.0**	**2,659.0**	**490.2**	**(353.5)**	**265.9**	**(265.9)**

As at 31 December 2024	Nominal equivalent yield			ERV p/m²		
Key unobservable inputs	Minimum %	Maximum %	Average %	Minimum £	Maximum £	Average £
Flagship destinations						
UK	**7.3**	**8.9**	**7.8**	**240**	**590**	**390**
France	**5.0**	**5.2**	**5.1**	**410**	**550**	**470**
Ireland	**8.3**	**6.6**	**6.7**	**340**	**520**	**480**

As at 31 December 2023[1]	Valuation						
Proportionally consolidated	Reported Group	Share of Property interest	Group	Nominal equivalent yield ('NEY')		Estimated rental value ('ERV')	
	£m	£m	£m	-100bp £m	+100bp £m	+10% £m	-10% £m
Flagship destinations							
UK	121.4	741.7	863.1	120.9	(94.4)	86.3	(86.3)
France	1,003.3	–	1,003.3	245.6	(164.9)	100.3	(100.3)
Ireland	144.5	485.2	629.7	131.5	(92.8)	63.0	(63.0)
	1,269.2	1,226.9	2,496.1	498.0	(352.1)	249.6	(249.6)
Developments and other	127.0	153.0	280.0	32.4	(26.3)	28.0	28.0
Total portfolio	1,396.2	1,379.9	2,776.1	530.4	(378.4)	277.6	(277.6)

As at 31 December 2023[1]	Nominal equivalent yield			ERV p/m²		
Key unobservable inputs	Minimum %	Maximum %	Average %	Minimum £	Maximum £	Average £
Flagship destinations						
UK	7.3	9.8	8.1	230	440	350
France	4.8	7.5	5.1	180	560	470
Ireland	5.7	7.4	5.8	420	590	550

1 Re-presented to exclude Value Retail.

12. Properties continued

B. TENANT INCENTIVES

Unamortised tenant incentives are included within capital expenditure and impaired as appropriate whereby the provision is calculated in accordance with the considerations described in note 19D.

	Reported Group		Proportionally consolidated	
	2024 £m	2023 £m	**2024 £m**	2023 £m
Unamortised tenant incentives	**13.4**	13.0	**26.6**	26.6
Provision	**(1.2)**	(1.9)	**(1.8)**	(3.5)
	12.2	11.1	**24.8**	23.1

C. JOINT OPERATIONS

Investment properties include a 50% interest in the Ilac Centre, Dublin and a 50% interest in Pavilions, Swords totalling £120.7m (2023: £144.5m). These properties are jointly controlled in co-ownership with Irish Life Assurance plc.

13. Investment in joint ventures

The Group's investments in joint ventures form part of the Share of Property interests to arrive at management's analysis of the Group on a proportionally consolidated basis as explained in note 3 and set out in note 2.

The Group and its partners invest principally by way of equity investment. However, where applicable, non-equity (loan) balances have been included within non-current other payables as a liability of the joint venture. Joint ventures comprise prime urban real estate consisting of Flagship destinations and Developments and other properties.

A. INVESTMENTS AT 31 DECEMBER 2024

Joint venture	Partner	Principal property	Share
United Kingdom			
Bishopsgate Goodsyard Regeneration Limited	Ballymore Properties	The Goodsyard	50%
Brent Cross Partnership	Aberdeen Standard Investments	Brent Cross	41%
Bristol Alliance Limited Partnership	AXA Real Estate	Cabot Circus	50%
Grand Central Limited Partnership	CPP Investments	Grand Central	50%
The Bull Ring Limited Partnership	CPP Investments	Bullring	50%
The Oracle Limited Partnership	ADIA	The Oracle	50%
Ireland			
Dundrum Retail Limited Partnership/Dundrum Car Park Limited Partnership	PIMCO	Dundrum	50%
Dundrum Village Limited Partnership	PIMCO	Dundrum Phase II	50%

The results of interests in joint ventures are included up to the point of acquisition, when control is achieved, or the investment is sold, except for where disposals are reclassified to an assets held for sale whereby they are excluded from the date of reclassification.

Up until 7 November 2024, the Group owned a 50% interest in The West Quay Limited Partnership, which owns Westquay, Southampton, and equity accounted for its interest. On 7 November 2024, the Group acquired its partner's, GIC, 50% stake in the partnership. and from that date, the Group's interest was no longer equity accounted and was consolidated as a subsidiary in the Reported Group. As the property was the predominant asset in The West Quay Limited Partnership, and relied on the Group for asset management services, as per IFRS 3 the acquisition is deemed to be an asset acquisition rather than a business combination.

During 2023, and as explained in note 8, the Group disposed of its 50% interest in Croydon and also derecognised its 50% investment in Highcross and 25% investment in O'Parinor.

Figures in the tables on the following pages include, where applicable, adjustments to align to the Group's accounting policies and exclude balances which are eliminated on consolidation. Given their relative size, The Goodsyard, Grand Central (for 2024 only), Croydon (up to its disposal in April 2023), Highcross (up to date of derecognition in February 2023) and O'Parinor (up to date of derecognition in June 2023) are aggregated and included in 'Other'.

13. Investment in joint ventures continued

B. RESULTS

	Brent Cross £m	Cabot Circus £m	Bullring £m	The Oracle £m	Westquay £m	Dundrum £m	Other £m	100% share Total £m	2024 Group share £m
Gross rental income	29.9	28.2	48.9	22.5	25.5	56.3	8.7	220.0	107.2
Net rental income	26.4	20.6	40.8	16.7	18.4	48.3	4.0	175.2	85.1
Administration (expenses)/income	(0.1)	–	–	–	–	0.9	(0.1)	0.7	0.3
Profit from operating activities	26.3	20.6	40.8	16.7	18.4	49.2	3.9	175.9	85.4
Revaluation (losses)/gains on properties	(6.9)	0.2	28.3	4.8	(2.6)	(140.8)	(25.9)	(142.9)	(70.8)
Operating profit/(loss)	19.4	20.8	69.1	21.5	15.8	(91.6)	(22.0)	33.0	14.6
Finance income	0.5	0.7	0.7	0.5	0.8	6.1	0.4	9.7	4.8
Finance costs	(0.4)	(0.8)	–	–	(0.4)	(19.7)	(0.1)	(21.4)	(10.6)
Profit/(loss) before tax	19.5	20.7	69.8	22.0	16.2	(105.2)	(21.7)	21.3	8.8
Tax charge	–	–	–	(0.1)	–	–	–	(0.1)	–
Profit/(loss) for the year	19.5	20.7	69.8	21.9	16.2	(105.2)	(21.7)	21.2	8.8
Share of distributions received by the Group	10.1	1.0	12.9	2.0	2.6	–	–	28.6	28.6

C. ASSETS AND LIABILITIES

	Brent Cross £m	Cabot Circus £m	Bullring £m	The Oracle £m	Westquay £m	Dundrum £m	Other £m	100% share Total £m	2024 Group share £m
Non-current assets									
Investment properties	384.5	245.2	610.0	200.5	–	846.7	129.5	2,416.4	1,172.0
Other non-current assets	12.9	13.6	0.3	–	–	1.9	2.6	31.3	14.5
	397.4	258.8	610.3	200.5	–	848.6	132.1	2,447.7	1,186.5
Current assets									
Cash and cash equivalents	18.7	26.0	30.0	15.9	–	48.2	17.3	156.1	76.3
Other current assets	6.2	10.6	19.4	5.9	–	4.9	5.2	52.2	22.9
	24.9	36.6	49.4	21.8	–	53.1	22.5	208.3	99.2
Current liabilities									
Other payables	(15.1)	(16.8)	(26.6)	(10.7)	–	(10.9)	(7.2)	(87.3)	(39.7)
	(15.1)	(16.8)	(26.6)	(10.7)	–	(10.9)	(7.2)	(87.3)	(39.7)
Non-current liabilities									
Obligations under head leases	(12.8)	(14.1)	–	–	–	–	(2.8)	(29.7)	(13.7)
Loans – secured	–	–	–	–	–	(282.5)	–	(282.5)	(141.2)
Other payables									
– due to Group companies	–	–	–	–	–	–	(54.1)	(54.1)	–
– other parties and other	(1.0)	(0.5)	(0.8)	(0.3)	–	(2.7)	(54.7)	(60.0)	(2.9)
	(13.8)	(14.6)	(0.8)	(0.3)	–	(285.2)	(111.6)	(426.3)	(157.8)
Net assets	393.4	264.0	632.3	211.3	–	605.6	35.8	2,142.4	1,088.2

13. Investment in joint ventures continued

B. RESULTS continued

	Brent Cross £m	Cabot Circus £m	Bullring £m	Grand Central £m	The Oracle £m	Westquay £m	Dundrum £m	Other £m	100% share Total £m	2023 Group share £m
Gross rental income	28.6	29.4	48.5	8.0	23.5	28.9	59.2	25.5	243.6	114.4
Net rental income	24.1	22.8	39.7	4.4	14.7	23.2	52.6	18.1	195.2	90.4
Administration expenses	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.3)	(0.1)	(0.9)	(0.4)
Profit from operating activities	24.0	22.7	39.6	4.3	14.6	23.1	52.3	18.0	194.3	90.0
Revaluation (losses)/gains on properties	(9.6)	(6.1)	21.3	(13.8)	(22.3)	(2.8)	(74.4)	(55.6)	(149.5)	(73.9)
Operating profit/(loss)	14.4	16.6	60.9	(9.5)	(7.7)	20.3	(22.1)	(37.6)	44.8	16.1
Finance income	0.4	0.4	0.5	–	0.2	0.7	4.6	2.9	9.7	4.1
Finance costs	(0.4)	(0.7)	–	(0.1)	–	(0.4)	(17.1)	(7.5)	(26.1)	(10.7)
Profit/(loss) before tax	14.4	16.3	61.4	(9.6)	(7.5)	20.6	(34.6)	(42.2)	28.4	9.5
Tax charge	–	–	–	–	(0.1)	–	–	–	(0.1)	(0.1)
Profit/(loss) for the year[1]	14.4	16.3	61.4	(9.6)	(7.6)	20.6	(34.6)	(42.2)	28.3	9.4
Share of distributions received by the Group	9.8	7.5	10.0	14.9	2.0	–	3.5	14.9	47.7	47.7

C. ASSETS AND LIABILITIES

	Brent Cross £m	Cabot Circus £m	Bullring £m	Grand Central £m	The Oracle £m	Westquay £m	Dundrum £m	Other £m	100% share Total £m	2023 Group share £m
Non-current assets										
Investment properties	388.0	234.9	575.0	67.0	184.1	283.5	1,011.0	156.0	2,832.5	1,379.9
Other non-current assets	12.8	13.6	0.3	2.6	–	4.2	2.2	2.6	35.7	16.7
	400.8	248.5	575.3	69.6	184.1	287.7	1,013.2	158.6	2,868.2	1,396.6
Current assets										
Cash and cash equivalents	16.9	18.8	28.8	9.0	14.8	31.3	77.8	9.6	198.0	97.3
Other current assets	5.4	6.0	7.5	9.9	4.3	7.9	8.0	10.0	49.1	23.6
	22.3	24.8	36.3	18.9	19.1	39.2	85.8	19.6	247.1	120.9
Current liabilities										
Loans – secured	–	–	–	–	–	–	(520.0)	–	(520.0)	(260.0)
Other payables	(14.9)	(13.1)	(22.0)	(10.8)	(8.9)	(17.0)	(9.1)	(11.3)	(96.3)	(46.0)
	(14.9)	(13.1)	(22.0)	(10.8)	(8.9)	(17.0)	(529.1)	(11.3)	(616.3)	(306.0)
Non-current liabilities										
Obligations under head leases	(12.8)	(14.1)	–	(2.8)	–	(4.2)	–	(2.8)	(33.9)	(15.8)
Other payables										
– due to Group companies[2]	–	–	–	–	–	(348.2)	–	(49.3)	(397.5)	–
– other parties and other	(0.9)	(0.2)	(0.6)	(0.4)	(0.4)	(348.9)	(1.0)	(49.9)	(401.9)	(2.5)
	(13.7)	(14.3)	(0.6)	(3.2)	(0.4)	(701.3)	(1.0)	(102.0)	(833.3)	(18.3)
Net assets/(liabilities)[2]	394.5	245.9	589.0	74.5	193.9	(391.4)	568.9	64.9	1,665.7	1,193.2

1 Following the impairment of Highcross to £nil in 2021, the Group ceased to equity account for its investment in this joint venture such that although gross balance sheet items on a proportionally consolidated basis remain included in the Group's figures, it was excluded from all income statement metrics including revaluation losses. The effect of this is that the Group's share of results was £nil and the cumulative losses restricted shown on the balance sheet therefore represents the Group's share of losses which exceed the Group's investment of £nil.

2 At 31 December 2023, the Group's long term loan due from Westquay of £348.2m was impaired by its share of the net liabilities of Westquay of £195.7m. The Group's total loans due from joint ventures at this date set out in notes 19A and 27A are shown net of this impairment.

13. Investment in joint ventures continued

D. RECONCILIATION OF MOVEMENTS IN INVESTMENT IN JOINT VENTURES

	2024 £m	2023 £m
At 1 January	1,193.2	1,342.4
Share of results of joint ventures	8.8	9.4
Additional capital investment[1]	85.1	–
Advances	6.9	8.3
Cash distributions (including interest)[2]	(37.5)	(55.0)
Other receivables	(12.5)	(6.8)
Derecognition of joint venture[3]	(142.4)	(98.9)
Exchange and other movements	(13.4)	(6.2)
At 31 December	**1,088.2**	**1,193.2**

1 Reflects capital investment to Dundrum joint venture associated with refinancing of secured loan signed in 2024.
2 Comprises distributions of £28.6m (2023: £47.7m) and interest previously accrued of £8.9m (2023: £7.3m).
3 2024 reflects Westquay acquisition. 2023 includes disposal of Croydon joint venture. See note 13A for further details.

14. Investment in associates

A. PERCENTAGE SHARE AND OTHER INFORMATION

	Principal property	2024 Share	2023 Share
Value Retail	Various Villages across Europe	–	40%

As explained in note 9, the Group's investment in Value Retail was reclassified as an "asset held for sale" with effect from 30 June 2024 and the Group's share of results from Value Retail in both the current and prior years were re-presented to discontinued operations. Subsequently, on 22 July 2024 the Group announced that it had entered into a binding agreement for the sale of its entire interests in Value Retail, which completed on 18 September 2024.

The Group's other associate, a 25% stake in Italie Deux, Paris was sold in March 2023. The results of this investment, up until its disposal, formed part of the Share of Property interests to arrive at management's analysis of the Group on a proportionally consolidated basis as explained in note 3 and set out in note 2.

B. RESULTS

	2024		2023	
			Italie Deux	
	100% share £m	Group share £m	100% share £m	Group share £m
Gross and net rental income	–	–	4.8	1.2
Profit for the year	–	–	4.6	1.2
Adjusted earnings		–		1.2

14. Investment in Associates continued

C. ASSETS AND LIABILITIES

	2024		2023	
			Value Retail	
	100% share £m	Group share £m	100% share £m	Group share £m
Non-current assets				
Investment properties	–	–	5,142.1	1,885.7
Other non-current assets	–	–	321.3	93.0
	–	–	5,463.4	1,978.7
Current assets				
Cash and cash equivalents	–	–	193.8	64.4
Other current assets	–	–	116.0	43.2
	–	–	309.8	107.6
Total assets	–	–	5,773.2	2,086.3
Current liabilities				
Loans	–	–	(159.3)	(87.8)
Other payables	–	–	(143.2)	(103.2)
	–	–	(302.5)	(191.0)
Non-current liabilities				
Loans	–	–	(1,973.1)	(706.1)
Participative loans	–	–	(398.5)	(98.5)
Other payables, including deferred tax	–	–	(665.7)	(188.1)
	–	–	(3,037.3)	(992.7)
Total liabilities	–	–	(3,339.8)	(1,183.7)
Net assets	–	–	2,433.4	902.6
Reverse participative loans	–	–	398.5	212.4
	–	–	2,831.9	1,115.0

D. RECONCILIATION OF MOVEMENTS IN INVESTMENT IN ASSOCIATES

	2024	2023		
	Value Retail £m	Value Retail £m	Italie Deux £m	Total £m
At 1 January	1,115.0	1,189.4	107.7	1,297.1
Share of results of associates[1]	(9.6)	14.8	1.2	16.0
Distributions	(14.2)	(66.3)	–	(66.3)
Share of other comprehensive loss of associate[2]	(4.4)	(8.8)	–	(8.8)
Disposals	–	–	(108.6)	(108.6)
Exchange and other movements	0.2	(14.1)	(0.3)	(14.4)
Transfer to assets held for sale (see note 9C)	(1,087.0)	–	–	–
At 31 December[3]	–	1,115.0	–	1,115.0

1 Share of results for Value Retail classified as discontinued operations, see note 9 for details.
2 Relates to the change in fair value of derivative financial instruments in an effective hedge relationship within Value Retail.
3 For 2023 includes accumulated impairment to the investment in Value Retail of £94.3m which was recognised in the year ended 31 December 2020 and was equivalent to the notional goodwill on the investment.

15. Trade and other receivables

A. TRADE AND OTHER RECEIVABLES – NON-CURRENT

	2024 £m	2023 £m
Other receivables	**0.2**	1.9

B. TRADE AND OTHER RECEIVABLES – CURRENT

	2024 £m	2023 £m
Trade receivables[1]	**33.4**	27.6
VAT receivable	**7.3**	9.5
Balances due from joint venture entities	**–**	1.4
Accrued interest receivable	**5.1**	11.0
Disposal related receivables	**5.0**	1.2
Accrued income	**5.5**	2.9
Capex debtors	**3.5**	2.8
Receivables from property assets	**13.1**	6.3
Other receivables	**8.2**	6.8
Corporation tax	**–**	0.1
Deposits and floats	**3.4**	1.3
Prepayments	**3.1**	3.2
	87.6	74.1

1 Credit risk is explained further in note 19D.

C. TRADE (TENANT) RECEIVABLES – AGEING ANALYSIS AND PROVISIONING

	2024			2023		
	Gross trade receivables £m	Provision £m	Net trade receivables £m	Gross trade receivables £m	Provision £m	Net trade receivables £m
Not yet due	**16.4**	**(0.8)**	**15.6**	11.9	(1.2)	10.7
0–3 months overdue	**7.1**	**(0.6)**	**6.5**	5.5	(1.0)	4.5
3–12 months overdue	**6.5**	**(2.8)**	**3.7**	8.1	(2.6)	5.5
More than 12 months overdue	**16.7**	**(9.1)**	**7.6**	16.1	(9.2)	6.9
	46.7	**(13.3)**	**33.4**	41.6	(14.0)	27.6

D. TRADE (TENANT) RECEIVABLES – SEGMENTAL ANALYSIS AND PROVISIONING

	2024			2023		
Proportionally consolidated	Gross trade receivables £m	Provision £m	Net trade receivables £m	Gross trade receivables £m	Provision £m	Net trade receivables £m
UK	**32.1**	**(5.6)**	**26.5**	25.7	(6.1)	19.6
France	**29.9**	**(9.0)**	**20.9**	29.5	(10.7)	18.8
Ireland	**5.0**	**(1.0)**	**4.0**	4.6	(1.8)	2.8
Group portfolio	**67.0**	**(15.6)**	**51.4**	59.8	(18.6)	41.2
Less Share of Property interests	**(20.3)**	**2.3**	**(18.0)**	(18.2)	4.6	(13.6)
Reported Group	**46.7**	**(13.3)**	**33.4**	41.6	(14.0)	27.6

E. ANALYSIS OF MOVEMENTS IN PROVISIONS

Loss allowance	2024 £m	2023 £m
At 1 January	**14.0**	17.6
Additions to provisions charged to the income statement	**7.6**	9.4
Acquisitions	**1.0**	–
Disposals	**(0.9)**	–
Release of provisions	**(4.8)**	(8.0)
Utilisation	**(3.1)**	(5.4)
Exchange	**(0.5)**	0.4
At 31 December	**13.3**	14.0

16. Restricted monetary assets

	2024		2023	
	Current £m	Non-current £m	Current £m	Non-current £m
Cash held in respect of occupiers and co-owners[1]	–	–	2.2	–
Cash held in escrow[2]	–	21.4	–	21.4
	–	21.4	2.2	21.4

1 Comprises amounts held to meet future services charge costs and related expenditure such as marketing expenditure, where local laws or regulations restrict the use of such cash.

2 Comprises funds placed in escrow in 2020 by Hammerson plc to satisfy potential obligations under indemnities granted in favour of Directors and officers to the extent that such obligations are not already satisfied by the Company or covered by Directors' and Officers' liability insurance. The funds will remain in trust until the later of December 2026, or, if there are outstanding claims at that date, the date on which all claims are resolved.

17. Trade and other payables

	2024		2023	
	Current £m	Non-current £m	Current £m	Non-current £m
Trade payables	16.5	–	14.3	–
Pension liability (see note 23)	1.0	7.2	1.0	7.3
VAT payable	12.8	–	12.6	–
Balances due to joint venture entities	5.6	–	3.9	–
Balances due to co-owners[1]	–	–	2.2	–
Accruals – interest	19.5	–	35.9	–
– capital expenditure	8.8	–	12.3	–
– withholding tax	–	–	6.0	–
– disposal related	9.4	–	–	–
– acquisition related	5.3	–	–	–
– other	17.3	–	20.1	–
Deferred income	4.0	–	3.1	–
Distributions received in advance from Value Retail	–	–	–	25.1
Guarantee and tenant deposits	1.0	11.1	2.4	11.1
Lease liabilities[2]	0.4	7.1	1.2	2.7
Employee severance provision	–	–	5.3	–
Other payables	7.7	3.3	9.5	9.3
	109.3	28.7	129.8	55.5

1 Reflects the liability associated with restricted monetary assets held on behalf of co-owners in order to meet future service charge costs and related expenditure.

2 Of the non-current portion of £7.1m (2023: £2.7m), £1.2m (2023: £0.6m) is payable between one to two years, £2.8m (2023: £1.2m) from two to five years and £3.1m (2023: £0.9m) in more than five years.

18. Loans

A. LOAN PROFILE

	Maturity[1]	2024 £m	2023 £m
Unsecured			
£338.3m 3.5% sterling bonds due 2025	n/a	–	337.3
Senior notes due 2026	2026	57.9	60.7
£43.2m (2023: £211.6m) 6% sterling bonds due 2026[2]	2026	43.1	211.1
€700.0m 1.75% euro bonds due 2027[3]	2027	574.1	600.8
Senior notes due 2028	2028	10.5	11.0
£56.8m (2023: £300.0m) 7.25% sterling bonds due 2028[2]	2028	55.7	292.2
Senior notes due 2031	2031	4.8	5.0
£400m 5.875% sterling bonds due 2036[2]	2036	392.1	–
Unamortised facility fees	2025–27	(1.8)	(2.2)
Total falling due after more than one year		**1,136.4**	**1,515.9**
£338.3m 3.5% sterling bonds due 2025	2025	337.8	–
Senior notes due 2024	n/a	–	108.6
Total		**1,474.2**	**1,624.5**

1 Maturity at 31 December 2024. See note 19G for further analysis.

2 On 8 October 2024 the Group issued £400m 5.875% bonds due in 2036. The bonds were issued at a discount of £5.3m and therefore have an effective interest rate of 6.1%. The proceeds, along with additional cash, were used to redeem £168.4m of the bonds due in 2026 and £243.2m of the bonds due in 2028, by way of a tender. The tendered bonds were redeemed at a premium, and after associated costs, the Group recognised a premium on the redemption of the bonds of £25.5m which is shown in finance costs in note 6. This loss has been excluded from the Group's Adjusted earnings as shown in note 10A.

3 The coupon is linked to two sustainability performance targets, both of which will be tested in December 2025 against a 2019 benchmark. If the targets are not met, a total of 37.5 basis points per annum, or €2.625m (£2.2m) per target, will be payable in addition to the final year's coupon. The Group has made certain assumptions which support not increasing the effective interest rate, as a result of the possibility of failing to meet the targets. Planned future initiatives which will assist the Group in achieving the targets include the introduction of energy efficient projects, the generation of additional on or offsite energy and driving compliance with relevant energy performance legislation. While the Group continues to expect to meet both targets the additional coupon has been treated as a contingent liability.

B. UNDRAWN COMMITTED FACILITIES

The Group has the following revolving credit facilities ('RCF'), which are all in sterling unless otherwise indicated, expiring as follows:

	Expiry[1]	2024 £m	2023 £m
£150m RCF signed June 2021	n/a	–	50.0
JPY7.7bn RCF signed June 2021[2]	2026	39.4	43.2
£150m RCF signed June 2021[2]	2026	100.0	100.0
£463m RCF signed April 2022[2]	2026	–	463.0
£463m RCF signed April 2022[3]	2027	463.0	–
Total		**602.4**	**656.2**

1 Expiry at 31 December 2024.

2 In the 2023 financial statements the £150m RCF signed June 2021 and the £463m RCF signed April 2022 were amalgamated. These separate RCFs have been split out in these financial statements to provide additional disclosure concerning their expiry date.

3 In April 2024, the Group exercised its option to extend the maturity of the £463m 2022 RCFs by one year from 2026 to 2027.

C. MATURITY ANALYSIS OF UNDRAWN COMMITTED FACILITIES

Expiry	2024 £m	2023 £m
Within one year	–	50.0
Within one to two years	139.4	–
Within two to five years	463.0	606.2
	602.4	**656.2**

19. Financial Instruments and Risk Management

A. FINANCIAL RISK MANAGEMENT AND STRATEGY

The Group's financial risk management strategy seeks to set financial limits for treasury activity to ensure they are in line with the risk appetite of the Group. The Group's activities expose it to certain financial risks comprising liquidity risk, market risk (comprising interest rate and foreign currency risk), credit risk and capital risk.

The Group's treasury function, which operates under treasury policies approved by the Board, maintains internal guidelines for interest cover, gearing, unencumbered assets and other credit ratios and both the current and projected financial position against these guidelines are monitored regularly.

To manage the risks set out above, the Group uses certain derivative financial instruments to mitigate potentially adverse effects on the Group's financial performance. Derivative financial instruments are used to manage exposure to fluctuations in foreign currency exchange rates and interest rates but are not employed for speculative purposes.

Financial instruments are grouped and accounted for as set out in the table below.

				2024			2023
	Note	Current £m	Non-current £m	Total £m	Current £m	Non-current £m	Total £m
Balances due from joint ventures		–	54.1	54.1	–	201.8	201.8
Trade and other receivables[1]	15A,15B	77.2	0.2	77.4	61.3	1.9	63.2
Restricted monetary assets	16	–	21.4	21.4	2.2	21.4	23.6
Cash and cash equivalents		737.9	–	737.9	472.3	–	472.3
Financial assets at amortised cost				890.8			760.9
Investment in associates: participative loans	14C	–	–	–	–	212.4	212.4
Other investments		–	9.2	9.2	–	8.8	8.8
Assets at fair value through profit and loss[2]				9.2			221.2
Derivative financial instruments – assets		2.2	–	2.2	5.2	–	5.2
Derivative financial instruments – liabilities		(0.1)	–	(0.1)	(2.3)	(15.0)	(17.3)
Derivatives at fair value through profit and loss[3]				2.1			(12.1)
Trade and other payables[4]	17	(91.5)	(21.5)	(113.0)	(101.8)	(48.2)	(150.0)
Loans	18	(337.8)	(1,136.4)	(1,474.2)	(108.6)	(1,515.9)	(1,624.5)
Obligations under head leases	20	(0.1)	(39.7)	(39.8)	(0.1)	(37.3)	(37.4)
Financial liabilities at amortised cost				(1,627.0)			(1,811.9)

1 Excludes VAT, corporation tax and prepayments of £10.4m (2023: £12.8m).
2 Gain of £5.0m (2023: £14.5m) recognised in income statement.
3 Gain of £10.1m (2023: £13.5m) recognised in income statement.
4 Excludes pension liabilities, VAT, withholding tax, deferred income and provisions totalling £25.0m (2023: £35.3m).

B. LIQUIDITY RISK

Cash levels are monitored to ensure sufficient resources are available to meet the Group's operational requirements. Short term money market deposits are used to manage cash resources to maximise the rate of return, giving due consideration to risk.

Liquidity requirements are met with an appropriate mix of short and longer term debt whereby the Group borrows predominantly on an unsecured basis in order to maintain operational flexibility at a low operational cost. Loans and facilities are arranged to maintain short term liquidity and ensure an appropriate maturity profile. Long term debt comprises mainly the Group's fixed rate unsecured bonds and private placement senior notes. Short term funding is raised principally through syndicated revolving credit facilities from a range of banks and financial institutions with which the Group maintains strong working relationships. Analysis of the Group's loans and facilities together with their maturity is set out in note 18.

19. Financial Instruments and Risk Management continued

C. INTEREST RATE AND CURRENCY RISK

Interest rate risk

Interest rate swaps are used to manage the interest rate basis of the Group's debt, allowing changes from fixed to floating rates or vice versa. Clear guidelines exist for the Group's ratio of fixed to floating debt, interest cover, gearing, unencumbered assets and other credit ratios. The interest rate profile is measured regularly against these guidelines.

Interest rate profile	2024 Sterling £m	2024 US Dollar £m	2024 Euro £m	2024 Total £m	2023 Sterling £m	2023 US Dollar £m	2023 Euro £m	2023 Total £m
Borrowings (loans and currency swaps)								
– Fixed rate	476.9	–	997.2	1,474.1	521.5	–	1,114.8	1,636.3
– Floating rate	(274.7)	(4.3)	276.9	(2.1)	(611.7)	(4.5)	615.8	(0.4)
	202.2	(4.3)	1,274.1	1,472.0	(90.2)	(4.5)	1,730.6	1,635.9

The Group defines Borrowings as loans and currency swaps and excludes the fair value of the interest rate swaps as the fair value crystallises over the life of the instruments rather than at maturity. The impact of interest rate swaps are therefore excluded from the above interest rate profile table. The Group does not apply hedge accounting to its interest rate swaps.

During the year the Group had the following interest rate swaps:

- £300m which matured in February 2024. Interest was received at a fixed rate of 6% per annum and paid at a rate linked to SONIA.
- £338m entered into in April 2024 with a final maturity of October 2025. Interest is received at a fixed rate of 5% per annum until 31 December 2024 and at 4.4% per annum from 1 January 2025 to maturity, and paid at a rate linked to SONIA.
- £58m entered into in November 2024 with a maturity of January 2026. Interest is received at a fixed rate of 4.3% per annum and paid at a rate linked to SONIA.

Offsetting

After taking into account the netting impact included within the Group's International Swap and Derivatives Association ('ISDA') agreements with each counterparty (which are enforceable on the occurrence of future credit events such as a default), the positions, including accrued interest, would be derivative financial assets of £2.1m (2023: £3.7m) and derivative financial liabilities of £nil (2023: £8.4m). The combined value of derivative financial instruments was therefore an asset of £2.1m (2023: liability of £4.7m).

Currency risk

The currency profile of the Group's loans is as follows:

	2024 Sterling £m	2024 US Dollar £m	2024 Euro £m	2024 Total £m	2023 Sterling £m	2023 US Dollar £m	2023 Euro £m	2023 Total £m
Bonds	828.7	–	574.1	1,402.8	840.6	–	600.8	1,441.4
Unamortised facility fees	(1.8)	–	–	(1.8)	(2.2)	–	–	(2.2)
Senior notes	–	–	73.2	73.2	30.9	60.3	94.1	185.3
	826.9	–	647.3	1,474.2	869.3	60.3	694.9	1,624.5

Hedging

The Group enters into cash flow hedge and net investment relationships to mitigate its exposure to currency risk. The ratio for hedging instruments designated in both net investment and cash flow hedge relationships was 1:1. Ineffectiveness could be recognised on either hedging relationship due to significant changes in counterparty credit risk or a reduction in the notional amount of the hedged item during the designated hedging period. However, no ineffectiveness was recognised in 2024 or 2023.

Maturity of fair value of currency swaps	2024 Current £m	2024 Non-current £m	2024 Total £m	2023 Current £m	2023 Non-current £m	2023 Total £m
Assets	2.2	–	2.2	5.2	–	5.2
Liabilities	–	–	–	(1.6)	(15.0)	(16.6)
	2.2	–	2.2	3.6	(15.0)	(11.4)

19. Financial Instruments and Risk Management continued

Cash flow hedges

US dollar loans comprise elements of the Group's Senior notes as shown above. To manage the impact of foreign exchange movements on these loans, the Group has used derivatives at an average hedged exchange rate of £1 = $1.387 (2023: £1 = $1.387), to swap all the cash flows to either euro or sterling where the sterling element is designated as a cash flow hedge with the critical terms of the loans being the same as the related derivatives. The outstanding US dollar loans and corresponding hedging derivatives were all settled at maturity during 2024 and resulted in a net loss of £0.2m.

In addition to the senior notes above, during 2024, the €705m net euro proceeds from the disposal of the Group's interest in Value Retail were hedged against sterling at a rate of £1 = €1.186. The closing exchange rate on the date of completion was £1 = €1.191 resulting in a gain of £2.4m.

Cash flow hedge designation allows exchange differences on hedging instruments to be recognised in the cash flow hedge reserve and then recycled to net finance costs in the Consolidated Income Statement, to offset against the exchange differences on US dollar loans also recognised in net finance costs. As all outstanding derivatives matured and were settled in 2024, the carrying value of derivatives designated in a cash flow hedge was £nil.

Net investment hedges

To manage the foreign currency exposure on its net investments in euro-denominated entities, the Group has designated all euro loans or synthetic euro loans, including euro-denominated bonds, senior notes and currency swaps, as net investment hedges.

This designation allows exchange differences on hedging instruments to be recognised directly in equity which acts as an offset against the exchange differences on net investments in euro-denominated entities which are also recognised in equity. The notional and carrying amount of such euro-denominated liabilities and the average hedged rate is set out below.

			2024			2023
	Euro notional amount €m	**Carrying amount £m**	**Average hedged exchange rate €**	Euro notional amount €m	Carrying amount £m	Average hedged exchange rate €
Bonds	**700.0**	**574.1**	**1.163**	700.0	600.8	1.163
Senior notes	**88.5**	**73.2**	**1.152**	108.5	94.1	1.152
Cross currency swaps	**420.5**	**(2.5)**	**1.202**	484.0	14.2	1.194
Foreign exchange swaps	**335.0**	**(2.1)**	**1.201**	710.0	0.8	1.154
Total	**1,544.0**	**642.7**		2,002.5	709.9	

The euro notional amount represents the amount due at maturity without netting any receivable of different currency under the same instrument.

The net investment hedge reserve includes a gain of £31.7m (2023: loss of £20.3m) in respect of continuing net investment hedges whereby these are due to mature between 2025 and 2031.

Sensitivity analysis

Interest risk sensitivity analysis

In managing interest rate and currency risks, the Group aims to reduce the impact of short term fluctuations on the Group's results. Changes in foreign exchange and interest rates may have an impact on consolidated earnings over the longer term. The sensitivity has been calculated by applying the interest rate change to the loans net of their related interest rate swaps.

		2024		2023
	Change in interest rate		Change in interest rate	
Interest rate sensitivity on earnings	**+1% £m**	**–1% £m**	+1% £m	–1% £m
Income statement	**(3.3)**	**3.3**	(0.8)	0.8

19. Financial Instruments and Risk Management continued

Currency risk sensitivity analysis

The sensitivity of the Group's financial instruments to changes in exchange rates shows the impact on results and other comprehensive income of a 10% change in the sterling exchange rate against euro by retranslating the year end euro-denominated financial instruments, taking into account forward foreign exchange contracts. 10% represents management's assessment of a reasonably possible change in foreign exchange rates over a 12 month period. The analysis does not reflect the exposure and inherent risk during the year.

	2024		2023	
	Change in exchange rate		Change in exchange rate	
Euro currency sensitivity impact on earnings	+10% £m	–10% £m	+10% £m	–10% £m
Income statement	(0.1)	0.1	–	0.1
Other comprehensive income	115.7	(141.4)	157.3	(192.3)

The effect on the net gains taken to equity would be more than offset by the effect of exchange rate changes on the euro-denominated assets included in the Group's financial statements.

The Group does not have a material currency risk exposure to US dollar transactions and balances.

D. CREDIT RISK

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss.

The Group's credit risk arises from trade and other receivables, unamortised tenant incentives, restricted monetary assets, cash and cash equivalents, balances due from joint ventures, other investments, loans receivable and derivative financial instruments.

Trade (tenant) receivables

The Group's greatest exposure to credit risk arises principally from trade (tenant) receivables which all have due dates within 12 months. The Group determines and monitors regularly the level of risk associated with trade receivables and applies the IFRS 9 simplified approach to measuring expected credit losses applying the methodology, judgements and estimates set out in note 1E and by reference to changes in the levels of default experienced, tenant credit ratings and wider macroeconomic factors. Analysis of the provision is set out in note 15.

For many trade receivables, the Group obtains security in the form of rental deposits or guarantees which can be called upon if the counterparty is in default. Both of these serve to limit the potential exposure to credit risk.

Unamortised tenant incentives

Provisioning rates against unamortised tenant incentives are lower than those against trade receivables as the credit risk of tenants not paying rent for future periods, and hence unamortised tenant incentives not being recovered, is lower than the credit risk on trade receivables currently overdue. The Group determines and monitors regularly the level of risk and assesses impairment of such balances accordingly and by reference to changes in the levels of default experienced, tenant credit ratings and wider macroeconomic factors. Details of the provision is set out in note 12B.

Other balances

The credit risk associated with restricted monetary assets, cash and cash equivalents, derivative financial instruments and amounts due from joint ventures is considered low, with an assessment of each category set out as follows:

Restricted monetary assets, cash and cash equivalents and derivative financial instruments
Such balances are held with counterparties which are banks that are committed lenders to the Group with high credit ratings assigned by international credit rating agencies.

Amounts due from joint ventures
Balances due from joint ventures comprise loans from the Group to establish and fund the partnerships which form part of the total investment in joint ventures. The credit risk of loans due from joint ventures is monitored by reference to changes in the underlying assets, principally driven by investment property valuation changes. At 31 December 2023, the most material balance, related to loans due from The West Quay Limited Partnership, however following the Group's acquisition of the JV partner's 50% interest in the partnership in November 2024 (as described in note 13A) the loans now eliminate on consolidation. Consequently, no material credit risks have been identified in the Group.

Investments
The carrying value of investments in joint ventures equates to the Group's share of the underlying net assets of the investment. The most significant component of underlying net assets is investment properties, which are carried at fair value meaning that there is no residual credit risk.

Other receivables
Other receivables are grouped based on type, contractual terms, ageing and financial standing of the debtor using the same methodologies and considerations as for trade receivables. Dependent on the nature of the receivable the credit risk ranges from low to moderate. However, the resulting provisions are not significant.

19. Financial Instruments and Risk Management continued

E. CAPITAL RISK

The capital structure of the Group comprises of equity and debt, including cash and cash equivalents. The Group's financing policy is to optimise the weighted average cost of capital by using an appropriate mix of debt and equity. Further information on loans is provided in note 18 and information on share capital and reserves is set out in note 21 and the Consolidated statement of changes in equity.

The Group reviews regularly its loan covenant compliance and was in compliance throughout 2024. The Group's covenants are explained on page 45 of the Financial Review and headroom to covenant breaches as at 31 December 2024 is included in the Going Concern statement on page 144.

F. FINANCIAL INSTRUMENTS HELD AT FAIR VALUE

Definitions

The Group's financial instruments are categorised by level of fair value hierarchy prescribed by accounting standards. The different levels are defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (actual prices) or indirectly (derived from actual prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (from unobservable inputs)

Fair value valuation technique

Financial instrument	Valuation technique for determining fair value
Unsecured bonds	Quoted market prices
Senior notes	Present value of cash flows discounted using prevailing market interest rates
Unsecured bank loans and overdrafts	Present value of cash flows discounted using prevailing market interest rates
Fair value of currency swaps and interest rate swaps	Present value of cash flows discounted using prevailing market interest rates
Other investments	Underlying net asset values of the interests in the Village/centre

Fair value hierarchy analysis

			2024		2023
	Hierarchy	Carrying amount £m	Fair value £m	Carrying amount £m	Fair value £m
Unsecured bonds	Level 1	1,402.8	1,380.2	1,441.4	1,407.4
Senior notes	Level 2	73.2	71.2	185.3	180.4
Unamortised facility fees	Level 2	(1.8)	–	(2.2)	–
Fair value of currency swaps	Level 2	(2.2)	(2.2)	11.4	11.4
Borrowings		1,472.0	1,449.2	1,635.9	1,599.2
Fair value of interest rate swaps	Level 2	0.1	0.1	0.7	0.7
Participative loans to Value Retail	Level 3	–	–	212.4	212.4
Fair value of other investments	Level 3	9.2	9.2	8.8	8.8

Analysis of movements in Level 3 financial instruments

			2024			2023
Level 3 financial instruments	Participative loans £m	Other investments £m	Total £m	Participative loans £m	Other investments £m	Total £m
At 1 January	212.4	8.8	221.2	205.9	9.8	215.7
Total gains/(losses) in						
– share of results of associates	4.6	–	4.6	15.6	–	15.6
– consolidated income statement	–	0.4	0.4	–	(1.1)	(1.1)
– other comprehensive income	(4.7)	–	(4.7)	(4.4)	0.1	(4.3)
Other movements – advances	(1.9)	–	(1.9)	(4.7)	–	(4.7)
Disposals (see note 9)	(210.4)	–	(210.4)	–	–	–
At 31 December	–	9.2	9.2	212.4	8.8	221.2

19. Financial Instruments and Risk Management continued

G. MATURITY ANALYSIS OF FINANCIAL LIABILITIES

The remaining contractual non-discounted cash flows for financial liabilities are as follows:

	Note	Less than one year £m	One to two years £m	Two to five years £m	Five to 25 years £m	More than 25 years £m	2024 Total £m
Trade and other payables[1]	17	**91.5**	**1.8**	**7.9**	**11.8**	**–**	**113.0**
Derivative financial liability cash inflows		**(362.3)**	**–**	**–**	**–**	**–**	**(362.3)**
Derivative financial liability cash outflows		**355.1**	**–**	**–**	**–**	**–**	**355.1**
Loans[2]	18	**338.3**	**101.1**	**645.8**	**404.8**	**–**	**1,490.0**
Interest		**53.5**	**41.1**	**89.4**	**164.6**	**–**	**348.6**
Obligations under head leases	20	**2.5**	**2.5**	**7.5**	**50.2**	**392.3**	**455.0**

	Note	Less than one year £m	One to two years £m	Two to five years £m	Five to 25 years £m	More than 25 years £m	2023 Total £m
Trade and other payables[1]	17	101.8	6.6	2.0	39.6	–	150.0
Derivative financial liability cash inflows		(12.7)	(362.3)	–	–	–	(375.0)
Derivative financial liability cash outflows		8.9	372.2	–	–	–	381.1
Loans[2]	18	108.6	338.3	1,190.5	5.0	–	1,642.4
Interest		60.2	58.2	100.5	0.3	–	219.2
Obligations under head leases	20	2.2	2.2	6.7	44.8	65.8	121.7

1 As defined in note 19A.
2 Before taking into account unamortised borrowing costs of £15.8m (2023: £17.9m).

20. Obligations under head leases

Due	2024 Minimum lease payments £m	2024 Interest £m	2024 Principal payments £m	2023 Minimum lease payments £m	2023 Interest £m	2023 Principal payments £m
Within one year	**2.5**	**(2.4)**	**0.1**	**2.2**	**(2.1)**	**0.1**
Between one and two years	**2.5**	**(2.4)**	**0.1**	**2.2**	**(2.1)**	**0.1**
Between two and five years	**7.5**	**(7.1)**	**0.4**	**6.7**	**(6.3)**	**0.4**
Between five and 25 years	**50.2**	**(44.7)**	**5.5**	**44.8**	**(39.3)**	**5.5**
More than 25 years	**392.3**	**(358.6)**	**33.7**	**65.8**	**(34.5)**	**31.3**
More than one year	**452.5**	**(412.8)**	**39.7**	**119.5**	**(82.2)**	**37.3**

As described in the Group's Material accounting policies on page 146, there is a direct relationship between Obligations under head leases (liability) and Interests in leasehold properties (asset). During the year Interests in leasehold properties increased by £2.1m (from £32.7m to £34.8m) as a result of the Westquay acquisition and transfer from investment in joint ventures as described in note 12, partly offset by depreciation and foreign exchange translation losses. In 2023 Interest in leasehold properties decreased by £1.3m (from £34.0m to £32.7m) as result of depreciation and foreign exchange translation losses.

21. Share Capital and Other Reserves

A. SHARE CAPITAL

	2024 Number	2024 £m	2023 Number	2023 £m
Called up, allotted and fully paid				
Ordinary shares of 5p each	**493,198,448**	**24.6**	5,002,265,607	250.1

On 30 September 2024, the Company completed a 1 for 10 share consolidation whereby each ordinary share was subdivided into 1 ordinary share and 9 deferred shares following which the deferred shares were cancelled. As a result the nominal value of ordinary share capital reduced by £225.1m and this amount was transferred to the capital redemption reserve. For the purposes of the Group's per share metrics in note 11, given this event, the Company's number of shares at 31 December 2023 has been restated from 5,002,265,607 to 500,226,561.

On 16 October 2024, the Company announced the commencement of a share buyback programme of up to £140m. In 2024, 7.0m ordinary shares were bought back under the programme, at an average purchase price of £2.97 per share, and immediately cancelled. The nominal value of the shares cancelled of £0.4m was transferred to the capital redemption reserve and the purchase price of the shares including stamp duty and other costs totalling £20.9m was recognised in retained earnings.

Share capital includes 1,300,825 shares (2023: 7,691,247 shares) held in treasury and 1,438,095 shares (2023: 15,850,507 shares) held in an employee share trust. The shares held in treasury and the employee share trust were subject to the share consolidation as described above. On a post-consolidated share basis during the year 531,701 (2023: nil) shares were purchased in treasury, 728,801 (2023: 500) shares were purchased for the employee share trust and 875,756 (2023: 961,170) shares were issued to employees.

B. OTHER RESERVES

	Translation reserve £m	Net investment hedge £m	Cash flow hedge £m	Total £m
At 1 January 2023	601.8	(466.2)	(0.2)	135.4
Recycled exchange gain on disposal of overseas property	(100.3)	80.2	–	(20.1)
Foreign exchange translation differences	(49.3)	–	–	(49.3)
Gain on net investment hedge	–	39.3	–	39.3
Loss on cash flow hedge	–	–	(3.4)	(3.4)
Loss on cash flow hedge recycled to net finance costs	–	–	3.6	3.6
Total comprehensive (loss)/gain	(149.6)	119.5	0.2	(29.9)
At 31 December 2023	452.2	(346.7)	–	105.5
Recycled exchange gain on disposal of overseas property	**(49.6)**	**39.7**	**–**	**(9.9)**
Foreign exchange translation differences	**(74.5)**	**–**	**–**	**(74.5)**
Gain on net investment hedge	**–**	**70.7**	**–**	**70.7**
Gain on cash flow hedge	**–**	**–**	**2.2**	**2.2**
Gain on cash flow hedge recycled to net finance costs	**–**	**–**	**(2.2)**	**(2.2)**
Total comprehensive (loss)/gain	**(124.1)**	**110.4**	**–**	**(13.7)**
At 31 December 2024	**328.1**	**(236.3)**	**–**	**91.8**

The translation reserve comprises foreign exchange differences arising from the translation of the financial statements of foreign operations and also includes the translation of liabilities that hedge the Company's net investment in a foreign subsidiary.

Hedging reserves comprise cumulative gains and losses representing the effective portion of the cumulative net change in the fair value of cash flow and foreign currency hedging instruments.

22. Dividends

	Cash dividend per share[1]	2024 £m	2023 £m
2023 interim dividend	7.20p	–	35.9
2023 final dividend	7.80p	39.0	–
2024 interim dividend	7.56p	37.6	–
		76.6	35.9
Cash flow analysis:			
Dividends paid[2]		76.6	29.9
Withholding tax – 2023 interim dividend[2]		6.0	–
		82.6	29.9
Total dividends per share paid in the year		15.36p	7.20p

1 The dividend per share have been restated to reflect the 1 for 10 share consolidation as explained in note 21.

2 Dividends paid as a Property Income Distribution ('PID') are subject to withholding tax which is paid approximately two months after the dividend itself is paid.

A final 2024 dividend of 8.07p per share payable in cash, was recommended by the Board on 25 February 2025 and, subject to approval by shareholders at the 2025 AGM, is payable on 3 June 2025 to shareholders on the register at the close of business on 25 April 2025. The dividend will be paid entirely as a non-PID, and treated as an ordinary company dividend.

23. Pensions

Up until June 2024, the Group had a UK funded defined benefit pension scheme ('the Scheme') where assets were held in a separate fund administered by scheme trustees. The Scheme, which had been closed to new entrants in 2002 and to future accrual in 2014, was derisked in December 2022 through the purchase of a bulk annuity policy ('buy-in') with Just Retirement Limited ('Just') to fully insure all future payments to members of the Scheme. In December 2023, given the successful completion of the buy-in and to enable the Trustee to trigger the winding-up of the Scheme, the Company terminated its liability to make contributions to the Scheme. This initiated a process for the Trustee to assign the bulk annuity policy to individual Scheme members and to transfer the administration to Just and this process was completed in June 2024 and the Scheme was wound up.

The Group also operates a defined contribution pension scheme for employees and three Unfunded Unapproved Retirement Schemes. Two of these unfunded schemes provide pension benefits to two former Executive Directors, and the other meets pension obligations in respect of former US employees.

A. DEFINED CONTRIBUTION PENSION SCHEME

The charge in respect of the Group's pension schemes was £1.7m (2023: £2.4m) of which £1.0m (2023: £1.1m) relates to the UK funded defined contribution scheme.

B. PRINCIPAL ASSUMPTIONS USED FOR THE SCHEME

Financial	2024 %	2023 %
Discount rate for accrued benefits	n/a	4.5
Inflation (retail price index)	n/a	3.0
Rate of increase in pensions in payment	n/a	3.0

Demographic	Years	Years
Life expectancy from age 60:		
– Pensioner aged 60[1]	n/a	28.4
– Non-pensioner currently aged 40[1]	n/a	29.9

Weighted average maturity	Years	Years
The Scheme	n/a	13.5
Other schemes	n/a	Up to 10.3

1 At 31 December 2023, the Group used demographic assumptions underlying the most recent formal actuarial valuation of the Scheme as at 31 December 2021. The base mortality assumptions were based on the S3NA tables, with adjustments to reflect the Scheme's population. Future mortality improvements for 2024 are CMI 2022 projections with a long term rate of improvement of 1.25% p.a. together with weighting parameters 'w2020' and 'w2021' of 0% and 'w2022' of 40%, which adjust for evidence of negative impacts of non-Covid-19 mortality expected to continue in the future.

23. Pensions continued

C. DEFINED BENEFIT PENSION SCHEMES – CHANGES IN PRESENT VALUE

	Note	2024 Obligations £m	2024 Assets £m	2024 Net £m	2023 Obligations £m	2023 Assets £m	2023 Net £m
At 1 January		(82.2)	73.9	(8.3)	(82.4)	75.1	(7.3)
Recognised in the consolidated income statement:							
– interest (cost)/income[1]		(0.9)	0.6	(0.3)	(3.9)	3.5	(0.4)
– administration costs		(0.5)	–	(0.5)	(0.6)	–	(0.6)
Recognised in other comprehensive income – actuarial (losses)/gains:							
– experience adjustments		(0.6)	–	(0.6)	(0.9)	–	(0.9)
– changes in financial assumptions		3.8	–	3.8	(0.5)	–	(0.5)
– changes in demographic assumptions		–	–	–	0.8	–	0.8
– actual return on plan assets		–	(3.8)	(3.8)	–	(0.5)	(0.5)
– asset limit			0.1	0.1	–	(0.3)	(0.3)
		3.2	(3.7)	(0.5)	(0.6)	(0.8)	(1.4)
Settlement		69.8	(69.8)	–	–	–	–
Employer contributions		–	0.4	0.4	–	0.3	0.3
Benefits paid		2.0	(1.1)	0.9	5.1	(4.2)	0.9
Exchange gains		0.1	–	0.1	0.2	–	0.2
At 31 December		(8.5)	0.3	(8.2)	(82.2)	73.9	(8.3)
Analysed as:							
– Present value of the Scheme		–	–	–	(73.6)	73.6	–
– Present value of Unfunded Retirement Schemes	17	(8.5)	0.3	(8.2)	(8.6)	0.3	(8.3)
		(8.5)	0.3	(8.2)	(82.2)	73.9	(8.3)

1 Included in net finance costs in note 6.

D. ANALYSIS OF THE SCHEME ASSETS – ALL UNQUOTED

	2024 £m	2023 £m
Buy-in insurance policy[1]	–	73.6
	–	73.6

1 On 8 December 2022, the Scheme purchased a bulk annuity policy ('buy-in') with Just Retirement Limited ('Just') for a premium of £87.3m. This contract fully insured all future payments to members of the Scheme, with the premium met from the Scheme's assets. On 20 December 2023 the Group terminated its liability to make contributions to the Scheme and the Trustees subsequently triggered the wind-up of the Scheme. This initiated a process for the Trustees to assign the annuity policy to individual Scheme members, to transfer the administration to Just and to wind-up the Scheme, which was completed in June 2024. As at 31 December 2023, as the wind-up had been triggered, the Company was no longer able to recognise the asset on its balance sheet in respect of the Scheme and, as a result, an asset limit was applied at that date.

E. SENSITIVITY ON PRINCIPAL ASSUMPTIONS USED TO MEASURE THE SCHEME'S LIABILITIES

Positive/(negative) effect		2024 £m	2023 £m
Discount rate	+0.1%	n/a	0.9
Inflation	+0.1%	n/a	(0.9)
Long term improvements in longevity	+ 1 year	n/a	(2.5)

24. Notes to the cash flow statement

A. ANALYSIS OF ITEMS INCLUDED IN OPERATING CASH FLOWS

	2024 £m	2023 £m
Net movements in working capital and restricted monetary assets		
Movements in working capital:		
– Decrease in receivables	(20.3)	8.8
– Decrease in payables	11.6	(19.8)
	(8.7)	(11.0)
Decrease in restricted monetary assets	2.1	6.3
Total – continuing operations	(6.6)	(4.7)

	2024 £m	2023 £m
Non-cash items		
Increase in accrued rents receivable	(2.5)	(3.2)
Increase/(decrease) in loss allowance provisions[1]	2.9	1.0
Amortisation of lease incentives and other costs	0.2	0.6
Depreciation (note 5)	1.4	3.0
Other non-cash items including share-based payment charge	3.3	1.4
	5.3	2.8

1 Comprises movement in provisions against trade (tenant) receivables and unamortised tenant incentives.

B. ANALYSIS OF MOVEMENTS IN NET DEBT

	2024			2023		
	Cash and cash equivalents £m	Borrowings £m	Net debt £m	Cash and cash equivalents £m	Borrowings £m	Net debt £m
At 1 January	472.3	(1,635.9)	(1,163.6)	218.8	(1,677.0)	(1,458.2)
Cash flow	267.7	104.9	372.6	254.6	(15.1)	239.5
Change in fair value of currency swaps	–	(2.1)	(2.1)	–	(1.9)	(1.9)
Exchange and other non-cash movements	(2.1)	61.1	59.0	(1.1)	58.1	57.0
At 31 December	737.9	(1,472.0)	(734.1)	472.3	(1,635.9)	(1,163.6)

Borrowings at 31 December 2024 reflects loans of £1,474.2m (2023: £1,624.5m) and fair value of currency swaps of £(2.2)m (2023: £11.4m).

25. Contingent liabilities and commitments

A. CONTINGENT LIABILITIES

	2024 £m	2023 £m
Reported Group:		
– guarantees given	3.7	23.1
– claims arising in the normal course of business	15.7	15.6
Share of Property interests – claims arising in the normal course of business	5.8	12.4
Proportionally consolidated	25.2	51.1

In addition, the Group operates in a number of jurisdictions and is subject to periodic challenges by local tax authorities on a range of tax matters during the normal course of business. The tax impact can be uncertain until a conclusion is reached with the relevant tax authority or through a legal process. The Group addresses this by closely monitoring these potential instances, seeking independent advice and maintaining transparency with the authorities it deals with as and when any enquiries are made. As a result, the Group has identified a potential tax exposure attributable to the ongoing applicability of tax treatments adopted in respect of certain tax structures within the Group, and is in correspondence with the relevant authorities. The range of potential outcomes is a possible outflow of minimum £nil and maximum £131m (2023: minimum £nil and maximum £122m). The Directors have not provided for this amount because they do not believe an outflow is probable.

B. CAPITAL COMMITMENTS ON INVESTMENT PROPERTIES

	2024 £m	2023 £m
Reported Group	1.9	0.4
Share of Property interests	43.8	45.5
	45.7	45.9

26. Operating leases as a lessor

The Group leases its investment properties to occupiers under operating leases with a weighted average lease term for the Reported Group properties of 3.7 years (2023: 3.5 years).

Future minimum rentals receivable under non-cancellable leases	2024 £m	2023 £m
Within one year	75.4	61.6
Between one and two years	63.9	49.9
Between two and five years	102.8	80.6
More than five years	76.2	79.2
	318.3	271.3

27. Related Parties

A. JOINT VENTURES AND ASSOCIATES

Transactions between the Group's subsidiary undertakings, which are related parties, have been eliminated on consolidation and are accordingly not disclosed. The Group had the following transactions with its joint ventures and associates, which comprise primarily management fees, interest receivable, loan balances and other amounts due.

	Note	**2024** Joint ventures £m	**2024** Associates £m	2023 Joint ventures £m	2023 Associates £m
Income statement					
Management fees		**4.4**	**–**	6.0	0.5
Net interest receivable		**5.8**	**–**	9.9	0.1
Share of distributions	13B/14D	**28.6**	**14.2**	47.7	66.3
Capital return	14D	**–**	**–**	–	–
Balance sheet – amounts due from/(to)					
Loans[1]	13C	**54.1**	**–**	201.4	1.7
Advances[2]	13D	**6.9**	**–**	8.3	–
Participative loans	14C	**–**	**–**	–	212.4
Cash held on behalf of co-owners	16	**–**	**–**	2.2	–
Balances due from joint ventures	15B	**–**	**–**	1.4	–
Balances due to joint ventures	17	**(5.6)**	**–**	(3.9)	–
Balances due to co-owners	17	**–**	**–**	(2.2)	–
Distributions received in advance	17	**–**	**–**	–	(25.1)

1 Loans shown net of impairments. Loans due from associates at 31 December 2023 comprised €2.0m (£1.7m) due to an intermediate holding company of Value Retail which was secured against a number of Value Retail assets and was included in the disposal of the Group's interests in Value Retail as explained in note 9.

2 Represents movements in advances during the year.

B. KEY MANAGEMENT

Full details of the Directors' emoluments, as required by the Companies Act 2006, are disclosed in the audited sections of the Directors' Remuneration report on pages 104 to 123. The Company did not grant any credits, advances or guarantees of any kind to its Directors during the current and preceding years.

The remuneration of the Directors and other members of the Group Executive Committee ('GEC'), who are the key management of the Group, is set out below in aggregate.

	2024 £m	2023 £m
Salaries and short term benefits	**6.2**	5.9
Post employment benefits	**0.3**	0.3
Share-based payments	**3.6**	2.8
	10.1	9.0

Company Balance Sheet
As at 31 December 2024

	Note	2024 £m	2023 £m
Non-current assets			
Investments in subsidiaries	C3	1,032.8	1,086.1
Trade and other receivables	C4	3,156.9	4,326.0
Restricted monetary assets	16	21.4	21.4
		4,211.1	5,433.5
Current assets			
Trade and other receivables		6.5	18.5
Derivative financial instruments	C6	2.2	5.2
Cash and cash equivalents		702.3	415.7
		711.0	439.4
Total assets		4,922.1	5,872.9
Current liabilities			
Loans	C6	(337.8)	(108.6)
Trade and other payables	C5	(2,200.8)	(2,369.3)
Derivative financial instruments	C6	(0.1)	(2.3)
		(2,538.7)	(2,480.2)
Non-current liabilities			
Loans	C6	(562.3)	(915.1)
Derivative financial instruments	C6	–	(15.0)
		(562.3)	(930.1)
Total liabilities		(3,101.0)	(3,410.3)
Net assets		1,821.1	2,462.6
Equity			
Share capital	21A	24.6	250.1
Share premium		–	1,563.7
Capital redemption reserve		225.5	–
Revaluation reserve		(1,083.6)	(1,030.7)
Retained earnings[1]		2,662.3	1,685.9
Investment in own shares		(7.7)	(6.4)
Equity shareholders' funds		1,821.1	2,462.6

1 Loss for the year attributable to equity shareholders was £489.4m (2023: profit of £146.0m).

These financial statements were approved by the Board on 25 February 2025 and signed on its behalf by:

Rita-Rose Gagné
Chief Executive

Himanshu Raja
Chief Financial Officer

Company Statement of Changes in Equity
Year ended 31 December 2024

	Note	Share capital[1] £m	Share premium £m	Capital redemption reserve[2] £m	Revaluation reserve £m	Retained earnings £m	Investment in own shares[1] £m	Equity share-holders' funds £m
At 1 January 2023		250.1	1,563.7	–	(794.6)	1,576.0	(8.8)	2,586.4
Revaluation loss on investments in subsidiaries	C3	–	–	–	(236.1)	–	–	(236.1)
Foreign exchange translation differences on net investment in subsidiaries	C3	–	–	–	–	(0.2)	–	(0.2)
Profit for the year		–	–	–	–	146.0	–	146.0
Total comprehensive (loss)/income		–	–	–	(236.1)	145.8	–	(90.3)
				–				
Cost of shares awarded to employees		–	–	–	–	–	2.4	2.4
Dividends	22	–	–	–	–	(35.9)	–	(35.9)
At 31 December 2023		250.1	1,563.7	–	(1,030.7)	1,685.9	(6.4)	2,462.6
Revaluation loss on investments in subsidiaries	C3	–	–	–	(52.9)	–	–	(52.9)
Foreign exchange translation differences on net investment in subsidiaries	C3	–	–	–	–	(0.4)	–	(0.4)
Loss for the year		–	–	–	–	(489.4)	–	(489.4)
Total comprehensive loss		–	–	–	(52.9)	(489.8)	–	(542.7)
Share capital consolidation[3]	21A	(225.1)	–	225.1	–	–	–	–
Share premium cancellation[4]		–	(1,563.7)	–	–	1,563.7	–	–
Share buyback and cancellation[5]	21A	(0.4)	–	0.4	–	(20.9)	–	(20.9)
Purchase of own shares and treasury shares		–	–	–	–	–	(3.4)	(3.4)
Cost of shares awarded to employees		–	–	–	–	–	2.1	2.1
Dividends	22	–	–	–	–	(76.6)	–	(76.6)
At 31 December 2024		**24.6**	**–**	**225.5**	**(1,083.6)**	**2,662.3**	**(7.7)**	**1,821.1**

1 Share capital includes shares held in treasury and shares held in an employee share trust, which are held at cost and excluded from equity shareholders' funds through 'Investment in own shares' with further information set out in note 21A.

2 The capital redemption reserve comprises the nominal value of shares cancelled by way of the Company's 1 for 10 share capital consolidation in September 2024 (see footnote 3) and shares purchased and cancelled under the Group's share buyback programme which commenced in October 2024 (see footnote 4). This reserve is non-distributable.

3 Following shareholder approval at a General meeting on 12 September 2024, the Company completed a 1 for 10 share consolidation on 30 September 2024 whereby each of its ordinary shares were subdivided into 9 deferred shares and one ordinary share, following which the deferred shares were cancelled. See note 21 for further details.

4 Following shareholder approval at a General meeting on 12 September 2023 and subsequent sanctioning by the High Court of England and Wales on 8 October 2024, the Company cancelled its share premium account. The effect of this Capital Reduction was to increase the distributable reserves of the Company through a transfer to retained earnings.

5 On 16 October 2024, the Company announced the commencement of a share buyback programme of up to £140m. In 2024 7.0m shares were repurchased and cancelled under the programme for total consideration of £20.9m.

Notes to the Company Financial Statements
For the year ended 31 December 2024

C1. Basis of preparation, consolidation and principal accounting policies

A. GENERAL INFORMATION

The Company is incorporated in the United Kingdom and the separate financial statements of the Company have been presented as required by the Companies Act 2006.

The financial statements are prepared on the historical cost basis, except that investments in subsidiaries and derivative financial instruments are stated at fair value. The accounting policies have been applied consistently year-on-year.

The Company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council. Accordingly, the financial statements have been prepared in accordance with FRS 101 'Reduced Disclosure Framework' and in accordance with the Companies Act 2006 as applicable to companies using FRS 101.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to:

- A statement of cash flows
- Certain comparative information as otherwise required by IFRS
- Certain disclosures in respect of financial instruments
- Share-based payments
- The effects of new but not yet effective IFRSs
- Certain related party transactions including with those with subsidiaries

The above disclosure exemptions have been adopted because equivalent disclosures are included in the consolidated financial statements into which the Company is consolidated.

B. GOING CONCERN

The Company has net current liabilities, due primarily to amounts owed to its subsidiaries and other related undertakings. The Company from a going concern perspective is inextricably linked to the Group. As explained in note 1D to the consolidated financial statements, the Directors have concluded that it is appropriate to prepare the consolidated financial statements on a going concern basis. This conclusion also applies to the preparation of the Company's financial statements for the reasons set out in that note.

C. MATERIAL ACCOUNTING POLICIES

The material accounting policies relevant to the Company are the same as those set out in the accounting policies for the Group in note 1, except for significant judgements and key estimates, investments in subsidiaries, which are included at fair value with movements recognised within the revaluation reserve, and amounts owed by subsidiaries and other related undertakings which are held at amortised cost but are subject to a credit loss impairment assessment which is based on the net asset values of the borrowing entity.

D. SIGNIFICANT JUDGEMENTS AND ESTIMATES

The preparation of the Company financial statements in conformity with FRS 101 requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities at the date of the Company's financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

There were no significant areas of judgement, but the Company's key areas of estimation uncertainty are in respect of the valuation of investments in subsidiaries and the impairment of amounts due from subsidiaries as detailed below.

The Directors determine the valuations of investments in subsidiaries with reference to the net assets of the entities. The principal assets of the entities are the investment properties held either by the subsidiary or its fellow group undertakings which are valued by professional external valuers. The Directors ensure they are satisfied that the carrying amount of the Company's investment in subsidiaries is appropriate. The basis of valuation of the Group's investment properties is set out in the notes 1F and 12 to the consolidated financial statements. Consistent with the Group's deferred tax recognition treatment, as explained in note 7C, in calculating the net asset values of the subsidiaries, no deduction is made for deferred tax.

Additionally, as required by IFRS 9, management has assessed the recoverability of amounts due to the Company from its subsidiaries and other related undertakings, including joint ventures, by considering the value of the underlying assets, incorporating any illiquidity impact in the event of an immediate recovery being required.

C2. Income statement

In accordance with the exemption permitted by section 408 of the Companies Act 2006, the Company has elected not to present its own income statement or statement of comprehensive income for the year.

C3. Investment in subsidiaries

		2024		2023
	Cost £m	**Valuation £m**	Cost £m	Valuation £m
At 1 January	**2,081.7**	**1,086.1**	2,083.1	1,322.4
Exchange adjustment	**(2.9)**	**(0.4)**	(1.4)	(0.2)
Revaluation loss	**–**	**(52.9)**	–	(236.1)
At 31 December	**2,078.8**	**1,032.8**	2,081.7	1,086.1

A list of the subsidiary and other related undertakings is included in note C7.

C4. Trade and other receivables – non-current

	2024 £m	2023 £m
Amounts owed by subsidiaries and other related undertakings[1]	**3,156.9**	4,324.3
Loans receivable from associate	**–**	1.7
	3,156.9	4,326.0

1 Includes an expected credit loss impairment provision of £1,155.1m (2023: £606.5m). The movement in the year comprises an additional impairment provision of £548.5m (2023: £122.4m) and a reduction of the provision in 2024 of £nil (2023: £111.8m), primarily related to disposed entities.

Amounts owed by subsidiaries and other related undertakings are unsecured and bear interest at floating rates based on SONIA/EURIBOR. This includes amounts which are repayable on demand. However, there are no intentions to seek repayment of these amounts before 31 December 2025.

C5. Trade and other payables – current

	2024 £m	2023 £m
Amounts owed to subsidiaries and other related undertakings	**2,186.7**	2,333.1
Accruals	**14.1**	36.2
	2,200.8	2,369.3

The amounts owed to subsidiaries and other related undertakings are unsecured, repayable on demand and bear interest at floating rates based on SONIA/EURIBOR.

C6. Loans and derivative financial instruments

The Company's loans are the same as those for the Reported Group except for the €700.0m (£578.5m (2023: £607.1m)) 1.75% eurobonds due 2027 whereby the borrower is a subsidiary undertaking, but where the proceeds were transferred to the Company such that the amount is included within amounts owed to subsidiaries and other related undertakings. An analysis of the loans is set out in note 18A to the consolidated financial statements.

Details on the Company's derivatives, which are the same as those for the Reported Group, are set out in notes 19A, 19C and 19F to the consolidated financial statements.

C7. Subsidiaries and other related undertakings

A. Subsidiaries and wholly owned entities
The Company has a 100% direct or indirect interest in the ordinary share capital (unless a Limited Partnership where no shares are in issue) of the following entities, which are registered/operate in the countries as shown:

England and Wales

Registered office: Marble Arch House, 66 Seymour Street, London W1H 5BX

280 Bishopsgate Investments Limited
Crocusford Limited
Governeffect Limited
Grantchester Group Limited
Grantchester Holdings Limited
Grantchester Limited
Grantchester Properties (Gloucester) Limited
Grantchester Properties (Sunderland) Limited
Hammerson (Brent Cross) Limited
Hammerson (Brent South) Limited
Hammerson (Bristol Investments) Limited
Hammerson (Bristol) Limited
Hammerson (Cardiff) Limited
Hammerson (Cricklewood) Limited
Hammerson (Croydon) Limited
Hammerson (Euston Square) Limited
Hammerson (Milton Keynes) Limited
Hammerson (Renfrew) Limited
Hammerson (Telford) Limited
Hammerson (Victoria Investments) Limited
Hammerson (Victoria Quarter) Limited
Hammerson (Watermark) Limited
Hammerson Birmingham Properties Limited
Hammerson Bull Ring Limited
Hammerson Bull Ring 2 Limited
Hammerson Company Secretarial Limited
Hammerson Croydon (GP1) Limited
Hammerson Croydon (GP2) Limited
Hammerson Employee Share Plan Trustees Limited
Hammerson Group Management Limited
Hammerson Group Limited
Hammerson International Holdings Limited
Hammerson Investments (No. 12) Limited
Hammerson Investments (No. 16) Limited
Hammerson Investments (No. 23) Limited
Hammerson Investments (No. 26) Limited
Hammerson Investments Limited
Hammerson Junction (No. 3) Limited
Hammerson Martineau Galleries Limited
Hammerson MGLP Limited
Hammerson MGLP 2 Limited
Hammerson Operations Limited
Hammerson Oracle Investments Limited
Hammerson Oracle Investments 1 Limited
Hammerson Oracle Investments 2 Limited
Hammerson Oracle Properties Limited
Hammerson Pension Scheme Trustees Limited
Hammerson Renewable Energy Limited
Hammerson Share Option Scheme Trustees Limited
Hammerson Sheffield (NRQ) Limited
Hammerson Shelf Co 14 Limited
Hammerson UK Properties Limited
Hammerson Via No 1 Limited
Hammerson Via No 2 Limited
London & Metropolitan Northern
Martineau Galleries (GP) Limited
Martineau Galleries No. 1 Limited
Martineau Galleries No. 2 Limited
Precis (1474) Limited (Ordinary and Deferred)
RT Group Developments Limited
RT Group Property Investments Limited
Spitalfields Developments Limited
Spitalfields Holdings Limited (Ordinary and Preference)
The Junction (General Partner) Limited
The Junction (Thurrock Shareholder GP) Limited
The Junction Limited Partnership
The Junction Thurrock (General Partner) Limited
The Junction Thurrock Limited Partnership
The Martineau Galleries Limited Partnership
The West Quay Limited Partnership
West Quay (No. 1) Limited
West Quay (No. 2) Limited
West Quay Shopping Centre Limited
Westchester Holdings Limited
Westquay Investments Limited

C7. Subsidiaries and other related undertakings continued

A. Subsidiaries and wholly owned entities continued

France
Registered office: 36 Rue de Châteaudun, Paris 75009

Hammerson Centre Commercial Italie SAS	SCI Cergy Cambon SCI
Hammerson Cergy SASU	SCI Cergy Capucine SCI
Hammerson Cergy 1 SCI	SCI Cergy Honoré SCI
Hammerson Cergy 2 SCI	SCI Cergy Lynx SCI
Hammerson Cergy 4 SCI	SCI Cergy Office 1 SCI
Hammerson Cergy 5 SCI	SCI Cergy Office 2 SCI
Hammerson Développement SCI	SCI Cergy Office 5 SCI
Hammerson Fontaine SCI	SCI Cergy Opéra SCI
Hammerson France SAS	SCI Cergy Paix SCI
Hammerson Holding France SAS	SCI Cergy Royale SCI
Hammerson Marseille SCI	SCI Cergy Trois SCI
Hammerson plc – French branch	SCI Cergy Tuileries SCI
Hammerson SAS	SCI Paris Italik SCI
Hammerson Troyes SCI	SNC Cergy Expansion 2
Les Pressing Réunis SARL	

Ireland
Registered office: Riverside One, Sir John Rogerson's Quay, Dublin 2, DO2 X576, unless otherwise indicated

Dublin Central GP Limited	Hammerson Group Management Limited – Irish branch
Dublin Central Limited Partnership	Hammerson Ireland Finance Designated Activity Company
Dundrum R&O Park Management Limited	Hammerson Ireland Investments Limited
Dundrum Town Centre Management Limited	Hammerson Operations (Ireland) Limited
Dundrum Village Management Company Limited	The Hammerson ICAV[1]

1 Registered office: 1-2 Victoria Buildings, Haddington Road, Dublin 4, Ireland.

Jersey
Registered office: 47 Esplanade, St Helier, Jersey JE1 0BD, unless otherwise indicated

Hammerson Birmingham Investments Limited[1]	Hammerson VIA (Jersey) Limited
Hammerson Highcross Investments Limited	Hammerson VRC (Jersey) Limited
Hammerson Junction (No. 1) Limited	The Junction Thurrock Unit Trust
Hammerson Junction (No. 2) Limited	The Junction Unit Trust

1 Registered office: 44 Esplanade, St. Helier, Jersey JE4 9WG.

Notes to the Company Financial Statements continued
For the year ended 31 December 2024

C7. Subsidiaries and other related undertakings continued

Isle of Man
Registered office: First Names House, Victoria Road, Douglas, Isle of Man, IM2 4DF

Hammerson (Silverburn) Limited

Northern Ireland
Registered office: 50 Bedford Street, Belfast, United Kingdom, BT2 7FW

Abbey Retail Park Limited

Germany
Registered office: Schlossstraße 1, 12163 Berlin, Germany

BFN10 GmbH[1]

1 Liquidated in January 2025.

Netherlands
Registered office: Albatroshof 41, 2872 BG Schoonhoven, Netherlands

Hammerson Europe BV

Zweibrucken NL Holdco BV[1]

1 66% interest in the ordinary share capital. Registered office: Van Heuven Goedhartlaan 935 A 1181 LD, Amstelveen, Noord-Holland, Netherlands.

United States
Registered office: 2711 Centerville Road, Suite 400, Wilmington, Delaware 19808, United States; country of operation is the United Kingdom

Hammerson LLC

B. Joint ventures

Unless otherwise indicated, the Company has an indirect 50% interest in the ordinary share capital (unless a Partnership, Limited Partnership or Unit Trust where no shares are in issue) of the following entities, which are registered/operate in the countries as shown:

England and Wales
Registered office: Marble Arch House, 66 Seymour Street, London W1H 5BX

Bishopsgate Goodsyard Regeneration Limited
Brent Cross Partnership (41% interest)
Bristol Alliance (GP) Limited
Bristol Alliance Limited Partnership
Bristol Alliance Nominee No. 1 Limited
Bristol Alliance Nominee No. 2 Limited
BRLP Rotunda Limited
Bull Ring (GP) Limited
Bull Ring No. 1 Limited
Bull Ring No. 2 Limited
Grand Central (GP) Limited
Grand Central Limited Partnership
Grand Central No 1 Limited
Grand Central No 2 Limited
Highcross (GP) Limited
Highcross Leicester (GP) Limited
Highcross Leicester Holdings Limited
Highcross Leicester Limited Partnership
Highcross Residential (Nominees 1) Limited[1]
Highcross Residential (Nominees 2) Limited[1]
Highcross Shopping Centre Limited[1]
Oracle Nominees (No. 1) Limited
Oracle Nominees (No. 2) Limited
Oracle Nominees Limited
Oracle Shopping Centre Limited
Reading Residential Properties Limited
The Bull Ring Limited Partnership
The Highcross Limited Partnership
The Oracle Limited Partnership

1 Administered by receiver

Ireland
Registered office: Riverside One, Sir John Rogerson's Quay, Dublin 2, DO2 X576 Ireland

Dundrum Car Park GP Limited
Dundrum Car Park Limited Partnership
Dundrum Residential Owners Management Company Limited[1]
Dundrum Retail GP Designated Activity Company
Dundrum Retail Limited Partnership
Dundrum Village GP DAC
Dundrum Village Limited Partnership

1 Limited by guarantee.

C7. Subsidiaries and other related undertakings continued

B. Joint ventures continued

Jersey
Registered office: 47 Esplanade, St Helier, Jersey JE1 0BD, unless otherwise stated

Grand Central Unit Trust[1]	Highcross (No. 1) Limited
Highcross Leicester Limited	Highcross (No. 2) Limited

1 Registered office: 44 Esplanade, St Helier, Jersey JE4 9WG.

France
Registered office: 7 Place d'Estienne d'Orves – 2, Rue de Clichy – 75001 Paris, unless otherwise stated

Société Civile de Développement du Centre Commercial de la Place des Halles SDPH SC[1]	65%

1 Registered office: 36 Rue de Châteaudun, Paris 75009.

C. Exemption from audit
The following subsidiaries are exempt from the requirements of the Companies Act 2006 relating to the audit of individual financial statements by virtue of Section 479A of that Act.

	Company registration number		Company registration number
Grantchester Group Limited	1887040	Hammerson Group Management Limited	574728
Grantchester Holdings Limited	4035681	Hammerson International Holdings Limited	666151
Grantchester Limited	2489293	Hammerson Investments (No. 23) Limited	4186905
Grantchester Properties (Gloucester) Limited	3691896	Hammerson Investments Limited	3109232
Hammerson (Brent Cross) Limited	3377460	Hammerson Martineau Galleries Limited	4161246
Hammerson (Brent South) Limited	6644658	Hammerson MGLP Limited	3768311
Hammerson (Bristol Investments) Limited	6663404	Hammerson MGLP 2 Limited	9084398
Hammerson (Cardiff) Limited	6668272	Hammerson Operations Limited	4125216
Hammerson (Cricklewood) Limited	4789711	Hammerson Oracle Investments Limited	3289109
Hammerson (Croydon) Limited	4044457	Hammerson UK Properties Limited	298351
Hammerson (Milton Keynes) Limited	6671304	Hammerson Via No. 2 Limited	12279332
Hammerson (Renfrew) Limited	8180149	Martineau Galleries (GP) Limited	3744383
Hammerson (Victoria Investments) Limited	8047957	RT Group Developments Limited	3699545
Hammerson (Victoria Quarter) Limited	8230241	RT Group Property Investments Limited	4357520
Hammerson (Watermark) Limited	6763965	Spitalfields Developments Limited	2025411
Hammerson Bull Ring Limited	5447873	The Junction (General Partner) Limited	4278233
Hammerson Croydon (GP1) Limited	8230396	West Quay Shopping Centre Limited	643320
Hammerson Croydon (GP2) Limited	8234202		

The following partnerships are exempt from the requirements to prepare, publish and have audited individual financial statements by virtue of regulation 7 of the Partnerships (Accounts) Regulations 2008. The results of these partnerships are consolidated within these consolidated financial statements.

The Junction Thurrock Limited Partnership	The Martineau Galleries Limited Partnership
The Junction Limited Partnership	

C8. Contingent liabilities

The Company has subsidiaries and related parties that operate in a number of jurisdictions and is subject to periodic challenges by local tax authorities on a range of tax matters during the normal course of business. The tax impact can be uncertain until a conclusion is reached with the relevant tax authority or through a legal process. The Company addresses this by closely monitoring these potential instances, seeking independent advice, and maintaining transparency with the authorities it deals with as and when any enquiries are made. As a result, the Company has identified a potential tax exposure attributable to the ongoing applicability of tax treatments adopted in respect of the Company's tax structures, and is in correspondence with the relevant authorities. The range of potential outcomes is a possible outflow of minimum £nil and maximum £131m (2023: minimum £nil and maximum £122m). The Directors have not provided for this amount because they do not believe an outflow is probable.

Additional Information
Unaudited

	Table		Table
Summary EPRA performance measures	1	**Financing analysis**	
		Net debt	12
Portfolio analysis		Movement in net debt	13
Rental income	2	Net debt : EBITDA	14
Gross rental income	3	Interest cover	15
Net rental income	4	Gearing	16
Other rental data	5	Loan to value	17
Vacancy	6	EPRA loan to value	18
Lease expiries and breaks	7	Unencumbered asset ratio	19
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Valuation analysis	9	**Other key metrics**	
Capital expenditure (including acquisitions)	10	Cost ratio	20
Net initial yield	11	Total accounting return	21

Hammerson is a member of the European Public Real Estate Association ('EPRA') and has representatives who actively participate in a number of EPRA committees and initiatives. This includes working with peer group companies, real estate investors and analysts and the large audit firms, to improve the transparency, comparability and relevance of the published results of listed real estate companies in Europe.

As with other real estate companies, we have adopted the EPRA Best Practice Recommendations ('BPR') and were again awarded a Gold Award for compliance with the EPRA BPR for our 2023 Annual Report. Further information on EPRA and the EPRA BPR can be found on their website www.epra.com. Details of our key EPRA metrics are shown in Table 1.

In September 2024, EPRA issued updated EPRA earnings guidelines within its BPR. These included the addition of two new adjustment categories relating to funding structures and non-operating and exceptional items. In relation to EPRA earnings, the Group will adopt these new guidelines for its next reporting period, beginning 1 January 2025.

SUMMARY EPRA PERFORMANCE MEASURES

Table 1

Performance measure	Note/Table[1]	2024	2023
Earnings	10A	**£86.1m**	£102.8m
Earnings per share ('EPS')	11B	**17.3p**	2.1p
Cost ratio (including vacancy costs)	Table 20	**39.8%**	41.2%
			2023
Net Disposal Value ('NDV') per share[2]	11C	**£3.73**	£5.00
Net Tangible Assets value ('NTA') per share[2]	11C	**£3.70**	£5.08
Net Reinstatement Value ('NRV') per share[2]	11C	**£4.04**	£5.89
Net Initial Yield ('NIY')	Table 11	**5.9%**	5.9%
Topped-up Net Initial Yield	Table 11	**6.2%**	6.3%
Vacancy rate	Table 6	**5.3%**	5.8%
Loan to value	Table 18	**31.9%**	48.1%

1 Note reference is to notes in the financial statements and Table reference is to tables in the Additional Information section.
2 2023 per share figures restated to reflect the 1 for 10 share consolidation undertaken during 2024. See note 21 of the financial statements for further details.

PORTFOLIO ANALYSIS

The information presented in this section is on a management reporting basis i.e. proportionally consolidated.

Where applicable, the information presented within the 'Development and other' segment only reflects available data in relation to the investment properties within this segment. See the Key Properties section for the principal properties in this segment.

Rental income
Table 2

Proportionally consolidated	Reported Group £m	Share of Property interests £m	2024 £m	Reported Group £m	Share of Property interests £m	2023 £m
Base rent	63.9	75.6	139.5	69.6	83.7	153.3
Turnover rent	3.0	7.1	10.1	4.7	8.9	13.6
Car park income	9.3	16.7	26.0	10.9	17.2	28.1
Commercialisation income	1.7	4.7	6.4	2.5	3.8	6.3
Surrender premiums	0.1	2.4	2.5	0.1	0.3	0.4
Lease incentive recognition	2.8	–	2.8	3.2	1.1	4.3
Other rental income	1.0	0.7	1.7	1.8	0.6	2.4
Gross rental income	81.8	107.2	189.0	92.8	115.6	208.4
Net service charge expense	(4.0)	(2.5)	(6.5)	(2.5)	(3.3)	(5.8)
Ground rents payable	(1.1)	(0.8)	(1.9)	(1.1)	(0.7)	(1.8)
Inclusive lease costs recovered through rent	(2.4)	(1.7)	(4.1)	(2.4)	(4.0)	(6.4)
Other property outgoings	(13.4)	(17.1)	(30.5)	(11.0)	(15.9)	(26.9)
Cost of sales	(16.9)	(19.6)	(36.5)	(14.5)	(20.6)	(35.1)
Adjusted net rental income	60.9	85.1	146.0	75.8	91.7	167.5

Gross rental income
Table 3

2024

Proportionally consolidated	Properties owned throughout 2023/24 £m	Change in like-for-like GRI %	Disposals £m	Acquisitions £m	Developments and other £m	Total £m
UK	74.4	(0.1)	3.1	2.5	–	80.0
France	55.2	7.8	0.1	–	–	55.3
Ireland	37.7	(3.4)	–	–	–	37.7
Flagship destinations	167.3	1.6	3.2	2.5	–	173.0
Developments and other	–	–	–	–	16.0	16.0
Total	167.3	1.6	3.2	2.5	16.0	189.0

2023

Proportionally consolidated	Properties owned throughout 2023/24 £m	Exchange £m	Disposals £m	Acquisitions £m	Developments and other £m	Total £m
UK	**74.5**	–	18.3	–	–	92.8
France	**51.2**	1.6	4.6	–	1.2	58.6
Ireland	**39.0**	1.0	–	–	–	40.0
Flagship destinations	**164.7**	2.6	22.9	–	1.2	191.4
Developments and other	**–**	0.1	1.6	–	15.3	17.0
Total	**164.7**	2.7	24.5	–	16.5	208.4

Gross rental income at Cabot Circus and The Oracle, where significant repositioning works are ongoing, totalled £22.5m (2023: £24.1m). Excluding these two destinations increases the change in like-for-like GRI from 1.6% to 3.0%.

PORTFOLIO ANALYSIS continued

Net rental income
Table 4

Proportionally consolidated	Properties owned throughout 2023/24 £m	Change in like-for-like NRI %	Disposals £m	Acquisitions £m	Developments and other £m	Adjusted NRI £m	Change in provision £m	NRI £m
								2024
UK	58.0	(0.5)	3.0	1.7	(1.1)	61.6	–	61.6
France	45.3	4.2	0.1	–	(1.8)	43.6	–	43.6
Ireland	33.1	(6.3)	–	–	(0.3)	32.8	–	32.8
Flagship destinations	136.4	(0.5)	3.1	1.7	(3.2)	138.0	–	138.0
Developments and other	–	–	–	–	8.0	8.0	–	8.0
Total	136.4	(0.5)	3.1	1.7	4.8	146.0	–	146.0

Proportionally consolidated	Properties owned throughout 2023/24 £m	Exchange £m	Disposals £m	Acquisitions £m	Developments and other £m	Adjusted NRI £m	Change in provision £m	NRI £m
								2023
UK	58.2	–	15.2	–	(0.6)	72.8	(0.3)	72.5
France	43.5	1.3	3.9	–	0.7	49.4	–	49.1
Ireland	35.4	1.0	–	–	–	36.4	–	36.4
Flagship destinations	137.1	2.3	19.1	–	0.1	158.6	(0.3)	158.3
Developments and other	–	0.1	(0.1)	–	8.9	8.9	–	9.0
Total	137.1	2.4	19.0	–	9.0	167.5	(0.3)	167.3

The portfolio value on which like-for-like NRI growth is based was £2,259.0m (2023: £2,368.2m). Net rental income at Cabot Circus and The Oracle, where significant repositioning works are ongoing, totalled £16.1m (2023: £17.0m). Excluding these two destinations increases the change in like-for-like NRI from -0.5% to 0.2%.

Other rental data
Table 5

Proportionally consolidated	Gross rental income £m	Adjusted net rental income £m	Vacancy rate[1] %	Average passing rent[2] £/m²	Passing rent[3] £m	Estimated rental value[4] £m	Passing rent for reversion[5] £m	Reversion/(over-rented)[6] %
		2024						At 31 December 2024
UK	80.0	61.6	4.3	420	85.7	83.0	83.0	0.1
France	55.3	43.6	6.8	455	51.8	58.9	53.0	11.1
Ireland	37.7	32.8	2.7	470	36.6	37.7	35.1	7.2
Flagship destinations	173.0	138.0	4.9	440	174.1	179.6	171.1	5.0
Developments and other	16.0	8.0	13.1	185	8.3	9.4	8.8	7.2
Total	189.0	146.0	5.3	405	182.4	189.0	179.9	5.1
		2023						At 31 December 2023
UK	92.8	72.9	4.9	400	87.3	82.3	83.7	(1.8)
France	58.6	49.4	6.9	450	53.0	61.3	54.2	13.2
Ireland	40.0	36.3	3.8	480	39.0	39.5	37.1	6.4
Flagship destinations	191.4	158.6	5.4	430	179.3	183.1	175.0	4.6
Developments and other	17.0	8.9	13.6	190	8.5	10.0	9.2	8.9
Total	208.4	167.5	5.8	400	187.8	193.1	184.2	4.8

1 See Table 6 for analysis of vacancy.
2 Average passing rent at the year end before deducting head rents and excluding passing rent from anchor units, car parks and commercialisation.
3 Passing rent is the annual rental income receivable at the year end from an investment property, after any rent-free periods and after deducting head rents and car parking and commercialisation running costs totalling £13.9m (2023: £12.6m).
4 The estimated rental value ('ERV') at the year end calculated by the Group's valuers and included within the unobservable inputs to the portfolio valuations as defined by IFRS 13. At 31 December 2024, includes ERV for vacant space of £8.9m (2023: £9.9m) as per Table 5 and ERV for space undergoing reconfiguration of £2.7m (2023: £2.6m) of which UK £1.9m and Ireland £0.8m).
5 Passing rent for reversion is passing rent adjusted for tenant incentives and inclusive costs, to give a better comparison with ERV which is on a net effective basis.
6 The reversion/(over-rented) figures show a direct comparison between the valuers' ERV and passing rent for reversion, with both sets of figures being on a net effective basis. The reversion/(over-renting) figures therefore show the future change in the Group's rental income from the settlement of rent reviews or a combination of letting:
– units at prevailing ERVs at the next lease event i.e. break or expiry (see Table 7)
– vacant units (see Table 6)
– units undergoing reconfiguration (see note 4 above)

PORTFOLIO ANALYSIS continued

Vacancy
Table 6

Proportionally consolidated	2024 ERV of vacant space £m	2024 Total ERV for vacancy[1] £m	2024 Vacancy rate %	2023 ERV of vacant space £m	2023 Total ERV for vacancy[1] £m	2023 Vacancy rate %
UK	2.9	67.5	4.3	3.2	65.9	4.9
France	4.0	58.2	6.8	4.2	60.6	6.9
Ireland	0.9	33.0	2.7	1.3	35.2	3.8
Flagship destinations	7.7	158.7	4.9	8.7	161.7	5.4
Developments and other	1.1	8.5	13.1	1.2	8.5	13.6
Group portfolio	8.9	167.2	5.3	9.9	170.2	5.8

1 Total ERV for vacancy shown above differs from Table 5 due to the exclusion of car park ERV and head rents payable as these both distort the vacancy metric.

Lease expiries and breaks at 31 December 2024
Table 7

	Rental income based on passing rent of leases that expire/break in					ERV of leases that expire/break in					Weighted average unexpired lease term	
Proportionally consolidated	Holding over £m	2025 £m	2026 £m	2027 £m	Total £m	Holding over £m	2025 £m	2026 £m	2027 £m	Total £m	to break years	to expiry years
UK	6.9	2.2	9.5	8.5	27.1	7.7	2.4	10.1	8.6	28.8	4.7	6.3
France	2.6	1.7	1.3	1.2	6.8	2.4	3.3	1.4	1.5	8.6	2.9	6.6
Ireland	2.7	0.4	1.5	1.1	5.7	2.8	0.4	1.6	1.2	6.0	5.3	6.7
Flagship destinations	12.2	4.3	12.3	10.8	39.6	12.9	6.1	13.1	11.3	43.4	4.2	6.5
Developments and other	1.4	0.1	0.3	0.5	2.3	1.7	0.1	0.3	0.5	2.6	7.1	8.4
Group portfolio	13.6	4.4	12.6	11.3	41.9	14.6	6.2	13.4	11.8	46.0	4.4	6.6

The table above compares passing rent (as per Table 5) on a headline basis for those units with leases expiring or subject to a occupier break in each year compared to the ERV of those units determined by the Group's valuers on a net effective basis (as per Table 5).

Top ten tenants at 31 December 2024 (ranked by passing rent)
Table 8

Proportionally consolidated	Passing rent £m	% of total passing rent
Inditex	10.2	5.7
H&M	3.9	2.1
Next	3.5	1.9
JD Sports	3.3	1.8
Marks & Spencer	3.2	1.8
Watches of Switzerland	3.2	1.7
CK Hutchison (Superdrug)	2.7	1.5
Boots	1.9	1.0
River Island	1.7	0.9
Printemps	1.7	0.9
	35.3	19.3

PORTFOLIO ANALYSIS continued

Valuation analysis
Table 9

Proportionally consolidated	Properties at valuation £m	Revaluation gains/(losses) in the year £m	Income return %	Capital return %	Total return %	Initial yield %	Nominal equivalent yield[1] %
							2024
UK	915.3	16.8	7.9	0.8	8.7	7.2	7.8
France	964.1	4.5	4.5	0.5	5.1	4.3	5.1
Ireland	522.0	(82.6)	6.0	(13.4)	(8.1)	6.2	6.7
Flagship destinations	2,401.4	(61.3)	6.0	(3.0)	2.9	5.9	6.5
Developments and other	257.6	(30.1)	2.9	(7.0)	(4.3)	8.7	9.7
Total	2,659.0	(91.4)	5.7	(3.4)	2.1	5.9	6.6

	Properties at valuation £m	Revaluation losses in the year £m	Income return[2] %	Capital return[2 3] %	Total return[2 3] %	Initial yield %	Nominal equivalent yield[1] %
							2023
UK	863.1	(21.8)	8.7	(2.4)	6.1	7.8	8.1
France	1,003.3	(15.2)	4.6	(4.3)	0.1	4.4	5.1
Ireland	629.7	(37.5)	5.7	(5.6)	(0.2)	5.4	5.8
Flagship destinations	2,496.1	(74.5)	6.3	(4.0)	2.0	5.8	6.3
Developments and other	280.0	(44.6)	2.7	(6.2)	(3.6)	8.2	9.6
Total	2,776.1	(119.1)	5.9	(4.1)	1.6	5.9	6.4

1 Nominal equivalent yields are included within the unobservable inputs to the portfolio valuations as defined by IFRS 13. The nominal equivalent yield for the Reported Group was 5.9% (2023: 5.7%).
2 Returns in 2023 included 100% of Italik, 75% of which was classified as a trading property until its sale in March 2023.
3 Capital and Total return figures in 2023 included the losses on disposal and impairment charges on derecognised assets (Highcross and O'Parinor).

Capital expenditure (including acquisitions)
Table 10

Proportionally consolidated	2024 Reported Group £m	2024 Share of Property interests £m	2024 Proportionally consolidated £m	2023 Reported Group £m	2023 Share of Property interests £m	2023 Proportionally consolidated £m
Acquisitions	140.9	–	140.9	–	–	–
Developments	3.2	10.4	13.6	3	10	13
Capital expenditure – creating area	0.5	0.5	1.0	1	–	1
Capital expenditure – no additional area	6.3	7.8	14.1	12	13	25
Tenant incentives	5.1	6.2	11.3	4	4	8
Total	156.0	24.9	180.9	20	27	47
Conversion from accruals to cash basis	(1.5)	8.4	6.9	(1)	(3)	(4)
Total on cash basis	154.5	33.3	187.8	19	24	43

PORTFOLIO ANALYSIS continued

Net initial yield
Table 11

Proportionally consolidated		Note/ Table	2024 £m	2023 £m
Reported Group (wholly owned and joint operations)		3B	1,487.0	1,396.2
Share of Property interests		3B	1,172.0	1,379.9
Portfolio valuation on a proportionally consolidated basis		3B	2,659.0	2,776.1
Less: Developments[1]			(188.4)	(192.3)
Completed investment portfolio			2,470.6	2,583.8
Purchasers' costs[2]			161.5	171.9
Grossed up completed investment portfolio	A		2,632.1	2,755.7
Annualised cash passing rental income			179.3	182.4
Non-recoverable costs			(18.6)	(15.5)
Rents payable			(4.4)	(4.1)
Annualised net rent	B		156.3	162.8
Add:				
Notional rent on expiration of rent-free periods and other lease incentives[3]			5.5	7.8
Future rent on signed leases			2.0	1.7
Topped-up annualised net rent	C		163.8	172.3
Add back: Non-recoverable costs			18.6	15.5
Passing rent		Table 5	182.4	187.8
EPRA Net initial yield	B/A	Table 9	5.9%	5.9%
EPRA 'Topped-up' net initial yield	C/A		6.2%	6.3%

1 Included within the Developments and other portfolio.
2 Purchasers' costs equate to 6.5% (2023: 6.7%) of the value of the completed investment portfolio.
3 For leases in rent free period, the weighted average remaining rent-free period is 0.4 years (2023: 0.5 years).

FINANCING ANALYSIS

Net debt
Table 12

Proportionally consolidated	2024 Reported Group £m	2024 Share of Property interests £m	2024 Total £m	2023 Reported Group £m	2023 Share of Property interests £m	2023 Total £m
Cash and cash equivalents	737.9	76.3	814.2	472.3	97.3	569.6
Loans	(1,474.2)	(141.2)	(1,615.4)	(1,624.5)	(260.0)	(1,884.5)
Fair value of currency swaps	2.2	–	2.2	(11.4)	–	(11.4)
Net debt	(734.1)	(64.9)	(799.0)	(1,163.6)	(162.7)	(1,326.3)

Movement in net debt
Table 13

Proportionally consolidated	Note/ Table	2024 £m	2023 £m
Opening net debt	Table 12	(1,326.3)	(1,732.1)
Profit from operating activities	2	108.6	117.4
(Increase)/decrease in receivables and restricted monetary assets		(12.6)	16.4
Increase/(decrease) in payables		4.2	(31.0)
Adjustment for non-cash items		2.1	0.7
Cash generated from operations		102.3	103.5
Interest received		53.6	43.6
Interest paid		(93.0)	(93.5)
Distributions from Value Retail		19.4	73.6
Tax repaid/(paid)		0.1	(0.4)
Cash flows from operating activities		82.4	126.8
Investing activities			
Acquisition		(140.8)	–
Capital expenditure		(47.0)	(42.9)
Derecognition of JV cash		–	(15.6)
Derecognition of JV secured debt		–	125.0
Cash held within sold or derecognised entities		–	(8.4)
Distribution from other investment		1.1	–
Sale of Value Retail		583.6	–
Sale of properties		117.4	216.4
Cash flows from investing activities		514.3	274.5
Financing activities			
(Premium)/Discount on redemption of bonds		(25.5)	4.3
Debt and loan facility issuance and extension fees		–	(0.6)
Purchase of own shares		(3.4)	–
Proceeds from awards of own shares		–	0.1
Shares repurchased		(20.9)	–
Equity dividends paid		(82.6)	(30.0)
Cash flows from financing activities		(132.4)	(26.2)
Exchange translation movement		63.0	30.7
Closing net debt	Table 12	(799.0)	(1,326.3)

FINANCING ANALYSIS continued

Net debt : EBITDA
Table 14

Proportionally consolidated, including discontinued operations		Note/ Table	2024 £m	2023 £m
Net debt	A	Table 12	799.0	1,326.3
Adjusted operating profit (including share of Value Retail's adjusted earnings)		2	133.8	163.0
Amortisation of tenant incentives and other items within net rental income			(2.6)	(3.6)
Share-based remuneration			4.3	3.6
Depreciation			1.4	3.0
EBITDA	B		136.9	166.0
Net debt : EBITDA	A/B		5.8x	8.0x

Interest cover
Table 15

Proportionally consolidated		Note	2024 £m	2023 £m
Adjusted net rental income		2	146.0	167.5
Less net rental income in associates: Italie Deux		14B	–	(1.1)
	A		146.0	166.4
Adjusted net finance costs		2	32.3	45.9
Less interest on lease obligations and pensions			(3.3)	(3.3)
	B		29.0	42.6
Interest cover	A/B		5.03x	3.91x

Gearing
Table 16

Proportionally consolidated		Note/ Table	2024 £m	2023 £m
Net debt		Table 12	799.0	1,326.3
Unamortised borrowing costs			19.1	18.4
Net debt for gearing	A		818.1	1,344.7
Equity shareholders' funds – 'Consolidated net tangible worth'	B		1,821.1	2,462.6
Gearing	A/B		44.9%	54.6%

Additional Information continued
Unaudited

FINANCING ANALYSIS continued

Loan to value
Table 17

Proportionally consolidated		Note/ Table	2024 £m	2023 £m
Net debt – 'Loan'	A	Table 12	**799.0**	1,326.3
Property portfolio	B	3B	**2,659.0**	2,776.1
Investment in Value Retail		14C	**–**	1,115.0
'Value'	C		**2,659.0**	3,891.1
Loan to value	A/C		**30.0%**	34.1%
Net debt – Value Retail	D		**–**	729.6
Property portfolio – Value Retail	E	14C	**–**	1,885.7
Loan to value – Full proportional consolidation of Value Retail[1]	(A+D)/(B+E)		**30.0%**	44.1%
Net payables – Proportionally consolidated			**48.0**	110.9
Net payables – Value Retail			**–**	76.4
Net payables – Group	F		**48.0**	187.3
Loan to value – EPRA	(A+D+F)/ (B+E)	Table 18	**31.9%**	48.1%

1 Following the sale of the Group's interests in Value Retail in September 2024 this ratio is the same as Loan to value.

EPRA Loan to value

Table 18

Proportionally consolidated		Reported Group £m	Share of joint ventures £m	Share of associates £m	Non-controlling interests £m	2024 Total £m
Include:						
Loans		1,474.2	141.2	–	–	1,615.4
Foreign currency derivatives		(2.2)	–	–	–	(2.2)
Net payables[1]		29.2	18.8	–	–	48.0
Exclude:						
Cash and cash equivalents		(737.9)	(76.3)	–	–	(814.2)
Net debt	A	763.3	83.7	–	–	847.0
Include:						
Investment properties at fair value		1,487.0	1,172.0	–	–	2,659.0
Total property value	B	1,487.0	1,172.0	–	–	2,659.0
EPRA Loan to value	A/B					31.9%

FINANCING ANALYSIS continued

EPRA Loan to value continued

		Reported Group £m	Share of joint ventures £m	Share of associates £m	Non-controlling interests £m	2023 Total £m
Include:						
Loans		1,624.5	260.0	793.9	–	2,678.4
Foreign currency derivatives		11.4	–	–	–	11.4
Net payables[1]		87.5	23.9	76.4	–	187.8
Exclude:						
Cash and cash equivalents		(472.3)	(97.3)	(64.4)	–	(634.0)
Net debt	A	1,251.1	186.6	805.9	–	2,243.6
Include:						
Investment properties at fair value		1,396.2	1,379.9	1,885.7	–	4,661.8
Total property value	B	1,396.2	1,379.9	1,885.7	–	4,661.8
EPRA Loan to value	A/B					48.1%

Rows with zero balances have intentionally been excluded from the EPRA specified format in the above tables.

1 Net payables includes the following balance sheet accounts for both current and non-current balances: interests in leasehold properties, right-of-use assets, trade and other receivables, restricted monetary assets, trade and other payables, obligations under head leases, tax (excluding deferred tax) and the fair value of interest rate swaps.

Unencumbered asset ratio
Table 19

Proportionally consolidated		Note/ Table	2024 £m	2023 £m
Property portfolio		3B	**2,659.0**	2,776.1
Less encumbered assets[1]			**(406.0)**	(487.7)
Total unencumbered assets	A		**2,253.0**	2,288.4
Net debt		Table 12	**799.0**	1,326.3
Adjustments:				
– Cash held within investments in encumbered joint ventures[1]			**24.6**	39.4
– Unamortised borrowing costs			**19.1**	18.4
– Encumbered loans[1]			**(144.6)**	(260.2)
Total unsecured debt	B		**698.1**	1,123.9
Unencumbered asset ratio	A/B		**3.23x**	2.04x

1 Encumbered assets, cash and loans relate solely to Dundrum.

OTHER KEY METRICS

Cost ratio
Table 20

Proportionally consolidated		2024 £m	2023 £m
Adjusted gross administration costs		**43.5**	51.5
Business transformation costs (see note 10A)	A	**4.9**	13.2
Gross administration costs		**48.4**	64.7
Property fee income		**(6.3)**	(8.4)
Management fee receivable		**(4.4)**	(6.5)
Property outgoings		**39.2**	39.1
Less inclusive lease costs recovered through rent		**(4.1)**	(6.4)
Total operating costs for cost ratio	B	**72.8**	82.5
Less vacancy costs		**(10.5)**	(8.6)
Total operating costs excluding vacancy costs for cost ratio	C	**62.3**	73.9
Gross rental income		**189.0**	208.4
Ground rents payable		**(1.9)**	(1.8)
Less inclusive lease costs recovered through rent		**(4.1)**	(6.4)
Gross rental income for cost ratio	D	**183.0**	200.2
Cost ratio including vacancy costs (excluding business transformation costs)	(B-A)/D	**37.1%**	34.6%
EPRA Cost ratio including vacancy costs	B/D	**39.8%**	41.2%
EPRA Cost ratio excluding vacancy costs	C/D	**34.0%**	36.9%

The Group's business model for development is to use a combination of in-house resource and external advisors. The cost of external advisors is capitalised to the cost of developments. The cost of employees working on developments is generally expensed, but for wholly owned properties is capitalised subject to meeting certain criteria related to the degree of time spent on specific projects. Employee costs of £0.6m (2023: £0.1m) were capitalised as development costs in the year and are not included within Gross administration costs above.

Total accounting return
Table 21

		2024		2023	
		NTA £m	NTA per share £[1]	NTA £m	NTA per share £[1]
EPRA NTA at 1 January	A	**2,542.0**	**5.08**	2,633.7	5.27
EPRA NTA at 31 December		**1,825.4**	**3.70**	2,542.0	5.08
Reduction in NTA		**(716.6)**	**(1.38)**	(91.7)	(0.19)
Cash dividends in the year		**76.6**	**0.15**	35.9	0.07
	B	**(640.0)**	**(1.23)**	(55.8)	(0.12)
Total accounting return	B/A		**(24.2)%**		(2.1)%

1 NTA per share metrics have been restated to reflect the 1 for 10 share consolidation undertaken during 2024. See note 21 for further details.

KEY PROPERTIES

Key property listing at 31 December 2024
Table 22

	Location	Accounting classification where not wholly owned	Ownership	Area, m²	No. of tenants	Passing rent 2024 £m	Passing rent 2023[1] £m
Flagship destinations							
UK							
Brent Cross	London	Joint venture	41%	105,500	115	12.8	12.8
Bullring[2]	Birmingham	Joint venture	50%	122,400	147	25.2	23.9
Cabot Circus[3]	Bristol	Joint venture	50%	108,000	106	10.9	10.7
The Oracle	Reading	Joint venture	50%	69,500	102	10.0	10.4
Westquay	Southampton		100%	95,400	108	26.8	13.6
				500,800	578	85.7	71.4
France							
Les 3 Fontaines[4]	Cergy		100%	72,600	189	22.7	21.9
Les Terrasses du Port	Marseille		100%	62,800	160	29.1	30.3
				135,400	349	51.8	52.2
Ireland							
Dundrum	Dublin	Joint venture	50%	126,500	155	26.2	27.7
Ilac Centre	Dublin	Joint operation	50%	28,200	65	3.3	4.1
Pavilions	Swords	Joint operation	50%	44,400	98	7.1	7.2
				199,100	318	36.6	39.0
Total flagships				835,300	1,245	174.1	162.6
Developments and other (key properties)							
Bristol Broadmead[3]	Bristol	Joint venture	50%	33,400	65	2.4	2.9
Dublin Central	Dublin		100%	n/a	n/a	n/a	n/a
Dundrum Phase II	Dublin	Joint venture	50%	n/a	n/a	n/a	n/a
Grand Central[2]	Birmingham	Joint venture	50%	39,500	54	4.1	3.7
Eastgate	Leeds		100%	n/a	n/a	n/a	n/a
Martineau Galleries[2]	Birmingham		100%	38,600	36	1.8	2.0
Pavilions land	Swords		100%	n/a	n/a	n/a	n/a
The Goodsyard	London	Joint venture	50%	n/a	n/a	n/a	n/a

1 2023 passing rent reflects Westquay ownership at 50% and 2023 year end exchange rate of £1:€1.153.
2 Collectively known as the Birmingham Estate.
3 Collectively known as the Bristol Estate.
4 Property includes areas held under co-ownership; figures above reflect the Group's ownership interests only.

Five year record

	2024 £m	2023 £m	2022 £m	2021 £m	2020 £m
Income statement – Proportionally consolidated[1]					
Revenue	**247.4**	266.7	275.0	322.2	368.2
Gross rental income	**189.0**	208.4	215.2	250.4	288.2
Net rental income	**146.0**	167.5	177.2	182.5	148.5
Profit from operating activities	**108.6**	117.4	129.3	122.5	104.4
Other net losses including revaluation and impairments	**(561.6)**	(140.1)	(222.1)	(466.2)	(1,598.6)
Share of results of joint ventures	**–**	–	–	–	(20.7)
Share of results of associates	**(9.6)**	14.8	(5.3)	20.0	(135.8)
Net finance costs	**(61.2)**	(42.7)	(65.6)	(103.6)	(83.6)
Loss before tax	**(523.8)**	(50.6)	(163.7)	(427.3)	(1,734.3)
Tax charge	**(2.5)**	(0.8)	(0.5)	(1.8)	(0.6)
Loss after tax	**(526.3)**	(51.4)	(164.2)	(429.1)	(1,734.9)
Adjusted earnings	**99.0**	116.3	104.9	65.5	27.4
Balance sheet – Proportionally consolidated					
Investment and development properties	**2,659.0**	2,776.1	3,183.9	3,375.3	4,413.8
Investment in associates	**–**	1,115.0	1,189.4	1,140.8	1,154.1
Cash and cash equivalents	**814.2**	569.6	336.5	449.8	521.7
Borrowings[2]	**(1,613.2)**	(1,895.9)	(2,068.6)	(2,253.2)	(2,743.0)
Other assets	**198.5**	191.4	299.0	404.5	320.0
Other liabilities	**(237.4)**	(293.6)	(353.8)	(371.2)	(457.7)
Net assets	**1,821.1**	2,462.6	2,586.4	2,746.0	3,208.9
Movement in net debt – Proportionally consolidated					
Opening net debt	**(1,326.3)**	(1,732.1)	(1,798.8)	(2,215.4)	(2,816.8)
Cash flows from operating activities	**82.4**	130.5	102.4	(17.7)	(40.9)
Cash flows from investing activities	**514.3**	274.5	115.6	328.1	232.3
Cash flows from financing activities	**(132.4)**	(29.9)	(20.3)	(30.8)	518.3
Foreign exchange	**63.0**	30.7	(131.0)	137.0	(108.3)
Closing net debt	**(799.0)**	(1,326.3)	(1,732.1)	(1,798.8)	(2,215.4)
Key credit metrics[3]					
Gearing	**44.9%**	54.6%	67.8%	66.4%	70.2%
Loan to value	**30.0%**	34.1%	39.3%	38.9%	40.1%
Net debt:EBITDA	**5.8x**	8.0x	10.4x	13.4x	14.1x
Interest cover	**5.03x**	3.91x	3.24x	2.30x	1.81x
Per share data[4]					
Basic loss per share	**(106.0)p**	(10.3)p	(33.2)p	(87.3)p	(624)p
Adjusted earnings per share	**19.9p**	23.3p	21.2p	13.3p	13.1p
Dividend per share – cash basis	**15.63p**	15.00p	2.00p	4.00p	4.00p
Net tangible asset value ('NTA') per share	**£3.70**	£5.08	£5.26	£6.42	£8.18

1 Income statements for 2024, 2023, 2021 and 2020 includes discontinued operations.

2 Borrowings comprise loans and currency swaps.

3 2020 credit metrics have not been restated for the IFRIC Decision on Deposits and IFRIC Decision on Concessions which were issued in April and October 2022 respectively.

4 Comparative per share data has been restated to reflect the 1 for 10 share consolidation undertaken during 2024 (see note 21 for further details). Earnings per share metrics for 2021 and 2020 have also been restated in respect of the bonus element of scrip dividends.

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Auditor	PricewaterhouseCoopers LLP
Broker and Financial Adviser	Morgan Stanley & Co. International plc
Financial Adviser	Lazard & Co. Ltd
Solicitor	Slaughter and May

Primary and secondary listings
The Company has its primary listing on the London Stock Exchange and secondary inward listings on the Johannesburg Stock Exchange and on Euronext Dublin. Our secondary listing equity sponsors are Investec Bank Limited in respect of the Johannesburg Stock Exchange and Goodbody Stockbrokers UC in respect of the Euronext Dublin listing.

Shareholder administration
For assistance with queries about the administration of shareholdings, such as lost share certificates, change of address, change of ownership or dividend payments, please contact the relevant Registrar or Transfer Secretaries.

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Calls are charged at the standard geographic rate and will vary by provider. Calls outside the UK 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.

South African Transfer Secretaries
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Annual General Meeting
The Annual General Meeting will be held at 9:00 am (UK time) on 15 May 2025. Details of the Annual General Meeting and the resolutions to be voted upon can be found in the Notice of Meeting which is available on our website at www.hammerson.com.

Payment of dividends
UK shareholders who do not currently have their dividends paid direct to a bank or building society account and who wish to do so, should complete a mandate instruction available from the Registrar or register their mandate at www.signalshares.com. Shareholders outside the UK may be able to have dividends in excess of £10 paid into their bank account directly in their local currency via the MUFG Corporate Markets international payments service. Details and terms and conditions may be viewed at www.mpms.mufg.com.

ShareGift
Shareholders with a small number of shares, the value of which makes it uneconomic to sell them, may wish to consider donating them to charity through ShareGift, a registered charity (registered charity no: 1052686). Further information about ShareGift is available at www.sharegift.org, by email at help@sharegift.org, by calling on +44 (0)207 930 3737 or by writing to ShareGift, PO Box 72253, London, SW1P 9LQ. To donate shares, please contact ShareGift.

Strate Charity Shares
South African shareholders for whom the cost of selling their shares would exceed the market value of such shares may wish to consider donating them to charity. An independent non-profit organisation called Strate Charity Shares has been established to administer this process. For further details or donations contact the Strate Charity Shares' toll-free helpline on 0800 202 363 (if calling from South Africa) or +27 11 870 8207 (if calling from outside South Africa), email charityshares@computershare.co.za, or visit www.strate.co.za.

Shareholder Information continued

Shareholder security
Share fraud includes scams where fraudsters cold call investors offering them overpriced, worthless or non-existent shares, or offer to buy shares owned by investors at an inflated price. We advise shareholders to be vigilant of unsolicited mail or telephone calls regarding buying or selling shares. For more information visit www.fca.org.uk/scams or call the FCA Consumer Helpline on +44(0)800 111 6768. This is a freephone number from the UK. Lines are open Monday to Friday, 8:00 am to 6:00 pm, and Saturday, 9:00 am to 1:00 pm.

Unsolicited mail
Hammerson is obliged by law to make its share register available on request to other organisations. This may result in shareholders receiving unsolicited mail. To limit the receipt of unsolicited mail, UK shareholders may register with the Mailing Preference Service, an independent organisation whose services are free, by visiting www.mpsonline.org.uk. Once a shareholder's name and address details have been registered, the Mailing Preference Service will advise companies and other bodies that subscribe to the service not to send unsolicited mail to the address registered.

UK Real Estate Investment Trust ('REIT') taxation
As a UK REIT, Hammerson plc is exempt from corporation tax on rental income and gains on UK investment properties but is required to pay Property Income Distributions ('PIDs'). UK shareholders will be taxed on PIDs received at their full marginal tax rates. A REIT may in addition pay normal dividends.

For most shareholders, PIDs will be paid after deducting withholding tax at the basic rate. However, certain categories of UK shareholder are entitled to receive PIDs without withholding tax, principally UK resident companies, UK public bodies, UK pension funds and managers of ISAs, PEPs and Child Trust Funds. Further information on UK REITs is available on the Company's website, including a form to be used by shareholders to certify if they qualify to receive PIDs without withholding tax.

PIDs paid to overseas shareholders are subject to withholding tax at 20%. South African shareholders may apply to His Majesty's Revenue and Customs after payment of a PID for a refund of the difference between the 20% withholding tax and the prevailing UK/South African double tax treaty rate. Other overseas shareholders may be eligible to apply for similar refunds of UK withholding tax under the terms of the relevant tax treaties.

Normal dividends paid to overseas shareholders are paid gross but may be subject to taxation in the shareholder's country of residence. For South African shareholders, dividends tax at 20% will be withheld and paid over to the South African Revenue Service on the shareholders' behalf. Certain shareholders, including South African tax resident companies, retirement funds and approved public benefit organisations, are exempt from dividends tax but it is the responsibility of each shareholder to seek their own advice. Dividends tax does not apply to scrip dividends, whether paid as a PID or a normal dividend.

Forward-looking statements
Certain statements made in this Annual Report are forward-looking and are based on current expectations concerning future events which are subject to a number of assumptions, risks and uncertainties. Many of these assumptions, risks and uncertainties relate to factors that are beyond the Group's control and which could cause actual results to differ materially from any expected future events or results referred to or implied by these forward-looking statements. Any forward-looking statements made are based on the knowledge and information available to Directors on the date of publication of this Annual Report. Unless otherwise required by applicable laws, regulations or accounting standards, the Group does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future developments or otherwise. Accordingly, no assurance can be given that any particular expectation will be met and reliance should not be placed on any forward-looking statement.

Cautionary statement
Nothing in this document should be construed as a profit forecast or estimate. Past performance cannot be relied upon as a guide to future performance and persons needing advice should consult an independent financial adviser or other professional adviser.

This report does not constitute or form part of any offer or invitation to sell, or any solicitation of any offer to subscribe for or purchase any shares or other securities in the Company or any of its group members, nor shall it or any part of it or the fact of its distribution form the basis of, or be relied on in connection with, any contract or commitment or investment decisions relating thereto, nor does it constitute a recommendation regarding the shares or other securities of the Company or any of its group members. Statements in this report reflect the knowledge and information available at the time of its preparation. Liability arising from anything in this report shall be governed by English law. Nothing in this report shall exclude any liability under applicable laws that cannot be excluded in accordance with such laws.

Glossary

2024 share consolidation	The 1:10 share consolidation and re-designation of the Company's ordinary shares that took effect on 30 September 2024, further information on which was set out in the Company's Circular to Shareholders and Notice of Meeting dated 8 August 2024.
Adjusted earnings	Reported amounts excluding certain items in accordance with EPRA guidelines and also certain Company specific items which the Directors believe are not reflective of the normal day-to-day operating activities of the Group.
Annual Incentive Plan ('AIP')	Annual bonus plan for all employees, including Executive Directors.
AUM (Assets under management)	The 100% value of the Group's properties under management.
Average cost of debt or weighted average interest rate ('WAIR')	The cost of finance expressed as a percentage of the weighted average debt (can be calculated on both a net and gross debt basis) during the period.
Borrowings	The aggregate of loans and the fair value of currency swaps but excluding the fair value of the interest rate swaps, as this crystallises over the life of the instruments rather than at maturity.
BREEAM	An environmental rating assessed under the Building Research Establishment Environmental Assessment Method.
Capital return	The change in property value during the period after taking account of capital expenditure, calculated on a monthly time-weighted and constant currency basis.
Corporate Sustainability Reporting Directive ('CSRD')	A new directive requiring large companies to disclose ESG information based on the European Sustainability Reporting Standards ('ESRS'). The Group is expecting to report under CSRD for the year ending 31 December 2025.
EBITDA	Earnings before interest, tax, depreciation and amortisation.
EPRA	The European Public Real Estate Association, a real estate industry body, of which the Company is a member. This organisation has issued Best Practice Recommendations with the intention of improving the transparency, comparability and relevance of the published results of listed real estate companies in Europe.
Equivalent yield (true and nominal)	The capitalisation rate applied to future cash flows to calculate the gross property value. The cash flows reflect future rents resulting from lettings, lease renewals and rent reviews based on current ERVs. The true equivalent yield ('TEY') assumes rents are received quarterly in advance, while the nominal equivalent yield ('NEY') assumes rents are received annually in arrears. These yields are determined by the Group's external valuers.
ERV	The estimated market rental value of the total lettable space in a property calculated by the Group's external valuers on a net effective basis.
ESG (Environmental, Social and Governance)	A framework that helps stakeholders understand how an organisation is managing risks and opportunities related to environmental, social, and governance criteria. ESG takes the holistic view that sustainability extends beyond just environmental issues.
EU Taxonomy	A green classification system that translates the EU's climate and environmental objectives into criteria for specific economic activities for investment purposes. It establishes a list of environmentally sustainable economic activities to facilitate sustainable investment and requires mandatory disclosure obligations on some companies and investors, requiring them to disclose their share of Taxonomy-aligned activities.
F&B	Food and beverage.
Gearing	Net debt expressed as a percentage of equity shareholders' funds calculated as per the covenant definition in the Group's unsecured revolving credit facilities and private placement senior notes.
Gross property value or Gross asset value ('GAV')	Property value before deduction of purchasers' costs, as determined by the Group's external valuers.
Gross rental income ('GRI')	Income from leases, car parks and commercialisation, after amortising lease incentives.
Headline rent	The annual rental income derived from a lease, including base and turnover rent but after rent-free periods.
Inclusive lease	A lease, often for a short period, under which the rent includes costs such as service charge, rates and utilities. Instead, the landlord incurs these costs as part of the overall commercial arrangement.
Income return	Income derived from property taken as a percentage of the property value on a time-weighted and constant currency basis after taking account of capital expenditure.
Initial yield (or Net initial yield ('NIY'))	Annual cash rents receivable (net of head rents and the cost of vacancy, and, in the case of France, net of an allowance for costs of approximately 5%, primarily for management fees), as a percentage of gross property value, as provided by the Group's external valuers. Rents receivable following the expiry of rent-free periods are not included. Rent reviews are assumed to have been settled at the contractual review date at ERV.
Interest cover	Adjusted net rental income divided by Adjusted net finance costs before capitalised interest and interest charges on lease obligations and pensions. All figures exclude associates.

Glossary continued

Interest rate or currency swap (or derivatives)	An agreement with another party to exchange an interest or currency rate obligation for a pre-determined period.
Joint venture and associate management fees	Fees charged to joint ventures and associates for accounting, secretarial, asset and development management services.
Leasing	Comprises new lettings and renewals. For temporary leases (period of less than one year), leasing value reflects the rent secured for the period of the lease, not an annualised figure.
Leasing vs Passing rent	A comparison of Headline rent from new leases and renewals to the Passing rent at the most recent balance sheet date.
Like-for-like ('LfL')	A methodology for comparing key metrics, calculated to reflect properties owned throughout both current and prior periods, and where applicable calculated on a constant currency basis.
Like-for-like ('LfL') GRI/NRI	The percentage change in GRI/NRI for flagship properties owned throughout both current and prior periods, calculated on a constant currency basis. Properties undergoing a significant extension project are excluded from this calculation during the period of the works. For interim reporting periods properties sold between the balance sheet date and the date of the announcement are also excluded from this metric.
Loan to value ('LTV')	Net debt expressed as a percentage of the Group's property portfolio value, calculated on a proportionally consolidated basis. In addition, EPRA has a measure, 'EPRA LTV' which adds net payables to net debt. Prior to the Group's sale of its investment in Value Retail in September 2024, the Group also disclosed a full proportional consolidation measure ('FPC LTV') which included the Group's share of Value Retail's debt and property portfolio.
Net effective rent ('NER')	Annual rent from a unit calculated by taking the total rent payable over the term of the lease to the earliest termination date and deducting all lease incentives.
Net rental income ('NRI')	GRI less net service charge expenses and cost of sales. Additionally, the change in provision for amounts not yet recognised in the income statement is also excluded to calculate Adjusted NRI.
NTA ('EPRA')	EPRA Net Tangible Assets: An EPRA net asset per share measure calculated as equity shareholders' funds with adjustments made for the fair values of certain financial derivatives, deferred tax and any goodwill balances.
Occupancy rate	The ERV of the area in a property or portfolio, excluding developments, which is let, expressed as a percentage of the total ERV, excluding the ERV for car parks, of that property or portfolio.
Occupational cost ratio ('OCR')	The proportion of an occupier's sales compared with the total cost of occupation, including rent, local taxes (i.e. business rates) and service charge. Calculated excluding department stores.
Over-rented	The amount, or percentage, by which the ERV falls short of rent passing for reversion.
Passing rents or rents passing	The annual rental income receivable from an investment property after rent-free periods, head rents, car park costs and commercialisation costs.
Pre-let	A lease signed with an occupier prior to the completion of a development or other major project.
Principal lease	A lease signed with an occupier with a secure term of greater than one year.
Property fee income	Amounts recharged to tenants or co-owners for property management services including, but not limited to service charge management and rent collection fees.
Property Income Distribution ('PID')	A dividend, generally subject to withholding tax, that a UK REIT is required to pay from its tax-exempt property rental business and which is taxable for UK-resident shareholders at their marginal tax rate.
Property interests (Share of)	The Group's share of properties co-owned with third parties where the Group undertakes day-to-day management. This excludes Value Retail, up to the date of its sale, which was not proportionally consolidated. See page 35 of the Financial Review for further details.
Property outgoings	The direct operational costs and expenses incurred by the landlord relating to property ownership and management. This typically comprises void costs, net service charge expenses, letting related costs, marketing expenditure, repairs and maintenance, tenant incentive impairment, bad debt expense relating to items recognised in the income statement and other direct irrecoverable property expenses. These costs are included within the Group's calculation of like-for-like NRI and the Cost ratio.
Proportional consolidation	The aggregation of the financial results of the Reported Group and the Group's Share of Property interests under management (i.e. excluding Value Retail) as set out in note 2 to the financial statements.
QIAIF	Qualifying Investor Alternative Investment Fund. A regulated tax regime in the Republic of Ireland which exempts participants from Irish tax on property income and chargeable gains subject to certain requirements.
REIT	Real Estate Investment Trust. A tax regime which in the UK exempts participants from corporation tax both on UK rental income and gains arising on UK investment property sales, subject to certain requirements.
Rent collection	Rent collected as a percentage of rent due for a particular period after taking account of any rent concessions granted for the relevant period.

Rents passing for reversion	Passing rent adjusted for lease incentives and inclusive costs to be on a net effective basis. This will increase or decrease due to changes to rents passing at rent review or the next lease event (i.e. expiry or break), or by leasing vacant space or space undergoing reconfiguration.
Reported Group	The financial results as presented under IFRS.
Reversionary or under-rented	The amount, or percentage, by which the ERV exceeds the rent passing for reversion.
RIDDOR	A health and safety reporting obligation to report deaths, injuries, diseases and 'dangerous occurrences' at work, including near misses, under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013.
Scope 1 emissions	Direct emissions from owned or controlled sources.
Scope 2 emissions	Indirect emissions from the generation of purchased energy.
Scope 3 emissions	All indirect emissions (not included in Scope 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions.
SAICA	South African Institute of Chartered Accountants.
SIIC	Sociétés d'Investissements Immobiliers Côtées. A tax regime in France which exempts participants from the French tax on property income and gains subject to certain requirements.
SONIA	Sterling Overnight Index Average.
Task Force on Climate-related Financial Disclosures ('TCFD')	An organisation established with the goal of developing a set of voluntary climate-related financial risk disclosures to be adopted by companies to inform investors and the public about the risks they face relating to climate change.
Task Force on Climate-related Financial Disclosures ('TNFD')	An organisation established with the goal of developing a set of voluntary nature-related financial risk disclosures to be adopted by companies to inform investors and the public about the risks they face relating to climate change.
Temporary lease	A lease with a period of one year or less, measured to the earlier of lease expiry or occupier break.
Total accounting return ('TAR')	The growth in EPRA NTA per share plus dividends paid, expressed as a percentage of EPRA NTA per share at the beginning of the period. The return excludes the dilution impact from scrip dividends.
Total development cost	All capital expenditure on a development or other major project, including capitalised interest.
Total property return ('TPR') (or total return)	NRI, excluding the change in provision for amounts not yet recognised in the income statement, and capital growth expressed as a percentage of the opening book value of property adjusted for capital expenditure, calculated on a monthly time-weighted and constant currency basis.
Total shareholder return ('TSR')	Dividends and capital growth in a Company's share price, expressed as a percentage of the share price at the beginning of the period.
Transitional risk	Business risk posed by regulatory and policy changes implemented to tackle climate change.
Turnover rent	Rental income which is linked to an occupier's revenues.
Vacancy rate	The ERV of the area in a property, or portfolio, excluding developments, which is currently available for letting, expressed as a percentage of the ERV of that property or portfolio.
WAULB/WAULT	Weighted average unexpired lease to break/term.
Yield on cost	Passing rents expressed as a percentage of the total development cost of a project or property.

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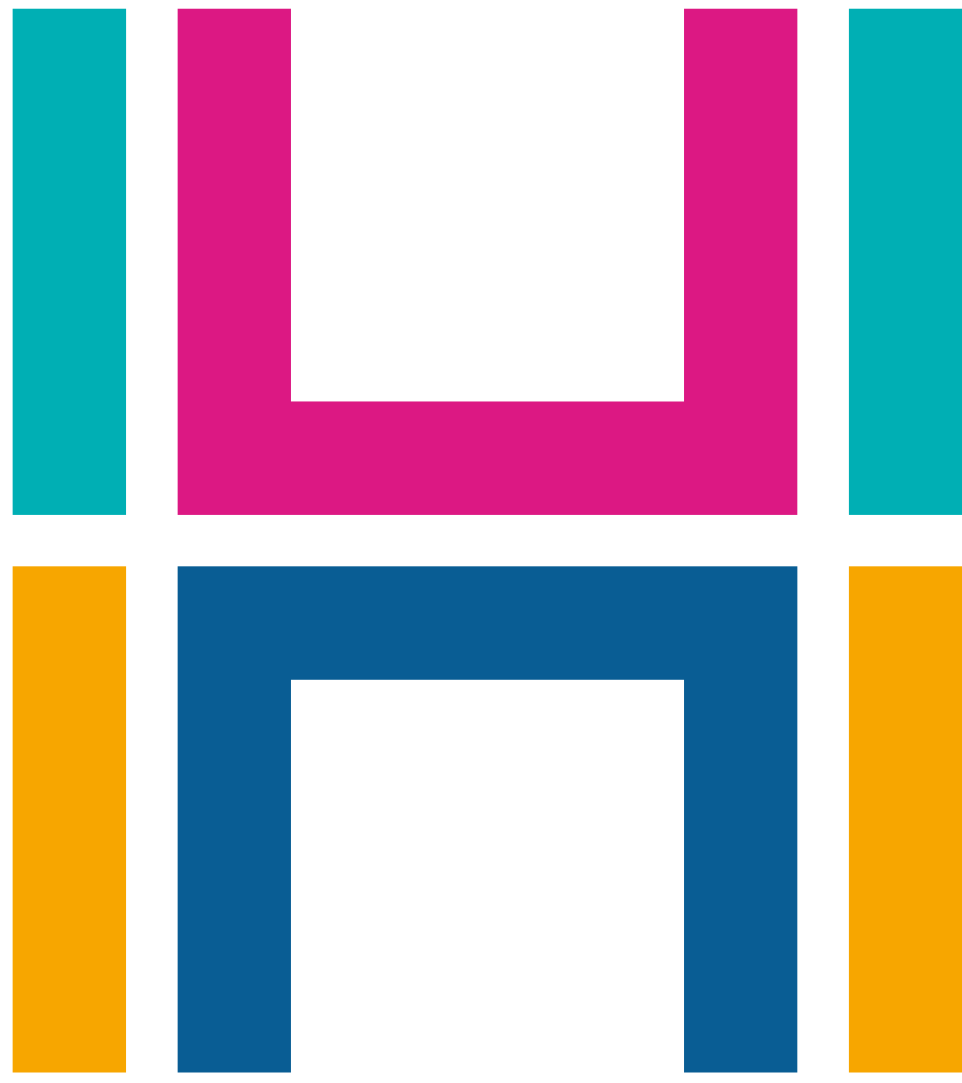

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