

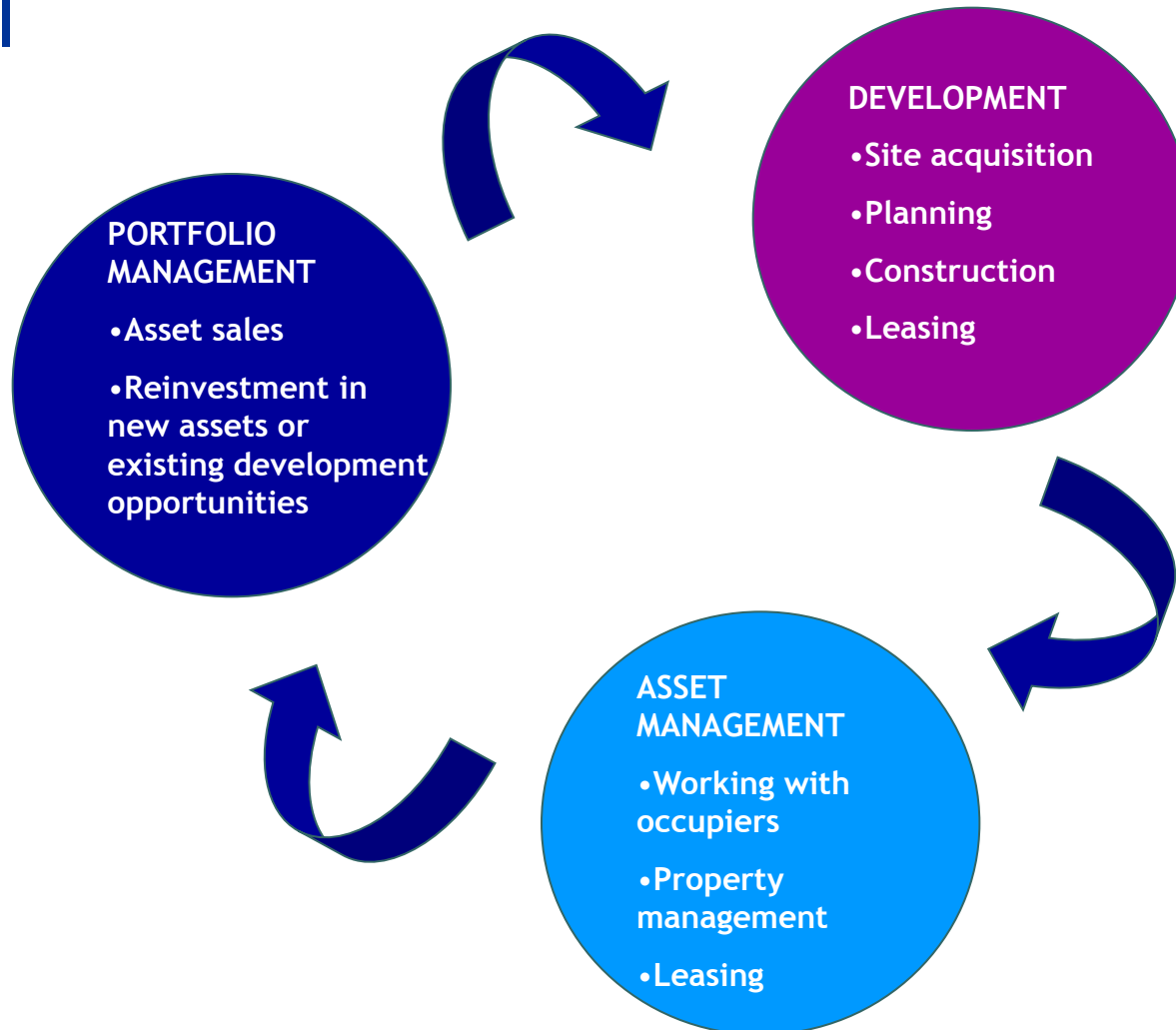


Hammerson

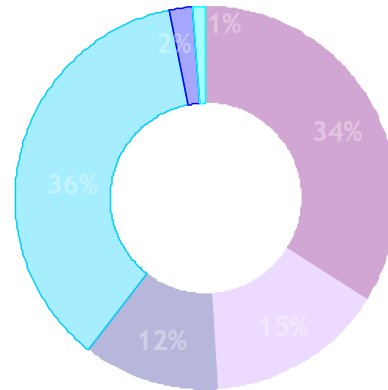
Sustainable property investment and development



The Hammerson life cycle



High Quality Investment Portfolio



■ UK Shopping Centres ■ UK Retail Parks ■ UK Offices
■ France Retail ■ France Offices ■ Germany

Principal sectors	UK Offices	UK Shopping Centres	UK Retail Parks	French Retail	Group
Passing rent	£39m	£108m	£50m	£97m	£301m
Occupancy rate	80%	93%	94%	98%	93%
Average unexpired lease term	7.6 years	10.1 years	12.9 years	4.5 years	8.2 years

Major regional shopping centres, retail parks and prime City offices



**Cabot Circus,
Bristol**



**Bullring,
Birmingham**



**O'Parinor, Aulnay-
sous Bois (nr Paris)**



**Union Square,
Aberdeen**



**Brent Cross,
London NW4**



**125 Old Broad Street,
London EC2**



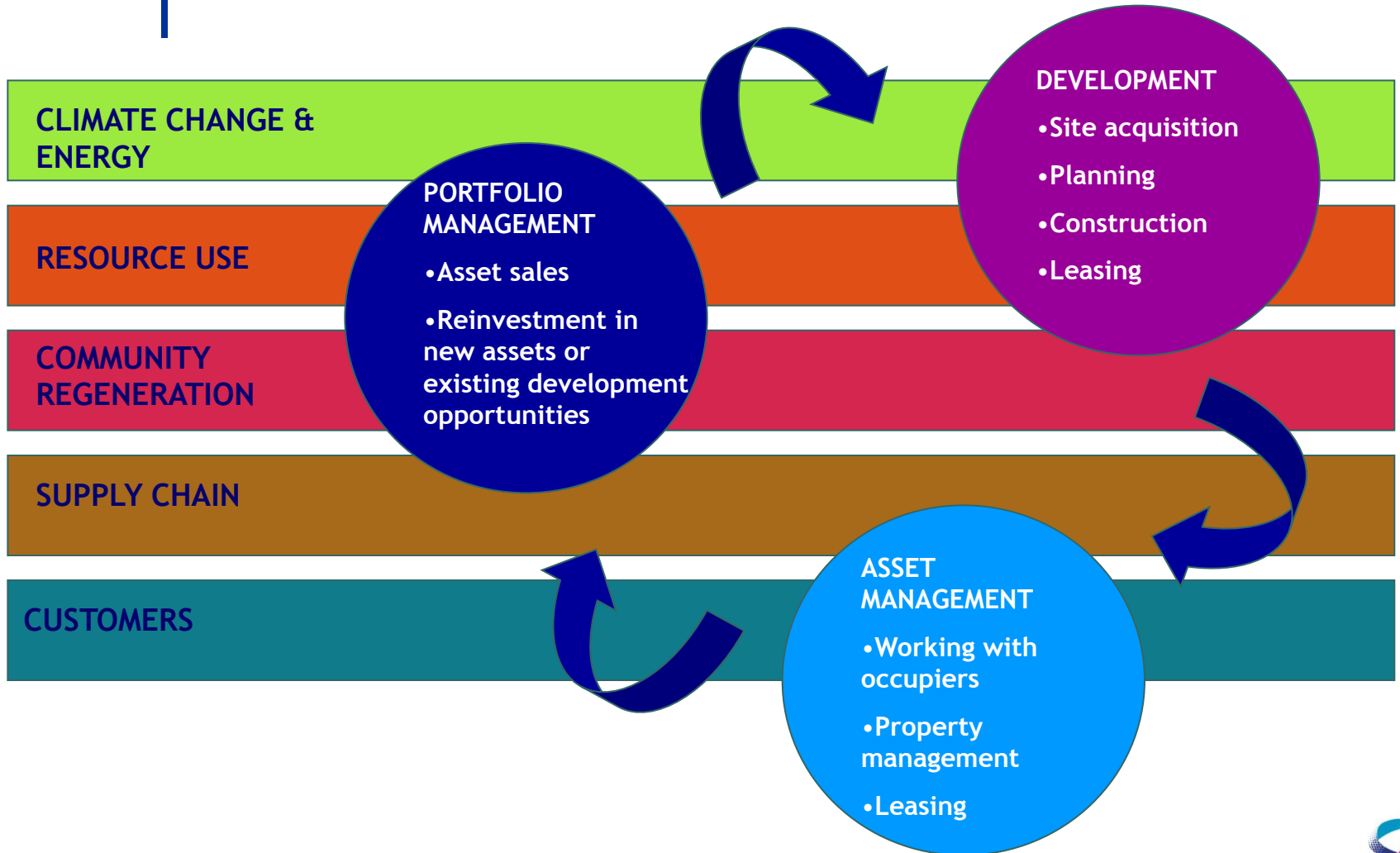
**Italie 2, Paris
13ème**



**99 Bishopsgate,
London EC2**



The Hammerson life cycle





How we manage CR

- CR Group, chaired by Chief Executive, agrees overall strategy and objectives
- Targets set for five material areas
- Targets delivered by three working groups (Operations, Development, Corporate)
- Focus on improving measuring and reporting
- Focus on disclosure through participation in indices (FTSE4Good, DJSI); Global Reporting Initiative and Carbon Disclosure Project



Legislation - an ever-changing landscape

- Consultation on the draft order to Implement the Carbon Reduction Commitments (CRC)
- Consultation on Proposals for Amending Part L and Part F of the Building Regulations
- Consultation on the Government's Heat and Energy Saving Strategy
- Consultation on PPS 4, 5 and 6 - regeneration and social impact assessments
- Consultation on PPS1 and 22 - Renewable energy
- Consultation on Renewable Electricity Financial Incentives
- Transition to a Low Carbon Economy
- Review of the Enhanced Capital Allowances scheme by the Treasury.
- Consultation on the Defra Draft Carbon Reporting Guidance



Environmental management



Climate change & energy

Major initiatives and results

Improving monitoring, measuring and reporting across the portfolio



Ranked top in sector in CDP6 and CDP7; GRI level B

Long-term target to reduce carbon emissions in managed portfolio by 19% in the UK and by 11% in France against a 2006 baseline



L-f-l reductions in carbon emissions of 16% (UK shopping centres); 18% (French shopping centres); 5% (UK offices); 7% (French offices) since 2006.

Focus on environmental objectives in design of developments



Environmental ratings of BREEAM Excellent in UK; HQE in France



Resource Use

Major initiatives and results

Improving monitoring, measuring and reporting of waste and water consumption



Water and Waste audits being completed across the portfolio

Objective to reduce waste across portfolio and increase recycling



73% of UK waste averted from landfill in 2008

Improving Environmental Management systems



EMS ISO14001 accreditation gained for WestQuay shopping centre, Southampton

Creating value through environmental management

CONNECTED REPORTING FRAMEWORK

1

CLIMATE CHANGE AND ENERGY

DIRECT COMPANY IMPACTS

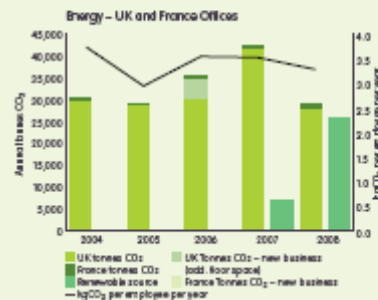
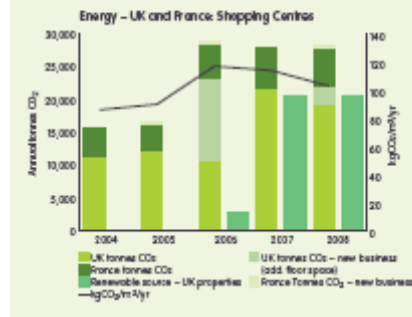
FINANCIAL INDICATOR

ENERGY COST	SUSTAINABLE INVESTMENT	SAVINGS	CARBON OFFSET	CLIMATE CHANGE LEVY
2008	2008	2008	2008	2008
£7,555,502	£1,444,879	£335,200	£11,003	£71,513
2007	2007	2007	2007	2007
£6,223,627	£282,659	£131,671	£13,611	£182,609
2006	2006	2006	2006	2006
£5,515,685	Not measured	Not measured	Not implemented	£205,794

NON-FINANCIAL INDICATOR

RETAIL

OFFICE

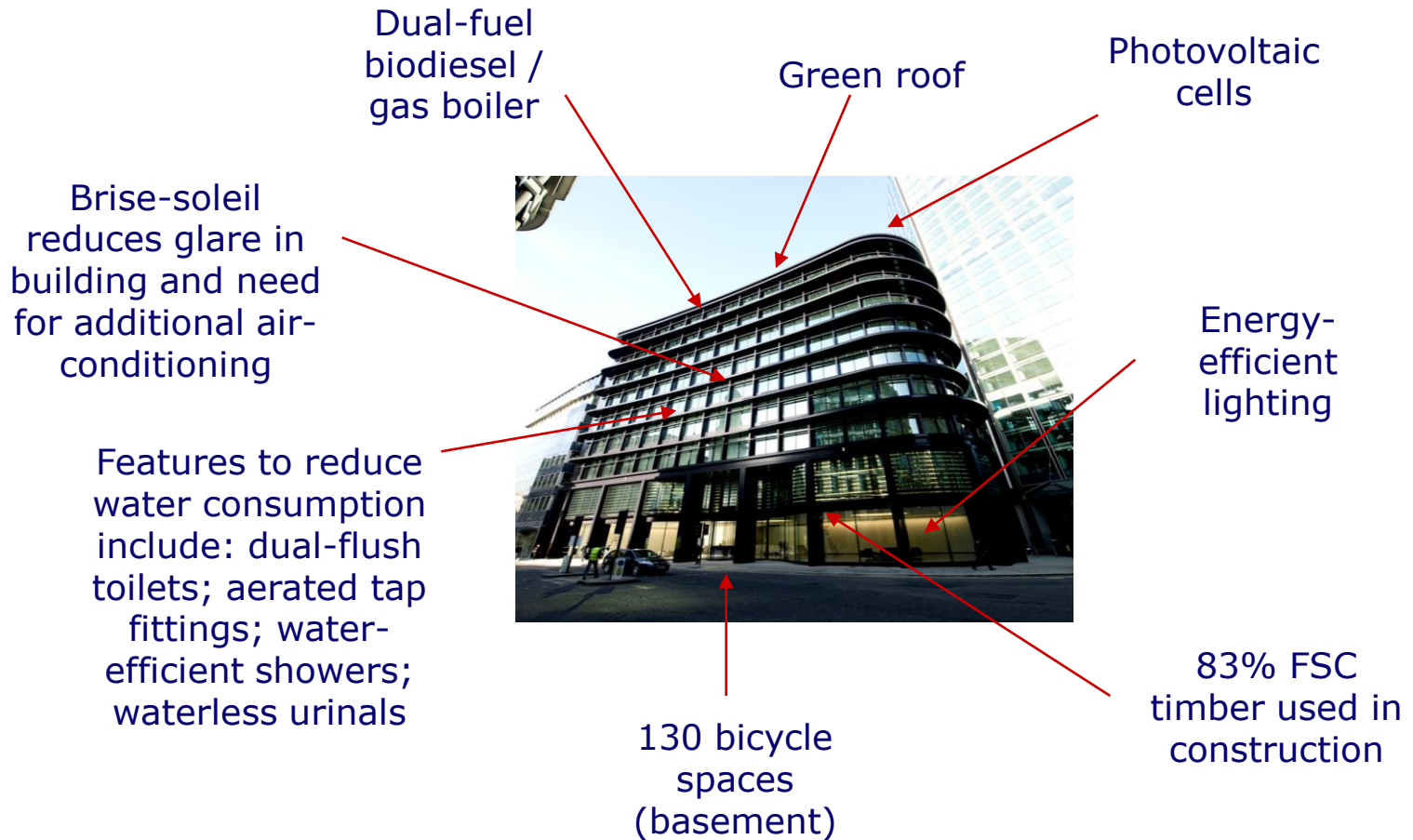


WestQuay Southampton: creating value through saving energy

- Switch from T8 lighting to sensor driven T5 lighting
- Cost £340,000
- Savings £120,000 p.a.
- Carbon saving 750 tonnes p.a.
- Energy saving 23% (despite increasing opening hours by 14% during installation)



60 Threadneedle Street BREEAM Excellent





Community regeneration



Community investment Major initiatives

- Job creation and training programmes
- Community education programmes
- Public art
- Employee volunteering
- Planning and monitoring
- Community Framework

Job creation and training

- 4,000 jobs created in Bristol; 2,000 in Leicester; 1,000 in Aberdeen (2008 - 2009)
- Partnerships with National Skills Academy, Skillsmart, Job Centre Plus and private sector
- Financed through match funding
- Aim to provide education and training programmes for local people and support retailer recruitment
- Programme underway to establish Skills Shops at each of Hammerson's UK shopping centre assets



Work Highcross and Jobs 4 U

Highcross, Leicester

- 72% of people offered jobs at Highcross were previously unemployed
- 52% living in priority wards
- 67% from BME group



Union Square, Aberdeen

- 15,000 people registered with website
- 80% of tenants used service when recruiting
- 30 retailers signed up to Local Employment Partnership
- Six jobs fairs



Community education

- School tours of assets and developments
- Insight tours of head office

Spitalfields Together

- Seminar series
- Partnership between Hammerson, Allen & Overy, Deutsche Bank
- Community manager appointed on 3-year contract
- Commitment of £20,000 p.a



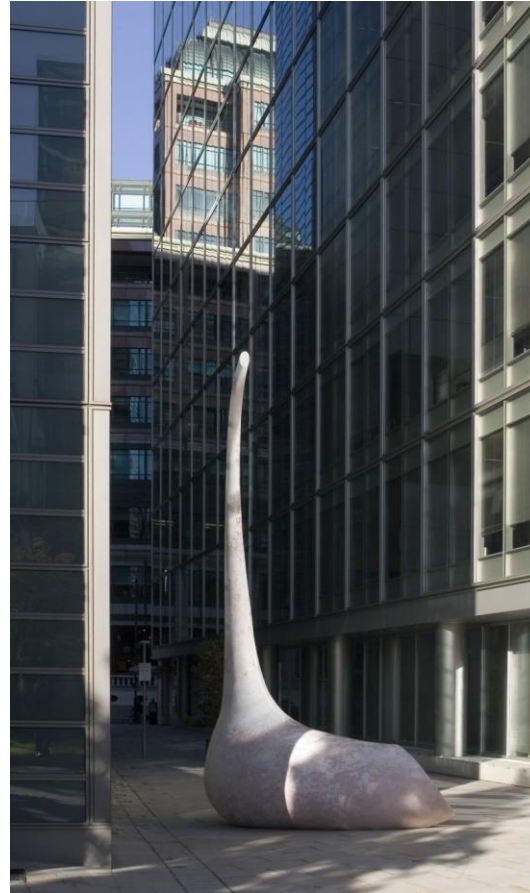
Public art

Cabot Circus

- 20 artists participated in public arts programme
- Artist-in-residence created site-specific artworks

Spitalfields

- Public arts programme since 2005
- Creation of Spitalfields Arts Prize (£45,000 bursary)



Employee volunteering



Planning and monitoring: London Benchmarking Group



Community Investment Tool

Welcome to the Hammerson community investment tool which will enable you to measure and monitor all your community activities

Follow these steps to input data about your community involvement activities

Step 1. Choose your type of business



Developments

Step 2. Choose the property you are reporting for



10 Grosvenor Street, London

Step 3. Add information about the inputs and results of your activity



Click here to add an Activity

Step 4. Head Office Only: Add information about your running costs and overheads

Click to add running costs and overheads

View all the activities you have entered and see a summary of your total investment in the community using the buttons below:

Click here to view all Activities

Click here to view Summary

If you are having difficulties using this tool or need any help, then please contact **Mari Frengstad** on (0)207 887 1846 or email her at mari.frengstad@hammerson.com

Hammerson uses the London Benchmarking Group (LBG) model to assess its community investment. You can find out more information about the LBG via the link below [London Benchmarking Group](#)





Investor feedback

Feedback

- Improve employee training and development
- Improve Environmental Management Systems
- Implement biodiversity strategy
- Create a sustainable supply chain
- Sign Copenhagen communique

Solutions

- Internal training and development plan completed Jan 2010
- ISO14001 being rolled out across the portfolio
- Biodiversity strategy will be developed end 2009
- Sustainability questionnaire being issued to all suppliers
- Signed Copenhagen communique



Future

- Carbon reporting
- Carbon Reduction Commitments
- Deliver Display Energy Certificates
- Develop new long term targets
- Increase tenant engagement
- Set community engagement strategy for new and existing portfolio
- Increase focus on supply chain



Bishops Square, Spitalfields

- Major private sector partner in three regeneration companies
- Creation of Spitalfields Employment Agency, investing £500,000 in local employment training and mentoring
- Education programme for 1,500 local children
- £1.3 million committed to support growth of small business sector in local area
- £5 million Spitalfields Market Community Trust set up in partnership with the City of London
- Section 106 contributions including £1 million Banglatown Art and Culture trail; £2.2 million in street scene improvements; and £1.7 million contribution to local park areas
- Seven-year programme of temporary uses brought site to life pre-construction
- Photovoltaic panels (grant-supported)
- Retail units recycle 50% of waste
- Attractive landscape and public space hosting events



Summary

- Sustainability integrated into business approach
- Focus on monitoring and measuring
- Creating value through efficient environmental management and investment in communities
- Reduces risk in advance of legislation



Disclaimer

This presentation contains certain statements that are neither reported financial results nor other historical information. These statements are forward-looking in nature and are subject to risks and uncertainties. Actual future results may differ materially from those expressed in or implied by these statements.

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