UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

FOR THE QUARTERLY PERIOD ENDED JUNE 30, 2023

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission file number 1-7933

Aon plc

(Exact Name of Registrant as Specified in Its Charter)

IRELAND	**98-1539969**
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)
Metropolitan Building, James Joyce Street, Dublin 1, Ireland	**D01 K0Y8**
(Address of principal executive offices)	(Zip Code)

+353 1 266 6000
(Registrant's Telephone Number,
Including Area Code)
Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A Ordinary Shares $0.01 nominal value	AON	New York Stock Exchange
Guarantees of Aon plc's 4.00% Senior Notes due 2023	AON23	New York Stock Exchange
Guarantees of Aon plc's 3.50% Senior Notes due 2024	AON24	New York Stock Exchange
Guarantees of Aon plc's 3.875% Senior Notes due 2025	AON25	New York Stock Exchange
Guarantees of Aon plc's 2.875% Senior Notes due 2026	AON26	New York Stock Exchange
Guarantees of Aon Corporation and Aon Global Holdings plc's 2.85% Senior Notes due 2027	AON27	New York Stock Exchange
Guarantees of Aon Corporation and Aon Global Holdings plc's 2.05% Senior Notes due 2031	AON31	New York Stock Exchange
Guarantees of Aon Corporation and Aon Global Holdings plc's 2.60% Senior Notes due 2031	AON31A	New York Stock Exchange
Guarantees of Aon Corporation and Aon Global Holdings plc's 5.00% Senior Notes due 2032	AON32	New York Stock Exchange
Guarantees of Aon Corporation and Aon Global Holdings plc's 5.35% Senior Notes due 2033	AON33	New York Stock Exchange
Guarantees of Aon plc's 4.25% Senior Notes due 2042	AON42	New York Stock Exchange
Guarantees of Aon plc's 4.45% Senior Notes due 2043	AON43	New York Stock Exchange
Guarantees of Aon plc's 4.60% Senior Notes due 2044	AON44	New York Stock Exchange
Guarantees of Aon plc's 4.75% Senior Notes due 2045	AON45	New York Stock Exchange
Guarantees of Aon Corporation and Aon Global Holdings plc's 2.90% Senior Notes due 2051	AON51	New York Stock Exchange
Guarantees of Aon Corporation and Aon Global Holdings plc's 3.90% Senior Notes due 2052	AON52	New York Stock Exchange

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Number of class A ordinary shares of Aon plc, $0.01 nominal value, outstanding as of July 27, 2023: 202,866,793

INFORMATION CONCERNING FORWARD-LOOKING STATEMENTS

This report contains certain statements related to future results, or states our intentions, beliefs, and expectations or predictions for the future, all of which are forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. Forward-looking statements represent management's expectations or forecasts of future events. Forward-looking statements are typically identified by words such as "anticipate," "believe," "estimate," "expect," "forecast," "project," "intend," "plan," "probably," "potential," "looking forward," "continue," and other similar terms, and future or conditional tense verbs like "could," "may," "might," "should," "will," and "would." You can also identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. For example, we may use forward-looking statements when addressing topics such as: market and industry conditions, including competitive and pricing trends; changes in our business strategies and methods of generating revenue; the development and performance of our services and products; changes in the composition or level of our revenues; our cost structure and the outcome of cost-saving or restructuring initiatives; the outcome of contingencies; dividend policy; the expected impact of acquisitions, dispositions, and other significant transactions or the termination thereof; litigation and regulatory matters; pension obligations; cash flow and liquidity; expected effective tax rate; expected foreign currency translation impacts; potential changes in laws or future actions by regulators; and the impact of changes in accounting rules. These forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from either historical or anticipated results depending on a variety of factors. Potential factors, which may be revised or supplemented in subsequent reports filed or furnished with the Securities and Exchange Commission, that could impact results include:

- changes in the competitive environment, due to macroeconomic conditions (including impacts from instability in the banking or commercial real estate sectors) or otherwise, or damage to our reputation;
- fluctuations in currency exchange, interest or inflation rates that could impact our financial condition or results;
- changes in global equity and fixed income markets that could affect the return on invested assets;
- changes in the funded status of our various defined benefit pension plans and the impact of any increased pension funding resulting from those changes;
- the level of our debt and the terms thereof reducing our flexibility or increasing borrowing costs;
- rating agency actions that could limit our access to capital and our competitive position;
- our global tax rate being subject to a variety of different factors, including the adoption and implementation in the European Union, the United States, the United Kingdom, or other countries of the Organization for Economic Co-operation and Development tax proposals or other pending proposals in those and other countries, which could create volatility in that tax rate;
- changes in our accounting estimates and assumptions on our financial statements;
- limits on our subsidiaries' ability to pay dividends or otherwise make payments to us;
- the impact of legal proceedings and other contingencies, including those arising from acquisition or disposition transactions, errors and omissions and other claims against us;
- the impact of, and potential challenges in complying with, laws and regulations of the jurisdictions in which we operate, particularly given the global nature of operations and the possibility of differing or conflicting laws and regulations, or the application or interpretation thereof, across such jurisdictions;
- the impact of any regulatory investigations brought in Ireland, the United Kingdom, the United States, and other countries;
- failure to protect intellectual property rights or allegations that we have infringed on the intellectual property rights of others;
- general economic and political conditions in the countries in which we do business around the world;
- the failure to retain, attract and develop experienced and qualified personnel;
- international risks associated with our global operations, including impacts from military conflicts or political instability, such as the ongoing Russian war in Ukraine;
- the effects of natural or man-made disasters, including the effects of the COVID-19 pandemic and other health pandemics and the impacts of climate change;

- any system or network disruption or breach resulting in operational interruption or improper disclosure of confidential, personal, or proprietary data, and resulting liabilities or damage to our reputation;
- our ability to develop, implement, update and enhance new technology;
- the actions taken by third parties that perform aspects of our business operations and client services;
- the extent to which we are exposed to certain risks, including lawsuits, related to our actions we may take in being responsible for making decisions on behalf of clients in our investment businesses or in other advisory services that we currently provide, or will provide in the future;
- our ability to continue, and the costs and risks associated with, growing, developing and integrating acquired business, and entering into new lines of business or products;
- our ability to secure regulatory approval and complete transactions, and the costs and risks associated with the failure to consummate proposed transactions;
- changes in commercial property and casualty markets, commercial premium rates or methods of compensation;
- our ability to develop and implement innovative growth strategies and initiatives intended to yield cost savings and the ability to achieve such growth or cost savings; and
- the effects of Irish law on our operating flexibility and the enforcement of judgments against us.

Any or all of our forward-looking statements may turn out to be inaccurate, and there are no guarantees about our performance. The factors identified above are not exhaustive. Aon and its subsidiaries operate in a dynamic business environment in which new risks may emerge frequently. Accordingly, readers should not place undue reliance on forward-looking statements, which speak only as of the dates on which they are made. We are under no (and expressly disclaim any) obligation to update or alter any forward-looking statement that we may make from time to time, whether as a result of new information, future events, or otherwise. Further information about factors that could materially affect Aon, including our results of operations and financial condition, is contained in the “Risk Factors” section in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2022.

These factors may be revised or supplemented in our subsequent periodic filings with the SEC.

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The below definitions apply throughout this report unless the context requires otherwise:

Term	Definition
AUM	Assets Under Management
CODM	Chief Operating Decision Maker
DCF	Discounted Cash Flow
E&O	Errors and Omissions
EBITDA	Earnings Before Interest, Taxes, Depreciation, and Amortization
EMEA	Europe, the Middle East, and Africa
ERISA	Employee Retirement Income Security Act of 1974
ESG	Environmental, Social, and Governance
FCA	Financial Conduct Authority
GAAP	Generally Accepted Accounting Principles
IPO	Initial Public Offering
ISP	Incentive Stock Program
LOC	Letter of Credit
LPP	Leadership Performance Program
M&A	Mergers and Acquisitions
OECD	Organisation for Economic Co-operation and Development
P&C	Property and Casualty
PSU	Performance Share Units
SEC	Securities and Exchange Commission
U.K.	United Kingdom
U.S.	United States

Part I Financial Information
Item 1. Financial Statements

Aon plc
Condensed Consolidated Statements of Income
(Unaudited)

(millions, except per share data)	Three Months Ended June 30, 2023	Three Months Ended June 30, 2022	Six Months Ended June 30, 2023	Six Months Ended June 30, 2022
Revenue				
Total revenue	$ 3,177	$ 2,983	$ 7,048	$ 6,653
Expenses				
Compensation and benefits	1,754	1,639	3,546	3,406
Information technology	129	115	268	238
Premises	68	73	143	145
Depreciation of fixed assets	39	40	77	78
Amortization and impairment of intangible assets	25	25	50	53
Other general expense	320	391	649	666
Total operating expenses	2,335	2,283	4,733	4,586
Operating income	842	700	2,315	2,067
Interest income	5	5	10	8
Interest expense	(130)	(102)	(241)	(193)
Other income (expense)	(59)	30	(84)	55
Income before income taxes	658	633	2,000	1,937
Income tax expense	83	119	346	375
Net income	575	514	1,654	1,562
Less: Net income attributable to noncontrolling interests	15	13	44	38
Net income attributable to Aon shareholders	$ 560	$ 501	$ 1,610	$ 1,524
Basic net income per share attributable to Aon shareholders	$ 2.74	$ 2.35	$ 7.84	$ 7.11
Diluted net income per share attributable to Aon shareholders	$ 2.71	$ 2.33	$ 7.79	$ 7.07
Weighted average ordinary shares outstanding - basic	204.7	213.3	205.4	214.3
Weighted average ordinary shares outstanding - diluted	206.3	214.7	206.7	215.6

See accompanying Notes to Condensed Consolidated Financial Statements (Unaudited).

Aon plc

Condensed Consolidated Statements of Comprehensive Income

(Unaudited)

(millions)	Three Months Ended June 30, 2023	Three Months Ended June 30, 2022	Six Months Ended June 30, 2023	Six Months Ended June 30, 2022
Net income	$ 575	$ 514	$ 1,654	$ 1,562
Less: Net income attributable to noncontrolling interests	15	13	44	38
Net income attributable to Aon shareholders	560	501	1,610	1,524
Other comprehensive income, net of tax:				
Change in fair value of financial instruments	8	(9)	11	(8)
Foreign currency translation adjustments	174	(436)	228	(443)
Postretirement benefit obligation	24	28	46	61
Total other comprehensive income (loss)	206	(417)	285	(390)
Less: Other comprehensive loss attributable to noncontrolling interests	—	—	—	(1)
Total other comprehensive income (loss) attributable to Aon shareholders	206	(417)	285	(389)
Comprehensive income attributable to Aon shareholders	$ 766	$ 84	$ 1,895	$ 1,135

See accompanying Notes to Condensed Consolidated Financial Statements (Unaudited).

Aon plc

Condensed Consolidated Statements of Financial Position

(millions, except nominal value)	(Unaudited) June 30, 2023	December 31, 2022
Assets		
Current assets		
Cash and cash equivalents	$ 952	$ 690
Short-term investments	200	452
Receivables, net	3,764	3,035
Fiduciary assets	18,193	15,900
Other current assets	840	646
Total current assets	23,949	20,723
Goodwill	8,360	8,292
Intangible assets, net	268	447
Fixed assets, net	639	558
Operating lease right-of-use assets	678	699
Deferred tax assets	963	824
Prepaid pension	691	652
Other non-current assets	501	509
Total assets	$ 36,049	$ 32,704
Liabilities and equity (deficit)		
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	$ 1,625	$ 2,114
Short-term debt and current portion of long-term debt	1,338	945
Fiduciary liabilities	18,193	15,900
Other current liabilities	1,793	1,347
Total current liabilities	22,949	20,306
Long-term debt	9,989	9,825
Non-current operating lease liabilities	675	693
Deferred tax liabilities	120	99
Pension, other postretirement, and postemployment liabilities	1,159	1,186
Other non-current liabilities	995	1,024
Total liabilities	35,887	33,133
Equity (deficit)		
Ordinary shares - $0.01 nominal value Authorized: 500.0 shares (issued: 2023 - 203.2; 2022 - 205.4)	2	2
Additional paid-in capital	6,906	6,864
Accumulated deficit	(2,505)	(2,772)
Accumulated other comprehensive loss	(4,338)	(4,623)
Total Aon shareholders' equity (deficit)	65	(529)
Noncontrolling interests	97	100
Total equity (deficit)	162	(429)
Total liabilities and equity	$ 36,049	$ 32,704

See accompanying Notes to Condensed Consolidated Financial Statements (Unaudited).

Aon plc
Condensed Consolidated Statements of Shareholders' Equity (Deficit)
(Unaudited)

(millions)	Shares	Ordinary Shares and Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss, Net of Tax	Non-controlling Interests	Total
Balance at January 1, 2023	205.4	$ 6,866	$ (2,772)	$ (4,623)	$ 100	$ (429)
Net income	—	—	1,050	—	29	1,079
Shares issued - employee stock compensation plans	0.9	(131)	(1)	—	—	(132)
Shares repurchased	(1.8)	—	(550)	—	—	(550)
Share-based compensation expense	—	127	—	—	—	127
Dividends to shareholders ($0.56 per share)	—	—	(115)	—	—	(115)
Net change in fair value of financial instruments	—	—	—	3	—	3
Net foreign currency translation adjustments	—	—	—	54	—	54
Net postretirement benefit obligation	—	—	—	22	—	22
Dividends paid to noncontrolling interests on subsidiary common stock	—	—	—	—	(1)	(1)
Balance at March 31, 2023	204.5	$ 6,862	$ (2,388)	$ (4,544)	$ 128	$ 58
Net income	—	—	560	—	15	575
Shares issued - employee stock compensation plans	0.4	(52)	—	—	—	(52)
Shares repurchased	(1.7)	—	(550)	—	—	(550)
Share-based compensation expense	—	99	—	—	—	99
Dividends to shareholders ($0.615 per share)	—	—	(127)	—	—	(127)
Net change in fair value of financial instruments	—	—	—	8	—	8
Net foreign currency translation adjustments	—	—	—	174	—	174
Net postretirement benefit obligation	—	—	—	24	—	24
Purchases of subsidiary shares from noncontrolling interests	—	(1)	—	—	(1)	(2)
Dividends paid to noncontrolling interests on subsidiary common stock	—	—	—	—	(45)	(45)
Balance at June 30, 2023	203.2	$ 6,908	$ (2,505)	$ (4,338)	$ 97	$ 162

(millions)	Shares	Ordinary Shares and Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss, Net of Tax	Non-controlling Interests	Total
Balance at January 1, 2022	214.8	$ 6,626	$ (1,694)	$ (3,871)	$ 97	$ 1,158
Net income	—	—	1,023	—	25	1,048
Shares issued - employee stock compensation plans	0.9	(116)	—	—	—	(116)
Shares repurchased	(2.8)	—	(828)	—	—	(828)
Share-based compensation expense	—	119	—	—	—	119
Dividends to shareholders ($0.51 per share)	—	—	(110)	—	—	(110)
Net change in fair value of financial instruments	—	—	—	1	—	1
Net foreign currency translation adjustments	—	—	—	(6)	(1)	(7)
Net postretirement benefit obligation	—	—	—	33	—	33
Dividends paid to noncontrolling interests on subsidiary common stock	—	—	—	—	(7)	(7)
Balance at March 31, 2022	212.9	$ 6,629	$ (1,609)	$ (3,843)	$ 114	$ 1,291
Net income	—	—	501	—	13	514
Shares issued - employee stock compensation plans	0.4	(50)	—	—	—	(50)
Shares repurchased	(1.7)	—	(500)	—	—	(500)
Share-based compensation expense	—	92	—	—	—	92
Dividends to shareholders ($0.56 per share)	—	—	(119)	—	—	(119)
Net change in fair value of financial instruments	—	—	—	(9)	—	(9)
Net foreign currency translation adjustments	—	—	—	(436)	—	(436)
Net postretirement benefit obligation	—	—	—	28	—	28
Dividends paid to noncontrolling interests on subsidiary common stock	—	—	—	—	(23)	(23)
Balance at June 30, 2022	211.6	$ 6,671	$ (1,727)	$ (4,260)	$ 104	$ 788

See accompanying Notes to Condensed Consolidated Financial Statements (Unaudited).

Aon plc

Condensed Consolidated Statements of Cash Flows

(Unaudited)

(millions)	Six Months Ended June 30, 2023	2022
Cash flows from operating activities		
Net income	$ 1,654	$ 1,562
Adjustments to reconcile net income to cash provided by operating activities:		
Gain from sales of businesses	—	(47)
Depreciation of fixed assets	77	78
Amortization and impairment of intangible assets	50	53
Share-based compensation expense	226	211
Deferred income taxes	(168)	(36)
Other, net	28	1
Change in assets and liabilities:		
Receivables, net	(704)	(674)
Accounts payable and accrued liabilities	(515)	(408)
Current income taxes	53	137
Pension, other postretirement and postemployment liabilities	(3)	(37)
Other assets and liabilities	433	291
Cash provided by operating activities	1,131	1,131
Cash flows from investing activities		
Proceeds from investments	54	65
Purchases of investments	(29)	(39)
Net sales of short-term investments - non fiduciary	255	38
Acquisition of businesses, net of cash and funds held on behalf of clients	(8)	(143)
Sale of businesses, net of cash and funds held on behalf of clients	1	22
Capital expenditures	(145)	(68)
Cash provided by (used for) investing activities	128	(125)
Cash flows from financing activities		
Share repurchase	(1,100)	(1,328)
Proceeds from issuance of shares	33	26
Cash paid for employee taxes on withholding shares	(216)	(192)
Commercial paper issuances, net of repayments	(217)	(409)
Issuance of debt	744	1,471
Increase in fiduciary liabilities, net of fiduciary receivables	999	661
Cash dividends to shareholders	(241)	(229)
Noncontrolling interests and other financing activities	(41)	(37)
Cash used for financing activities	(39)	(37)
Effect of exchange rates on cash and cash equivalents and funds held on behalf of clients	203	(423)
Net increase in cash and cash equivalents and funds held on behalf of clients	1,423	546
Cash, cash equivalents and funds held on behalf of clients at beginning of period	7,076	6,645
Cash, cash equivalents and funds held on behalf of clients at end of period	$ 8,499	$ 7,191
Reconciliation of cash and cash equivalents and funds held on behalf of clients:		
Cash and cash equivalents	$ 952	$ 740
Cash and cash equivalents classified as held for sale	9	—
Funds held on behalf of clients	7,538	6,451
Total cash and cash equivalents and funds held on behalf of clients	$ 8,499	$ 7,191
Supplemental disclosures:		
Interest paid	$ 220	$ 155
Income taxes paid, net of refunds	$ 461	$ 275

See accompanying Notes to Condensed Consolidated Financial Statements (Unaudited).

Notes to Condensed Consolidated Financial Statements (Unaudited)

1. Basis of Presentation

The accompanying Condensed Consolidated Financial Statements and Notes thereto have been prepared in accordance with U.S. GAAP. The Condensed Consolidated Financial Statements include the accounts of Aon plc and all of its controlled subsidiaries ("Aon" or the "Company"). Intercompany accounts and transactions have been eliminated. The Condensed Consolidated Financial Statements include, in the opinion of management, all adjustments (consisting of normal recurring adjustments and reclassifications) necessary to present fairly the Company's consolidated financial position, results of operations, and cash flows for all periods presented.

Certain information and disclosures normally included in the Consolidated Financial Statements prepared in accordance with U.S. GAAP have been condensed or omitted. The Condensed Consolidated Financial Statements should be read in conjunction with the Consolidated Financial Statements and Notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2022. The results for the three and six months ended June 30, 2023 are not necessarily indicative of operating results that may be expected for the full year ending December 31, 2023.

Use of Estimates

The preparation of the accompanying Condensed Consolidated Financial Statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the Condensed Consolidated Financial Statements, and the reported amounts of reserves and expenses. These estimates and assumptions are based on management's best estimates and judgments. Management evaluates its estimates and assumptions on an ongoing basis using historical experience and other factors, including the current economic environment. Management believes its estimates to be reasonable given the current facts available. Aon adjusts such estimates and assumptions when facts and circumstances dictate. Illiquid credit markets, volatile equity markets, and foreign currency exchange rate movements increase the uncertainty inherent in such estimates and assumptions. As future events and their effects cannot be determined with precision, actual results could differ significantly from these estimates. Changes in estimates resulting from continuing changes in the economic environment would, if applicable, be reflected in the Condensed Consolidated Financial Statements in future periods.

2. Accounting Principles and Practices

All issued, but not yet effective, guidance has been deemed not applicable or not significant to the Condensed Consolidated Financial Statements.

3. Revenue from Contracts with Customers

Disaggregation of Revenue

The following table summarizes revenue from contracts with customers by principal service line (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Commercial Risk Solutions	$ 1,774	$ 1,692	$ 3,552	$ 3,411
Reinsurance Solutions	607	537	1,684	1,513
Health Solutions	447	414	1,118	1,052
Wealth Solutions	352	343	702	688
Eliminations	(3)	(3)	(8)	(11)
Total revenue	$ 3,177	$ 2,983	$ 7,048	$ 6,653

Consolidated revenue from contracts with customers by geographic area, which is attributed on the basis of where the services are performed, is as follows (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
United States	$ 1,427	$ 1,339	$ 2,922	$ 2,756
Americas other than United States	308	288	609	564
United Kingdom	506	489	1,060	1,017
Ireland	28	25	58	54
Europe, Middle East, & Africa other than United Kingdom and Ireland	512	469	1,614	1,527
Asia Pacific	396	373	785	735
Total revenue	$ 3,177	$ 2,983	$ 7,048	$ 6,653

Contract Costs

An analysis of the changes in the net carrying amount of costs to fulfill contracts with customers are as follows (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Balance at beginning of period	$ 257	$ 254	$ 355	$ 361
Additions	355	354	717	702
Amortization	(373)	(361)	(835)	(818)
Impairment	—	—	—	—
Foreign currency translation and other	3	(8)	5	(6)
Balance at end of period	$ 242	$ 239	$ 242	$ 239

An analysis of the changes in the net carrying amount of costs to obtain contracts with customers are as follows (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Balance at beginning of period	$ 183	$ 184	$ 185	$ 179
Additions	13	12	23	27
Amortization	(13)	(12)	(25)	(24)
Impairment	—	—	—	—
Foreign currency translation and other	3	(2)	3	—
Balance at end of period	$ 186	$ 182	$ 186	$ 182

4. Cash and Cash Equivalents and Short-Term Investments

Cash and cash equivalents include cash balances and all highly liquid instruments with initial maturities of three months or less. Short-term investments consist of money market funds. The estimated fair value of Cash and cash equivalents and Short-term investments approximates their carrying values.

At June 30, 2023, Cash and cash equivalents and Short-term investments were $1,152 million compared to $1,142 million at December 31, 2022, an increase of $10 million. Of the total balances, $115 million were restricted as to their use at June 30, 2023 and December 31, 2022, respectively. Included within Short-term investments as of June 30, 2023 and December 31, 2022, were £63.2 million ($80.3 million at June 30, 2023 exchange rates) and £60.1 million ($72.5 million at December 31, 2022 exchange rates), respectively, of operating funds required to be held by the Company in the U.K. by the FCA, a U.K.-based regulator.

5. Other Financial Data

Condensed Consolidated Statements of Income Information

Other Income (Expense)

Other income (expense) consists of the following (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Pension and other postretirement	$ (43)	$ (3)	$ (60)	$ (6)
Foreign currency remeasurement	(37)	27	(56)	(1)
Gain from sales of businesses	—	22	—	47
Equity earnings	(1)	3	2	4
Financial instruments and other	22	(19)	30	11
Total	$ (59)	$ 30	$ (84)	$ 55

Condensed Consolidated Statements of Financial Position Information

Allowance for Doubtful Accounts

Changes in the net carrying amount of allowance for doubtful accounts are as follows (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Balance at beginning of period	$ 83	$ 93	$ 76	$ 90
Provision	2	4	9	10
Accounts written off, net of recoveries	(3)	(9)	(3)	(12)
Foreign currency translation and other	1	3	1	3
Balance at end of period	$ 83	$ 91	$ 83	$ 91

Other Current Assets

The components of Other current assets are as follows (in millions):

As of	June 30, 2023	December 31, 2022
Assets held for sale (1)	$ 288	$ —
Costs to fulfill contracts with customers (2)	242	355
Prepaid expenses	164	109
Taxes receivable	51	74
Other	95	108
Total	$ 840	$ 646

(1) Refer to Note 6 “Acquisitions and Dispositions of Businesses” for further information.
(2) Refer to Note 3 “Revenue from Contracts with Customers” for further information.

Other Non-Current Assets

The components of Other non-current assets are as follows (in millions):

As of		June 30, 2023		December 31, 2022
Costs to obtain contracts with customers (1)	$	186	$	185
Taxes receivable		105		109
Investments		45		60
Leases		35		43
Other		130		112
Total	$	501	$	509

(1) Refer to Note 3 “Revenue from Contracts with Customers” for further information.

Other Current Liabilities

The components of Other current liabilities are as follows (in millions):

As of		June 30, 2023		December 31, 2022
Deferred revenue (1)	$	355	$	250
Taxes payable		228		193
Leases		184		186
Liabilities held for sale (2)		35		—
Other		991		718
Total	$	1,793	$	1,347

(1) During the three and six months ended June 30, 2023, revenue of $169 million and $336 million, respectively, was recognized in the Condensed Consolidated Statements of Income. During the three and six months ended June 30, 2022, revenue of $170 million and $373 million, respectively, was recognized in the Condensed Consolidated Statements of Income.

(2) Refer to Note 6 “Acquisitions and Dispositions of Businesses” for further information.

Other Non-Current Liabilities

The components of Other non-current liabilities are as follows (in millions):

As of		June 30, 2023		December 31, 2022
Taxes payable (1)	$	793	$	795
Compensation and benefits		52		69
Deferred revenue		38		37
Leases		19		28
Other		93		95
Total	$	995	$	1,024

(1) Includes $72 million and $129 million for the non-current portion of the one-time mandatory transition tax on accumulated foreign earnings as of June 30, 2023 and December 31, 2022, respectively.

6. Acquisitions and Dispositions of Businesses

Completed Acquisitions

The Company completed one acquisition during the three and six months ended June 30, 2023. The Company completed one and two acquisitions during the three and six months ended June 30, 2022, respectively.

During the second quarter of 2023, total consideration for the completed acquisition was $9 million, which included cash consideration and contingent consideration of approximately $7 million and $2 million, respectively. The preliminary fair values of assets acquired and liabilities assumed as a result of this transaction were $9 million and less than $1 million, respectively. The results of operations of this acquisition are included in the Financial Statements as of the acquisition date.

2023 Acquisitions

On June 22, 2023, the Company completed the acquisition of 100% of the share capital of Benefits Corredores de Seguros and Asesorías e Inversiones Benefits, a business that provides health and benefits brokerage and benefit administration in Chile.

2022 Acquisitions

On November 1, 2022, the Company completed the acquisition of 100% of the share capital of E.R.N. Evaluacion de Riesgos Naturales y Antropogenicos, S.A. de C.V., a Mexico-based firm in risk assessment modeling.

On September 12, 2022, the Company completed the purchase of certain assets of Praxiom Risk Management, a provider of professional risk management in the U.S.

On August 1, 2022, the Company completed the purchase of certain assets of U.S. Advisors, Inc., a broker based in the U.S.

On May 3, 2022, the Company completed the acquisition of 100% of the share capital of Karl Köllner group companies, a marine hull broker based in Germany.

On March 1, 2022, the Company completed the acquisition of Tyche, an actuarial software platform based in the U.K.

Completed Dispositions

The Company completed no dispositions during the three and six months ended June 30, 2023.

The Company completed one and three dispositions during the three and six months ended June 30, 2022, respectively. The pretax gains recognized related to the dispositions were $22 million and $47 million for the three and six months ended June 30, 2022. Gains recognized as a result of a disposition are included in Other income (expense) in the Condensed Consolidated Statements of Income. There were no losses recognized for the three and six months ended June 30, 2022.

Assets and Liabilities Held for Sale

As of June 30, 2023, Aon classified certain assets and liabilities as held for sale, as the Company has committed to a plan to sell the assets and liabilities within one year. Total assets and liabilities held for sale were $288 million and $35 million, respectively.

7. Goodwill and Other Intangible Assets

The changes in the net carrying amount of goodwill for the six months ended June 30, 2023 are as follows (in millions):

Balance as of December 31, 2022	$	8,292
Goodwill related to current year acquisitions		1
Foreign currency translation and other		67
Balance as of June 30, 2023	$	8,360

Other intangible assets by asset class are as follows (in millions):

	June 30, 2023			December 31, 2022		
	Gross Carrying Amount	Accumulated Amortization and Impairment	Net Carrying Amount (1)	Gross Carrying Amount	Accumulated Amortization and Impairment	Net Carrying Amount
Customer-related and contract-based	$ 1,904	$ 1,696	$ 208	$ 2,207	$ 1,833	$ 374
Technology and other (2)	380	320	60	450	377	73
Total	$ 2,284	$ 2,016	$ 268	$ 2,657	$ 2,210	$ 447

(1) In the second quarter of 2023, the Company classified $143 million of Intangible assets, net, as assets held for sale within Other current assets. Refer to Note 6 "Acquisitions and Dispositions of Businesses" for further information.

(2) Includes $14 million of fully amortized intangible assets previously classified as Tradenames which have been reclassified within Technology and other as of December 31, 2022.

The estimated future amortization for finite-lived intangible assets as of June 30, 2023 is as follows (in millions):

Remainder of 2023	$	39
2024		64
2025		54
2026		35
2027		23
2028		17
Thereafter		36
Total	$	268

8. Debt

Notes

In June 2023, Aon Global Limited's $600 million 3.50% Senior Notes due June 2024 were classified as Short-term debt and current portion of long-term debt in the Condensed Consolidated Statement of Financial Position as the date of maturity is in less than one year.

On February 28, 2023, Aon Corporation, a Delaware corporation, and Aon Global Holdings plc, a public limited company formed under the laws of England and Wales, both wholly owned subsidiaries of the Company, co-issued $750 million 5.35% Senior Notes due in February 2033. The Company intends to use the net proceeds from the offering for general corporate purposes.

In November 2022, Aon Global Limited's $350 million 4.00% Senior Notes due November 2023 were classified as Short-term debt and current portion of long-term debt in the Condensed Consolidated Statement of Financial Position as the date of maturity is in less than one year.

In November 2022, Aon Corporation's $500 million 2.20% Senior Notes matured and were repaid in full.

On September 12, 2022, Aon Corporation and Aon Global Holdings plc co-issued $500 million of 5.00% Senior Notes due September 2032. The Company intends to use the net proceeds from the offering for general corporate purposes.

On February 28, 2022, Aon Corporation and Aon Global Holdings plc co-issued $600 million of 2.85% Senior Notes due May 2027 and $900 million of 3.90% Senior Notes due February 2052. The Company intends to use the net proceeds from the offering for general corporate purposes.

Revolving Credit Facilities

As of June 30, 2023, Aon had two primary committed credit facilities outstanding: its $1.0 billion multi-currency U.S. credit facility expiring in September 2026 and its $750 million multi-currency U.S. credit facility expiring in October 2024. In aggregate, these two facilities provide approximately $1.8 billion in available credit.

Each of these primary committed credit facilities includes customary representations, warranties, and covenants, including financial covenants that require Aon to maintain specified ratios of adjusted consolidated EBITDA to consolidated interest expense and consolidated debt to adjusted consolidated EBITDA, in each case, tested quarterly. At June 30, 2023, Aon did not have borrowings under either of these primary committed credit facilities, and was in compliance with the financial covenants and all other covenants contained therein during the rolling 12 months ended June 30, 2023.

Commercial Paper

Aon Corporation has established a U.S. commercial paper program (the "U.S. Program") and Aon Global Holdings plc has established a European multi-currency commercial paper program (the "European Program" and, together with the U.S. Program, the "Commercial Paper Program"). Commercial paper may be issued in aggregate principal amounts of up to $1.0 billion under the U.S. Program and €625 million ($682 million at June 30, 2023 exchange rates) under the European Program, not to exceed the amount of the Company's committed credit facilities, which was approximately $1.8 billion at June 30, 2023. The aggregate capacity of the Commercial Paper Program remains fully backed by the Company's committed credit facilities.

On June 22, 2023, consistent with the guarantors included in the Company's shelf registration statement, the Company added a new guarantor, Aon North America, Inc., to its Commercial Paper programs. As of June 22, 2023, the U.S. Program is fully and unconditionally guaranteed by Aon plc, Aon Global Limited, Aon North America, Inc., and Aon Global Holdings plc. As of

June 22, 2023, the European Program is fully and unconditionally guaranteed by Aon plc, Aon Global Limited, Aon North America, Inc., and Aon Corporation. Refer to Note 14 "Claims, Lawsuits, and Other Contingencies" for further information on changes to the Company's guarantees of registered securities.

Commercial paper outstanding, which is included in Short-term debt and current portion of long-term debt in the Condensed Consolidated Statements of Financial Position, is as follows (in millions):

	June 30, 2023	December 31, 2022
Commercial paper outstanding	$ 382	$ 592

The weighted average commercial paper outstanding and its related interest rates are as follows (in millions, except percentages):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Weighted average commercial paper outstanding	$ 435	$ 375	$ 414	$ 473
Weighted average interest rate of commercial paper outstanding	4.90 %	0.68 %	4.18 %	0.18 %

9. Income Taxes

The effective tax rate on Net income was 12.6% and 17.3% for the three and six months ended June 30, 2023, respectively. The effective tax rate on Net income was 18.8% and 19.4% for the three and six months ended June 30, 2022, respectively.

For the three and six months ended June 30, 2023, the tax rate was primarily driven by the geographical distribution of income and certain discrete items, including the tax benefit associated with share-based payments and the anticipated sale of certain assets and liabilities classified as held for sale.

For the three and six months ended June 30, 2022, the tax rate was primarily driven by the geographical distribution of income and certain discrete items, primarily the favorable impacts of share-based payments.

10. Shareholders' Equity (Deficit)

Ordinary Shares

Aon has a share repurchase program authorized by the Company's Board of Directors (the "Repurchase Program"). The Repurchase Program was established in April 2012 with $5.0 billion in authorized repurchases, and was increased by $5.0 billion in authorized repurchases in each of November 2014, June 2017, and November 2020, and by $7.5 billion in February 2022 for a total of $27.5 billion in repurchase authorizations.

Under the Repurchase Program, the Company's class A ordinary shares may be repurchased through the open market or in privately negotiated transactions, from time to time, based on prevailing market conditions, and will be funded from available capital.

The following table summarizes the Company's share repurchase activity (in millions, except per share data):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Shares repurchased	1.7	1.7	3.5	4.5
Average price per share	$ 323.96	$ 292.06	$ 314.36	$ 293.56
Repurchase costs recorded to accumulated deficit	$ 550	$ 500	$ 1,100	$ 1,328

At June 30, 2023, the remaining authorized amount for share repurchases under the Repurchase Program was approximately $4.9 billion. Under the Repurchase Program, the Company has repurchased a total of 164.2 million shares for an aggregate cost of approximately $22.6 billion.

Weighted Average Ordinary Shares

Weighted average ordinary shares outstanding are as follows (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Basic weighted average ordinary shares outstanding	204.7	213.3	205.4	214.3
Dilutive effect of potentially issuable shares	1.6	1.4	1.3	1.3
Diluted weighted average ordinary shares outstanding	206.3	214.7	206.7	215.6

Potentially issuable shares are not included in the computation of Diluted net income per share attributable to Aon shareholders if their inclusion would be antidilutive. There were no shares excluded from the calculation for the three and six months ended June 30, 2023. There were 1.3 million and 1.1 million shares excluded from the calculation for the three and six months ended June 30, 2022, respectively.

Accumulated Other Comprehensive Loss

Changes in Accumulated other comprehensive loss by component, net of related tax, are as follows (in millions):

	Change in Fair Value of Financial Instruments (1)	Foreign Currency Translation Adjustments	Postretirement Benefit Obligation (2)	Total
Balance at December 31, 2022	$ (11)	$ (1,861)	$ (2,751)	$ (4,623)
Other comprehensive income (loss) before reclassifications, net	7	228	(22)	213
Amounts reclassified from accumulated other comprehensive income				
Amounts reclassified from accumulated other comprehensive income	6	—	92	98
Tax expense	(2)	—	(24)	(26)
Amounts reclassified from accumulated other comprehensive income, net	4	—	68	72
Net current period other comprehensive income	11	228	46	285
Balance at June 30, 2023	$ —	$ (1,633)	$ (2,705)	$ (4,338)

	Change in Fair Value of Financial Instruments (1)	Foreign Currency Translation Adjustments	Postretirement Benefit Obligation (2)	Total
Balance at December 31, 2021	$ 2	$ (1,333)	$ (2,540)	$ (3,871)
Other comprehensive income (loss) before reclassifications, net	(5)	(442)	16	(431)
Amounts reclassified from accumulated other comprehensive income				
Amounts reclassified from accumulated other comprehensive income	(4)	—	61	57
Tax benefit (expense)	1	—	(16)	(15)
Amounts reclassified from accumulated other comprehensive income, net	(3)	—	45	42
Net current period other comprehensive income (loss)	(8)	(442)	61	(389)
Balance at June 30, 2022	$ (6)	$ (1,775)	$ (2,479)	$ (4,260)

(1) Reclassifications from this category included in Accumulated other comprehensive loss are recorded in Total revenue, Interest expense, and Compensation and benefits in the Condensed Consolidated Statements of Income. Refer to Note 12 "Derivatives and Hedging" for further information regarding the Company's derivative and hedging activity.

(2) Reclassifications from this category included in Accumulated other comprehensive loss are recorded in Other income (expense) in the Condensed Consolidated Statements of Income.

11. Employee Benefits

The following table provides the components of the net periodic (benefit) cost recognized in the Condensed Consolidated Statements of Income for Aon's significant U.K., U.S., and other major pension plans, which are located in the Netherlands and Canada. Service cost is reported in Compensation and benefits and all other components are reported in Other income (expense) as follows (in millions):

	Three Months Ended June 30,					
	U.K.		U.S.		Other	
	2023	2022	2023	2022	2023	2022
Service cost	$ —	$ —	$ —	$ —	$ —	$ —
Interest cost	36	21	26	17	10	4
Expected return on plan assets, net of administration expenses	(48)	(34)	(30)	(27)	(12)	(8)
Amortization of prior-service cost	1	—	—	—	—	—
Amortization of net actuarial loss	19	8	8	17	4	3
Net periodic (benefit) cost	8	(5)	4	7	2	(1)
Loss on pension settlement	—	—	—	—	27	—
Total net periodic (benefit) cost	$ 8	$ (5)	$ 4	$ 7	$ 29	$ (1)

	Six Months Ended June 30,					
	U.K.		U.S.		Other	
	2023	2022	2023	2022	2023	2022
Service cost	$ —	$ —	$ —	$ —	$ —	$ —
Interest cost	72	44	52	34	20	9
Expected return on plan assets, net of administration expenses	(94)	(70)	(60)	(54)	(24)	(17)
Amortization of prior-service cost	1	1	—	—	—	—
Amortization of net actuarial loss	37	15	17	33	7	7
Net periodic (benefit) cost	16	(10)	9	13	3	(1)
Loss on pension settlement	—	—	—	1	27	—
Total net periodic (benefit) cost	$ 16	$ (10)	$ 9	$ 14	$ 30	$ (1)

In May 2023, to further its pension de-risking strategy, the Company settled certain pension obligations in the Netherlands through the purchase of annuities, where certain pension assets were liquidated to purchase the annuities. A non-cash settlement charge totaling $27 million was recognized in the second quarter of 2023.

In the first quarter of 2022, the Company recognized a non-cash settlement charge of approximately $1 million. Settlements from a certain U.S. pension plan exceeded the plan's service and interest cost. This triggered settlement accounting which required the immediate recognition of a portion of the accumulated losses associated with the plan.

Contributions

Assuming no additional contributions are agreed to with, or required by, the pension plan trustees, the Company expects to make total cash contributions of approximately $4 million, $43 million, and $14 million, (at December 31, 2022 exchange rates) to its significant U.K., U.S., and other major pension plans, respectively, during 2023. The following table summarizes contributions made to the Company's significant pension plans (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Contributions to U.K. pension plans	$ 1	$ 2	$ 2	$ 5
Contributions to U.S. pension plans	5	7	21	25
Contributions to other major pension plans	2	2	8	10
Total contributions	$ 8	$ 11	$ 31	$ 40

12. Derivatives and Hedging

The Company is exposed to market risks, including changes in foreign currency exchange rates and interest rates. To manage the risk related to these exposures, the Company enters into various derivative instruments that reduce these risks by creating offsetting exposures. The Company does not enter into derivative transactions for trading or speculative purposes.

Foreign Exchange Risk Management

The Company is exposed to foreign exchange risk when it earns revenues, pays expenses, enters into monetary intercompany transfers or other transactions denominated in a currency that differs from its functional currency. The Company uses foreign exchange derivatives, typically forward contracts, options and cross currency swaps, to reduce its overall exposure to the effects of currency fluctuations on cash flows. These exposures are hedged, on average, for less than two years. These derivatives are accounted for as hedges, and changes in fair value are recorded each period in Other comprehensive income (loss) in the Condensed Consolidated Statements of Comprehensive Income.

The Company also uses foreign exchange derivatives, typically forward contracts and options, to economically hedge the currency exposure of the Company's global liquidity profile, including monetary assets or liabilities that are denominated in a non-functional currency of an entity, typically on a rolling 90-day basis, but may be for up to one year in the future. These derivatives are not accounted for as hedges, and changes in fair value are recorded each period in Other income (expense) in the Condensed Consolidated Statements of Income.

The notional and fair values of derivative instruments are as follows (in millions):

	Notional Amount		Net Amount of Derivative Assets Presented in the Statements of Financial Position [1]		Net Amount of Derivative Liabilities Presented in the Statements of Financial Position [2]	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Foreign exchange contracts						
Accounted for as hedges	$ 645	$ 618	$ 29	$ 12	$ —	$ 2
Not accounted for as hedges [3]	472	312	—	—	1	1
Total	$ 1,117	$ 930	$ 29	$ 12	$ 1	$ 3

(1) Included within Other current assets ($10 million at June 30, 2023 and $3 million at December 31, 2022) or Other non-current assets ($19 million at June 30, 2023 and $9 million at December 31, 2022).

(2) Included within Other current liabilities ($1 million at June 30, 2023 and $2 million December 31, 2022) or Other non-current liabilities ($1 million at December 31, 2022).

(3) These contracts typically are for 90-day durations and executed close to the last day of the most recent reporting month, thereby resulting in nominal fair values at the balance sheet date.

The amounts of derivative gains recognized in the Condensed Consolidated Financial Statements are as follows (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Gain (loss) recognized in Accumulated other comprehensive loss	$ 9	$ (7)	$ 9	$ (6)

The amounts of derivative losses reclassified from Accumulated other comprehensive loss to the Condensed Consolidated Statements of Income are as follows (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Gains (losses) recognized in Total revenue	$ (1)	$ 4	$ (6)	$ 3
Compensation and benefits	—	1	—	1
Total	$ (1)	$ 5	$ (6)	$ 4

The Company estimates that approximately $5 million of pretax loss currently included within Accumulated other comprehensive loss will be reclassified into earnings in the next twelve months.

During the three and six months ended June 30, 2023, the Company recorded gains of $28 million and $37 million, respectively, in Other income (expense) for foreign exchange derivatives not designated or qualifying as hedges. During the three and six months ended June 30, 2022, the Company recorded a loss of $15 million and gain of $17 million, respectively, in Other income (expense) for foreign exchange derivatives not designated or qualifying as hedges.

13. Fair Value Measurements and Financial Instruments

Accounting standards establish a three tier fair value hierarchy that prioritizes the inputs used in measuring fair values as follows:

- Level 1 — observable inputs such as quoted prices for identical assets in active markets;
- Level 2 — inputs other than quoted prices for identical assets in active markets, that are observable either directly or indirectly; and
- Level 3 — unobservable inputs in which there is little or no market data which requires the use of valuation techniques and the development of assumptions.

The following methods and assumptions are used to estimate the fair values of the Company's financial instruments:

Money market funds consist of institutional prime, treasury, and government money market funds. The Company reviews treasury and government money market funds to obtain reasonable assurance that the fund net asset value is $1 per share, and reviews the floating net asset value of institutional prime money market funds for reasonableness.

Equity investments consist of equity securities and equity derivatives valued using the closing stock price on a national securities exchange. Over-the-counter equity derivatives are valued using observable inputs such as underlying prices of the underlying security and volatility. On a sample basis, the Company reviews the listing of Level 1 equity securities in the portfolio, agrees the closing stock prices to a national securities exchange, and independently verifies the observable inputs for Level 2 equity derivatives and securities.

Fixed income investments consist of certain categories of bonds and derivatives. Corporate, government, and agency bonds are valued by pricing vendors who estimate fair value using recently executed transactions and proprietary models based on observable inputs, such as interest rate spreads, yield curves, and credit risk. Asset-backed securities are valued by pricing vendors who estimate fair value using DCF models utilizing observable inputs based on trade and quote activity of securities with similar features. Fixed income derivatives are valued by pricing vendors using observable inputs such as interest rates and yield curves. The Company obtains an understanding of the models, inputs, and assumptions used in developing prices provided by its vendors through discussions with the fund managers. The Company independently verifies the observable inputs, as well as assesses assumptions used for reasonableness based on relevant market conditions and internal Company guidelines. If an assumption is deemed unreasonable, based on internal Company guidelines, it is then reviewed by management and the fair value estimate provided by the vendor is adjusted, if deemed appropriate. These adjustments do not occur frequently and historically are not material to the fair value estimates used in the Condensed Consolidated Financial Statements.

Derivatives are carried at fair value, based upon industry standard valuation techniques that use, where possible, current market-based or independently sourced pricing inputs, such as interest rates, currency exchange rates, or implied volatility.

Debt is carried at outstanding principal balance, less any unamortized issuance costs, discount or premium. Fair value is based on quoted market prices or estimates using DCF analyses based on current borrowing rates for similar types of borrowing arrangements.

The following tables present the categorization of the Company's assets and liabilities that are measured at fair value on a recurring basis at June 30, 2023 and December 31, 2022 (in millions):

	Balance at June 30, 2023	Fair Value Measurements Using: Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Money market funds (1)	$ 3,550	$ 3,550	$ —	$ —
Other investments				
Government bonds	$ 1	$ —	$ 1	$ —
Derivatives (2)				
Gross foreign exchange contracts	$ 44	$ —	$ 44	$ —
Liabilities				
Derivatives (2)				
Gross foreign exchange contracts	$ 16	$ —	$ 16	$ —

	Balance at December 31, 2022	Fair Value Measurements Using: Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Money market funds (1)	$ 3,323	$ 3,323	$ —	$ —
Other investments				
Government bonds	$ 1	$ —	$ 1	$ —
Derivatives (2)				
Gross foreign exchange contracts	$ 19	$ —	$ 19	$ —
Liabilities				
Derivatives (2)				
Gross foreign exchange contracts	$ 9	$ —	$ 9	$ —

(1) Included within Fiduciary assets or Short-term investments in the Condensed Consolidated Statements of Financial Position, depending on their nature and initial maturity.

(2) Refer to Note 12 "Derivatives and Hedging" for additional information regarding the Company's derivatives and hedging activity.

There were no transfers of assets or liabilities between fair value hierarchy levels in the three and six months ended June 30, 2023 or 2022. The Company recognized no realized or unrealized gains or losses in the Condensed Consolidated Statements of Income during the three and six months ended June 30, 2023 or 2022 related to assets and liabilities measured at fair value using unobservable inputs.

The fair value of debt is classified as Level 2 of the fair value hierarchy. The following table provides the carrying value and fair value for the Company's term debt (in millions):

	June 30, 2023		December 31, 2022	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Current portion of long-term debt	$ 949	$ 935	$ 350	$ 347
Long-term debt	$ 9,989	$ 8,966	$ 9,825	$ 8,745

14. Claims, Lawsuits, and Other Contingencies

Legal

Aon and its subsidiaries are subject to numerous claims, tax assessments, lawsuits, and proceedings that arise in the ordinary course of business, which frequently include E&O claims. The damages claimed in these matters are or may be substantial, including, in many instances, claims for punitive, treble, or extraordinary damages. While Aon maintains meaningful E&O insurance and other insurance programs to provide protection against certain losses that arise in such matters, Aon has exhausted or materially depleted its coverage under some of the policies that protect the Company and, consequently, is self-insured or materially self-insured for some claims. Accruals for these exposures, and related insurance receivables, when applicable, are included in the Condensed Consolidated Statements of Financial Position and have been recognized in Other general expense in the Condensed Consolidated Statements of Income to the extent that losses are deemed probable and are reasonably estimable. These amounts are adjusted from time to time as developments warrant. Matters that are not probable and reasonably estimable are not accrued for in the financial statements.

The Company's contingencies and exposures are subject to significant uncertainties, and the determination of likelihood of a loss and estimating any such loss can be complex. The Company is therefore, in certain matters, unable to estimate the range of reasonably possible loss. Although management at present believes that the ultimate outcome of such matters, individually or in the aggregate, will not have a material adverse effect on the consolidated financial position of Aon, legal proceedings are subject to inherent uncertainties and unfavorable rulings or other events. Unfavorable resolutions could include substantial monetary or punitive damages imposed on Aon or its subsidiaries. If unfavorable outcomes of these matters were to occur, future results of operations or cash flows for any particular quarterly or annual period could be materially adversely affected. Certain significant legal proceedings involving us or our subsidiaries are described below.

Current Matters

Aon Hewitt Investment Consulting, Inc., now known as Aon Investments USA, Inc. ("Aon Investments"), Lowe's Companies, Inc. and the Administrative Committee of Lowe's Companies, Inc. (collectively "Lowe's") were sued on April 27, 2018 in the U.S. District Court for the Western District of North Carolina (the "Court") in a class action lawsuit brought on behalf of participants in the Lowe's 401(k) Plan (the "Plan"). Aon Investments provided investment consulting services to Lowe's under ERISA. The plaintiffs contend that in 2015 Lowe's imprudently placed the Hewitt Growth Fund in the Plan's lineup of investments, the Hewitt Growth Fund underperformed its benchmarks, and that Aon had a conflict of interest in recommending the proprietary fund for the Plan. The plaintiffs allege the Plan suffered over $200 million in investment losses when compared to the eight funds it replaced. The plaintiffs allege that Aon Investments breached its duties of loyalty and prudence pursuant to ERISA. The matter was tried to the Court the last week of June 2021, and the Court entered judgment in favor of Aon on all claims on October 12, 2021. Plaintiffs filed an appeal with the United States Court of Appeals for the Fourth Circuit, and oral argument took place on December 7, 2022. On July 17, 2023, the United States Court of Appeals for the Fourth Circuit issued an opinion affirming the Court's judgment in favor of Aon. Barring Fourth Circuit rehearing (which plaintiffs must request by July 31, 2023) or Supreme Court review by certiorari (for which a petition or a request for extension must be filed by October 16, 2023), the judgment in Aon's favor will become final. In the event of further appellate proceedings, Aon believes the Fourth Circuit correctly decided the matter and intends to continue to vigorously defend itself against these claims.

Aon faces legal action arising out of a fatal plane crash in November 2016. Aon U.K. Limited placed an aviation civil liability reinsurance policy for the Bolivian insurer of the airline. After the crash, the insurer determined that there was no coverage under the airline's insurance policy due to the airline's breach of various policy conditions. In November 2018, the owner of the aircraft filed a claim in Bolivia against Aon, the airline, the insurer and the insurance broker. The claim is for $16 million plus any liability the owner has to third parties. In November 2019, a federal prosecutor in Brazil filed a public civil action naming three Aon entities as defendants, along with the airline, the insurer and the lead reinsurer. That claim seeks pecuniary damages for families affected by the crash in the sum of $300 million; or, in the alternative, $50 million; or, in the alternative, $25 million; plus "moral damages" of an equivalent sum. Separately, in March 2020, the Brazilian Federal Senate invited Aon to give evidence to a Parliamentary Commission of Inquiry in an investigation into the accident. Aon cooperated with that inquiry. In August 2020, 43 individuals (surviving passengers and estates of the deceased) filed a motion in the Circuit Court of the 11th Judicial Circuit in and for Miami-Dade County, Florida, seeking permission to commence proceedings against Aon (and the insurer and reinsurers) for claims totaling $844 million. Finally, in April 2021, representatives of 16 passengers issued a claim against Aon in the High Court in England seeking damages under the Fatal Accidents Act 1976 in the sum of £29 million ($37 million at June 30, 2023 exchange rates). In December 2022, the High Court in England granted an anti-suit injunction, restricting the 43 individuals who previously filed a motion in the Circuit Court of the 11th Judicial Circuit in and for Miami Dade County, Florida, from continuing litigation in the Circuit Court of the 11th Judicial Circuit against Aon. Aon believes that it has meritorious defenses and intends to vigorously defend itself against the remaining claims.

Certain of the Company's clients and counterparties have initiated or indicated that they may initiate legal proceedings against the Company following allegations in July 2023 that fraudulent letters of credit were issued in the name of third-party banks in connection with transactions for which capital was arranged by Vesttoo Ltd. ("Vesttoo"). Vesttoo is one of the third parties that identifies capital providers to collateralize insurance and reinsurance obligations of the Company's clients and counterparties. In certain transactions in which Vesttoo identified third party capital providers to collateralize reinsurance obligations, including transactions in which the Company or its affiliates provided brokerage or other services, some letters of credit from third party banks are alleged to have been fraudulent. The Company is actively investigating those allegations. The pending or threatened legal proceedings against the Company allege, among other theories of liability, that in certain circumstances the Company failed to comply with its alleged duty to procure appropriate letters of credit. Aon believes that it has meritorious defenses and intends to vigorously defend itself against these claims and to seek recourse against third parties where appropriate. In addition, certain Bermuda regulatory authorities have initiated investigations or inquiries into this matter, and other regulatory authorities could initiate investigations or proceedings against the Company or third parties.

Guarantees and Indemnifications

The Company provides a variety of guarantees and indemnifications to its customers and others. The maximum potential amount of future payments represents the notional amounts that could become payable under the guarantees and indemnifications if there were a total default by the guaranteed parties, without consideration of possible recoveries under recourse provisions or other methods. These amounts may bear no relationship to the expected future payments, if any, for these guarantees and indemnifications. Any anticipated amounts payable are included in the Financial Statements, and are recorded at fair value.

The Company expects that, as prudent business interests dictate, additional guarantees and indemnifications may be issued from time to time.

Guarantee of Registered Securities

On June 22, 2023, Aon plc, Aon Global Limited, Aon Global Holdings plc, Aon Corporation, and Aon North America, Inc., and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), as applicable, entered into supplemental indentures, each dated June 22, 2023, amending each of the following indentures (as amended, supplemented or modified from time to time) to add for the benefit of the holders of the instruments issued thereunder a full and unconditional guarantee of Aon North America, Inc. thereunder: (i) Second Amended and Restated Indenture, dated April 1, 2020, among Aon Corporation, Aon plc, Aon Global Limited, Aon Global Holdings plc and the Trustee (amending and restating the Amended and Restated Indenture, dated April 2, 2012, amending and restating the Indenture, dated January 13, 1997); (ii) Second Amended and Restated Indenture, dated April 1, 2020, among Aon Corporation, Aon plc, Aon Global Limited, Aon Global Holdings plc and the Trustee (amending and restating the Amended and Restated Indenture, dated April 2, 2012, amending and restating the Indenture, dated September 10, 2010); (iii) Amended and Restated Indenture, dated April 1, 2020, among Aon plc, Aon Corporation, Aon Global Limited, Aon Global Holdings plc and the Trustee (amending and restating the Indenture, dated December 12, 2012); (iv) Second Amended and Restated Indenture, dated April 1, 2020, among Aon plc, Aon Corporation, Aon Global Limited, Aon Global Holdings plc and the Trustee (amending and restating the Amended and Restated Indenture, dated May 20, 2015, amending and restating the Indenture, dated May 24, 2013); (v) Amended and Restated Indenture, dated April 1, 2020, among Aon plc, Aon Corporation, Aon Global Limited, Aon Global Holdings plc and the Trustee (amending and restating the Indenture, dated November 13, 2015); and (vi) Amended and Restated Indenture, dated April 1, 2020, among Aon Corporation, Aon plc, Aon Global Limited, Aon Global Holdings plc and the Trustee (amending and restating the Indenture, dated December 3, 2018).

Letters of Credit

Aon has entered into a number of arrangements whereby the Company's performance on certain obligations is guaranteed by a third party through the issuance of LOCs. The Company had total LOCs outstanding of approximately $79 million at June 30, 2023, and $74 million at December 31, 2022. These LOCs cover the beneficiaries related to certain of Aon's U.S. and Canadian non-qualified pension plan schemes and secure deductible retentions for Aon's own workers compensation program. The Company has also obtained LOCs to cover contingent payments for taxes and other business obligations to third parties, and other guarantees for miscellaneous purposes at its international subsidiaries.

Premium Payments

The Company has certain contractual contingent guarantees for premium payments owed by clients to certain insurance companies. The maximum exposure with respect to such contractual contingent guarantees was approximately $135 million at June 30, 2023 compared to $173 million at December 31, 2022.

15. Segment Information

The Company operates as one segment that includes all of Aon's operations, which as a global professional services firm provides a broad range of risk and human capital solutions through four solution lines — Commercial risk, Reinsurance, Health, and Wealth, which make up its principal products and services. The CODM assesses the performance of the Company and allocates resources based on one segment: Aon United.

The Company's reportable operating segment has been determined using a management approach, which is consistent with the basis and manner in which the CODM uses financial information for the purposes of allocating resources and evaluating performance. The CODM assesses performance and allocates resources based on total Aon results against its key four metrics, expense discipline, and collaborative behaviors that maximize value for Aon and its shareholders, regardless of which solution line it benefits.

As Aon operates as one segment, segment profit or loss is consistent with consolidated reporting as disclosed in the Condensed Consolidated Statements of Income. Refer to Note 3 “Revenue from Contracts with Customers” for further information on revenue by principal service line.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

EXECUTIVE SUMMARY OF SECOND QUARTER 2023 FINANCIAL RESULTS

Aon plc is a leading global professional services firm providing a broad range of risk and human capital solutions. Through our experience, global reach, and comprehensive analytics, we help clients meet rapidly changing, increasingly complex, and interconnected challenges related to risk and people. We are committed to accelerating innovation to address unmet and evolving client needs, so that our clients are better informed, better advised, and able to make better decisions to protect and grow their business. Management remains focused on strengthening Aon and uniting the firm with one portfolio of capability enabled by data and analytics and one operating model to deliver additional insight, connectivity, and efficiency.

Financial Results

The following is a summary of our second quarter of 2023 financial results.

- Revenue increased $194 million, or 7%, to $3.2 billion compared to the prior year period reflecting organic revenue growth of 6% and a 2% favorable impact from fiduciary investment income, partially offset by a 1% unfavorable impact from foreign currency translation. For the first six months of 2023, revenue increased $395 million, or 6%, to $7.0 billion compared to the prior year period due primarily to organic revenue growth of 7% and a 2% favorable impact from fiduciary investment income, partially offset by a 2% unfavorable impact from foreign currency translation and a 1% unfavorable impact from acquisitions, divestitures, and other.
- Total operating expenses in the second quarter increased 2% to $2.3 billion compared to the prior year period due primarily to an increase in expense associated with 6% organic revenue growth and investments in long-term growth, partially offset by a decrease in certain legal settlements in the prior year period of $58 million that did not repeat in the second quarter of 2023. Operating expenses for the first six months of 2023 were $4.7 billion, an increase of $147 million compared to the prior year period primarily due to an increase in expense related to 7% organic revenue growth and investments in long-term growth, partially offset by a $77 million favorable impact from foreign currency translation and a decrease in certain legal settlements in the prior year period of $58 million that did not repeat in the first six months of 2023.
- Operating margin increased to 26.5% from 23.5% in the prior year period. The increase was driven by organic revenue growth of 6%, partially offset by an increase in operating expenses as listed above. Operating margin for the first six months of 2023 increased to 32.8% from 31.1% in the prior period. The increase was primarily driven by organic revenue growth of 7%, partially offset by an increase in operating expenses as listed above.
- Due to the factors set forth above, Net income increased $61 million, or 12%, to $575 million compared to the prior year period. For the first six months of 2023, Net income increased $92 million, or 6%, to $1.7 billion compared to the first six months of 2022.
- Diluted earnings per share was $2.71 compared to $2.33 per share for the prior year period. During the first six months of 2023, diluted earnings per share was $7.79 compared to $7.07 per share for the prior period.
- Cash flows provided by operations for the first six months of 2023 was flat at $1.1 billion compared to the prior year period, primarily due to strong operating income growth, offset in part by higher cash tax payments.

We focus on four key metrics not presented in accordance with U.S. GAAP that we communicate to shareholders: organic revenue growth, adjusted operating margin, adjusted diluted earnings per share, and free cash flow. These non-GAAP metrics should be viewed in addition to, not instead of, our Condensed Consolidated Financial Statements. The following is our measure of performance against these four metrics for the second quarter of 2023:

- Organic revenue growth is a non-GAAP measure defined under the caption "Review of Consolidated Results — Organic Revenue Growth." Organic revenue growth was 6% for the second quarter of 2023, driven by ongoing strong retention, management of the renewal book, and net new business generation. Organic revenue growth was 7% for the first six months of 2023, driven by ongoing strong retention and net new business generation.
- Adjusted operating margin, a non-GAAP measure defined under the caption "Review of Consolidated Results — Adjusted Operating Margin," was 27.3% for the second quarter of 2023 compared to 26.2% in the prior year period. The increase in adjusted operating margin primarily reflects organic revenue growth and increased fiduciary investment income, partially offset by increased expenses and investments in long-term growth. For the first six months of 2023, adjusted operating margin was 33.6% compared to 32.7% for the prior year period. The increase primarily reflects organic revenue growth and increased fiduciary investment income, partially offset by increased expenses and investments in long-term growth.

- Adjusted diluted earnings per share, a non-GAAP measure defined under the caption "Review of Consolidated Results — Adjusted Diluted Earnings per Share," was $2.76 per share for the second quarter of 2023 and $7.93 per share for the first six months of 2023, compared to $2.63 and $7.47 per share for the respective prior year periods.
- Free cash flow, a non-GAAP measure defined under the caption "Review of Consolidated Results — Free Cash Flow," decreased in the first six months of 2023 by $77 million from the prior year period, to $986 million, reflecting flat cash flows from operations and a $77 million increase in capital expenditures.

ENVIRONMENTAL, SOCIAL, AND GOVERNANCE

For many companies, the management of ESG risks and opportunities has become increasingly important, and ESG-related challenges, such as extreme weather events, supply chain disruptions, cyber events, regulatory changes, ongoing public health impacts, and the increased focus on workforce resilience in various work environments, continue to create volatility and uncertainty for our clients. At Aon, helping clients manage risk - including ESG risk - is at the core of what we do. Aon offers a wide range of risk assessment, consulting, and advisory solutions, many of which are significant parts of our core business offerings, designed to address and manage ESG issues for clients, and to enable our clients to create more sustainable value. We see significant opportunity in enhancing our impact and delivering innovative client solutions on ESG matters.

REVIEW OF CONSOLIDATED RESULTS

Summary of Results

Our consolidated results are as follows (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Revenue				
Total revenue	$ 3,177	$ 2,983	$ 7,048	$ 6,653
Expenses				
Compensation and benefits	1,754	1,639	3,546	3,406
Information technology	129	115	268	238
Premises	68	73	143	145
Depreciation of fixed assets	39	40	77	78
Amortization and impairment of intangible assets	25	25	50	53
Other general expense	320	391	649	666
Total operating expenses	2,335	2,283	4,733	4,586
Operating income	842	700	2,315	2,067
Interest income	5	5	10	8
Interest expense	(130)	(102)	(241)	(193)
Other income (expense)	(59)	30	(84)	55
Income before income taxes	658	633	2,000	1,937
Income tax expense	83	119	346	375
Net income	575	514	1,654	1,562
Less: Net income attributable to noncontrolling interests	15	13	44	38
Net income attributable to Aon shareholders	$ 560	$ 501	$ 1,610	$ 1,524
Diluted net income per share attributable to Aon shareholders	$ 2.71	$ 2.33	$ 7.79	$ 7.07
Weighted average ordinary shares outstanding - diluted	206.3	214.7	206.7	215.6

Revenue

Total revenue increased $194 million, or 7%, to $3.2 billion, compared to the prior year period, with organic revenue growth of 6%, driven by ongoing strong retention, management of the renewal book, and net new business generation, and a 2% favorable impact from fiduciary investment income, partially offset by a 1% unfavorable impact from foreign currency translation. For the first six months of 2023, revenue increased by $395 million, or 6% compared to the prior year period. This increase reflects organic revenue growth of 7% and 2% favorable impact from fiduciary investment income, partially offset by a

2% unfavorable impact from foreign currency translation and a 1% unfavorable impact from acquisitions, divestitures, and other.

Commercial Risk Solutions revenue increased $82 million, or 5%, to $1.8 billion in the second quarter of 2023, compared to $1.7 billion in the second quarter of 2022. Organic revenue growth was 5% in the second quarter of 2023, reflecting strong growth across most major geographies driven by strong retention, management of the renewal book, and net new business generation. Growth in retail brokerage was highlighted by double-digit growth in Asia and the Pacific, driven by continued strength in core P&C. The U.S. grew modestly driven by strength in core businesses, partially offset by the impact of the external M&A and IPO markets on M&A services. Results also reflect strong growth globally in the affinity business across both consumer and business solutions. On average globally, exposures and pricing were positive, resulting in a modestly positive market impact. For the first six months of 2023, revenue increased $141 million, or 4%, to $3.6 billion, compared to $3.4 billion in the first six months of 2022. Organic revenue growth was 6% in the first six months of 2023, reflecting growth across every major geography, driven by strong retention, management of the renewal book, and net new business generation.

Reinsurance Solutions revenue increased $70 million, or 13%, to $607 million in the second quarter of 2023, compared to $537 million in the second quarter of 2022. Organic revenue growth was 9% in the second quarter of 2023, reflecting strong growth in treaty, driven by strong retention and continued net new business generation, as well as double-digit growth in both facultative placements and investment banking, and solid growth in the Strategy and Technology Group. Market impact was modestly positive on results in the quarter. The majority of revenue in our treaty portfolio is recurring in nature and is recorded in connection with the major renewal periods that take place throughout the first half of the year. For the first six months of 2023, revenue increased $171 million, or 11%, to $1.7 billion, compared to $1.5 billion in the first six months of 2022. Organic revenue growth was 9% in the first six months of 2023, driven by strong retention and net new business generation.

Health Solutions revenue increased $33 million, or 8%, to $447 million in the second quarter of 2023, compared to $414 million in the second quarter of 2022. Organic revenue growth was 10% in the second quarter of 2023, reflecting strong growth globally in core health and benefits brokerage primarily from net new business generation and management of the renewal book. Strength in the core was highlighted by double-digit growth in Latin America, EMEA, and the U.K. Results also reflect modest growth in Talent, driven by data and advisory solutions. For the first six months of 2023, revenue increased $66 million, or 6%, to $1.1 billion, compared to the first six months of 2022. Organic revenue growth was 9% in the first six months of 2023, reflecting strong growth globally in core health and benefits brokerage, driven by strong retention and management of the renewal book.

Wealth Solutions revenue increased $9 million, or 3%, to $352 million in the second quarter of 2023, compared to $343 million in the second quarter of 2022. Organic revenue growth was 2% in the second quarter of 2023, reflecting growth in Retirement, driven by advisory demand and project-related work related to pension de-risking and ongoing impact of regulatory changes. In Investments, a decrease in AUM-based delegated investment management revenue due to equity market and interest rate movements was partially offset by advisory demand and project-related work. For the first six months of 2023, revenue increased $14 million, or 2%, to $702 million, compared to $688 million in the first six months of 2022. Organic revenue growth was 4% in the first six months of 2023, reflecting growth in Retirement, driven by advisory demand and project-related work related to pension de-risking and ongoing impact of regulatory changes.

Compensation and Benefits

Compensation and benefits expense increased $115 million, or 7%, compared to the prior year period due primarily to an increase in expense associated with 6% organic revenue growth, partially offset by an $8 million favorable impact from foreign currency translation. For the first six months of 2023, compensation and benefits increased $140 million, or 4%, compared to the first six months of 2022. The increase was primarily driven by an increase in expense associated with 7% organic revenue growth, partially offset by a $63 million favorable impact from foreign currency translation.

Information Technology

Information technology expenses, which represent costs associated with supporting and maintaining our infrastructure, increased $14 million, or 12%, compared to the prior year period due primarily to ongoing investments in Aon Business Services-enabled technology platforms to drive long-term growth and continued investment in core infrastructure and security. For the first six months of 2023, information technology increased $30 million, or 13%, compared to the first six months of 2022. The increase was primarily driven by ongoing investments in Aon Business Services-enabled technology platforms to drive long-term growth and continued investment in core infrastructure and security.

Premises

Premises expenses, which represent the cost of occupying offices in various locations throughout the world, decreased $5 million, or 7%, in the second quarter of 2023 compared to the prior year period due primarily to a one-time $4 million benefit associated with steps taken to optimize our real estate footprint. For the first six months of 2023, premises expenses decreased $2 million, or 1%, compared to the first six months of 2022.

Depreciation of Fixed Assets

Depreciation of fixed assets primarily relates to software, leasehold improvements, furniture, fixtures, and equipment, computer equipment, buildings, and automobiles. Depreciation of fixed assets decreased $1 million, or 3%, in the second quarter of 2023 compared to the prior year period. For the first six months of 2023, depreciation of fixed assets decreased $1 million, or 1%, compared to the first six months of 2022.

Amortization and Impairment of Intangible Assets

Amortization and impairment of intangible assets primarily relates to finite-lived customer-related and contract-based assets as well as technology and other assets. Amortization and impairment of intangible assets was flat in the second quarter of 2023 compared to the prior year period. For the first six months of 2023, amortization and impairment of intangibles decreased $3 million, or 6%, compared to the first six months of 2022.

Other General Expense

Other general expense in the second quarter of 2023 decreased $71 million, or 18%, compared to the prior year period due primarily to a $58 million charge in connection with certain legal settlements in the prior period that did not repeat in the second quarter of 2023. For the first six months of 2023, other general expense decreased $17 million, or 3%, compared to the prior year period due primarily to a $58 million charge in connection with certain legal settlements in the prior year period that did not repeat in the first six months of 2023, partially offset by an increase in expense associated with 7% organic revenue growth.

Interest Income

Interest income represents income, net of expense, earned on operating cash balances and other income-producing investments. It does not include interest earned on funds held on behalf of clients. During the second quarter of 2023, interest income was flat compared to the prior year period. For the first six months of 2023, interest income increased $2 million to $10 million compared to the first six months of 2022.

Interest Expense

Interest expense, which represents the cost of our debt obligations, increased $28 million to $130 million during the second quarter of 2023 compared to the prior year period, reflecting an increase in total debt and higher interest rates, as well as an $11 million non-recurring charge in the quarter. For the first six months of 2023, interest expense increased $48 million to $241 million compared to the prior year period. The increase was driven primarily by an increase in total debt and higher interest rates and includes an $11 million non-recurring charge.

Other Income (Expense)

Other income (expense) for the second quarter of 2023 decreased $89 million compared to the prior year period. Other expense was $59 million for the second quarter of 2023, primarily due to a non-cash pension settlement charge of $27 million and an expense from the unfavorable impact of exchange rates on the remeasurement of assets and liabilities in non-functional currencies. Other income was $30 million for the second quarter of 2022 due primarily to an expense from the unfavorable impact of exchange rates on the remeasurement of assets and liabilities in non-functional currencies. Other income (expense) for first six months of 2023 decreased $139 million compared to the prior year period. Other expense was $84 million for the first six months of 2023, primarily due a non-cash pension settlement charge of $27 million and expense from the unfavorable impact of exchange rates on the remeasurement of assets and liabilities in non-functional currencies. Other income was $55 million for the first six months of 2022 primarily due to gains on the sales of businesses.

Income before Income Taxes

Due to the factors discussed above, Income before income taxes for the second quarter of 2023 was $658 million, a 4% increase from $633 million in the second quarter of 2022. For the first six months of 2023, income before income taxes was $2.0 billion, a 3% increase from $1.9 billion for the first six months of 2022.

Income Taxes

The effective tax rate on Net income was 12.6% and 17.3% for the three and six months ended June 30, 2023, respectively. The effective tax rate on Net income was 18.8% and 19.4% for the three and six months ended June 30, 2022, respectively.

For the three and six months ended June 30, 2023, the tax rate was primarily driven by the geographical distribution of income and certain discrete items, including the tax benefits associated with share-based payments and the anticipated sale of certain assets and liabilities classified as held for sale.

For the three and six months ended June 30, 2022, the tax rate was primarily driven by the geographical distribution of income and certain discrete items, primarily the favorable impact of share-based payments.

We continue to monitor the manner in which countries will enact legislation to implement the Pillar Two framework proposed by the OECD, which proposes a 15% global corporate minimum tax. Pursuant to a directive adopted by the E.U., E.U. member states (including Ireland) are required to enact domestic legislation implementing Pillar Two by the end of 2023 to be effective January 1, 2024. The Company is currently evaluating the potential impact that this may have on its global effective tax rate, results of operations, cash flows and financial condition beginning in 2024.

Net Income Attributable to Aon Shareholders

Net income attributable to Aon shareholders for the second quarter of 2023 increased to $560 million, or $2.71 per diluted share, from $501 million, or $2.33 per diluted share, in the prior year period. Net income attributable to Aon shareholders for the first six months of 2023 increased to $1.6 billion, or $7.79 per diluted share, from $1.5 billion, or $7.07 per diluted share, in the prior year period.

Non-GAAP Metrics

In our discussion of consolidated results, we sometimes refer to certain non-GAAP supplemental information derived from consolidated financial information specifically related to organic revenue growth, adjusted operating margin, adjusted diluted earnings per share, adjusted net income attributable to Aon shareholders, adjusted net income per share, other income (expense), as adjusted, adjusted effective tax rate, free cash flow, and the impact of foreign exchange rate fluctuations on operating results. Management believes that these measures are important to make meaningful period-to-period comparisons and that this supplemental information is helpful to investors. Management also uses these measures to assess operating performance and performance for compensation. This non-GAAP supplemental information should be viewed in addition to, not instead of, our Condensed Consolidated Financial Statements.

Organic Revenue Growth

We use supplemental information related to organic revenue growth to help us and our investors evaluate business growth from existing operations. Organic revenue growth is a non-GAAP measure that includes the impact of certain intercompany activity and excludes the impact of changes in foreign exchange rates, fiduciary investment income, acquisitions, divestitures, transfers between revenue lines, and gains or losses on derivatives accounted for as hedges. This supplemental information related to organic revenue growth represents a measure not in accordance with U.S. GAAP and should be viewed in addition to, not instead of, our Condensed Consolidated Financial Statements. Industry peers provide similar supplemental information about their revenue performance, although they may not make identical adjustments. A reconciliation of this non-GAAP measure to the reported Total revenue is as follows (in millions, except percentages):

	Three Months Ended June 30,						
	2023	2022	% Change	Less: Currency Impact (1)	Less: Fiduciary Investment Income (2)	Less: Acquisitions, Divestitures & Other	Organic Revenue Growth (3)
Revenue							
Commercial Risk Solutions	$ 1,774	$ 1,692	5 %	(1)%	2 %	(1)%	5 %
Reinsurance Solutions	607	537	13	(1)	5	—	9
Health Solutions	447	414	8	(1)	—	(1)	10
Wealth Solutions	352	343	3	—	—	1	2
Eliminations	(3)	(3)	N/A	N/A	N/A	N/A	N/A
Total revenue	$ 3,177	$ 2,983	7 %	(1)%	2 %	— %	6 %

	Six Months Ended June 30,						
	2023	2022	% Change	Less: Currency Impact [(1)]	Less: Fiduciary Investment Income [(2)]	Less: Acquisitions, Divestitures & Other	Organic Revenue Growth [(3)]
Revenue							
Commercial Risk Solutions	$ 3,552	$ 3,411	4 %	(2)%	2 %	(2)%	6 %
Reinsurance Solutions	1,684	1,513	11	(2)	3	1	9
Health Solutions	1,118	1,052	6	(2)	—	(1)	9
Wealth Solutions	702	688	2	(2)	—	—	4
Eliminations	(8)	(11)	N/A	N/A	N/A	N/A	N/A
Total revenue	$ 7,048	$ 6,653	6 %	(2)%	2 %	(1)%	7 %

(1) Currency impact represents the effect on prior year period results if they were translated at current period foreign exchange rates.

(2) Fiduciary investment income for the three months ended June 30, 2023 and 2022, was $64 million and $7 million, respectively. Fiduciary investment income for the six months ended June 30, 2023 and 2022 was $116 million and $9 million, respectively.

(3) Organic revenue growth includes the impact of certain intercompany activity and excludes the impact of changes in foreign exchange rates, fiduciary investment income, acquisitions, divestitures, transfers between revenue lines, and gains or losses on derivatives accounted for as hedges.

Adjusted Operating Margin

We use adjusted operating margin as a non-GAAP measure of our core operating performance. Adjusted operating margin excludes the impact of certain items, as listed below, because management does not believe these expenses are the best indicators of our core operating performance. This supplemental information related to adjusted operating margin represents a measure not in accordance with U.S. GAAP and should be viewed in addition to, not instead of, our Condensed Consolidated Financial Statements.

A reconciliation of this non-GAAP measure to the reported operating margin is as follows (in millions, except percentages):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Revenue	$ 3,177	$ 2,983	$ 7,048	$ 6,653
Operating income - as reported	$ 842	$ 700	$ 2,315	$ 2,067
Amortization and impairment of intangible assets	25	25	50	53
Legal settlements [(1)]	—	58	—	58
Operating income - as adjusted	$ 867	$ 783	$ 2,365	$ 2,178
Operating margin - as reported	26.5 %	23.5 %	32.8 %	31.1 %
Operating margin - as adjusted	27.3 %	26.2 %	33.6 %	32.7 %

(1) In connection with certain legal settlements reached, a $58 million charge was recognized in the second quarter of 2022.

Adjusted Diluted Earnings per Share

We use adjusted diluted earnings per share as a non-GAAP measure of our core operating performance. Adjusted diluted earnings per share excludes the impact of certain items, as listed below, because management does not believe these expenses are the best indicators of our core operating performance. This supplemental information related to adjusted diluted earnings per share represents a measure not in accordance with U.S. GAAP and should be viewed in addition to, not instead of, our Condensed Consolidated Financial Statements. A reconciliation of this non-GAAP measure to reported diluted earnings per share is as follows (in millions, except per share data and percentages):

	Three Months Ended June 30, 2023		
	U.S. GAAP	Adjustments	Non-GAAP Adjusted
Operating income	$ 842	$ 25	$ 867
Interest income	5	—	5
Interest expense	(130)	—	(130)
Other income (expense) (1)	(59)	27	(32)
Income before income taxes	658	52	710
Income tax expense (2)	83	42	125
Net income	575	10	585
Less: Net income attributable to noncontrolling interests	15	—	15
Net income attributable to Aon shareholders	$ 560	$ 10	$ 570
Diluted net income per share attributable to Aon shareholders	$ 2.71	$ 0.05	$ 2.76
Weighted average ordinary shares outstanding - diluted	206.3	—	206.3
Effective tax rates (2)	12.6 %		17.6 %

	Three Months Ended June 30, 2022		
	U.S. GAAP	Adjustments	Non-GAAP Adjusted
Operating income	$ 700	$ 83	$ 783
Interest income	5	—	5
Interest expense	(102)	—	(102)
Other income (expense)	30	—	30
Income before income taxes	633	83	716
Income tax expense (2)	119	19	138
Net income	514	64	578
Less: Net income attributable to noncontrolling interests	13	—	13
Net income attributable to Aon shareholders	$ 501	$ 64	$ 565
Diluted net income per share attributable to Aon shareholders	$ 2.33	$ 0.30	$ 2.63
Weighted average ordinary shares outstanding - diluted	214.7	—	214.7
Effective tax rates (2)	18.8 %		19.3 %

	Six Months Ended June 30, 2023		
	U.S. GAAP	Adjustments	Non-GAAP Adjusted
Operating income	$ 2,315	$ 50	$ 2,365
Interest income	10	—	10
Interest expense	(241)	—	(241)
Other income (expense) (1)	(84)	27	(57)
Income before income taxes	2,000	77	2,077
Income tax expense (2)	346	47	393
Net income	1,654	30	1,684
Less: Net income attributable to noncontrolling interests	44	—	44
Net income attributable to Aon shareholders	$ 1,610	$ 30	$ 1,640
Diluted net income per share attributable to Aon shareholders	$ 7.79	$ 0.14	$ 7.93
Weighted average ordinary shares outstanding - diluted	206.7	—	206.7
Effective tax rates (2)	17.3 %		18.9 %

	Six Months Ended June 30, 2022		
	U.S. GAAP	Adjustments	Non-GAAP Adjusted
Operating income	$ 2,067	$ 111	$ 2,178
Interest income	8	—	8
Interest expense	(193)	—	(193)
Other income (expense)	55	—	55
Income before income taxes	1,937	111	2,048
Income tax expense (2)	375	25	400
Net income	1,562	86	1,648
Less: Net income attributable to noncontrolling interests	38	—	38
Net income attributable to Aon shareholders	$ 1,524	$ 86	$ 1,610
Diluted net income per share attributable to Aon shareholders	$ 7.07	$ 0.40	$ 7.47
Weighted average ordinary shares outstanding - diluted	215.6	—	215.6
Effective tax rates (2)	19.4 %		19.5 %

(1) To further its pension de-risking strategy, the Company settled certain pension obligations in the Netherlands through the purchase of annuities, where certain pension assets were liquidated to purchase the annuities. A non-cash settlement charge totaling $27 million was recognized in the second quarter of 2023 which is excluded from Other income (expense) - as adjusted.

(2) Adjusted items are generally taxed at the estimated annual effective tax rate, except for the applicable tax impact associated with the anticipated sale of certain assets and liabilities classified as held for sale as well as certain pension and legal settlements, which are adjusted at the related jurisdictional rate.

Free Cash Flow

We use free cash flow, defined as cash flow provided by operations less capital expenditures, as a non-GAAP measure of our core operating performance and cash-generating capabilities of our business operations. This supplemental information related to free cash flow represents a measure not in accordance with U.S. GAAP and should be viewed in addition to, not instead of, our Condensed Consolidated Financial Statements. The use of this non-GAAP measure does not imply or represent the residual cash flow for discretionary expenditures. A reconciliation of this non-GAAP measure to the reported Cash provided by operating activities is as follows (in millions):

	Six Months Ended June 30,	
	2023	**2022**
Cash provided by operating activities	$ 1,131	$ 1,131
Capital expenditures	(145)	(68)
Free cash flow	$ 986	$ 1,063

Impact of Foreign Exchange Rate Fluctuations

Because we conduct business in over 120 countries and sovereignties, foreign exchange rate fluctuations may have a significant impact on our business. Foreign exchange rate movements may be significant and may distort true period-to-period comparisons of changes in revenue or pretax income. Therefore, to give financial statement users meaningful information about our operations, we have provided an illustration of the impact of foreign currency exchange rates on our financial results. The methodology used to calculate this impact isolates the impact of the change in currencies between periods by translating the prior year quarter's revenue, expenses, and net income using the current quarter's foreign exchange rates.

Currency fluctuations had an unfavorable impact of $0.05 and an unfavorable impact of $0.19 on net income per diluted share during the three and six months ended June 30, 2023, respectively, if prior year period results were translated at current period foreign exchange rates. Currency fluctuations had an unfavorable impact of $0.09 and an unfavorable impact of $0.28 on net income per diluted share during the three and six months ended June 30, 2022 if 2021 results were translated at 2022 rates.

Currency fluctuations had an unfavorable impact of $0.05 and an unfavorable impact of $0.19 on adjusted diluted earnings per share during the three and six months ended June 30, 2023, respectively, if prior year period results were translated at current period foreign exchange rates. Currency fluctuations had an unfavorable impact of $0.10 and an unfavorable impact of $0.29 on adjusted diluted earnings per share during the three and six months ended June 30, 2022 if 2021 results were translated at 2022 rates. These translations are performed for comparative and illustrative purposes only and do not impact the accounting policies or practices for amounts included in our Condensed Consolidated Financial Statements.

LIQUIDITY AND FINANCIAL CONDITION

Liquidity

Executive Summary

We believe that our balance sheet and strong cash flow provide us with adequate liquidity. Our primary sources of liquidity in the near-term include cash flows provided by operations and available cash reserves; primary sources of liquidity in the long-term include cash flows provided by operations, debt capacity available under our credit facilities, and capital markets. Our primary uses of liquidity are operating expenses and investments, capital expenditures, acquisitions, share repurchases, pension obligations, and shareholder dividends. We believe that cash flows from operations, available credit facilities, available cash reserves, and the capital markets will be sufficient to meet our liquidity needs, including principal and interest payments on debt obligations, capital expenditures, pension contributions, and anticipated working capital requirements in the next twelve months and over the long-term.

Cash on our balance sheet includes funds available for general corporate purposes, as well as amounts restricted as to their use. Funds held on behalf of clients in a fiduciary capacity are segregated and shown together with uncollected insurance premiums in Fiduciary assets in our Condensed Consolidated Statements of Financial Position, with a corresponding amount in Fiduciary liabilities.

In our capacity as an insurance broker or agent, we collect premiums from insureds and, after deducting our commission, remit the premiums to the respective insurance underwriters. We also collect claims or refunds from underwriters on behalf of insureds, which are then returned to the insureds. Unremitted insurance premiums and claims are held by us in a fiduciary capacity. The levels of funds held on behalf of clients and liabilities can fluctuate significantly depending on when we collect the premiums, claims, and refunds, make payments to underwriters and insureds, and collect funds from clients and make payments on their behalf, and upon the impact of foreign currency movements. Funds held on behalf of clients, because of their nature, are generally invested in very liquid securities with highly rated, credit-worthy financial institutions. Fiduciary assets include funds held on behalf of clients comprised of cash and cash equivalents of $7.5 billion and $6.4 billion at June 30, 2023 and December 31, 2022, respectively, and fiduciary receivables of $10.7 billion and $9.5 billion at June 30, 2023 and December 31, 2022, respectively. While we earn investment income on the funds held in cash and money market funds, the funds cannot be used for general corporate purposes.

We maintain multicurrency cash pools with third-party banks in which various Aon entities participate. Individual Aon entities are permitted to overdraw on their individual accounts provided the overall global balance does not fall below zero. At June 30, 2023, cash balances of one or more non-U.S. entities may have been negative; however, the overall balance was positive.

The following table summarizes our Cash and cash equivalents, Short-term investments, and Fiduciary assets as of June 30, 2023 (in millions):

	Statement of Financial Position Classification			
Asset Type	**Cash and Cash Equivalents**	**Short-term Investments**	**Fiduciary Assets**	**Total**
Certificates of deposit, bank deposits, or time deposits	$ 952	$ —	$ 4,188	$ 5,140
Money market funds	—	200	3,350	3,550
Cash, Short-term investments, and funds held on behalf of clients	952	200	7,538	8,690
Fiduciary receivables	—	—	10,655	10,655
Total	$ 952	$ 200	$ 18,193	$ 19,345

Total cash and cash equivalents and funds held on behalf of clients, including $9 million of cash and cash equivalents classified as held for sale, increased $1.4 billion in 2023. A summary of our cash flows provided by and used for operating, investing, and financing activities is as follows (in millions):

	Six Months Ended June 30,	
	2023	**2022**
Cash provided by operating activities	$ 1,131	$ 1,131
Cash provided by (used for) investing activities	$ 128	$ (125)
Cash used for financing activities	$ (39)	$ (37)
Effect of exchange rates on cash and cash equivalents and funds held on behalf of clients	$ 203	$ (423)

Operating Activities

Net cash provided by operating activities during the six months ended June 30, 2023 was flat compared to the prior year period at $1.1 billion. This amount represents Net income reported, generally adjusted for the following primary drivers including gains from sales of businesses, losses from sales of businesses, share-based compensation expense, depreciation expense, amortization and impairments, and other non-cash income and expenses. Adjustments also include changes in working capital that relate primarily to the timing of payments of accounts payable and accrued liabilities and collection of receivables.

Pension Contributions

Pension contributions were $31 million for the six months ended June 30, 2023, as compared to $40 million for the six months ended June 30, 2022. For the remainder of 2023, we expect to contribute approximately $30 million in cash to our pension plans, including contributions to non-U.S. pension plans, which are subject to changes in foreign exchange rates.

Investing Activities

Cash flow provided by investing activities was $128 million during the six months ended June 30, 2023, an increase of $253 million compared to $125 million of Cash flow used for investing activities in the prior year period. Generally, the primary drivers of cash flow provided by investing activities are sales of businesses, sales of short-term investments, and proceeds from investments. Generally, the primary drivers of cash flow used for investing activities are acquisition of businesses, purchases of short-term investments, capital expenditures, and payments for investments. The gains and losses corresponding to cash flows provided by proceeds from investments and used for payments for investments are primarily recognized in Other income (expense) in our Condensed Consolidated Statements of Income.

Short-term Investments

Short-term investments decreased $252 million as compared to December 31, 2022. As disclosed in Note 13 "Fair Value Measurements and Financial Instruments" of our Condensed Consolidated Financial Statements contained in Part I, Item 1 of this report, the majority of our investments carried at fair value are money market funds. These money market funds are held throughout the world with various financial institutions. We are not aware of any market liquidity issues that would materially impact the fair value of these investments.

Acquisitions and Dispositions of Businesses

During the first six months of 2023, we completed one acquisition. Cash consideration transferred, net of cash and funds held on behalf of clients acquired, was $8 million, which includes $2 million related to acquisitions completed in 2022. During the first six months of 2022, we completed two acquisitions. Cash consideration transferred, net of cash and funds held on behalf of clients acquired, was $143 million.

During the first six months of 2023, we completed no dispositions. During the first six months of 2022, three businesses were sold for $22 million, net of cash and funds held on behalf of clients.

Capital Expenditures

Our additions to fixed assets, including capitalized software, amounted to $145 million and $68 million for the six months ended June 30, 2023 and 2022, respectively, primarily relate to the refurbishing and modernizing of office facilities, software development costs, and computer equipment purchases. In the current period, we continue to support certain technology projects to drive long-term growth and real estate projects to align with our Smart Working strategy.

Financing Activities

Cash flow used for financing activities during the six months ended June 30, 2023 was $39 million, an increase of $2 million compared to $37 million of Cash flow used for financing activities in the prior year period. Generally, the primary drivers of cash flow used for financing activities are repayments of debt, share repurchases, cash paid for employee taxes on withholding shares, dividends paid to shareholders, transactions with noncontrolling interests, and other financing activities, such as collection of or payments for deferred consideration in connection with prior year business acquisitions and divestitures. Generally, the primary drivers of cash flow provided by financing activities are issuances of debt, changes in net fiduciary liabilities, and proceeds from issuance of shares.

Share Repurchase Program

We have a share repurchase program authorized by our Board of Directors. The Repurchase Program was established in April 2012 with $5.0 billion in authorized repurchases, and was increased by $5.0 billion in authorized repurchases in each of November 2014, June 2017, and November 2020, and by $7.5 billion in February 2022 for a total of $27.5 billion in repurchase authorizations.

The following table summarizes our share repurchase activity (in millions, except per share data):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Shares repurchased	1.7	1.7	3.5	4.5
Average price per share	$ 323.96	$ 292.06	$ 314.36	$ 293.56
Repurchase costs recorded to accumulated deficit	$ 550	$ 500	$ 1,100	$ 1,328

At June 30, 2023, the remaining authorized amount for share repurchase under the Repurchase Program was approximately $4.9 billion. Under the Repurchase Program, the Company has repurchased a total of 164.2 million shares for an aggregate cost of approximately $22.6 billion. For further information regarding the Repurchase Program, see Part II, Item 2 of this report.

Borrowings

Total debt at June 30, 2023 was $11.3 billion, an increase of $0.6 billion compared to December 31, 2022. Further, commercial paper activity during the six months ended June 30, 2023 and 2022 is as follows (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Total issuances [1]	$ 1,411	$ 6,045	$ 2,281	$ 7,701
Total repayments	(1,455)	(5,902)	(2,498)	(8,110)
Net issuances (repayments)	$ (44)	$ 143	$ (217)	$ (409)

(1) The proceeds of the commercial paper issuances are generally used for short-term working capital needs.

In June 2023, Aon Global Limited's $600 million 3.50% Senior Notes due June 2024 were classified as Short-term debt and current portion of long-term debt in the Condensed Consolidated Statement of Financial Position as the date of maturity is in less than one year.

On February 28, 2023, Aon Corporation and Aon Global Holdings plc co-issued $750 million 5.35% Senior Notes due in February 2033. The Company intends to use the net proceeds from the offering for general corporate purposes.

In November 2022, Aon Global Limited's $350 million 4.00% Senior Notes due November 2023 were classified as Short-term debt and current portion of long-term debt in the Condensed Consolidated Statement of Financial Position as the date of maturity is in less than one year.

In November 2022, Aon Corporation's $500 million 2.20% Senior Notes matured and were repaid in full.

On September 12, 2022, Aon Corporation and Aon Global Holdings plc co-issued $500 million of 5.00% Senior Notes due September 2032. The Company intends to use the net proceeds from the offering for general corporate purposes.

On February 28, 2022, Aon Corporation and Aon Global Holdings plc co-issued $600 million of 2.85% Senior Notes due May 2027 and $900 million of 3.90% Senior Notes due February 2052. The Company intends to use the net proceeds from the offering for general corporate purposes.

Other Liquidity Matters

Distributable Profits

We are required under Irish law to have available "distributable profits" to make share repurchases or pay dividends to shareholders. Distributable profits are created through the earnings of the Irish parent company and, among other methods, through intercompany dividends or a reduction in share capital approved by the High Court of Ireland. Distributable profits are not linked to a U.S. GAAP reported amount (e.g. Accumulated Deficit). As of June 30, 2023 and December 31, 2022, we had distributable profits in excess of $29.3 billion and $29.0 billion, respectively. We believe that we will have sufficient distributable profits for the foreseeable future.

Credit Facilities

We expect cash generated by operations for 2023 to be sufficient to service our debt and contractual obligations, finance capital expenditures, and continue to pay dividends to our shareholders. Although cash from operations is expected to be sufficient to service these activities, we have the ability to access the commercial paper markets or borrow under our credit facilities to accommodate any timing differences in cash flows. Additionally, under current market conditions, we believe that we could access capital markets to obtain debt financing for longer-term funding, if needed.

As of June 30, 2023, we had two primary committed credit facilities outstanding: our $1.0 billion multi-currency U.S. credit facility expiring in September 2026 and our $750 million multi-currency U.S. credit facility expiring in October 2024. In aggregate, these two facilities provide approximately $1.8 billion in available credit.

Each of these primary committed credit facilities includes customary representations, warranties, and covenants, including financial covenants that require us to maintain specified ratios of adjusted consolidated EBITDA to consolidated interest expense and consolidated debt to consolidated adjusted EBITDA, tested quarterly. At June 30, 2023, we did not have borrowings under either facility, and we were in compliance with the financial covenants and all other covenants contained therein during the rolling 12 months ended June 30, 2023.

Shelf Registration Statement

On June 22, 2023, we filed a shelf registration statement with the SEC, registering the offer and sale from time to time of an indeterminate amount of, among other securities, debt securities, preference shares, class A ordinary shares and convertible securities. Our ability to access the market as a source of liquidity is dependent on investor demand, market conditions, and other factors.

Rating Agency Ratings

The major rating agencies' ratings of our debt at July 28, 2023 appear in the table below.

	Ratings		
	Senior Long-term Debt	**Commercial Paper**	**Outlook**
Standard & Poor's	A-	A-2	Stable
Moody's Investor Services	Baa2	P-2	Positive
Fitch, Inc.	BBB+	F-2	Stable

On June 26, 2023, Moody's Investor Services upgraded our 'Baa2' outlook to Positive, as compared to a Stable outlook at April 28, 2023 as reported in our Quarterly Report on Form 10-Q for the three months ended March 31, 2023.

Letters of Credit and Other Guarantees

We have entered into a number of arrangements whereby our performance on certain obligations is guaranteed by a third party through the issuance of a letter of credit. We had total LOCs outstanding of approximately $79 million at June 30, 2023, compared to $74 million at December 31, 2022. These LOCs cover the beneficiaries related to certain of our U.S. and Canadian non-qualified pension plan schemes and secure deductible retentions for our own workers compensation program. We also have obtained LOCs to cover contingent payments for taxes and other business obligations to third parties, and other guarantees for miscellaneous purposes at our international subsidiaries.

We have certain contractual contingent guarantees for premium payments owed by clients to certain insurance companies. The maximum exposure with respect to such contractual contingent guarantees was approximately $135 million at June 30, 2023, compared to $173 million at December 31, 2022.

Guarantee of Registered Securities

On June 22, 2023, Aon North America, Inc., a 100% indirectly owned subsidiary of Aon plc, entered into agreements pursuant to which it guaranteed the obligations of Aon Corporation, Aon Global Limited, and Aon Global Holdings plc arising under issued and outstanding debt securities, which are outlined in the tables below by the respective issuer or co-issuer. The obligations of Aon Corporation were previously guaranteed by Aon Global Limited, Aon plc, and Aon Global Holdings plc. The obligations of Aon Global Limited were previously guaranteed by Aon Corporation, Aon plc, and Aon Global Holdings plc. The obligations co-issued by Aon Corporation and Aon Global Holdings plc were previously guaranteed by Aon plc and Aon Global Limited.

Following June 22, 2023, newly issued and outstanding debt securities by Aon Corporation are guaranteed by Aon Global Limited, Aon plc, Aon North America, Inc., and Aon Global Holdings plc, and include the following (collectively, the "Aon Corporation Notes"):

Aon Corporation Notes
8.205% Junior Subordinated Notes due January 2027
4.50% Senior Notes due December 2028
3.75% Senior Notes due May 2029
2.80% Senior Notes due May 2030
6.25% Senior Notes due September 2040

All guarantees of Aon plc, Aon Global Limited, Aon North America, Inc., and Aon Global Holdings plc of the Aon Corporation Notes are joint and several as well as full and unconditional. Senior Notes rank pari passu in right of payment with all other present and future unsecured debt which is not expressed to be subordinate or junior in rank to any other unsecured debt of Aon Corporation. There are no subsidiaries other than those listed above that guarantee the Aon Corporation Notes.

Newly issued and outstanding debt securities by Aon Global Limited are guaranteed by Aon plc, Aon Global Holdings plc, Aon North America, Inc., and Aon Corporation, and include the following (collectively, the "Aon Global Limited Notes"):

Aon Global Limited Notes
4.00% Senior Notes due November 2023
3.50% Senior Notes due June 2024
3.875% Senior Notes due December 2025
2.875% Senior Notes due May 2026
4.25% Senior Notes due December 2042
4.45% Senior Notes due May 2043
4.60% Senior Notes due June 2044
4.75% Senior Notes due May 2045

All guarantees of Aon plc, Aon Global Holdings plc, Aon North America, Inc., and Aon Corporation of the Aon Global Limited Notes are joint and several as well as full and unconditional. Senior Notes rank pari passu in right of payment with all other present and future unsecured debt which is not expressed to be subordinate or junior in rank to any other unsecured debt of Aon Global Limited. There are no subsidiaries other than those listed above that guarantee the Aon Global Limited Notes.

Newly co-issued and outstanding debt securities by Aon Corporation and Aon Global Holdings plc (together, the "Co-Issuers") are guaranteed by Aon plc, Aon North America, Inc., and Aon Global Limited and include the following (collectively, the "Co-Issued Notes"):

Co-Issued Notes - Aon Corporation and Aon Global Holdings plc
2.85% Senior Notes due May 2027
2.05% Senior Notes due August 2031
2.60% Senior Notes due December 2031
5.00% Senior Notes due September 2032
5.35% Senior Notes due February 2033
2.90% Senior Notes due August 2051
3.90% Senior Notes due February 2052

All guarantees of Aon plc, Aon Global Limited, and Aon North America, Inc. of the Co-Issued Notes are joint and several as well as full and unconditional. Senior Notes rank pari passu in right of payment with all other present and future unsecured debt which is not expressed to be subordinate or junior in rank to any other unsecured debt of the Co-Issuers. There are no subsidiaries other than those listed above that guarantee the Co-Issued Notes.

Aon Corporation, Aon North America, Inc., Aon Global Limited, and Aon Global Holdings plc are indirect wholly owned subsidiaries of Aon plc. Aon plc, Aon Global Limited, Aon Global Holdings plc, Aon North America, Inc., and Aon Corporation together comprise the revised "Obligor group" as amended on June 22, 2023. The following tables set forth summarized financial information for the revised Obligor group, which reflects the financial results of Aon North America, Inc. for the year ended December 31, 2022 and for the period ended June 30, 2023.

Adjustments are made to the tables to eliminate intercompany balances and transactions between the revised Obligor group. Intercompany balances and transactions between the revised Obligor group and non-guarantor subsidiaries are presented as separate line items within the summarized financial information. These balances are presented on a net presentation basis, rather than a gross basis, as this better reflects the nature of the intercompany positions and presents the funding or funded position that is to be received or owed. No balances or transactions of non-guarantor subsidiaries are presented in the summarized financial information, including investments of the revised Obligor group in non-guarantor subsidiaries.

(millions)	Obligor Group Summarized Statement of Income Information Six Months Ended June 30, 2023	
Revenue	$	—
Operating loss	$	(56)
Expense from non-guarantor subsidiaries before income taxes	$	(359)
Net loss	$	(664)
Net loss attributable to Aon shareholders	$	(664)

(millions)	Obligor Group Summarized Statement of Financial Position Information As of June 30, 2023		As of December 31, 2022	
Receivables due from non-guarantor subsidiaries	$	3,772	$	1,300
Other current assets		58		317
Total current assets	$	3,830	$	1,617
Non-current receivables due from non-guarantor subsidiaries	$	489	$	483
Other non-current assets		1,163		1,060
Total non-current assets	$	1,652	$	1,543
Payables to non-guarantor subsidiaries	$	14,840	$	16,171
Other current liabilities		6,927		5,875
Total current liabilities	$	21,767	$	22,046
Non-current payables to non-guarantor subsidiaries	$	6,615	$	2,253
Other non-current liabilities		11,377		11,226
Total non-current liabilities	$	17,992	$	13,479

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

There have been no changes in our critical accounting policies, which include revenue recognition, pensions, goodwill and other intangible assets, contingencies, share-based payments, and income taxes, as discussed in our Annual Report on Form 10-K for the year ended December 31, 2022.

NEW ACCOUNTING PRONOUNCEMENTS

As described in Note 2 "Accounting Principles and Practices" to our Financial Statements contained in Part I, Item 1, all issued, but not yet effective, guidance has been deemed not applicable or not significant to the Financial Statements.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

We are exposed to potential fluctuations in earnings, cash flows, and the fair values of certain of our assets and liabilities due to changes in interest rates and foreign exchange rates. To manage the risk from these exposures, we enter into a variety of derivative instruments. We do not enter into derivatives or financial instruments for trading or speculative purposes.

The following discussion describes our specific exposures and the strategies we use to manage these risks. Refer to Note 2 "Summary of Significant Accounting Principles and Practices" in the Notes to Consolidated Financial Statements as discussed in Part II, Item 8 of the Company's Annual Report on Form 10-K for the year ended December 31, 2022 for a discussion of our accounting policies for financial instruments and derivatives.

Foreign Exchange Risk

We are subject to foreign exchange rate risk. Our primary exposures include exchange rates between the U.S. dollar and the euro, the British pound, the Canadian dollar, the Australian dollar, the Indian rupee, and the Japanese yen. We use over-the-counter options and forward contracts to reduce the impact of foreign currency risk to our financial statements.

Additionally, some of our non-U.S. brokerage subsidiaries receive revenue in currencies that differ from their functional currencies. Our U.K. subsidiaries earn a portion of their revenue in U.S. dollars, euro, and Japanese yen, but most of their expenses are incurred in British pounds. At June 30, 2023, we have hedged approximately 45% of our U.K. subsidiaries' expected exposures to U.S. dollar, euro, and Japanese yen transactions for the years ending December 31, 2023 and 2024, respectively. We generally do not hedge exposures beyond three years.

We also use forward and option contracts to economically hedge foreign exchange risk associated with monetary balance sheet exposures, such as intercompany notes and short-term assets and liabilities that are denominated in a non-functional currency and are subject to remeasurement.

The translated value of revenues and expenses from our international brokerage operations are subject to fluctuations in foreign exchange rates. If we were to translate prior year results at current quarter exchange rates, diluted net income per share would have an unfavorable $0.05 impact and an unfavorable $0.19 impact during the three and six months ended June 30, 2023, respectively. Further, adjusted diluted earnings per share, a non-GAAP measure as defined and reconciled under the caption "Review of Consolidated Results — Adjusted Diluted Earnings Per Share," would have an unfavorable $0.05 impact and an unfavorable $0.19 impact during the three and six months ended June 30, 2023, respectively, if we were to translate prior year results at current quarter exchange rates.

Interest Rate Risk

Our fiduciary investment income is affected by changes in international and domestic short-term interest rates. We monitor our net exposure to short-term interest rates and, as appropriate, hedge our exposure with various derivative financial instruments. This activity primarily relates to brokerage funds held on behalf of clients in the U.S. and in continental Europe. A decrease in global short-term interest rates adversely affects our fiduciary investment income.

Item 4. Controls and Procedures

Evaluation of disclosure controls and procedures. We have conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as of the end of the period covered by this quarterly report of June 30, 2023. Based on this evaluation, our chief executive officer and chief financial officer concluded that our disclosure controls and procedures were effective such that the information relating to Aon, including our consolidated subsidiaries, required to be disclosed in our SEC reports is recorded, processed, summarized and reported within the time periods specified in appropriate statute, SEC rules and forms, and is accumulated and communicated to Aon's management, including our chief executive officer and chief financial officer, as appropriate to allow timely decisions regarding required disclosure.

Changes in internal control over financial reporting. No changes in Aon's internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) occurred during the quarter ended June 30, 2023 that have materially affected, or that are reasonably likely to materially affect, Aon's internal control over financial reporting.

Part II Other Information

Item 1. Legal Proceedings

See Note 14 "Claims, Lawsuits, and Other Contingencies" to our Financial Statements contained in Part I, Item 1 of this report, which is incorporated by reference herein.

Item 1A. Risk Factors

The risk factors set forth in the "Risk Factors" section in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2022 reflect certain risks associated with existing and potential lines of business and contain "forward-looking statements" as discussed in "Information Concerning Forward-Looking Statements" elsewhere in this report. Readers should consider them in addition to the other information contained in this report as our business, financial condition or results of operations could be adversely affected if any of these risks actually occur.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Issuer Purchases of Equity Securities

The following information relates to the purchase of equity securities by Aon or any affiliated purchaser during each month within the second quarter of 2023:

Period	Total Number of Shares Purchased	Average Price Paid per Share (1)	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (2)	Maximum Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs (1)(2)
4/1/23 - 4/30/23	306,766	$ 325.98	306,766	$ 5,367,294,804
5/1/23 - 5/31/23	731,587	$ 324.49	731,587	$ 5,129,902,503
6/1/23 - 6/30/23	659,382	$ 322.43	659,382	$ 4,917,294,894
	1,697,735	$ 323.96	1,697,735	$ 4,917,294,894

(1) Does not include commissions paid to repurchase shares.

(2) The Repurchase Program was established in April 2012 with $5.0 billion in authorized repurchases and was increased by $5.0 billion in authorized repurchases in each of November 2014, June 2017, and November 2020, and by $7.5 billion in February 2022 for a total of $27.5 billion in repurchase authorizations.

Unregistered Sales of Equity Securities

We did not make any unregistered sales of equity in the second quarter of 2023.

Item 3. Defaults Upon Senior Securities

Not Applicable.

Item 4. Mine Safety Disclosures

Not Applicable.

Item 5. Other Information

Special Awards

On July 26, 2023 (the "Grant Date"), the Organization and Compensation Committee (the "Committee") of the Board of Directors of the Company approved one-time special awards (the "Special Awards") to each of Christa Davies, the Company's Executive Vice President and Chief Financial Officer, and Eric Andersen, the Company's President (each of Ms. Davies and Mr. Andersen, a "Recipient" and together, "Recipients"), under the Aon plc 2011 Incentive Plan, as amended and restated.

In approving the Special Awards, the Committee considered the best interests of shareholders and the Company's objectives of aligning compensation with performance, promoting retention of the Recipients, ensuring leadership continuity for the Company, delivering against our key financial metrics and driving significant shareholder value creation. The Committee considered Ms. Davies' leadership of the Company's Aon Business Services strategy to drive efficiency, innovation, and client service across the Company, and Mr. Andersen's performance and responsibility for driving the Company's growth initiatives across its solution lines. The Committee believes that the Special Awards will strengthen the Company's Aon United strategy and promote the alignment of Ms. Davies' and Mr. Andersen's compensation and long-term shareholder value creation.

The Special Awards are in the form of 50,000 PSUs, which at target convert on a one-to-one basis to class A ordinary shares of the Company, with 0% to 200% of the target PSUs to vest on March 31, 2028 (the "Vesting Date") based on the price of the Company's class A ordinary shares from the Grant Date through the Vesting Date (the "Performance Period"). No PSUs will vest if the average closing price of class A ordinary shares of the Company for the 90 consecutive trading days ending on the Vesting Date is below $475 (the "Performance Hurdle"). Subject to achieving the Performance Hurdle, the number of PSUs to vest will be based upon the highest trading day average closing price of the class A ordinary shares of the Company for any 90 consecutive trading days during the Performance Period (the "Average Share Price"), as follows: (i) entry (50%) if the Average Share Price is $475, (ii) target (100%) if the Average Share Price is $500 and (iii) stretch (200%) if the Average Share Price is at least $550. If Average Share Price is between the entry, target and stretch levels, a proportionate number of PSUs between those levels will be earned.

The Special Award will be forfeited by a Recipient in the event of such Recipient's retirement or voluntary resignation, including for good reason, prior to the Vesting Date. On or prior to March 31, 2026, upon a termination of a Recipient by the Company without cause, or upon death or disability, such Recipient will be eligible to earn a prorated portion (based on completed days of service during the Performance Period) of the target level of units, subject to achievement of the Performance Hurdle. If such a termination, or death of disability, occurs after March 31, 2026, then the Recipient will be eligible to earn a prorated portion (based on completed days of service during the Performance Period) of the level of achievement of performance at termination date, subject to achievement of the Performance Hurdle. In the event a change in control is consummated prior to the Vesting Date, the performance conditions will be tested at the time of such change in control utilizing the purchase share price. To the extent the performance conditions are achieved as of such date, the Special Award will remain subject to the time vesting requirements; provided, however, that in the event (i) the Special Award is not assumed by the buyer in such change-in-control transaction, or (ii) the Special Award is assumed, but the Recipient is terminated involuntarily without cause, or the Recipient resigns with good reason, during the two-year period immediately following such change in control, then the Special Award shall immediately vest.

The description of the Special Awards in this Part II, Item 5 is qualified in its entirety by reference to the Form of Performance Share Unit Agreement, which is filed as Exhibit 10.8 hereto and is incorporated herein by reference.

Andersen Employment Agreement

Also on July 26, 2023, Aon Corporation, a wholly owned subsidiary of the Company, entered into an Employment Agreement with Mr. Andersen (the "Employment Agreement"). Pursuant to the terms and conditions of the Employment Agreement, Mr. Andersen will continue to serve as President of the Company and Aon Corporation. The Employment Agreement is effective as of July 1, 2023, and expires on June 30, 2026, unless earlier terminated or extended. The Employment Agreement supersedes Mr. Andersen's Letter Agreement confirming certain terms and conditions of his at-will employment dated as of May 11, 2018.

Pursuant to the Employment Agreement, Mr. Andersen is entitled to continue to receive a base salary of no less than $1,250,000 per year, which shall be reviewed annually on the Company's regular executive salary review schedule, and shall be subject to adjustment at the discretion of the Company's Chief Executive Officer and the Committee. In addition, Mr. Andersen will continue to be eligible for a target annual incentive bonus of no less than 200% of his base salary for 2023 and subsequent calendar years, payable pursuant to and in accordance with the Aon ISP in a combination of cash and restricted share units of the Company's class A ordinary shares. The Employment Agreement provides that Mr. Andersen will continue to be eligible to participate in the Company's LPP and that Mr. Andersen will receive a Special Award.

In the event of Mr. Andersen's death or termination of employment due to his incapacity or disability during the term of the Employment Agreement, he or his heirs, executors or the administrators of his estate (as applicable) shall receive: (1) his accrued base salary through and including the date of his employment termination; (2) any unpaid annual bonus earned for the completed year (or other performance period) prior to Mr. Andersen's employment termination; (3) any prorated annual incentive bonus (based on the target annual incentive for the bonus year in which his employment terminates) through and including the date of his employment termination; (4) other employee benefits to which he is entitled in accordance with the terms of such benefit plans and programs; and (5) payment or vesting of any long-term incentive awards that have been granted to him prior to the date of his employment termination, to the extent that such payment or vesting is provided for in the terms of the award agreements.

If the Company terminates Mr. Andersen's employment for "cause" (as defined in the Employment Agreement), he will be entitled to receive: (1) his accrued base salary through and including the date of his employment termination, and (2) other vested employee benefits to which he is entitled upon his termination of employment, in accordance with the terms of such benefit plans and programs.

The Company may notify Mr. Andersen that his employment will be terminated upon the expiration of the Employment Period (as defined in the Employment Agreement); provided that the Company shall provide Mr. Andersen with a minimum of three hundred and sixty-five (365) days' advance notice ("Notice") of such termination. If the Employment Period expires prior to the end of the Notice period, Mr. Andersen will be converted to an at-will employee upon the expiration of the Employment Period and the termination shall be treated as a qualifying termination under the Aon plc Amended and Restated Senior Executive Combined Severance and Change in Control Plan (the "SE Plan").

The Employment Agreement also provides that, if the Company removes Mr. Andersen from the role of President and/or reduces his substantive duties ("Company Removal"), or if Mr. Andersen notifies the Company in writing that he no longer wishes to perform the duties and responsibilities of President ("Executive Notification"), Mr. Andersen will remain employed through the Employment Period (with approval of the Chief Executive Officer in the case of Executive Notification) and shall be entitled to receive: (1) his base salary and annual incentive target bonus through the duration of the Employment Period; (2) pro rata vesting of any outstanding LPP awards through the duration of the Employment Period or through the date of Notification (as applicable); (3) continued vesting of any outstanding ISP awards; and (4) other employee benefits to which he is entitled at the date of Company Removal or Executive Notification (as applicable). In the event of Company Removal, Mr. Andersen would also be entitled to receive pro rata vesting of the Special Award through the duration of the Employment Period. The removal of Mr. Andersen from his role as President, Executive Notification, and/or any reduction in his duties by the Company is deemed not to be a qualifying termination under the SE Plan.

Mr. Andersen is subject to confidentiality provisions and non-competition and non-solicitation covenants that apply during his employment and for a period of two years following the termination of his employment without regard to the reason for such termination, each as set forth in the Employment Agreement.

The description of the Employment Agreement in this Part II, Item 5 is qualified in its entirety by reference to the full text of the Employment Agreement, a copy of which is attached hereto as Exhibit 10.7 and incorporated herein by reference.

Item 6. Exhibits

Exhibits — The exhibits filed with this report are listed on the attached Exhibit Index.

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Aon plc
(Registrant)

July 28, 2023

By: /s/ Michael Neller
Michael Neller
SENIOR VICE PRESIDENT AND
GLOBAL CONTROLLER
(Principal Accounting Officer and duly authorized officer of Registrant)

Exhibit Index

Exhibit Number	Description of Exhibit
3.1	Memorandum and Articles of Association of Aon plc (Incorporated by reference to Exhibit 3.1 to Aon's Current Report on Form 8-K filed with the SEC on June 4, 2021).
4.1	First Indenture Supplement, dated June 22, 2023, among Aon Corporation, Aon plc, Aon Global Limited, Aon Global Holdings plc, Aon North America, Inc. and The Bank of New York Mellon Trust Company, N.A. (Incorporated by reference to Exhibit 4.14 to Aon plc's Registration Statement on Form S-3 filed with the SEC on June 22, 2023).
4.2	First Indenture Supplement, dated June 22, 2023, among Aon Corporation, Aon plc, Aon Global Limited, Aon Global Holdings plc, Aon North America, Inc. and The Bank of New York Mellon Trust Company, N.A. (Incorporated by reference to Exhibit 4.16 to Aon plc's Registration Statement on Form S-3 filed with the SEC on June 22, 2023).
4.3	First Indenture Supplement, dated June 22, 2023, among Aon plc, Aon Corporation, Aon Global Limited, Aon Global Holdings plc, Aon North America, Inc. and The Bank of New York Mellon Trust Company, N.A. (Incorporated by reference to Exhibit 4.18 to Aon plc's Registration Statement on Form S-3 filed with the SEC on June 22, 2023).
4.4	First Indenture Supplement, dated June 22, 2023, among Aon plc, Aon Corporation, Aon Global Limited, Aon Global Holdings plc, Aon North America, Inc. and The Bank of New York Mellon Trust Company, N.A. (Incorporated by reference to Exhibit 4.20 to Aon plc's Registration Statement on Form S-3 filed with the SEC on June 22, 2023).
4.5	First Indenture Supplement, dated June 22, 2023, among Aon plc, Aon Corporation, Aon Global Limited, Aon Global Holdings plc, Aon North America, Inc. and The Bank of New York Mellon Trust Company, N.A. (Incorporated by reference to Exhibit 4.22 to Aon plc's Registration Statement on Form S-3 filed with the SEC on June 22, 2023).
4.6	Sixth Indenture Supplement, dated June 22, 2023, among Aon Corporation, Aon plc, Aon Global Limited, Aon Global Holdings plc, Aon North America, Inc. and The Bank of New York Mellon Trust Company, N.A. (Incorporated by reference to Exhibit 4.29 to Aon plc's Registration Statement on Form S-3 filed with the SEC on June 22, 2023).
10.1#	Amendment to International Assignment Letter, dated June 16, 2023, between Aon Corporation and Christa Davies (Incorporated by reference to Exhibit 10.1 to Aon plc's Current Report on Form 8-K filed with the SEC on June 22, 2023).
10.2#	Amendment to International Assignment Letter, dated June 16, 2023, between Aon Corporation and Greg Case (Incorporated by reference to Exhibit 10.2 to Aon plc's Current Report on Form 8-K filed with the SEC on June 22, 2023).
10.3#*	Aon plc 2011 Incentive Plan, As Amended and Restated.
10.4*	Amendment No. 1 to the Credit Agreement, dated as of May 3, 2023, by and among Citibank, N.A., as administrative agent, Aon Corporation, Aon UK Limited, Aon Global Holdings plc and Aon Global Limited, and the lenders party thereto.
10.5*	Guaranty Supplement from Aon North America, Inc. to Citibank, N.A., as administrative agent, dated June 22, 2023.
10.6*	Guaranty Supplement from Aon North America, Inc. to Citibank, N.A., as administrative agent, dated June 22, 2023.
10.7#*	Employment Agreement, effective as of July 1, 2023, between Aon Corporation and Eric Andersen.
10.8#*	Form of Performance Share Unit Agreement Under Aon plc 2011 Incentive Plan, as amended as restated.
22.1*	Subsidiary Guarantors and Issuers of Guaranteed Securities.
31.1*	Certification of CEO.
31.2*	Certification of CFO.
32.1*	Certification of CEO Pursuant to section 1350 of Title 18 of the United States Code.
32.2*	Certification of CFO Pursuant to section 1350 of Title 18 of the United States Code.
101*	Interactive Data Files. The following materials are filed electronically with this Quarterly Report on Form 10-Q:
	101.SCH XBRL Taxonomy Extension Schema Document
	101.CAL XBRL Taxonomy Calculation Linkbase Document
	101.DEF XBRL Taxonomy Definition Linkbase Document
	101.PRE XBRL Taxonomy Presentation Linkbase Document
	101.LAB XBRL Taxonomy Calculation Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Filed herewith

# Indicates a management contract or compensatory plan or arrangement