



# Quarterly Earnings Summary

First Quarter 2022

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# “First quarter results reflect strong top and bottom-line performance”

Insights from this quarter’s conference call



“

Our performance demonstrates how increasing global volatility has further reinforced the relevance of our Aon United strategy. In the face of rising complexity and uncertainty, our colleagues will continue to employ the advanced analytics and underlying technology of our Aon Business Services platform to identify areas of unmet need, improve service standards, and accelerate delivery of new solutions that provide clients the clarity and confidence they need to protect and grow their business.”

**Greg Case**

Chief Executive Officer



“

Our first quarter results reflect strong top and bottom-line performance, driven by our Aon United strategy. We start the year in a position of strength and expect to continue to make progress on our key financial metrics and drive shareholder value creation.”

**Christa Davies**

Chief Financial Officer

# Performance Across Key Financial Metrics<sup>1</sup>

## Organic Revenue Growth

**+8%**

Q1'21	Q1'22
+6%	+8%

Reflects ongoing strong retention and net new business generation

## Adjusted Earnings Per Share Growth

**+13%**

Q1'21	Q1'22
\$4.28	\$4.83

Reflects strong organic revenue growth and effective capital management

## Adjusted Operating Margin Expansion

**+60 bps**

Q1'21	Q1'22
37.4%	38.0%

Reflects strong organic revenue growth, partially offset by expense growth and investments in long-term growth

## Free Cash Flow Growth

**(17)%**

Q1'21	Q2'22
\$532M	\$440M

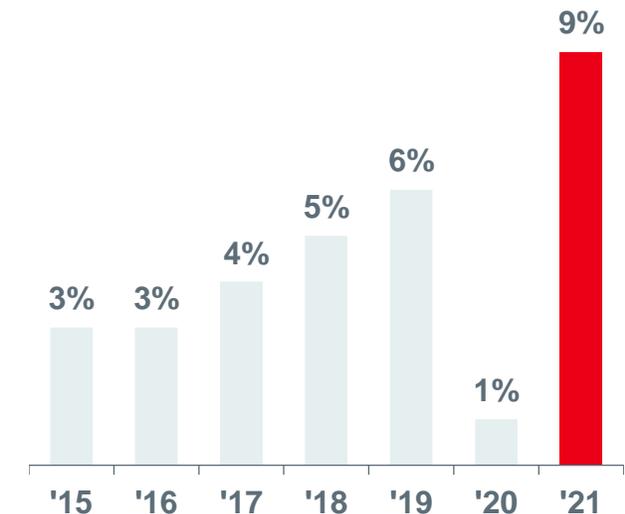
Reflects higher incentive compensation payments following strong performance in 2021, partially offset by strong operating income growth and a \$6 million decrease in capital expenditures

# Strong Organic Revenue<sup>1</sup> Growth to Start 2022

- **Organic revenue growth of +8% overall in the first quarter**, driven by ongoing strong retention and net new business generation
- **Reported revenue growth of +4% in the first quarter**, including a (3)% unfavorable impact from FX and a (1)% unfavorable impact from divestitures, net of acquisitions

Organic Revenue Growth		
	Q1'21	Q1'22
Commercial Risk Solutions	+7%	+9%
Reinsurance Solutions	+6%	+7%
Health Solutions	+4%	+8%
Wealth Solutions	+4%	+0%
<b>Total Aon</b>	<b>+6%</b>	<b>+8%</b>

## Organic Revenue Growth Annual Trend



*Expect mid-single-digit or greater organic revenue growth in 2022 and over the long-term*

# A Decade of Momentum on Key Financial Metrics<sup>1</sup>

Driving Top and Bottom-Line Improvement

	FY 2011	FY 2021	10-Year Growth
<b>Organic Revenue Growth</b>	+2%	+9%	<b>+4% avg / year</b>
<b>Adjusted Operating Margin</b>	19.0%	30.1%	<b>+1,110 bps</b> <i>~100 bps / year</i>
<b>Adjusted Earnings Per Share</b>	\$4.06	\$12.00	<b>+11% CAGR</b>
<b>Free Cash Flow</b>	\$0.9B	\$2.0B	<b>+9% CAGR*</b>
<b>Shares Outstanding<sup>2</sup></b>	324.8M	214.8M	<b>~34% Net Reduction</b>
<b>Return on Invested Capital (ROIC)</b>	12.2%	27.4%	<b>+1,520 bps</b> <i>~150 bps / year</i>

\* Excluding \$1B termination fee in 2021, Free Cash Flow CAGR is +13% over the last decade



<sup>1</sup> The results presented on this page are non-GAAP measures that are reconciled to their corresponding U.S. GAAP measures in the Appendices of the presentation.

<sup>2</sup> Calculated as the change in actual shares outstanding from December 31, 2011 to December 31, 2021.

# Aon is in the Business of Better Decisions

Aon exists to shape decisions for the better — to protect and enrich the lives of people around the world. Our colleagues provide our clients in over 120 countries with advice and solutions that give them the clarity and confidence to make better decisions to protect and grow their business.

**50,000**

colleagues around the world

**120+**

countries with Aon clients

Through our experience, global reach and state-of-the-art analytics, we are better able to help clients meet rapidly changing, increasingly complex and interconnected challenges across four areas of need:

Navigating new forms of volatility

Building a resilient workforce

Rethinking access to capital

Addressing the underserved

## Commercial Risk Solutions

Shifts in technology, economics and geopolitics are creating unprecedented volatility. We help clients identify, measure and manage their risk exposure.

**\$75B+**

of bound premium placed annually<sup>1</sup>

## Health Solutions

Health is declining, costs are rising and workers have vastly different needs. We help companies improve employee health and wellbeing while managing costs.

**\$180B**

of healthcare premium directed annually<sup>2</sup>

## Reinsurance Solutions

Businesses, governments and communities need to become more resilient. Our expertise and insight help (re)insurers navigate uncharted territories and create more relevant solutions.

**\$45B+**

of bound premium placed annually

## Wealth Solutions

Global business is becoming increasingly difficult to navigate. We help employers, fiduciaries and investment officers optimize results and provide a more secure future for their stakeholders.

**\$4.1T<sup>3</sup>**

of assets under advisement

<sup>1</sup>Includes approximately \$30 billion of captive premium

<sup>2</sup>Includes \$30B of fully-insured premium and \$150B of self-insured premium equivalents

<sup>3</sup>As of 6/30/2021, includes non-discretionary assets advised by Aon and its global affiliates which includes retainer clients and clients in which Aon and its global affiliates have performed project services for over the past 12 months. Project clients may not currently engage Aon at the time of the calculation of assets under advisement as the project may have concluded earlier during preceding 12-month period.

# Appendix

# Explanation of Non-GAAP Measures

This communication includes supplemental information not calculated in accordance with generally accepted accounting principles in the United States (“U.S. GAAP”), including organic revenue growth, free cash flow, adjusted operating income, adjusted operating margin, and adjusted earnings per share that exclude the effects of intangible asset amortization and impairment, capital expenditures, and certain other noteworthy items that affected results for the comparable periods. Organic revenue growth includes the impact of intercompany activity and excludes foreign exchange rate changes, acquisitions, divestitures, transfers between revenue lines, fiduciary investment income, and gains or losses on derivatives accounted for as hedges. Currency impact is determined by translating last year’s revenue, expense, or net income at this year’s foreign exchange rates. Reconciliations to the closest U.S. GAAP measure for each non-GAAP measure presented in this communication are provided in the attached appendices. Supplemental organic revenue growth information and additional measures that exclude the effects of certain items noted above do not affect net income or any other U.S. GAAP reported amounts. Free cash flow is cash flows from operating activity less capital expenditures. The adjusted effective tax rate excludes the applicable tax impact associated with expenses for estimated intangible asset amortization and impairment, and certain other noteworthy items. Management believes that these measures are important to make meaningful period-to-period comparisons and that this supplemental information is helpful to investors. Non-GAAP measures should be viewed in addition to, not in lieu of, Aon’s Condensed Consolidated Financial Statements. Industry peers provide similar supplemental information regarding their performance, although they may not make identical adjustments.

# Appendix A: Reconciliation of Non-GAAP Measures – Organic Revenue Growth and Free Cash Flow

Aon Organic Revenue Reconciliation		Q1'19	Q2'19	Q3'19	Q4'19	FY'19	Q1'20	Q2'20	Q3'20	Q4'20	FY'20	Q1'21	Q2'21	Q3'21	Q4'21	FY'21	Q1'22
<b>Commercial Risk</b>	Current period revenue	1,454	1,453	1,328	1,622	5,857	1,477	1,400	1,320	1,664	5,861	1,640	1,643	1,505	1,847	6,635	1,719
	Prior year period revenue	1,478	1,443	1,292	1,544	5,757	1,454	1,453	1,328	1,622	5,857	1,477	1,400	1,320	1,664	5,861	1,640
	% Change	-2%	1%	3%	5%	2%	2%	-4%	-1%	3%	0%	11%	17%	14%	11%	13%	5%
	Less: Currency Impact <sup>(1)</sup>	-5%	-3%	-2%	-2%	-3%	-2%	-2%	0%	2%	0%	5%	5%	2%	-1%	2%	-3%
	Less Fiduciary Investment Income <sup>(2)</sup>	0%	0%	0%	0%	0%	0%	-1%	-1%	0%	0%	0%	0%	0%	0%	0%	0%
	Less: Acquisitions, Divestitures & Other	-3%	-2%	-1%	0%	-1%	0%	0%	0%	0%	-1%	-1%	-1%	-1%	0%	0%	-1%
	Organic Revenue Growth <sup>(3)</sup>	6%	6%	6%	7%	6%	4%	-1%	0%	1%	1%	7%	13%	13%	12%	11%	9%
<b>Reinsurance</b>	Current period revenue	788	420	291	187	1,686	848	448	321	197	1,814	922	500	353	222	1,997	976
	Prior year period revenue	742	380	279	162	1,563	788	420	291	187	1,686	848	448	321	197	1,814	922
	% Change	6%	11%	4%	15%	8%	8%	7%	10%	5%	8%	9%	12%	10%	13%	10%	6%
	Less: Currency Impact <sup>(1)</sup>	-3%	-2%	-1%	-1%	-2%	-1%	0%	0%	0%	0%	3%	1%	1%	-1%	2%	-2%
	Less Fiduciary Investment Income <sup>(2)</sup>	0%	1%	1%	1%	1%	0%	-1%	-3%	-3%	-1%	-1%	0%	0%	0%	0%	0%
	Less: Acquisitions, Divestitures & Other	0%	0%	-1%	-2%	-1%	0%	-1%	0%	-4%	-1%	1%	2%	1%	1%	0%	1%
	Organic Revenue Growth <sup>(3)</sup>	9%	12%	5%	17%	10%	9%	9%	13%	12%	10%	6%	9%	8%	13%	8%	7%
<b>Health</b>	Current period revenue	557	389	434	724	2,104	572	321	423	751	2,067	615	391	497	651	2,154	638
	Prior year period revenue	521	377	431	689	2,018	557	389	434	724	2,104	572	321	423	751	2,067	615
	% Change	7%	3%	1%	5%	4%	3%	-17%	-3%	4%	-2%	8%	22%	17%	-13%	4%	4%
	Less: Currency Impact <sup>(1)</sup>	-5%	-4%	-2%	-1%	-3%	-2%	-4%	-1%	0%	-1%	3%	5%	2%	-1%	2%	-3%
	Less Fiduciary Investment Income <sup>(2)</sup>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
	Less: Acquisitions, Divestitures & Other	6%	1%	1%	0%	2%	1%	3%	1%	3%	1%	1%	0%	-1%	-19%	-8%	-1%
	Organic Revenue Growth <sup>(3)</sup>	6%	6%	2%	6%	5%	4%	-16%	-3%	1%	-2%	4%	17%	16%	7%	10%	8%
<b>Wealth</b>	Current period revenue	349	347	329	355	1,380	327	330	327	357	1,341	355	356	351	364	1,426	345
	Prior year period revenue	354	363	348	378	1,443	349	347	329	355	1,380	327	330	327	357	1,341	355
	% Change	-1%	-4%	-5%	-6%	-4%	-6%	-5%	-1%	1%	-3%	9%	8%	7%	2%	6%	-3%
	Less: Currency Impact <sup>(1)</sup>	-4%	-3%	-2%	-1%	-2%	-1%	-2%	2%	2%	0%	4%	6%	3%	0%	3%	-2%
	Less Fiduciary Investment Income <sup>(2)</sup>	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
	Less: Acquisitions, Divestitures & Other	2%	0%	-6%	-7%	-3%	-4%	-4%	0%	0%	-2%	1%	1%	0%	1%	1%	-1%
	Organic Revenue Growth <sup>(3)</sup>	1%	-1%	3%	2%	1%	-1%	1%	-3%	-1%	-1%	4%	1%	4%	1%	2%	0%
<b>Total Company</b>	Current period revenue	3,143	2,606	2,379	2,885	11,013	3,219	2,497	2,385	2,965	11,066	3,525	2,886	2,702	3,080	12,193	3,670
	Prior year period revenue	3,090	2,561	2,349	2,770	10,770	3,143	2,606	2,379	2,885	11,013	3,219	2,497	2,385	2,965	11,066	3,525
	% Change	2%	2%	1%	4%	2%	2%	-4%	0%	3%	0%	10%	16%	13%	4%	10%	4%
	Less: Currency Impact <sup>(1)</sup>	-4%	-3%	-2%	-1%	-3%	-2%	-2%	0%	1%	0%	4%	4%	2%	-1%	2%	-3%
	Less Fiduciary Investment Income <sup>(2)</sup>	0%	0%	0%	0%	0%	0%	-1%	-1%	0%	0%	0%	0%	0%	0%	0%	0%
	Less: Acquisitions, Divestitures & Other	0%	-1%	-2%	-2%	-1%	-1%	0%	1%	0%	-1%	0%	1%	-1%	-5%	-1%	-1%
	Organic Revenue Growth <sup>(3)</sup>	6%	6%	5%	7%	6%	5%	-1%	0%	2%	1%	6%	11%	12%	10%	9%	8%

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

(2) Total fiduciary investment income for the three months ended March 31, 2022 and December 31, September 30, June 30, and March 31 for the years 2021, 2020, and 2019 was \$2 million, \$2 million, \$2 million, \$2 million, \$2 million, \$4 million, \$3 million, \$5 million, \$15 million, \$16 million, \$21 million, \$18 million, and \$19 million, respectively, and for the twelve months ended December 31 for the years 2021, 2020, and 2019 was \$8 million, \$27 million, and \$74 million, respectively.

(3) Organic revenue growth includes the impact of 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.

# Appendix A: Reconciliation of Non-GAAP Measures – Organic Revenue Growth and Free Cash Flow (Cont'd)

## Aon Organic Revenue Reconciliation

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Total Revenue</b>											
Current period revenue	11,287	11,514	11,815	12,045	11,682	11,627	9,998	10,770	11,013	11,066	12,193
Prior year period revenue	8,512	11,287	11,514	11,815	12,045	11,682	9,409	9,998	10,770	11,013	11,066
% Change	33%	2%	3%	2%	-3%	0%	6%	8%	2%	0%	10%
Less: Currency Impact <sup>(1)</sup>	2%	-1%	-1%	-1%	-6%	-2%	0%	1%	-3%	0%	2%
Less Fiduciary Investment Income <sup>(2)</sup>	0%	-1%	0%	0%	0%	1%	0%	0%	0%	0%	0%
Less: Acquisitions, Divestitures & Other	29%	1%	1%	0%	0%	-2%	2%	2%	-1%	-1%	-1%
<b>Organic Revenue Growth <sup>(3)</sup></b>	<b>2%</b>	<b>3%</b>	<b>3%</b>	<b>3%</b>	<b>3%</b>	<b>3%</b>	<b>4%</b>	<b>5%</b>	<b>6%</b>	<b>1%</b>	<b>9%</b>

(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 twelve months ended December 31 for the years 2021, 2020, 2019, 2018, 2017, 2016, 2015, 2014, 2013, 2012, and 2011 was \$8 million, \$27 million, \$74 million, \$53 million, \$32 million, \$22 million, \$21 million, \$26 million, \$28 million, \$38 million, and \$52 million, respectively.

(3) Organic revenue growth includes the impact of 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.

## Free Cash Flows (Unaudited)

<i>(millions)</i>	Three Months Ended March 31,		
	2022	2021	% Change
Cash Provided by Operating Activities	\$ 463	\$ 561	(17)%
Capital Expenditures	(23)	(29)	(21)%
<b>Free Cash Flows <sup>(1)</sup></b>	<b>\$ 440</b>	<b>\$ 532</b>	<b>(17)%</b>

(1) Free cash flow is defined as cash flows from operations less capital expenditures. This non-GAAP measure does not imply or represent a precise calculation of residual cash flow available for discretionary expenditures.

# Appendix B: Reconciliation of Non-GAAP Measures – Operating Income and Diluted Earnings Per Share

Aon plc

Reconciliation of Non-GAAP Measures - Operating Income and Diluted Earnings Per Share (Unaudited) <sup>(1)</sup>

<i>(millions, except percentages)</i>	Three Months Ended March 31,		% Change
	2022	2021	
<b>Revenue</b>	\$3,670	\$3,525	4 %
<b>Operating income</b>	\$1,367	\$1,245	10 %
Amortization of intangible assets	28	40	
Transaction costs and other charges related to the combination and resulting termination <sup>(2)</sup>	—	35	
<b>Operating income - as adjusted</b>	\$1,395	\$1,320	6 %
<b>Operating margin</b>	37.2 %	35.3 %	
<b>Operating margin - as adjusted</b>	38.0 %	37.4 %	

<i>(millions, except percentages)</i>	Three Months Ended March 31,		% Change
	2022	2021	
<b>Operating income - as adjusted</b>	\$1,395	\$1,320	6 %
Interest income	3	3	— %
Interest expense	(91)	(79)	15 %
Other income (expense):			
Other income (expense) - pensions - as adjusted	(3)	6	(150)%
Other income (expense) - other	28	(8)	450 %
Total Other income (expense) - as adjusted	25	(2)	1,350 %
<b>Income before income taxes - as adjusted</b>	1,332	1,242	7 %
Income tax expense <sup>(3)</sup>	262	245	7 %
<b>Net income - as adjusted</b>	1,070	997	7 %
Less: Net income attributable to noncontrolling interests	25	20	25 %
<b>Net income attributable to Aon shareholders - as adjusted</b>	\$1,045	\$ 977	7 %
<b>Diluted net income per share attributable to Aon shareholders - as adjusted</b>	\$ 4.83	\$ 4.28	13 %
<b>Weighted average ordinary shares outstanding - diluted</b>	216.4	228.1	(5)%
<b>Effective Tax Rates <sup>(3)</sup></b>			
U.S. GAAP	19.6 %	20.1 %	
Non-GAAP	19.7 %	19.7 %	

(1) Certain noteworthy items impacting operating income (loss) in the three months ended March 31, 2022 and 2021 are described in this schedule. The items shown with the caption “as adjusted” are non-GAAP measures.

(2) As part of the terminated combination with WTW, certain transaction costs have been incurred by the Company through the third quarter of 2021. These costs may include advisory, legal, accounting, valuation, and other professional or consulting fees related to the combination, including planned divestitures that have been terminated, as well as certain compensation expenses and expenses related to further steps on our Aon United operating model as a result of the termination.

(3) Adjusted items are generally taxed at the estimated annual effective tax rate, except for the applicable tax impact associated with certain transaction costs and other charges related to the combination and resulting termination - which are adjusted at the related jurisdictional rate.

# Appendix B: Reconciliation of Non-GAAP Measures – Operating Income and Diluted Earnings Per Share<sup>1</sup> (Cont'd)

	Twelve Months Ended December 31,
<i>(millions, except per share data)</i>	2011
<b>Operating income - as adjusted</b>	\$ 2,139
Interest income	18
Interest expense	(245)
Other (expense) income – as adjusted	34
<b>Income from continuing operations before income taxes - as adjusted</b>	1,946
Income taxes <sup>(2)</sup>	531
<b>Income from continuing operations – as adjusted</b>	1,415
Less: Net income attributable to noncontrolling interests	31
<b>Income from continuing operations attributable to Aon stockholders – as adjusted</b>	1,384
<b>Diluted earnings per share from continuing operations – as adjusted</b>	\$ 4.06
<b>Weighted average common shares outstanding - diluted</b>	340.9

- (1) Certain noteworthy items impacting operating income in 2011 are described in this schedule. The items shown with the caption "as adjusted" are non-GAAP measures.
- (2) The effective tax rate for continuing operations was 27.3% for the twelve months ended December 31, 2011. All adjusting items are generally taxed at the effective tax rate.

	Twelve Months Ended December 31,
<i>(millions, except per share data)</i>	2021
<b>Operating income - as adjusted</b>	\$ 3,673
Interest income	11
Interest expense	(322)
Other income (expense):	
Other income - pensions	21
Other income (expense) - other - as adjusted <sup>(2)</sup>	7
<b>Total Other income (expense) - as adjusted</b>	28
<b>Income before income taxes - as adjusted</b>	3,390
Income tax expense <sup>(3)</sup>	623
<b>Net income - as adjusted</b>	2,767
Less: Net income attributable to noncontrolling interests	53
<b>Net income attributable to Aon shareholders - as adjusted</b>	2,714
<b>Diluted net income (loss) per share attributable to Aon shareholders</b>	\$ 12.00
<b>Weighted average ordinary shares outstanding - diluted</b>	226.1
<b>Effective Tax Rates <sup>(3)</sup></b>	
U.S. GAAP	32.3 %
Non-GAAP	18.4 %

- (1) Certain noteworthy items impacting operating income in 2021 are described in this schedule. The items shown with the caption "as adjusted" are non-GAAP measures.
- (2) A gain of \$124 million was recorded for the year ended December 31, 2021 related to the disposal of the Aon Retiree Health Exchange™ business which was originally agreed upon in connection with the terminated combination with WTW. As a result of the termination of the combination, an amended agreement was executed to complete the transaction in the fourth quarter of 2021.
- (3) Adjusted items are generally taxed at the estimated annual effective tax rate, except for the applicable tax impact associated with accelerated tradename amortization, impairment charges, certain gains from dispositions, and certain transaction costs and other charges related to the combination and resulting termination, which are adjusted at the related jurisdictional rate. In addition, income tax expense for the year ended December 31, 2021 excludes the impact of remeasuring the net deferred tax liabilities in the U.K. as a result of the corporate income tax rate increase enacted in the second quarter of 2021.

# Appendix C: Reconciliation of Return on Invested Capital (ROIC) and Adjusted Operating Income and Margin

**Return on Invested Capital (ROIC)** is a non-GAAP measure calculated as adjusted net operating profit after tax (NOPAT) divided by average invested capital (short-term debt, + long-term debt + total equity) and represents how well we are allocating our capital to generate returns. The metric for the historical periods shown below was calculated using financial results for total consolidated Aon, and therefore includes discontinued operations in connection with the sale of the outsourcing business completed on May 1, 2017, which will not be included on a going forward basis.

<i>(millions)</i>	FY'11	FY'12	FY'13	FY'14	FY'15	FY'16	FY'17	FY'18	FY'19	FY'20	FY'21
Revenue - as reported	11,287	11,514	11,815	12,045	11,682	11,627	9,998	10,770	11,013	11,066	12,193
Consolidated operating income - as reported	1,596	1,596	1,671	1,966	1,848	1,906	979	1,544	2,169	2,781	2,090
<i>Consolidated operating margin - as reported</i>	<i>14.1%</i>	<i>13.9%</i>	<i>14.1%</i>	<i>16.3%</i>	<i>15.8%</i>	<i>16.4%</i>	<i>9.8%</i>	<i>14.3%</i>	<i>19.7%</i>	<i>25.1%</i>	<i>17.1%</i>
Restructuring	113	101	174	-	-	-	497	485	451	-	-
Pension adjustment	-	-	-	-	-	-	-	-	-	-	-
Hewitt related costs	47	-	-	-	-	-	-	-	-	-	-
Transactions/Headquarter relocation costs	3	24	5	-	-	15	-	-	-	123	1,436
Legacy receivable write-off	18	-	-	-	-	-	-	-	-	-	-
Anti-bribery, regulatory and compliance initiative	-	-	-	-	-	-	28	-	-	-	-
Legacy Litigation	-	-	-	35	176	-	-	75	13	-	-
Pension settlement	-	-	-	-	-	220	128	-	-	-	-
Amortization of Intangible Assets	362	423	395	352	314	277	704	593	392	246	147
Total Adjustments	543	548	574	387	490	512	1,357	1,153	856	369	1,583
<b>Consolidated operating income - as adjusted</b>	<b>\$ 2,139</b>	<b>\$ 2,144</b>	<b>\$ 2,245</b>	<b>\$ 2,353</b>	<b>\$ 2,338</b>	<b>\$ 2,418</b>	<b>\$ 2,336</b>	<b>\$ 2,697</b>	<b>\$ 3,025</b>	<b>\$ 3,150</b>	<b>\$ 3,673</b>
<i>Consolidated operating margin - as adjusted</i>	<i>19.0%</i>	<i>18.6%</i>	<i>19.0%</i>	<i>19.5%</i>	<i>20.0%</i>	<i>20.8%</i>	<i>23.4%</i>	<i>25.0%</i>	<i>27.5%</i>	<i>28.5%</i>	<i>30.1%</i>
<i>Adjusted Effective tax rate (%)</i>	<i>27.3%</i>	<i>26.1%</i>	<i>25.4%</i>	<i>18.9%</i>	<i>17.9%</i>	<i>16.8%</i>	<i>14.9%</i>	<i>15.6%</i>	<i>17.5%</i>	<i>17.6%</i>	<i>18.4%</i>
<b>NOPAT (Adj. OI*(1-Adj. Tax Rate))</b>	<b>\$ 1,555</b>	<b>\$ 1,584</b>	<b>\$ 1,675</b>	<b>\$ 1,908</b>	<b>\$ 1,919</b>	<b>\$ 2,012</b>	<b>\$ 1,988</b>	<b>\$ 2,276</b>	<b>\$ 2,496</b>	<b>\$ 2,596</b>	<b>\$ 2,997</b>
Short-term debt and current portion of long-term debt	337	452	703	783	562	336	299	251	712	448	1,164
Long-term debt	4,155	3,713	3,686	4,799	5,138	5,869	5,667	5,993	6,627	7,281	8,228
Total Debt	4,492	4,165	4,389	5,582	5,700	6,205	5,966	6,244	7,339	7,729	9,392
Total Shareholder's Equity	8,078	7,762	8,145	6,571	6,002	5,475	4,583	4,151	3,375	3,495	1,061
Noncontrolling interest	42	43	50	60	57	57	65	68	74	88	97
End of Period Total Invested Capital	12,612	11,970	12,584	12,213	11,759	11,737	10,614	10,463	10,788	11,312	10,550
<b>Average Total Invested Capital</b>	<b>12,712</b>	<b>12,291</b>	<b>12,277</b>	<b>12,399</b>	<b>11,986</b>	<b>11,748</b>	<b>11,176</b>	<b>10,539</b>	<b>10,626</b>	<b>11,050</b>	<b>10,931</b>
<b>ROIC (NOPAT/Average Total Invested Capital)</b>	<b>12.2%</b>	<b>12.9%</b>	<b>13.6%</b>	<b>15.4%</b>	<b>16.0%</b>	<b>17.1%</b>	<b>17.8%</b>	<b>21.6%</b>	<b>23.5%</b>	<b>23.5%</b>	<b>27.4%</b>

# Appendix D: Reconciliation of Free Cash Flow Margin

**Free Cash Flow Margin** is a non-GAAP measure calculated as Free Cash Flow (defined as Cash Flows from Operations less Capital Expenditures) / Total Revenue and represents our conversion rate of revenue into cash. The metric for the historical periods shown below was calculated using financial results for total consolidated Aon, and therefore includes discontinued operations in connection with the sale of the outsourcing business completed on May 1, 2017, which will not be included on a going forward basis.

<i>(\$ millions)</i>	<b>FY'11</b>	<b>FY'12</b>	<b>FY'13</b>	<b>FY'14</b>	<b>FY'15</b>	<b>FY'16</b>	<b>FY'17</b>	<b>FY'18</b>	<b>FY'19</b>	<b>FY'20</b>	<b>FY'21</b>
Revenue - as reported	11,287	11,514	11,815	12,045	11,682	11,627	9,998	10,770	11,013	11,066	12,193
Cash Provided by Operating Activities	1,112	1,534	1,753	1,812	2,009	2,326	669	1,686	1,835	2,783	2,182
Capital Expenditures	(241)	(269)	(229)	(256)	(290)	(222)	(183)	(240)	(225)	(141)	(137)
<b>Free Cash Flow - as Reported</b>	<b>871</b>	<b>1,265</b>	<b>1,524</b>	<b>1,556</b>	<b>1,719</b>	<b>2,104</b>	<b>486</b>	<b>1,446</b>	<b>1,610</b>	<b>2,642</b>	<b>2,045</b>
<b>Free Cash Flow Margin</b>	<b>7.7%</b>	<b>11.0%</b>	<b>12.9%</b>	<b>12.9%</b>	<b>14.7%</b>	<b>18.1%</b>	<b>4.9%</b>	<b>13.4%</b>	<b>14.6%</b>	<b>23.9%</b>	<b>16.8%</b>