AON PLC

Meeting Date:	Tue, 24 Jun 2014 8:00am	Type:	AGM	Issue date:	Fri, 13 Jun 2014
Meeting Location:	Freshfields Bruckhaus Deringer LLP, 65 Fleet Street, London EC4Y 1HS, United Kingdom.				
Current Indices:	S&P500				
Sector:	Insurance agents, brokers, and service				

	PROPOSALS	ADVICE
1.01	**Elect Lester B. Knight** Non-Executive Chairman. Independent by the Company, but not considered to be independent as he has served on the Board for more than nine years. There is insufficient independent representation on the Board.	**Oppose**
1.02	**Elect Gregory C. Case** President and CEO.	**For**
1.03	**Elect Fulvio Conti** Independent Non-Executive Director.	**For**
1.04	**Elect Cheryl A. Francis** Independent Non-Executive Director.	**For**
1.05	**Elect Edgar D. Jannotta** Non-Executive Director. Independent by the Company, but not considered to be independent as he has served on the Board for more than nine years. There is insufficient independent representation on the Board.	**Oppose**
1.06	**Elect James W. Leng** Newly-nominated Independent Non-Executive Director.	**For**
1.07	**Elect J. Michael Losh** Non-Executive Director. Independent by the Company, but not considered to be independent as he has served on the Board for more than nine years. There is insufficient independent representation on the Board. There are concerns over his aggregate time commitments.	**Oppose**
1.08	**Elect Robert S. Morrison** Non-Executive Director. Independent by the Company, but not considered to be independent as he has served on the Board for more than nine years. There is insufficient independent representation on the Board.	**Oppose**
1.09	**Elect Richard B. Myers** Independent Non-Executive Director.	**For**
1.10	**Elect Richard C. Notebaert** Non-Executive Director. Independent by the Company, but not considered to be independent as he has served on the Board for more than nine years. There is insufficient independent representation on the Board.	**Oppose**
1.11	**Elect Gloria Santona** Non-Executive Director. Independent by the Company, but not considered to be independent as she has served on the Board for more than nine years. There is insufficient independent representation on the Board.	**Oppose**
1.12	**Elect Carolyn Y. Woo** Non-Executive Director. Independent by the Company, but not considered to be independent as she has served on the Board for more than nine years. There is insufficient independent representation on the Board.	**Oppose**

2 **Receive the Annual Report** **For**

Disclosure is acceptable and the report was made available sufficiently before the meeting. No concerns have been identified that would lead to a recommendation to oppose the proposal. Acceptable proposal.

3 **Ratify Aon's US statutory auditor** **For**

Ernst & Young LLP Proposed. The total unacceptable non-audit fees were approximately 18.3% of audit and audit related fees during the year under review. Non-audit fees over a three-year period were approximately 13.2% of audit and audit related fees. Acceptable proposal.

4 **Appoint Aon's UK statutory auditor** **For**

Ernst & Young LLP Proposed. The total unacceptable non-audit fees were approximately 18.3% of audit and audit related fees during the year under review. Non-audit fees over a three-year period were approximately 13.2% of audit and audit related fees. Acceptable proposal.

5 **Allow the board to determine their remuneration** **For**

Standard proposal.

6 **Approve Pay Structure** **Oppose**

The company has submitted a proposal for shareholder ratification of its executive compensation policy and practices. The commentary on the disclosures made by the company are contained in the body of this report and the voting outcome for this resolution reflects the balance of opinion on the adequacy of disclosure, the balance of performance and reward and the terms of executive employment. The compensation rating is: BDB (for 2013 the rating was BDC).

Disclosure rating: B - Specific performance targets that determine the award of other performance-based awards and other performance-based awards are disclosed.

Balance rating: D - Annual awards include opinions regarding the executive's qualitative and quantitative contributions to Aon-wide and business unit performance. The compensation committee retains discretion in determining the actual incentives payable. Performance awards vest after a three-year performance period but not the restricted stock units, which vest ratably over a three-year period.

Contracts rating: B - The Company has implemented a double trigger policy, and has a clawback in place.

Based upon the discretion granted to the compensation committee and the short vesting period for restricted stock awards, Triodos does not support this resolution.

7 **Approve Remuneration Policy** **Oppose**

This proposal is presented to our shareholders for the first time in 2014 in response to changes in the applicable regulations in the U.K. If approved, all remuneration that paid to the directors must be consistent with this policy. The Board is required to offer its shareholders an opportunity to vote on this policy at least once every three years, or before any change in the policy.
Disclosure: C
Disclosure is acceptable.
Balance of incentive and rewards: D
The cap for the annual bonus has been disclosed in terms of target awards and is the lesser of £10 million or 300% of target bonus. Maximum award under the 2011 Incentive Plan is set at $10,000,000. Compared to current level of salary, the CEO's potential reward under all incentive is considered to be excessive. In addition, the ratio of CEO pay compared to average employee pay has not been disclosed. It has been estimated and is considered excessive.
Contracts: B
A double trigger policy has been implemented during the year. A clawback policy is in place. However, there is no evidence of recovery provisions under which money already paid must be handed back under certain circumstances.

Rating CDB
Based upon the potentially excessive awards, Triodos opposes this resolution.

8	**Approve the Remuneration Report** This proposal is similar to Proposal 6 regarding the compensation of the named executive officers in 2013 and complementary to Proposal 7 regarding the remuneration policy. However, the directors' remuneration report is concerned solely with the remuneration of executive and non-executive directors and is required under the Act. All elements of each directors cash remuneration and pension entitlements are fully disclosed. All share incentive awards are fully disclosed with award dates and prices. Compensation payments made during the year are fully explained and there was no significant changes in policy during the year under review. The Company does not report on whether discretion was used by the Remuneration Committee during the year under review. Rating: C Based on inadequate disclosure regarding the use of discretion, Triodos abstains on this resolution.	**Abstain**
9	**Amend existing long term incentive plan** The Board are seeking shareholder approval of the amendment and restatement of the Aon Corporation 2011 Incentive Plan. This amendment and restatement increases the number of shares available for issuance under the 2011 Plan by 9 million shares. In addition to approving the increase in the number of shares available for issuance under the 2011 Plan, approval of this proposal will also constitute re-approval of the material terms of the 2011 Plan, including the list of corporate performance goals through which certain awards granted under the plan may be earned in order to qualify those awards as performance-based compensation for purposes of Section 162(m) of the Internal Revenue Code of 1986, as amended assuming other applicable regulatory requirements are satisfied. By re-approving the material terms of the 2011 Plan, shareholders will be re-approving, among other things, the class of eligible participants, performance measures upon which specific performance goals applicable to awards may be based, and limits on the numbers of shares or compensation that could be made to participants. The amended and restated 2011 Plan provides for awards during the term of the amended and restated 2011 Plan with respect to a maximum of 34 million shares. This equates to 11.5% of the outstanding shares which is considered to be overly-dilutive for a three year plan. The maximum number of shares that may be covered by awards granted to any one participant during any one calendar-year period is 1,500,000. As of 3 June 2014 the share price was USD 89.73, which gives this maximum a monetary value of USD 134.52 million which is considered to be excessive. Due to these concerns over the level of potential dilution and the size of maximum awards, Triodos opposes this resolution.	**Oppose**
10	**Approval of the Form of Share Repurchase Contracts and Repurchase Counterparties** The Board are seeking shareholder support to to renew the Board's existing authorizations so that the Board have the ability to continue to conduct the share repurchase program as it has been conducted since the Redomestication. Approval of the forms of contract and counterparties are not an approval of the share repurchase program or the amount or timing of any repurchase activity. The Company will continue to repurchase shares at its discretion in accordance with its previously disclosed share repurchase program. There can be no assurance as to whether the Company will repurchase any of its shares or as to the amount of any such repurchases or the prices at which such repurchases may be made. Under the Act, Aon must seek authorization for share repurchase contracts and counterparties at least every five years. If this proposal is approved, Aon may repurchase shares with the approved counterparties until the fifth anniversary of the 2014 Annual Meeting. Acceptable proposal. **** = Special resolution***	**For**

Researcher: Luke Jones
Email: pircresearch@pirc.co.uk

Pensions & Investment Research Consultants Limited
6th Floor
9 Prescot Street
London E1 8AZ

Tel: 020 7247 2323
Fax: 020 7247 2457
http://www.pirc.co.uk