

AMERISOURCEBERGEN CORP

Form DEF 14A

January 18, 2008

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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**SCHEDULE 14A**

**Proxy Statement Pursuant to Section 14(a) of the**  
**Securities Exchange Act of 1934 (Amendment No.    )**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

**Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

**AmerisourceBergen Corporation**

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(Name of Registrant as Specified In Its Charter)

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(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

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(2) Aggregate number of securities to which transaction applies:

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(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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(4) Proposed maximum aggregate value of transaction:

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(5) Total fee paid:

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.. Fee paid previously with preliminary materials.

.. Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

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(2) Form, Schedule or Registration Statement No.:

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(3) Filing Party:

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(4) Date Filed:

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January 18, 2008

Dear Stockholder:

I am pleased to invite you to attend our 2008 Annual Meeting of Stockholders on Thursday, February 28, 2008, at 2:00 p.m., Eastern Time. The meeting will be held at the Four Seasons Hotel Philadelphia, One Logan Square, Philadelphia, Pennsylvania.

The Notice of the 2008 Annual Meeting of Stockholders and the Proxy Statement describe the items of business for the meeting. At the meeting we also will report on AmerisourceBergen's performance and operations during fiscal year 2007 and respond to stockholder questions.

Your vote is very important. Whether or not you plan to attend the 2008 Annual Meeting of Stockholders, we urge you to vote and to submit your proxy over the Internet, by telephone or by mail. If you are a registered stockholder and attend the meeting, you may revoke the proxy and vote your shares in person. If you hold your shares through a bank or broker and want to vote your shares in person at the meeting, please contact your bank or broker to obtain a legal proxy.

We are pleased to be one of the first companies to take advantage of the new Securities and Exchange Commission rule that allows issuers to furnish proxy materials to their stockholders on the Internet. We believe the new rules will allow us to provide our stockholders with the information they need for the 2008 Annual Meeting of Stockholders, while lowering the costs of delivery.

Thank you for your support.

Sincerely,

RICHARD C. GOZON

Chairman of the Board

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**Notice of 2008 Annual Meeting of Stockholders**

<b>TIME AND DATE:</b>	2:00 p.m., Eastern Time, on Thursday, February 28, 2008
<b>PLACE:</b>	Four Seasons Hotel Philadelphia  One Logan Square  Philadelphia, Pennsylvania
<b>ITEMS OF BUSINESS:</b>	(1) To elect three members to the Board of Directors for three-year terms.  (2) To ratify the appointment of Ernst & Young LLP as AmerisourceBergen's independent registered public accounting firm for fiscal year 2008.  (3) To transact any other business properly coming before the meeting.
<b>WHO MAY VOTE:</b>	Stockholders of record on December 31, 2007.
<b>DATE OF AVAILABILITY:</b>	This Notice and Proxy Statement are being made available to stockholders on or about January 18, 2008.

By order of the Board of Directors,

JOHN G. CHOU

Senior Vice President, General Counsel and Secretary

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January 18, 2008

**AmerisourceBergen Corporation**

1300 Morris Drive

Chesterbrook, PA 19087

**PROXY STATEMENT**

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**ABOUT THE 2008 ANNUAL MEETING AND VOTING AT THE MEETING**

**Why am I being furnished this Proxy Statement?**

This Proxy Statement is furnished by AmerisourceBergen's Board of Directors in connection with its solicitation of proxies for use at the 2008 Annual Meeting of Stockholders to be held February 28, 2008, and at any adjournments thereof. Our Annual Report on Form 10-K for the fiscal year ended September 30, 2007 accompanies this Notice and Proxy Statement, but is not incorporated as a part of the Proxy Statement and is not to be regarded as part of the proxy solicitation material.

**What are the items of business for the meeting?**

The items of business for the meeting are as follows:

To elect three members to the Board of Directors for three-year terms.

To ratify the appointment of Ernst & Young LLP as AmerisourceBergen's independent registered public accounting firm for fiscal year 2008.

To transact any other business properly coming before the meeting.

**Who is soliciting my proxy?**

The Board of Directors is soliciting your proxy in order to provide you with an opportunity to vote on all matters scheduled to come before the meeting whether or not you attend the meeting in person.

**What if I received in the mail a Notice of Internet Availability of Proxy Materials?**

In accordance with new rules recently adopted by the Securities and Exchange Commission, we are providing access to our proxy materials over the Internet. Accordingly, on or about January 18, 2008, we are mailing to our record and beneficial stockholders a Notice of Internet Availability of Proxy Materials, which contains instructions on how to access our proxy materials over the Internet and vote online. If you received a Notice of Internet Availability of Proxy Materials, you will not receive a printed copy of our proxy materials by mail unless you request one. You may request to receive a printed copy of our proxy materials for the 2008 Annual Meeting. If you wish to receive a printed copy of our proxy materials, you should follow the instructions for requesting those materials included in the Notice of Internet Availability of Proxy Materials.

**Who is entitled to vote?**

You may vote if you owned shares of our common stock as of the close of business on December 31, 2007, which is the record date. You are entitled to one vote for each share of common stock that you own. As of December 31, 2007, we had 162,991,795 shares of common stock outstanding.

**What shares can I vote?**

You may vote all shares owned by you as of the close of business on December 31, 2007, the record date. These shares include:

Shares held directly in your name as the stockholder of record.

Shares of which you are the beneficial owner but not the stockholder of record. These are shares that are held for you through a broker, trustee or other nominee such as a bank, including shares purchased through any 401(k) plan as well as the AmerisourceBergen 2002 Employee Stock Purchase Plan.

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### **How do I vote before the meeting?**

If you hold your shares in your own name as the stockholder of record, you have three options for voting and submitting your proxy before the meeting:

By Internet We encourage you to vote and submit your proxy over the Internet at *www.proxypush.com/abc*.

By telephone You may vote and submit your proxy by calling 1-866-509-2151.

By mail If you received your proxy materials by mail, you may vote by completing, signing and returning the enclosed proxy card.

If you hold your shares through an account with a bank or broker, your ability to vote over the Internet or by telephone depends on the voting procedures of the bank or broker. Please follow the directions provided to you by your bank or broker.

### **May I vote at the meeting?**

You may vote your shares at the meeting if you attend in person. If you hold your shares through an account with a bank or broker, you must obtain a legal proxy from the bank or broker in order to vote at the meeting.

Even if you plan to attend the meeting, we encourage you to vote your shares by proxy. You may vote by proxy over the Internet, by telephone or by mail.

### **How do I revoke my proxy?**

If you are the stockholder of record, you may revoke your proxy at any time before the polls close at the meeting. You may revoke your proxy by:

Changing your vote in the manner described below.

Notifying John G. Chou, Secretary, AmerisourceBergen Corporation, 1300 Morris Drive, Chesterbrook, Pennsylvania 19087 in writing that you are revoking your proxy before it is voted at the meeting.

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If you hold your shares through an account with a bank or broker, your ability to revoke your proxy depends on the voting procedures of the bank or broker. Please follow the directions provided to you by your bank or broker.

### **Can I change my mind after I vote?**

You may change your vote at any time before the polls close at the meeting. You may change your vote by:

Signing another proxy card with a later date and returning it to us prior to the meeting.

Voting again over the Internet or by telephone prior to 2:00 p.m., Eastern Time, on February 28, 2008.

Voting at the meeting if you are the stockholder of record.

Voting at the meeting if you are the beneficial owner and have obtained a legal proxy from your bank or broker.

### **What if I return my proxy card but do not provide voting instructions?**

Proxy cards that are signed and returned but do not contain instructions will be voted as follows:

**For** the election of the nominees for director named on page 5 of this Proxy Statement.

**For** the ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for fiscal year 2008.

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In accordance with the best judgment of the individuals named as proxies on the proxy card on any other matters properly brought before the meeting.

### **What does it mean if I receive more than one proxy card or instruction form?**

It means that you have multiple accounts with our transfer agent and/or banks or brokers. Please vote all of your shares

We recommend that you consolidate as many accounts as possible under the same name and address. For assistance consolidating accounts where you are the stockholder of record, you may contact our transfer agent, The Bank of New York, at 1-800-524-4458.

### **Will my shares be voted if I do not provide my proxy?**

If you are a registered stockholder and do not provide a proxy, you must attend the meeting in order to vote your shares.

If you hold shares through an account with a bank or broker, your shares may be voted even if you do not provide voting instructions to your bank or broker. Banks and brokers have the authority under the New York Stock Exchange, or NYSE, rules to vote shares for which their customers do not provide voting instructions on certain routine matters. The election of directors and the ratification of the appointment of our independent registered public accounting firm are considered routine matters for which banks and brokers may vote without specific instructions from their customers.

### **May stockholders ask questions at the meeting?**

Yes. Representatives of AmerisourceBergen will answer stockholders' questions of general interest at the end of the meeting.

### **How many votes must be present to hold the meeting?**

In order for us to conduct our meeting, a majority of our outstanding shares of common stock as of December 31, 2007 must be present in person or by proxy at the meeting. This is referred to as a quorum. Your shares are counted as present at the meeting if you attend the meeting and vote in person or if you properly return a proxy over the Internet, by telephone or by mail. Shares voted by banks or brokers on behalf of beneficial owners also are counted as present at the meeting. In addition, abstentions and broker non-votes will be counted for purposes of establishing a quorum with respect to any matter properly brought before the meeting. Broker non-votes occur on a matter when a bank or broker is not permitted under applicable rules and regulations to vote on a matter without instruction from the beneficial owner of the underlying shares and no instruction has been given.

**How many votes are needed for each proposal and how are the votes counted?**

Each director must be elected by a majority of the votes cast, meaning that the number of shares voted for a director must exceed the number of votes cast against that director. Please see Corporate Governance for more information.

The favorable vote of a majority of the votes cast will be required for the ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for the current fiscal year.

Any other proposal that might properly come before the meeting will require the favorable vote of a majority of the votes cast in order to be approved.

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Abstentions will be counted as negative votes in the tabulation of the votes cast by stockholders. Broker non-votes will not be counted in the tabulation of the votes cast on the proposal but will be counted for purposes of establishing a quorum.

**How will proxies be voted on other items or matters that properly come before the meeting?**

If any other items or matters properly come before the meeting, the proxies received will be voted on those items or matters in accordance with the discretion of the proxy holders.

**Is AmerisourceBergen aware of any other item of business that will be presented at the meeting?**

We are not aware of any other business to be presented at the 2008 Annual Meeting of Stockholders. However, if any other matter should properly come before the Annual Meeting, the enclosed proxy confers discretionary authority with respect to such matter.

**Will there be any further solicitation of proxies for the meeting?**

Our directors, officers and employees may solicit proxies by telephone or in person. In addition, we have hired Morrow & Co., Inc. to assist us in soliciting proxies, if necessary. Morrow may solicit proxies by telephone or in person. We will pay Morrow a fee of \$7,000, plus expenses, for providing such services. All costs and expenses of any solicitation, including the cost of preparing this Proxy Statement and posting it on the Internet and mailing the Notice of Internet Availability of Proxy Materials, will be borne by AmerisourceBergen.

**Will AmerisourceBergen reimburse any expenses of banks, brokers, nominees and fiduciaries?**

We will reimburse the expenses of banks, brokers, nominees and fiduciaries that send notices, proxies and proxy materials to our stockholders.

**Will the directors be in attendance at the meeting?**

We currently expect all of our directors to be in attendance at the 2008 Annual Meeting of Stockholders. It has been customary for our directors to attend our annual meetings of stockholders. Seven directors attended the 2007 Annual Meeting of Stockholders. The three directors who did not attend were unable to do so as a result of travel delays caused by inclement weather.

**ELECTION OF DIRECTORS**

*(Item 1 on the Proxy Card)*

**How often are directors elected?**

AmerisourceBergen's directors are divided into three classes - Class I, Class II and Class III - with each class being as nearly equal in number as possible. The directors of each class serve for terms of three years. The terms of office of the classes are staggered so that only one class of directors is elected at each annual meeting of stockholders.

**How many directors are to be elected at the meeting?**

The term of office of the current Class I directors will expire at the 2008 Annual Meeting. There currently are four Class I directors, three of whom have been nominated for election at the 2008 Annual Meeting.

**What is the size of the Board of Directors?**

The Board of Directors currently consists of 9 members.

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### **Who are the current Class I directors?**

The current Class I directors are Rodney H. Brady, Charles H. Cotros, Jane E. Henney, M.D. and R. David Yost.

### **Who are this year's nominees?**

Dr. Henney and Messrs. Cotros and Yost will stand for reelection as Class I directors. Mr. Brady will not stand for reelection as a Class I director.

### **Why is Mr. Brady not standing for reelection as a Class I director?**

Mr. Brady will be 75 years of age prior to the 2008 Annual Meeting. Our corporate governance principles require directors to resign at the Annual Meeting following their 75<sup>th</sup> birthday. As a result of this policy, Mr. Brady is not eligible to stand for reelection and his term as a director will expire at the 2008 Annual Meeting.

### **Which of this year's nominees are independent?**

Dr. Henney and Mr. Cotros are independent (as independence is defined in Section 303A of the NYSE Listed Company Manual and in our corporate governance principles). Mr. Yost is not considered independent.

### **What is the term of office for which this year's nominees are to be elected?**

The nominees are to be elected for a three-year term and are expected to hold office until the 2011 Annual Meeting of Stockholders and until their successors are elected.

### **What if a nominee is unwilling or unable to serve?**

Each nominee for director has consented to his or her nomination and, so far as the Board of Directors and management are aware, intends to serve a full term as a director if elected. However, if any of the nominees should become unavailable or unable to stand for election prior to the election, the shares represented by proxies may be voted for the election of substitute nominees selected by the Board of Directors.

**Biographical information about this year's nominees:**

**Charles H. Cotros**

Age 70.

Director of AmerisourceBergen since January 2002.

Interim Chairman and Chief Executive Officer of Allied Waste Industries, Inc. (waste management services) from October 2004 to May 2005.

Chairman and Chief Executive Officer of Sysco Corporation (foodservice marketing and distribution organization) from January 2000 until his retirement in December 2002.

Held variety of other positions with Sysco Corporation starting in 1974, including President from 1999 until July 2000 and Chief Operating Officer from 1995 until January 2000.

Also a director of Allied Waste Industries, Inc.

**Jane E. Henney, M.D.**

Age 60.

Director of AmerisourceBergen since January 2002.

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Professor, College of Medicine, University of Cincinnati since January 2008.

Senior Vice President and Provost for Health Affairs at the University of Cincinnati from July 2003 to January 2008.

Senior Scholar in Residence at the Association of Academic Health Centers in Washington, D.C. from 2001 to 2003.

Commissioner of Food and Drugs at the United States Food and Drug Administration from 1998 to 2001.

Vice President for Health Sciences at the University of New Mexico from 1994 to 1998.

Deputy Commissioner of Operations at the United States Food and Drug Administration from 1992 to 1994.

Dr. Henney is a medical oncologist and has held several posts at the National Cancer Institute, including Deputy Director from 1980 to 1985.

Also a director of AstraZeneca PLC and CIGNA Corporation.

**R. David Yost**

Age 60.

Director and Chief Executive Officer of AmerisourceBergen since August 2001.

President of AmerisourceBergen from August 2001 to October 2002 and since September 2007.

Chairman and Chief Executive Officer of AmeriSource Health Corporation from December 2000 to August 2001 and President and Chief Executive Officer of AmeriSource Health Corporation from May 1997 to December 2000.

Held variety of other positions with AmeriSource Health Corporation and its predecessors since 1974, including Executive Vice President - Operations of AmeriSource Health Corporation from 1995 to 1997.

Also a director of Electronic Data Systems Corporation and PharMerica Corporation.

**How does the Board of Directors recommend that I vote?**

We recommend that you vote **For** the election of each of the three nominees to the Board of Directors.

**ADDITIONAL INFORMATION ABOUT THE DIRECTORS, THE BOARD  
AND THE BOARD COMMITTEES**

**Who are the Class II directors?**

The Class II directors are Richard C. Gozon, Michael J. Long and J. Lawrence Wilson.

**When does the term of the Class II directors expire?**

The term of office of the Class II directors will expire at the 2009 Annual Meeting of Stockholders.

**Biographical information about Class II directors:**

**Richard C. Gozon**

Age 69.

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Chairman of the Board of Directors of AmerisourceBergen since February 2006.

Director of AmerisourceBergen since August 2001.

Director of AmeriSource Health Corporation from 1994 to August 2001.

Executive Vice President of Weyerhaeuser Company (international forest products company) and Chairman of North Pacific Paper Company (a joint venture between Weyerhaeuser Company and Nippon Paper Industries) from June 1994 until his retirement in 2002.

Also a director of AmeriGas Propane, Inc., Triumph Group, Inc. and UGI Corporation and a member of the Board of Trustees of Thomas Jefferson University.

**Michael J. Long**

Age 49.

Director of AmerisourceBergen since May 2006.

Senior Vice President and President, North America and Asia/Pacific Components for Arrow Electronics, Inc. (global distributor of electronic components and computer products) since 2005.

President and Chief Operating Officer of Arrow North American Computer Products from 1998 to 2005.

President, Gates/Arrow Distributing from 1995 to 1999.

President, Capstone Electronics, an Arrow company, from 1994 to 1995.

**J. Lawrence Wilson**

Age 71.

Director of AmerisourceBergen since August 2001.

Director of AmeriSource Health Corporation from January 2000 to August 2001.

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Chairman and Chief Executive Officer of Rohm and Haas Company (specialty chemicals and materials company) from 1988 until his retirement in 1999.

Also Lead Director of Cummins Inc. and a director of The Vanguard Group of Investment Companies.

### **Who are the Class III directors?**

The Class III directors are Edward E. Hagenlocker and Henry W. McGee.

### **When does the term of the Class III directors expire?**

The term of office of the Class III directors will expire at the 2010 Annual Meeting of Stockholders.

### **Biographical information about Class III directors:**

#### **Edward E. Hagenlocker**

Age 68.

Director of AmerisourceBergen since August 2001.

Director of AmeriSource Health Corporation from 1999 to August 2001.

Vice Chairman of Ford Motor Company (automobile manufacturer) from 1996 until his retirement in 1999 and Chairman of Visteon Automotive Systems from 1997 to 1999.

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President of Ford Automotive Operations from 1994 to 1996 and Chairman of Ford of Europe in 1996.

Also a director of Air Products and Chemicals, Inc., Trane Inc. and Alcatel-Lucent.

**Henry W. McGee**

Age 54.

Director of AmerisourceBergen since November 2004.

President of HBO Video (distributor of videos and DVDs), a unit of Home Box Office, Inc., since 1995.

Held variety of other positions with Home Box Office, Inc., Time Warner, Inc. (the parent of Home Box Office, Inc.) and their predecessors since 1979.

President of the Alvin Ailey Dance Foundation, Inc.

**Are there any family relationships among AmerisourceBergen's directors and executive officers?**

No.

**What are the committees of the Board of Directors?**

The Board of Directors has the following standing committees: Executive and Finance; Audit and Corporate Responsibility; Compensation and Succession Planning; and Governance and Nominating.

**Name of Committee**

**and Members**

**Duties and Responsibilities of Committee**

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**Executive and Finance**

R. David Yost, Chairman

Richard C. Gozon

Edward E. Hagenlocker

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Exercises the authority of the Board of Directors between the meetings of the Board on matters that cannot be delayed, except as limited by Delaware law and our bylaws.

J. Lawrence Wilson

Reviews the asset and liability structure of the company and considers its funding and capital needs.

Reviews our dividend policy.

Reviews strategies developed by management to meet changing economic and market conditions.

At the request of the Board of Directors, reviews proposed capital expenditures and proposed acquisitions and divestitures.

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**Name of Committee**

**and Members**

**Duties and Responsibilities of Committee**

---

**Audit and Corporate Responsibility**

Edward E. Hagenlocker, Chairman

Appoints, and has authority to terminate, the company's independent registered public accounting firm.

Rodney H. Brady

Charles H. Cotros

Pre-approves all audit and permitted non-audit services provided by the company's independent registered public accounting firm.

Jane E. Henney, M.D.

Reviews and discusses with management and the company's independent registered public accounting firm the company's audited financial statements and interim quarterly financial statements as well as management's discussion and analysis of the statements as set forth in Forms 10-K and 10-Q filed with the SEC.

Discusses with the company's independent registered public accounting firm matters related to the conduct of the audit.

Reviews and discusses the independence of the company's independent registered public accounting firm.

Prepares the Audit Committee report as required by SEC rules.

Reviews the scope of the proposed audit to be conducted by the company's independent registered public accounting firm each fiscal year and the audit procedures to be utilized.

Discusses with management and/or the company's independent registered public accounting firm significant financial reporting issues and accounting issues and the adequacy of our internal control over financial reporting.

Reviews with the company's independent registered public accounting firm the effectiveness of our accounting and financial controls, including the company's internal control over financial reporting.

Reviews internal audit function, internal audit plans, internal audit reports and management's response to such reports.

Reviews appointment, performance and replacement of our senior internal auditor.

Reviews and approves all related persons transactions in accordance with the Related Persons Transactions Policy.

Oversees compliance with our Code of Ethics and Business Conduct.

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**Name of Committee**

**and Members**

**Duties and Responsibilities of Committee**

**Compensation and Succession Planning**

J. Lawrence Wilson, Chairman

Reviews and approves AmerisourceBergen's executive compensation strategy and the individual elements of total compensation for the President and Chief Executive Officer and other members of senior management, including any other executive officers.

Richard C. Gozon

Michael J. Long

Henry W. McGee

Ensures that executive compensation strategy supports stockholder interests.

Reviews and discusses with management the Compensation Discussion and Analysis and other disclosures about executive compensation that are required to be included in our Proxy Statement and Annual Report on Form 10-K.

Prepares a Compensation Committee report as required by SEC rules.

Evaluates performance of management annually.

Proposes stock option plans for approval by stockholders.

Administers and makes awards under our incentive compensation plans, including stock option plans.

Has sole authority for retaining and terminating any consulting firm used to assist in the evaluation of the compensation of the President and Chief Executive Officer or any other executive officer.

Ensures that any consulting firm retained by the committee to provide advice on executive compensation has not received, and will not receive, payment from AmerisourceBergen for the performance of any other services (other than *de minimis* amounts).

Administers and makes investment decisions relating to our retirement plans.

Administers our benefit plans.

Reviews with management and makes recommendations relating to succession planning and management development.

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**Name of Committee**

**and Members**

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**Duties and Responsibilities of Committee**

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**Governance and Nominating**

Charles H. Cotros, Chairman

Recommends selection and qualification criteria for directors.

Rodney H. Brady

Edward E. Hagenlocker

Identifies and recommends qualified candidates to serve as directors of the company.

Jane E. Henney, M.D.

Considers nominees for director recommended by stockholders.

Determines selection and qualification criteria for committee members.

Evaluates and advises the Board on the company's approach to corporate governance.

Makes recommendations regarding the size and composition of the Board and the composition and responsibilities of committees.

Assesses the performance of the Board of Directors.

Reviews and makes recommendations to the Board regarding director compensation.

Has sole authority for retaining and terminating any consulting firm used to assist in the evaluation of the compensation of directors.

Ensures that any consulting firm retained by the committee has not received, and will not receive, payment from the company for the performance of any other services (other than *de minimus* amounts).