AMERISOURCEBERGEN CORP
Form DEF 14A
January 18, 2019

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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

Filed by the Registrant ý

Filed by a Party other than the Registrant o

Check the appropriate box:

o Preliminary Proxy Statement

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

ý Definitive Proxy Statement

o Definitive Additional Materials

o Soliciting Material Pursuant to §240.14a-12

AmerisourceBergen Corporation

(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (Check the appropriate box):

ý No fee required.

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

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

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(1) Amount Previously Paid:

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

(3) Filing Party:

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NOTICE OF 2019 ANNUAL MEETING OF STOCKHOLDERS

TIME AND DATE:

2:00 p.m., Eastern Time
Thursday, February 28, 2019

PLACE:

Sofitel Philadelphia
120 South 17th Street
Philadelphia, Pennsylvania 19103

ITEMS OF BUSINESS:

1. Elect the nine directors named in this proxy statement.

2. Ratify the appointment of Ernst & Young LLP as our independent registered public accounting firm for fiscal year 2019.

3. Conduct an advisory vote to approve the compensation of our named executive officers.

4. Vote on the stockholder proposals set forth in this proxy statement, if properly presented at the 2019 Annual Meeting.

5. Transact any other business properly coming before the meeting.

WHO MAY VOTE:

Stockholders of record on December 31, 2018.

DATE OF AVAILABILITY:

This notice and proxy statement, together with our Annual Report on Form 10-K for the fiscal year ended September 30, 2018, are being made available to stockholders on or about January 18, 2019.

By order of the Board of Directors,

HYUNG J. BAK

HOW TO VOTE

It is important that your shares be represented and voted at the Annual Meeting. We urge you to vote by using any of the below methods.

Vote via the Internet
Visit www.envisionreports.com/ABC and
follow the instructions.

Vote by phone
Call Toll-Free 1-800-652-VOTE (8683) inside the United States or Puerto Rico and follow the instructions.

Vote by mail
If you received a proxy/voting instruction card by mail, you can mark, date, sign and return it in the postage-paid envelope furnished for that purpose.

Vote in Person
If you attend the Annual Meeting, you may vote in person if you wish, even if you have voted previously.

Important Notice Regarding Availability of Proxy Materials for AmerisourceBergen's Annual Meeting of Stockholders to be held on February 28, 2019.

The Proxy Statement and Annual Report on

Senior Vice President, Group General Counsel and Secretary	**Form 10-K are available at investor.amerisourcebergen.com.**

Important Information If You Plan to Attend the Meeting in Person:

In order to be admitted to the Annual Meeting, individuals must bring a government issued photo ID and proof of ownership of AmerisourceBergen common stock.

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January 18, 2019

Dear Stockholder:

As your Lead Independent Director, I am pleased to invite you to attend our 2019 Annual Meeting of Stockholders on Thursday, February 28, 2019 at 2:00 p.m. Eastern Time. The meeting will be held at the Sofitel Philadelphia, 120 South 17th Street, Philadelphia, Pennsylvania. The Notice of the 2019 Annual Meeting of Stockholders and the proxy statement describe the items of business for the meeting. Your vote is very important. Whether or not you plan to attend the 2019 Annual Meeting of Stockholders, we urge you to vote and to submit your proxy over the Internet, by telephone or by mail.

The AmerisourceBergen Board of Directors believes that effective governance is critical to a successful long-term strategy. We remain committed to a strong and independent Board. I take very seriously my responsibility to ensure that our independent directors have oversight of key aspects of the Company. The Board is informed about, and regularly discusses, AmerisourceBergen's risk profile, and executes its oversight responsibility directly and through its committees. All of our committees, other than the Finance Committee, are comprised entirely of independent directors.

Our Board considers specific risk topics throughout the year, including risks associated with government regulation as well as with the Company's strategic objectives, business plan, operations, distribution of controlled substances, information technology (including cybersecurity) and capital structure, among many others. I am proud of the Board's oversight of key challenges in fiscal 2018, including headwinds at certain of our businesses and a rapidly changing healthcare landscape. On behalf of the entire Board, we encourage you to read more about our robust governance structure, including in the "Proxy Statement Highlights" and "Highlights of Our Corporate Governance Practices and Policies" sections on the following pages, and in the "Corporate Governance" section beginning on page 23.

We are also committed to constructive stockholder engagement. Over the past year, AmerisourceBergen expanded its stockholder outreach, as discussed in the "Stockholder Engagement" section beginning on page 29. AmerisourceBergen's engagement with stockholders this past year focused on, among other things, corporate governance and the Board's oversight and risk management role. Through meetings with some of our largest institutional investors and others, we gained critical insight into the questions and concerns that stockholders have about our governance practices.

For the remainder of fiscal 2019 and beyond, we will miss the valuable perspective and dedication of Douglas R. Conant who, as previously announced, will not be standing for re-election to our Board of Directors at the 2019 Annual Meeting of Stockholders. On behalf of all my colleagues on the Board, I sincerely thank Mr. Conant for the exceptional leadership and commitment that he has demonstrated during his tenure as a director.

Your vote is very important to us. We strongly encourage you to read both our proxy statement and annual report in their entirety, and ask that you vote with our recommendations.

Thank you for your continued investment in AmerisourceBergen.

Sincerely,

Jane E. Henney
Lead Independent Director

PROXY STATEMENT HIGHLIGHTS

This summary provides highlights of selected information about AmerisourceBergen Corporation (the "Company," "AmerisourceBergen," "we" or "us") from this proxy statement. Please review the entire document before voting.

All of our Annual Meeting materials are available at investor.amerisourcebergen.com.

ITEM 1 Election of Directors	**For**	12
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DIRECTOR NOMINEES AND BOARD SUMMARY

ella Barra *Chief Operating cer of greens Boots ance, Inc.*	65	2015	No				X	
en H. Collis *ident, CEO and irman of risourceBergen poration*	57	2011	No	n				
Mark Durcan *red CEO of ron nology, Inc.*	57	2015	Yes		X		X	
hard W. hnauer *red CEO of ed oners Inc.*	69	2008	Yes	X		X	n	
R. Greenberg *red CEO of UGI poration*	68	2013	Yes	X	n		X	
e E. Henney,). *ne Secretary for National demy of licine*	71	2002	Yes	X	EO	EO	EO	EO
hleen W. Hyle *red Senior Vice ident and Chief rating Officer of stellation rgy*	60	2010	Yes			X	X	
hael J. Long *) of Arrow*	60	2006	Yes	X		n		X

tronics, Inc.								
ry W. McGee *or Lecturer at vard Business ool and Retired ident of HBO ne rtainment*	65	2004	Yes	X	X			n
glas R. ant* *red CEO of pbell Soup pany*	67	2013	Yes			X		X
		Number of Meetings in FY2018:		1	9	4	7	7

Chair

X *Member*

EO *Ex Officio Member*

* Mr. Conant is a current director but will not be standing for re-election at the 2019 Annual Meeting of Stockholders.

SNAPSHOT OF BOARD COMPOSITION

Presented below is a snapshot of the expected composition of our Board of Directors immediately following the 2019 annual meeting, assuming the election of the nine nominees named in the proxy statement. For comparison purposes, we have also presented comparable metrics for the constituents of the S&P 500 Index. (Data for the S&P 500 Index is based on the *SpencerStuart Board Index* 2018.)

HIGHLIGHTS OF OUR CORPORATE GOVERNANCE PRACTICES AND POLICIES

Our Board consistently seeks to implement leading practices and policies in corporate governance, with emphasis on maintaining the Board's independence to provide effective oversight of management and ensure accountability to our stockholders. Below, we highlight our key corporate governance practices and policies:

Independence	The majority of our director nominees are independent (seven out of nine). Our corporate governance principles require us to maintain a minimum of 70% independent directors on our Board (see pages 12 and 25).
Independence of Key Oversight Committees	All members of our Audit Committee, Compensation and Succession Planning Committee and Governance and Nominating Committee are independent (see page 25).
Lead Independent Director	Our corporate governance principles require the election of a Lead Independent Director whenever our Chief Executive Officer also serves as Chairman of the Board and clearly define the Lead Independent Director's authority and significant responsibilities in the governance of our Board (see pages 23-24).
Succession Planning for Chairman	The Company plans to split the role of Chairman of the Board and Chief Executive Officer, commencing with the Company's next Chief Executive Officer. At that time, the Chairman role will be assumed by an independent director (see page 24).
Succession Planning for Chief Executive Officer	We undertake succession planning and maintain an emergency succession plan for our Chief Executive Officer (see page 19).
Risk Oversight	Our full Board and each of our Board committees actively engage in risk assessment and management for all aspects of our business, including our compensation policies and practices, with certain specific responsibilities for risk oversight also designated in the committee charters and our corporate governance principles. Our corporate officers and senior managers report on risk exposure at regular intervals to the appropriate committee or full Board.
Diversity	Our directors have diverse business experiences, backgrounds and expertise in a wide range of fields, all of which are critical to understanding our businesses, competitive position and risks. Our Board has a long-standing receptiveness to gender and ethnic diversity and is especially proud of the representation on our Board of three leading women in the fields of business, medicine, and pharmaceuticals and a leading African-American businessman with extensive experience in corporate governance.
Overboarding Policy	Pursuant to our overboarding policy, if our Chief Executive Officer serves as a director, he or she may only serve on the board of one other public company. Non-employee directors should not serve on more than three other public company boards (see page 13).
Tenure Policy	Our policy for directors' tenure provides that a director will resign at the annual meeting of stockholders following his or her 75th birthday and a director will tender his or her resignation for consideration by the Governance and Nominating Committee when his or her employment or principal business association changes materially. A director who is an employee will resign when he or she retires or is no longer employed by us.
Refreshment	Two of our eight non-employee director nominees have served on the Board for five years or less. Additionally, we encourage our Board to rotate its committee Chairs on a regular basis.

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Annual Evaluation Process	Our Board has a comprehensive annual evaluation process for the Board and each of its committees, which is led by the Chair of our Governance and Nominating Committee and the Board's Lead Independent Director (see page 28).
Review of Committee Charters	Each of the committees annually reviews and recommends updates to its charter to the full Board and the Governance and Nominating Committee annually recommends updates to the corporate governance principles (see page 28).
Stockholder Communication and Engagement	We actively engage with our stockholders throughout the year to seek their input on a variety of topics, including our corporate governance practices and our role in the pharmaceutical supply chain (see page 29).
Alignment with Stockholders' Interests	We align executive compensation with the Company's performance through performance metrics. We also require executives to adhere to stock ownership guidelines and holding requirements that align their interests with those of our stockholders and encourage long-term growth (see page 46).
Clawback	We have the right to claw back the value of cash and equity awards held by current and former executives as a result of misconduct, including misconduct that leads to the restatement of our financial statements. We will publicly disclose instances of clawback pursuant to the Clawback Disclosure Policy adopted in August 2018 (see page 44).
Independent Compensation Consultant	The consultant to our Compensation and Succession Planning Committee provides no other services to the Company (see page 48).
Annual Election of Directors	All directors of our Board are elected annually.
Majority Vote Standard	Our bylaws and corporate governance principles establish majority voting standards for the election of directors and require each director nominee to tender an irrevocable resignation prior to each annual meeting in the event an incumbent director does not receive the required votes for re-election (see page 28).
Removal of Directors With or Without Cause	Our organizational documents permit stockholders to remove directors with or without cause.
Right to Call Special Meetings	Stockholders with at least 25% of the outstanding shares of our common stock have the right to call special meetings.
Proxy Access	A stockholder, or a group of up to 20 stockholders, who have continuously owned at least 3% of our outstanding common stock for three years or more may nominate directors to fill up to the greater of two or 20% of the available board seats (see page 30).
Annual Say-on-Pay Vote	We have an annual say-on-pay vote (see page 62).
	Majority vote is required for stockholder action.

No Supermajority Requirement	
No Poison Pill	We do not have a "poison pill" stockholder rights agreement in place.

Overview	Our Company Purpose is that we are united in our responsibility to create healthier futures. We recognize that the economic, social and physical environments in which our company operates are integral to our ability to deliver better patient outcomes. In every aspect of our Company, we seek to integrate corporate citizenship and sustainability into our daily actions as we live our Purpose. Our corporate citizenship framework outlines opportunities in the work we do, the people who do it, and the communities we serve.
Environmental Sustainability	We have implemented practices that reduce energy use and waste, such as our deployment of a data management system to allocate and track usage of resources. We have made investments in waste optimization programs, energy efficiency projects, renewable energy, and sustainable building infrastructure, including the construction of new LEED Certified office spaces. We began responding to the CDP Climate Change Survey in 2016 with information on our largest business unit and expanded to enterprise-wide information in our 2017 response. In 2018, we again submitted an enterprise-wide response and will continue to do so annually.
Diversity & Inclusion	We continue to foster an inclusive culture that attracts, develops, retains and engages a diverse workforce. We participate in multiple benchmarking reports and applications to track our progress and stay up-to-date on industry best practices. AmerisourceBergen has been recognized since 2017 by Diversity Inc. as a noteworthy company based on our continued commitment to advance our programs, training and practices.
Community Outreach	We leverage associate volunteer opportunities and social investments to increase access to healthcare for human and animal populations and ensure prescription drug safety. In addition, the AmerisourceBergen Foundation is a separate not-for-profit charitable giving organization established by the Company to support health-related causes that enrich that global community. During fiscal year 2018, the Foundation donated nearly $5 million to 40+ organizations in support of its mission.

For further details, please see the full discussion relating to our corporate governance policies and practices and our leadership structure in this proxy statement under the section titled "Corporate Governance and Related Matters Corporate Governance."

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OVERSIGHT OF CONTROLLED SUBSTANCES

Our Role in the Supply Chain and Response to the Opioid Epidemic

AmerisourceBergen's primary business is the wholesale distribution of pharmaceutical products. We manage the secure transportation of medication, a small part of which includes opioids and other controlled substances, from manufacturers to customers such as licensed hospitals and pharmacies. We do not prescribe medications or take any action to create supply or demand for medications.

Our role in the healthcare supply chain has provided us with perspective on the opioid epidemic. We understand with utmost clarity that this is a complex, multifaceted and cross-sectoral problem that requires action, attention and a collaborative approach. While prescription opioid medications represent less than two percent of AmerisourceBergen's annual revenue, as a company dedicated to creating healthier futures we feel that it is our duty and responsibility to commit resources and expertise to help fight opioid misuse and abuse in the United States.

Our efforts to prevent the diversion and misuse of controlled substances including and especially prescription opioids span more than 30 years. Presently, our multifaceted approach includes ensuring safe and secure storage and distribution, maintaining operational integrity, and advocating for the highest regulatory standards for the pharmaceutical supply chain. We are also committed to providing communities across the country with resources to help prevent the abuse of opioids. Data indicates that the efforts of multiple stakeholders are making an impact. For example, according to recent data from the Centers for Disease Control and Prevention, the overall national opioid prescribing rate declined from 2012 to 2017. However, as opioid abuse persists, we remain steadfastly committed to our efforts to help thwart the opioid epidemic.

Overview of the Supply Chain[1]

The United States Drug Enforcement Administration (DEA) sets quotas that limit the amount of certain controlled substances that manufacturers may produce. The DEA is also responsible for federal regulatory oversight and enforcement of the closed system of controlled substance distribution. As illustrated below, AmerisourceBergen is one link in the supply chain for medications approved by the United States Food and Drug Administration (FDA), including controlled substances.

Maintaining Operational Integrity

AmerisourceBergen takes very seriously its commitment to create healthier futures. One of the most fundamental ways we achieve this is by creating highly efficient and, more importantly, safe access to medications.

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1 This illustration is meant to depict the limited role of a distributor in the pharmaceutical supply chain and is not meant to depict the many complexities and interrelationships between other parties in the supply chain.

We take no action to promote prescribing or otherwise increase the demand for opioids and we do not offer our sales representatives compensation or incentives of any kind that target opioid orders. Additionally, our sales force receives training to fortify its diversion control knowledge and compliance obligations according to both the latest regulatory guidelines and AmerisourceBergen's policies and procedures.

Ensuring Safe and Secure Distribution

Compliance and Diversion Control. Ensuring the safety and security of the pharmaceutical supply chain is paramount to our business. Since the 1980s, AmerisourceBergen has invested in technology, personnel and other resources that enable us to continuously evaluate, strengthen, and expand the proven measures we have implemented to maintain the integrity of the orders we ship from the time they arrive in our facilities to the time they are delivered to our customers.

This process includes:

Due diligence. We employ a sophisticated diversion control team consisting of internal and external resources, including former law enforcement and DEA professionals, diversion investigators and pharmacists. This team performs due diligence on potential and current customers, including verification of their regulatory licenses, in order to determine their eligibility to purchase controlled substances from us. This team maintains a robust order monitoring program, conducts customer site visits, reviews customer policies and identifies and reports suspicious orders to the DEA and, where appropriate, to state regulators.

Order monitoring. We maintain a sophisticated diversion control program emanating from the 1980s, when our predecessor companies developed programs to identify and report suspicious orders. The program has gone through ongoing changes and enhancements since that time. Today, the program includes mathematical algorithms and data analytics, peer group comparisons, statistical analyses, and dashboards with comprehensive ordering and customer information.

Daily reporting. Our diversion control program provides daily reports to the DEA of all controlled substance shipments (which includes all opioid medications), including the quantity, type, and recipient of each shipped order. In addition, we cancel and report all orders we determine to be suspicious.

Customer Licensing and Monitoring. We confirm that all customers are appropriately licensed by regulatory agencies, and we continuously monitor our customers during our relationship with them. We discontinue customer relationships where we have identified an increased potential for diversion by the customer, and we support law enforcement efforts to investigate pharmacies.

We have continuously enhanced our diversion control program throughout our history, including fulsome updates in 1998, 2007 and 2014-2015 to build on current data, respond to prescription drug abuse trends and incorporate advanced technological capabilities. We continue to evaluate and evolve our program to ensure that we are using our data and resources in the most appropriate and effective way. Our technology provides a high level of insight into our customers' ordering patterns and order outliers and an elevated degree of actionable intelligence that assists with our ongoing diversion control efforts.

Additionally, AmerisourceBergen has established a diversion control advisory committee comprised of a cross-functional team of senior executives who meet regularly with the Vice President of Diversion Control to discuss and review our diversion control program. This committee reevaluates our diversion control program at least annually. We also have established a cross-functional Opioid Task Force dedicated to bringing together business, operations, regulatory, compliance, and legal team leads to put our best thinking to use as we continually evaluate and develop our efforts in this area.

Board Governance and Oversight of Risks Associated with Opioid Distribution. Our Board oversees risk management and considers specific risk topics on an ongoing basis, including risks associated with the Company's distribution of opioid medications. For additional information on this, see "Corporate Governance

and Related Matters Corporate Governance Risk Oversight and Management" beginning on page 26 of this proxy statement. Our Board of Directors actively oversees and reviews the effectiveness of our compliance programs, including our diversion control program. The Board and its Audit Committee receive regular updates from the Company's management on our compliance program's guidelines, training initiatives, monitoring activities and any enforcement or corrective responses. The Audit Committee is regularly apprised of legal matters relating to the Company while the Governance and Nominating Committee oversees the Company's support of charitable, educational and community outreach organizations that are dedicated to addressing various aspects of the opioid epidemic. The Board also supports management's efforts more broadly to develop meaningful solutions to the opioid epidemic, which requires close collaboration with pharmacies, manufacturers, doctors, policy makers and other stakeholders in the healthcare industry. The Board is committed to mitigating the risks associated with the Company's distribution of prescription opioid medication while also ensuring that the Company continues to facilitate safe access to prescription opioid medications to assist in pain management based on the recommendations of medical professionals and as approved by the FDA and DEA.

Advocating for the Highest Regulatory Standards

AmerisourceBergen enthusiastically endorses government efforts to regulate opioids from the time they are produced to the time they are dispensed to patients. Our commitment to help combat the opioid epidemic is demonstrated by our coordination across our industry with other distributors and the Healthcare Distribution Alliance and close collaboration with legislators, policy makers and regulatory agencies to continue to monitor, stop and report suspicious orders and minimize and deter diversion. This commitment to addressing the opioid epidemic is further demonstrated by, among other things, our participation in the Anti-Diversion Industry Working Group and the Collaborative for Effective Prescription Opioid Policies, two stakeholder groups aimed at developing clearer and safer drug distribution regulations and policies and increasing visibility to industry-wide data.

In addition, the Company's government affairs team regularly engages with state and federal legislators and regulators to discuss potential policy solutions to help address opioid abuse and diversion. We are continuously working to identify and explore innovative ideas to combat the epidemic and we work diligently every day to help educate policymakers on the complexities of the supply chain and how distributors play a vital and limited role in the closed system of controlled substance distribution.

Community Outreach

The AmerisourceBergen Foundation is a separate not-for-profit charitable-giving organization, formed in 2014, to support health-related causes that enrich the global community. The AmerisourceBergen Foundation teams up with numerous innovative and non-profit partners who share AmerisourceBergen Corporation's and the AmerisourceBergen Foundation's dedication to addressing the opioid epidemic. The Foundation is committed to providing communities across the country with the resources they need to help combat the epidemic of opioid abuse and misuse. Examples of these initiatives include the following:

Drug Deactivation Resource Initiative. In December 2017, the AmerisourceBergen Foundation launched the Drug Deactivation Resource Initiative. Through this initiative, the Foundation provides communities and organizations across the country with access to drug deactivation resources that enable community members to dispose of unused or expired prescription drugs in a safe and effective manner. As of November 2018, nearly 1 million drug deactivation resources have been donated to 44 states and 140 organizations across the U.S.

Opioid Resource Grant Program. Along with the Drug Deactivation Resource Initiative, the AmerisourceBergen Foundation is committed to contributing resources and funding to help address opioid abuse and misuse. To that end, in April 2018, the Foundation formed a new grant program called the Opioid Resource Grant Program. Throughout 2018, the Opioid Resource Grant Program partnered with a variety of community-based organizations devoted to creating action-oriented solutions to address the opioid epidemic. The Opioid Resource Grant Program receives guidance and leadership from an External Advisory Committee (EAC) comprised of key independent stakeholders, including influential thought leaders with expertise in public health, community-based grant-making and community coalition building. Additionally, as application volume has increased, the Opioid Resource Grant Program has established a second EAC to assist with the grant-making decision process. To

date, the Foundation has received more than 300 letters of intent from not-for-profit organizations seeking support for opioid-related initiatives and provided more than $3.4 million in grants and in-kind donations.

Opioid Awareness Education. In February 2018, the AmerisourceBergen Foundation, together with Prevention Action Alliance and Everfi, announced a new digital education initiative aimed at combating opioid misuse and empowering Ohio high school students with the knowledge and resources to make informed decisions about prescription medications. In August 2018, the Foundation announced plans to launch a similar program in Florida in partnership with Everfi and the Florida Coalition Alliance. Plans are underway to expand education initiatives into additional geographies.

Board Report on Oversight of Opioid Risks

In November 2018, the Company's Board of Directors recommended the preparation of a report by relevant members of the Company's management on the Company's response to the opioid epidemic. The Governance and Nominating Committee, which is composed entirely of independent directors, will be responsible for overseeing management's development and publication of this report. The Board has committed to make the report publicly available by September 30, 2019. The report will build on the Company's commitment to transparency by providing robust disclosure of its response to the opioid epidemic, including the Board's oversight of risks associated with the Company's role as a distributor of prescription opioid medications. This report will address, among other things, the Company's role in the supply chain, the oversight responsibilities of the Board and its committees for monitoring business risks related to the distribution of opioid medications, the Company's compliance organization and programs, including its diversion control and order monitoring programs, as well as a discussion of the Company's social and charitable efforts to help proactively combat the opioid epidemic.

CORPORATE GOVERNANCE AND RELATED MATTERS
ITEM 1 ELECTION OF DIRECTORS

How often are directors elected?

Directors are elected annually. Any nominee who is elected to serve as a director at our 2019 Annual Meeting of Stockholders will be elected to serve a term of one year. Similarly, any director who is appointed to fill a vacancy on the Board will serve until the next annual meeting of stockholders after his or her appointment and until his or her successor is elected and qualified.

What will the size of the Board of Directors be following the 2019 Annual Meeting of Stockholders?

The size of the Board of Directors will be nine.

Who are this year's nominees?

Ornella Barra, Steven H. Collis, D. Mark Durcan, Richard W. Gochnauer, Lon R. Greenberg, Jane E. Henney, M.D., Kathleen W. Hyle, Michael J. Long and Henry W. McGee.

Which of this year's nominees are independent?

Messrs. Durcan, Gochnauer, Greenberg, Long and McGee and Dr. Henney and Ms. Hyle are independent (as independence is defined in Section 303A of the NYSE Listed Company Manual and in our corporate governance principles).

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

No.

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

The nominees are to be elected for a term of one year and are expected to hold office until the 2020 Annual Meeting of Stockholders and until their successors are elected and qualified.

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.

Why does Walgreens Boots Alliance designate a nominee?

Pursuant to the Shareholders Agreement between AmerisourceBergen and Walgreens Boots Alliance, Inc. (as successor in interest to Walgreen Co. and Alliance Boots GmbH), Walgreens Boots Alliance has the right to designate a director to our Board once Walgreens Boots Alliance and certain of its subsidiaries collectively own five percent or more of our common stock ("Common Stock"). On May 1, 2014, Walgreens Boots Alliance notified us that they had acquired at least five percent of our Common Stock. Ms. Barra, Co-Chief Operating Officer of Walgreens Boots Alliance, has been designated by Walgreens Boots Alliance to serve on our Board. She was appointed to the Board on January 16, 2015 and is a current nominee for election as director. In addition, upon the acquisition in full by Walgreens Boots Alliance and its subsidiaries of 19,859,795 shares of AmerisourceBergen in the open market, Walgreens Boots Alliance will be entitled to designate a second director to the Board of Directors. For so long as Walgreens Boots Alliance has a right to designate a director to the Board, subject to certain exceptions, including matters related to acquisition proposals, Walgreens Boots Alliance and its subsidiaries will be obligated to vote their shares in accordance with our Board on all matters submitted to a vote of our stockholders. Please refer to "Related Person Transactions" beginning on page 63 of this proxy statement and our Current Report on Form 8-K filed on March 20, 2013 for more detailed information regarding the Shareholders Agreement and related agreements and arrangements.

How does our Governance and Nominating Committee identify and evaluate director nominees?

Our Governance and Nominating Committee seeks director nominees who possess qualifications, experience, attributes and skills that will enable them to contribute meaningfully to the leadership of our Board and to effectively guide and supervise management in driving AmerisourceBergen's growth and financial and operational performance. Each director nominee should:

- possess the highest personal and professional ethics, integrity and values;
- be committed to representing the long-term interests of our stockholders; and
- have an inquisitive and objective perspective, practical wisdom and mature judgment.

Each nominee should also have sufficient time to effectively carry out his or her duties as a director. Except for the Chief Executive Officer of AmerisourceBergen, who may serve on no more than one other public company board, director nominees may serve on no more than three other public company boards.

In addition, our Governance and Nominating Committee has identified the following expertise, experience, attributes and skills that are particularly relevant to AmerisourceBergen:

- Corporate Governance
- Distribution and Logistics
- Executive Leadership
- Financial Literacy
- Global Markets
- Healthcare
- Information Technology
- Regulatory

Risk Oversight

Sustainability and Corporate Citizenship

Talent Management and Executive Compensation

We seek individuals with diverse backgrounds, skills and expertise to serve on our Board, including women and minorities, but do not have a specific diversity policy for selection of our directors. We believe that diversity is essential to encourage fresh perspectives, enrich the Board's deliberations and avoid the dominance of a particular individual or group over the Board's decisions. The Governance and Nominating Committee may consider and evaluate director nominees identified by our stockholders as described below in the Section titled "Stockholder Engagement Stockholder Recommendations for Director Nominees."

Below are each nominee's biography and an assessment of the above-mentioned expertise, experience, attributes and skills that the nominee possesses.

Biographical information about our nominees

ORNELLA BARRA

Age: 65
Director since January 2015
Member of our Finance Committee

Principal Occupation, Business Experience and Directorships

Ms. Barra has served on our Board since January 2015 and currently serves as a Co-Chief Operating Officer of Walgreens Boots Alliance, Inc. Previously, she served as Executive Vice President of Walgreens Boots Alliance, Inc. and President and Chief Executive of Global Wholesale and International Retail from February 2015 until June 2016. Ms. Barra served as Chief Executive, Wholesale and Brands of Alliance Boots GmbH from September 2013 until January 2015 and as Chief Executive of the Pharmaceutical Wholesale Division of Alliance Boots GmbH from January 2009 until September 2013. Prior to that role, Ms. Barra was the Wholesale and Commercial Affairs Director and a Board member of Alliance Boots plc. Prior to the merger of Alliance UniChem Plc and Boots Group plc, Ms. Barra was Executive Director of Alliance UniChem Plc, having been appointed to its Board in 1997. Ms. Barra has been a member of the Board of Directors of Assicurazioni Generali, one of the largest Italian insurance companies, since April 2013, is an honorary Professor of the University of Nottingham's School of Pharmacy and is a member of the International Advisory Council of Bocconi University. Ms. Barra was a member of the Board of Directors of Alliance Boots GmbH between June 2007 and February 2015. She is a member of the Board of International Federation of Pharmaceutical Wholesalers, Inc. and of the Board of Efficient Consumer Response Europe.

Key Attributes, Expertise, Experience and Skills:

Global Markets: Demonstrated expertise and understanding of global markets by leading and expanding international operations of multinational company.

Healthcare and Distribution Expertise: Heads global wholesale and international retail operations for Walgreens Boots Alliance, Inc. Extensive experience in pharmaceutical distribution and pharmaceutical retail industries through Alliance Boots GmbH and predecessor companies, and trained as a pharmacist.

Risk Oversight: Serves as Co-Chief Operating Officer of Walgreens Boots Alliance, Inc. and as a director of one of the largest insurance companies in Italy.

Sustainability & Corporate Citizenship: Serves as Chair of the Walgreens Boots Alliance, Inc. Corporate Social Responsibility Committee and previously served as Chairman of the Corporate Social Responsibility Committee for Alliance Boots GmbH.

Compensation/Benefits Oversight: Serves as Chair of Appointments and Remuneration Committee at Assicurazioni Generali.

Principal Occupation, Business Experience and Directorships

STEVEN H. COLLIS

Age: 57
Chairman of the Board since March 2016
Director since May 2011
Chair of our Executive Committee

Mr. Collis is the President and Chief Executive Officer of AmerisourceBergen Corporation and has served in this position since July 2011. He has been a member of our Board since 2011 and has served as our Board's Chairman since March 2016. From November 2010 to July 2011, Mr. Collis served as President and Chief Operating Officer of AmerisourceBergen Corporation. He served as Executive Vice President and President of AmerisourceBergen Drug Corporation from September 2009 to November 2010, as Executive Vice President and President of AmerisourceBergen Specialty Group from September 2007 to September 2009 and as Senior Vice President of AmerisourceBergen Corporation and President of AmerisourceBergen Specialty Group from August 2001 to September 2007. Mr. Collis has held a variety of other positions with AmerisourceBergen Corporation and its predecessors since 1994. Mr. Collis is a member of the Board of the International Federation of Pharmaceutical Wholesalers, Inc. and CEOs Against Cancer (PA Chapter), and is a member of the American Red Cross Board of Governors. He previously served as a Member of the Board of Thoratec Corporation from 2008 to 2015.

Key Attributes, Expertise, Experience and Skills:

Healthcare and Distribution Expertise: Has held various senior executive leadership positions with AmerisourceBergen Corporation and has extensive business and operating experience in wholesale pharmaceutical distribution and in-depth knowledge of the healthcare distribution and services market.

Global Markets: Leads multinational company that has significantly expanded international operations.

Governance and Risk Oversight: Serves as Chairman, President and Chief Executive Officer and director of AmerisourceBergen and previously served as director of Thoratec Corporation.

D. MARK DURCAN

Age: 57

Director since September 2015
Member of our Audit Committee and our Finance Committee

Principal Occupation, Business Experience and Directorships

Mr. Durcan has served on our Board since September 2015. He served as Chief Executive Officer and Director of Micron Technology, Inc. from February 2012 until his retirement in May 2017. Mr. Durcan served in a variety of roles at Micron Technology, Inc., including as President and Chief Operating Officer from June 2007 to February 2012, as Chief Operating Officer from February 2006 to June 2007, and as Chief Technology Officer from June 1997 to February 2006. Between 1984 and February 2006, Mr. Durcan held various other positions with Micron Technology, Inc. and its subsidiaries and served as an officer from 1996 through his retirement. Mr. Durcan served as a director of MWI Veterinary Supply, Inc. from March 2014 until its acquisition by AmerisourceBergen in February 2015. He served as a director at Freescale Semiconductor, Inc. from 2014 through 2015 and has served as a Director of St. Luke's Health System of Idaho since February 2017. Mr. Durcan has also served on the Semiconductor Industry Association Board and the Technology CEO Council.

Key Attributes, Expertise, Experience and Skills:

Financial Expertise: Brings substantial experience in the area of finance, executive leadership and strategic planning in his former roles as Chief Executive Officer and Chief Operating Officer of Micron Technology, Inc.

Global Markets: Contributes deep understanding of global markets and extensive experience in managing global manufacturing, procurement, supply chain and quality control for a multinational corporation and, as former member of the board of MWI Veterinary Supply, Inc., has important insights into wholesale distribution of animal health products.

Information Technology: Has unique and in-depth knowledge of technology and capability to drive technological innovation.

RICHARD W. GOCHNAUER

Principal Occupation, Business Experience and Directorships

Mr. Gochnauer has served on our Board since September 2008. He served as Chief Executive Officer of United Stationers Inc. from December 2002 until his retirement in May 2011 and as Chief Operating Officer of United Stationers Inc. from July 2002 to December 2002. Mr. Gochnauer served as Vice Chairman and President, International, and President and Chief Operating Officer of Golden State Foods Corporation from 1994 to 2002. He currently serves as a member of the Boards of UGI Corporation, Golden State Foods Corporation, Vodori Inc., and Rush University Medical Center and previously served as a director of Fieldstone Communities, Inc. from 2000 to 2008 and United Stationers Inc. from July 2002 to May 2011. Mr. Gochnauer is also a member of the Boards of Opportunity International and the Center for Higher Ambition Leadership.

Key Attributes, Expertise, Experience and Skills:

Distribution and Logistics: Provides strategic direction and valuable perspective on measures to drive operating growth and compete effectively in the distribution business gained through his management of diverse distribution businesses.

Age: 69
Director since September 2008
Chair of our Finance Committee and a member of our Compensation and Succession Planning Committee and Executive Committee

Governance Experience: Serves as director of UGI Corporation, Golden State Foods Corporation and Vodori Inc. and held senior executive leadership roles at United Stationers Inc. and Golden State Foods Corporation.

Risk Oversight: Extensive experience overseeing the management of risk on an enterprise-wide basis.

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LON R. GREENBERG

Age: 68
Director since May 2013
Chair of our Audit Committee
and member of our Executive Committee and Finance Committee

Principal Occupation, Business Experience and Directorships

Mr. Greenberg has served on our Board since May 2013. He served as Chairman of UGI Corporation's Board of Directors from 1996 until January 2016 and as director of UGI Utilities, Inc. and AmeriGas Propane, both UGI Corporation subsidiaries. Mr. Greenberg served as Chief Executive Officer of UGI Corporation from 1995 until his retirement in April 2013. Mr. Greenberg served in various leadership positions throughout his tenure with UGI Corporation. He is a member of the Board of Directors of Ameriprise Financial, Inc. and the Board of Directors of the United Way of Greater Philadelphia and Southern New Jersey. Mr. Greenberg is a member of the Board of Trustees of Temple University and the Board of The Philadelphia Foundation and previously served as Chairman of the Board of Directors of Temple University Health System and as a member of the Board of Directors of Fox Chase Cancer Center. Mr. Greenberg previously served as a member of the Board of Aqua America, Inc.

Key Attributes, Expertise, Experience and Skills:

Financial Expertise: Brings financial literacy and sophistication acquired through various executive, legal and corporate roles, as well as membership on other NYSE listed companies.

Global Markets: Has valuable business and executive management experience in distribution and global operations acquired as Chief Executive Officer of UGI Corporation.

Healthcare Expertise: Contributes experience and knowledge of the healthcare industry from his perspective as a former director of healthcare organizations.

Governance and Regulatory Experience: Served as Chief Executive Officer and Chairman of the Board of UGI Corporation, as a director of subsidiaries of UGI Corporation, and as a director of Aqua America, Inc. Mr. Greenberg also currently serves as a director of Ameriprise Financial, Inc.

JANE E. HENNEY, M.D.

Principal Occupation, Business Experience and Directorships

Dr. Henney has served as our Board's Lead Independent Director since March 2016 and as a Director since January 2002. She has served as Home Secretary for the National Academy of Medicine since April 1, 2014. Dr. Henney was a Professor of Medicine at the College of Medicine at the University of Cincinnati from January 2008 until December 2012. She served as Senior Vice President and Provost for Health Affairs at the University of Cincinnati from July 2003 to January 2008 and was the Commissioner of Food and Drugs at the United States Food and Drug Administration from 1998 to 2001. Dr. Henney served as Vice President for Health Sciences at the University of New Mexico from 1994 to 1998. She currently serves as a director for The China Medical Board. Dr. Henney previously served as a director of CIGNA Corporation from April 2004 until April 2018, AstraZeneca PLC from September 2001 to April 2011 and Cubist Pharmaceuticals, Inc. from

March 2012 to January 2014. Dr. Henney is a National Association of Corporate Directors (NACD) Board Leadership Fellow. Dr. Henney is a former member of the Board of The Commonwealth Fund and The Monnell Center for the Chemical Senses.

Key Attributes, Expertise, Experience and Skills:

Age: 71
Lead Independent Director since March 2016
Director since January 2002
Member of our Executive Committee and serves ex officio on each of the Board's other committees

Governance and Risk Oversight: Former director of CIGNA Corporation, AstraZeneca PLC and Cubist Pharmaceuticals, Inc., and is a NACD Board Leadership Fellow.

Healthcare Expertise: Provides in-depth knowledge and industry-specific perspective acquired through her experience as a medical oncologist, prominent government and academic posts, and tenure as director of pharmaceutical and insurance companies.

Regulatory: As a former Commissioner of Food and Drugs for the United States Food and Drug Administration, Dr. Henney has extensive insight into federal regulatory matters.

KATHLEEN W. HYLE

Age: 60
Director since May 2010
Member of our Compensation and Succession Planning Committee and our Finance Committee

Principal Occupation, Business Experience and Directorships

Ms. Hyle has served on our Board since May 2010. She served as Senior Vice President of Constellation Energy and Chief Operating Officer of Constellation Energy Resources from November 2008 until March 2012. Ms. Hyle served as Chief Financial Officer for Constellation Energy Nuclear Group and for UniStar Nuclear Energy, LLC from June 2007 to November 2008. Prior to joining Constellation Energy in 2003, Ms. Hyle served as the Chief Financial Officer of ANC Rental Corp., Vice President and Treasurer of Auto-Nation, Inc., and Vice President and Treasurer of Black & Decker Corporation. She is the Chair of the Board of Bunge Limited and a member of the Board of Trustees of Center Stage in Baltimore, MD. Ms. Hyle is a Partner in WKW LLC, a limited liability company, is a former director of The ADT Corporation, and is a former member of the Board of Sponsors for the Loyola University Maryland Sellinger School of Business and Management.

Key Attributes, Expertise, Experience and Skills:

Financial Expertise: Provides critical insight into, among other things, financial statements, accounting principles and practices, internal control over financial reporting and risk management processes.

Governance and Risk Oversight: Current Chair of Bunge Limited and former director of The ADT Corporation.

Risk Management: Held senior management positions at Constellation Energy, ANC Rental Corp., and Black & Decker Corporation and brings extensive experience in management, operations, capital markets, international business, financial risk management and regulatory compliance.

MICHAEL J. LONG

Age: 60
Director since May 2006

Principal Occupation, Business Experience and Directorships

Mr. Long has served on our Board since May 2006. He has served as the Chief Executive Officer of Arrow Electronics, Inc. since May 2009 and as Chairman of the Board since 2010. Previously, he served as President and Chief Operating Officer of Arrow Electronics, Inc. from February 2008 until May 2009 and as a Senior Vice President of Arrow Electronics, Inc. from January 2006 to February 2008. He is a member of the Board of Trustees of the Denver Zoo.

Key Attributes, Expertise, Experience and Skills:

Financial Expertise: Brings relevant experience in the areas of finance, operations, management, leadership, strategic planning, executive compensation and global competition drawn from his current and prior leadership positions at Arrow Electronics, Inc.

Chair of our Compensation and Succession Planning Committee and member of our Governance and Nominating Committee and Executive Committee

Global Markets and Distribution Expertise: Contributes critical insight into international markets and has an in-depth knowledge of business and strategic opportunities for wholesale distribution.

Governance and Risk Oversight: Serves as Chairman, President and Chief Executive Officer of Arrow Electronics, Inc.

Information Technology: Familiarity with technology solutions and IT services through experience in electronic components industry.

HENRY W. MCGEE

Age: 65
Director since November 2004
Chair of our Governance and Nominating Committee and member of our Audit Committee
and Executive Committee

Principal Occupation, Business Experience and Directorships

Mr. McGee has served on our Board since November 2004. He is a Senior Lecturer at Harvard Business School, a position he has held since July 2013. From April 2013 to August 2013, Mr. McGee served as a Consultant at HBO Home Entertainment. Previously, Mr. McGee served as President of HBO Home Entertainment from 1995 until his retirement in March 2013. He served as Senior Vice President, Programming, HBO Video, from 1988 to 1995 and prior to that, Mr. McGee served in leadership positions in various divisions of HBO. Mr. McGee is the former President of the Alvin Ailey Dance Theater Foundation and the Film Society of Lincoln Center. He has served on the Boards of the Sundance Institute, the Public Theater, Save the Children and the Time Warner Foundation and is currently a member of the Board of Tegna Inc., the Pew Research Center and the Black Filmmaker Foundation. Mr. McGee was recognized by Savoy Magazine in 2016 and 2017 as a member of the Power 300 list of the Most Influential Black Corporate Directors.

Key Attributes, Expertise, Experience and Skills:

Global Markets and Distribution Expertise: Contributes significant operational, marketing and wholesale distribution expertise and knowledge of international markets acquired in senior management and leadership roles during his long career with HBO.

Information Technology: Has a deep understanding of the uses of technology and application to marketing and media. Teaches courses on digital transformation.

Governance and Risk Oversight: Current director of Tegna Inc. and Pew Research Center. Has taught MBA courses on leadership and corporate accountability. Served as President of HBO Home Entertainment and in other leadership positions within HBO.

How does the Board of Directors recommend that I vote?

We recommend that you vote **For** the election of each of the nine nominees named in this proxy statement to the Board of Directors.

INFORMATION ON BOARD COMMITTEES

Audit Committee

Appoints, and has authority to terminate, our independent registered public accounting firm.

Pre-approves all audits and permitted non-audit services provided by the Company's independent registered public accounting firm, including the scope of the audit and audit procedures.

Reviews and discusses the independence of our independent registered public accounting firm.

Reviews and discusses with management and our 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 Securities and Exchange Commission (SEC).

Prepares the audit committee report as required by SEC rules.

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

Inquires of management (including the internal audit function) and our independent registered public accounting firm about significant risks or exposures (whether financial, operational, or otherwise) and assesses the steps management has taken to control such risks or exposures, including policies implemented for such purposes.

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

Reviews the appointment, performance, and replacement of our chief audit executive.

Assists the Board in its oversight of legal and regulatory requirements, including through regular updates from the Company's management on legal matters, the compliance program and any enforcement or corrective responses.

Oversees the development and implementation by management of an enterprise risk management program, including the development of a cybersecurity strategy.

Reviews and approves all related persons transactions in accordance with our Related Person Transactions Policy.

Oversees compliance with our Code of Ethics and Business Conduct.

Compensation and Succession Planning Committee

Reviews and approves our executive compensation strategy and the individual elements of total compensation for the President and Chief Executive Officer and executive management.

Evaluates performance of management annually.

Ensures that our 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 for inclusion in our proxy statement as required by SEC rules.

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

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

Monitors the activities of our internal Benefits Committee, including the Benefits Committee's oversight of the administration and investment performance of our retirement plans.

Oversees the administration of our health and welfare plans.

Reviews with management and makes recommendations relating to succession planning and talent development and reviews and monitors the Company's diversity and inclusion practices.

Executive Committee

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

Finance Committee

Provides oversight of our capital structure and other issues of financial significance to AmerisourceBergen.

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

Reviews proposed financing plans, credit facilities, and other financing transactions.

Reviews our dividend policy.

Reviews and proposes issuance or sale of our stock, stock repurchases, redemptions and splits.

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

Reviews proposed major capital expenditures or commitments.

Reviews proposed material acquisitions, divestitures, joint ventures, and other transactions involving AmerisourceBergen and periodically reviews performance and progress of completed acquisitions and capital spending projects.

Governance and Nominating Committee

Reviews and makes recommendations to the Board about corporate governance and the Company's corporate governance principles.

Identifies and discusses with management the risks, if any, relating to the Company's corporate governance structure and practices.

Recommends selection and qualification criteria for directors and committee members.

Identifies and recommends qualified candidates to serve as directors of AmerisourceBergen.

Considers nominees for directors recommended by stockholders.

Reviews and makes recommendations relating to succession planning for our Board and Board committee leadership positions and prepares for Board vacancies.

Oversees orientation of directors and continuing education of directors in areas related to the work of our Board and the directors' committee assignments.

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

Oversees the evaluation of our Board and the Board committees and reviews the standing committee assignments.

Reviews and makes recommendations to our 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 and for evaluating the independence of such consulting firm.

Monitors the Company's corporate citizenship function, including its sustainability and corporate responsibility practices and its support of charitable, educational and business organizations.

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Did each director attend at least 75% of the aggregate of (i) the total number of meetings of the Board of Directors held during fiscal 2018 and (ii) the total number of meetings held by each committee of the Board on which such person served during fiscal 2018?

Yes, average director attendance was 96% of the aggregate of (i) the total number of meetings of the Board of Directors held during fiscal 2018 and (ii) the total number of meetings held by each committee of the Board on which such person served during fiscal 2018. There were 13 meetings of the full Board of Directors during fiscal 2018 and the number of committee meetings held during fiscal 2018 is provided in the chart on page 3 of this proxy statement.

Do the independent directors meet regularly?

The independent directors meet prior to the commencement of each of the regularly scheduled committee meetings. Additionally, the independent directors, together with our one additional non-management director, meet following each regularly scheduled meeting of the full Board of Directors. The Lead Independent Director presides at such meetings and, if the Lead Independent Director is not present, the committee Chairs preside on a rotating basis.

How do interested parties make their concerns known to the non-management directors?

Interested parties who wish to make any concerns known to the non-management directors may submit communications at any time in writing to: Hyung J. Bak, Secretary, AmerisourceBergen Corporation, 1300 Morris Drive, Chesterbrook, PA 19087. AmerisourceBergen's Secretary will determine, in his good faith judgment, which communications will be relayed to the Lead Independent Director and other non-management directors.

How are directors compensated?

The following table summarizes the total compensation earned by directors who were not employees of AmerisourceBergen during fiscal year 2018. Ms. Barra waived her right to receive compensation as a non-employee director. Directors who are employees of AmerisourceBergen receive no compensation for their service as directors or as members of Board committees.

Non-Employee Director Compensation at 2018 Fiscal Year End

Ornella Barra(5)				
Douglas R. Conant(6)	100,000	125,022	5,017	230,039
D. Mark Durcan	100,000	125,022		225,022
Richard W. Gochnauer	110,000	125,022		235,022
Lon R. Greenberg	120,000	125,022		245,022

Jane E. Henney, M.D.	125,000	150,026	5,017	280,043
Kathleen W. Hyle	100,000	125,022	5,017	230,039
Michael J. Long	115,024	125,022	5,017	245,063
Henry W. McGee	110,000	125,022	25,441	260,463

(1) These amounts include amounts earned for service as Committee Chairs and amounts deferred into our deferred compensation plan. In fiscal year 2018, Mr. Long received 1,349 shares of Common Stock, in lieu of the retainer.

(2) As of September 30, 2018, each of the non-employee directors held the following shares of outstanding restricted stock units: Ms. Barra 0; Mr. Conant 4,117 ; Mr. Durcan 4,117; Mr. Gochnauer 7,141; Mr. Greenberg 5,323; Dr. Henney 4,939; Ms. Hyle 4,117; Mr. Long 4,117; and Mr. McGee 5,323.

The amounts reported represent the grant date fair value for equity awards shown in accordance with Accounting Standards Codification 718, disregarding the estimate of forfeitures related to service-based vesting conditions. There were no forfeitures by the directors in fiscal year 2018. See Note 10 to the Consolidated Financial Statements contained in our Annual Report on Form 10-K for the fiscal year ended September 30, 2018 for assumptions used to estimate the fair values of restricted stock units granted during fiscal 2018.

(3)

No stock options were granted to directors in fiscal year 2018. As of September 30, 2018, each of the non-employee directors held outstanding stock options as follows: Ms. Barra 0; Mr. Conant 0; Mr. Durcan 0; Mr. Gochnauer 44,263; Mr. Greenberg 0; Dr. Henney 3,528; Ms. Hyle 19,932; Mr. Long 0; and Mr. McGee 10,585.

(4)

These amounts represent the dividends accrued and paid on restricted stock units that vested in fiscal year 2018. In addition, the amount shown for Mr. McGee also includes the value of prescription drug benefits provided to Mr. McGee and his spouse during fiscal year 2018.

(5)

Ms. Barra waived her right to receive compensation as a non-employee director. Consequently, our Board has waived the stock ownership requirements for Ms. Barra.

(6)

Mr. Conant is not standing for re-election at the 2019 Annual Meeting of Stockholders.

Director Fees. Our director compensation program provides for an annual cash retainer plus an annual equity award of restricted stock units. Consistent with our overall compensation philosophy, the compensation program for non-employee directors provides total direct compensation (cash retainer and equity award) in the 50th percentile of our peer group. (See page 37 for a description of our peer group.)

Annual Retainer	$100,000 Non-Employee Director $125,000 Lead Independent Director
Annual Equity Award(1)	$175,000 Non-Employee Director $200,000 Lead Independent Director
Chair Fee(2)	$25,000 Audit Committee $20,000 Compensation and Succession Planning Committee $15,000 Finance Committee $15,000 Governance and Nominating Committee

(1) The annual equity awards for Non-Employee Directors and the Lead Independent Director will increase from $125,000 to $175,000 and from $150,000 to $200,000, respectively, effective with the grant to be made in March 2019 in order to align board compensation with that of our peers.

(2) Fees to be paid to the chairs of each of the Board's committees will increase by $5,000 to $25,000, $20,000, $15,000, and $15,000 for the chairs of the Audit Committee, Compensation and Succession Planning Committee, Finance Committee, and Governance and Nominating Committee, respectively, effective March 2019 in order to align board compensation with that of our peers.

Annual Retainers. A director may elect to have the annual retainer paid in cash, Common Stock or restricted stock units or credited to a deferred compensation account. Payment of annual retainers in cash will be made in equal quarterly installments in advance.

Annual Equity Awards. On March 1, 2018, each of the non-employee directors (other than Ms. Barra, who waived compensation) received an annual grant of restricted stock units. The vesting period for these awards is three years from the date of grant, subject to continued service on the Board or following retirement by a director (i) aged 62 with five years of continuous service on the Board or (ii) who, after reaching age 55, has an age plus years of continuous employment with the Company that equals at least 70. These grants were made under the AmerisourceBergen Corporation Omnibus Incentive Plan (the "Omnibus Incentive Plan"). A director may defer settlement of shares payable with respect to restricted stock units as described below.

Deferral and Other Arrangements. Directors have the option to defer all or any part of the annual retainer and to credit the deferred amount to an account under the AmerisourceBergen Corporation Deferred Compensation Plan. Payment of deferred amounts will be made or begin on the first day of the month after the non-employee director ceases to serve as a director. A director may elect to receive the deferred benefit (i) over annual periods ranging from three to fifteen years and payable in quarterly installments or (ii) in a single distribution. We pay all costs and expenses incurred in the administration of the Deferred Compensation Plan. Directors also have the option to forgo 50% or more of their annual cash retainers and receive either Common Stock or restricted stock units covering shares having a fair market value on the quarterly grant date equal to the amount of the foregone compensation. In addition, directors may defer settlement of any shares payable with respect to any restricted stock units (and any dividend equivalents) received either in lieu of the annual retainer or as the annual equity award to a later date. We also provide our directors with a prescription drug benefit and reimburse them for the cost of education programs, transportation, food and lodging in connection with their service as directors.

Stock Ownership Guidelines. We require our non-employee directors to own shares of our Common Stock to align their interests with those of the stockholders and to provide an incentive to foster our long-term success. From and after the fifth year following their Board election, non-employee directors must own stock equal in value to at least five times the annual cash retainer. We may take unusual market conditions into consideration when assessing compliance.

CORPORATE GOVERNANCE

Board Structure

Our Board provides guidance and critical review of our governance, strategic initiatives, talent management and risk management processes. Our Board ensures that we have an effective management team in place to run our business and serves to protect and advance the long-term interests of our stockholders. The role of our senior executives is to develop and implement a strategic business plan for AmerisourceBergen and to grow our business.

Our employees conduct our business under the direction of our Chairman, President and Chief Executive Officer and with the independent oversight of our Board, including our Lead Independent Director Dr. Jane E. Henney. To enhance its oversight function, our Board is composed of directors who are not employed by us, with the exception of Mr. Collis.

Role of the Chairman and Lead Independent Director

We believe that our leadership structure is in the best interests of AmerisourceBergen and its stockholders and that it fosters innovative, responsive and strong leadership for the Company as a whole. Our Board has determined that the election of an executive Chairman must be accompanied by the election of a strong Lead Independent Director with a clearly defined and dynamic leadership role in the governance of the Board. In March 2018, the Board determined that re-appointing Steven H. Collis as Chairman of the Board and Dr. Jane E. Henney as Lead Independent Director would result in the governance structure best suited to enable our Board and management to carry out their responsibilities to our stockholders and promote the growth of AmerisourceBergen. We believe the structure promotes, through the clearly articulated roles and responsibilities of the Lead Independent Director and Board committees, the objective and effective oversight of management.

Serving as both Chairman and Chief Executive Officer enables Mr. Collis to effectively and efficiently execute our strategic initiatives, and to respond to challenges and changes in both U.S. and international markets. Mr. Collis is uniquely suited to serve in these two roles due to his knowledge of the Company and his experience in the industry. As Lead Independent Director, Dr. Henney provides assertive, independent leadership in the boardroom. In addition to her extensive knowledge of the healthcare industry and regulatory environment, Dr. Henney has a thorough understanding of the Board's oversight role and leading corporate governance practices.

The Chairman's primary responsibility is to set the agenda for the Board and to facilitate communications among our directors and between the Board and senior management. As Chairman, President and Chief Executive Officer, Mr. Collis ensures that the Board's agenda and discussions address strategic planning as well as key business issues and risks that he encounters in daily operations.

Our governance structure establishes a dynamic leadership role for the Lead Independent Director, which, together with independent Board committee leadership, provides a meaningful counterbalance to the executive Chairman and maintains independent and effective oversight of management.

Key aspects of this structure include: if the Chairman is not an independent member of the Board, a majority of the independent directors shall elect a Lead Independent Director annually, subject to his or her continuing reelection and status as an independent director; the Lead Independent Director has clearly articulated and extensive authority and responsibilities in the Board's governance and functions; our Audit Committee, the Compensation and Succession Planning Committee and the Governance and Nominating Committee are each

chaired by and comprised solely of independent directors; and our non-employee directors are encouraged to, and often do, have direct contact with our senior managers outside the presence of our executive officers.

The Lead Independent Director's robust and comprehensive authority is as follows:

- presides at all meetings of the Board at which the Chairman is not present;
- calls, sets the agenda for and chairs executive sessions of the non-employee directors;
- has authority to call a Board meeting and/or a meeting of non-employee directors;
- approves Board meeting agendas and schedules to ensure that there is sufficient time for discussion of all agenda items;
- meets one-on-one with the Chairman after each regularly scheduled Board meeting;
- serves as a liaison between the Chairman and the non-employee directors;
- serves on the Executive Committee;
- advises the Chairs of the Board committees and assists them in the management of their workloads;
- with the Chair of the Compensation and Succession Planning Committee, takes a leading role in succession planning for the Chief Executive Officer;
- supports the Chair of the Governance and Nominating Committee in overseeing the annual self-assessment process for the Board and each committee, interviewing and recommending candidates for the Board, and recommending Board committee assignments;
- is available for communication and consultation with major stockholders upon request on appropriate topics; and
- performs such other functions and responsibilities as set forth in our corporate governance principles or as requested by the Board or the non-executive directors from time to time.

Our Board conducts annual evaluations, under the oversight of our Governance and Nominating Committee. The Compensation and Succession Planning Committee, in accordance with its charter and under the oversight of the Lead Independent Director, will annually review the performance of, and succession plan for, the Chief Executive Officer. These processes provide our Board with opportunities to examine and reassess the effectiveness of our leadership structure, including the performance of our Chairman and Lead Independent Director.

Succession Plan for Chairman of the Board

Our Board has always retained the flexibility to determine the optimal leadership structure for the Company and its stockholders because our stockholders benefit most when our Board has the freedom to make decisions that are in the best interests of the Company rather than pursuant to a predetermined policy. Mr. Collis has served as President and Chief Executive Officer since July 2011 and as Chairman since March 2016.

In November 2018, the Board determined that it was in the best interests of the Company to split the role of Chairman of the Board and Chief Executive Officer in the future, commencing with the Company's next Chief Executive Officer. At that time, the Chairman role will be assumed by an independent director.

Board Corporate Governance

Our Board has adopted our corporate governance principles. Together with the charters of the Board committees, they provide the framework for the governance of AmerisourceBergen. Our corporate governance principles clearly delineate the authority and roles of the Chairman of the Board and the Lead Independent Director in the leadership of the Board, mandate the independence of the committee Chairs and all the members of our audit, compensation and governance committees, and affirm non-employee directors' access to managers and associates outside the presence of our executives. The corporate governance principles address a variety of governance issues in addition to leadership structure, including those discussed under the headings "Information on Board Committees," "Code of Ethics" and "Stockholder Engagement." The Board reviews and updates the corporate governance principles and the committee charters from time to time to reflect leading corporate governance practices.

There are five standing committees of the Board: the Audit Committee, the Compensation and Succession Planning Committee, the Executive Committee, the Finance Committee and the Governance and Nominating Committee. The Board committees, with the exception of the Executive Committee and the Finance Committee, are required to be composed entirely of independent directors. Our Executive Committee, which is composed of our Chairman of the Board, the Lead Independent Director and the Chairs of the other standing committees, has the authority to act between regularly scheduled meetings of the Board, subject to applicable law. The Chairman of the Board serves as the Chair of the Executive Committee. The Board believes that changing committee assignments from time to time strengthens our corporate governance practices and enhances each committee's objective review of management.

Our corporate governance principles and the charters of the Audit Committee, the Compensation and Succession Planning Committee, the Finance Committee and the Governance and Nominating Committee have been posted on our website at *investor.amerisourcebergen.com*.

Board Independence

The Board has determined that, except for Ms. Barra and Mr. Collis, all of the directors are independent. Our corporate governance principles require us to maintain a minimum of 70% independent directors on our Board. If the nine director nominees are elected at the 2019 Annual Meeting of Stockholders, seven out of nine directors then serving will be independent.

The Board has adopted guidelines in our corporate governance principles to assist it in making independence determinations, which meet or exceed the independence requirements set forth in the NYSE listing standards. These guidelines are contained in Section 5 of our corporate governance principles. For a director to be considered independent, the Board must determine that the director does not have any direct or indirect material relationship with AmerisourceBergen.

With the assistance of legal counsel, our Board reviewed the applicable legal standards for director and Board committee member independence. In undertaking its review, the Board considered that some of our directors serve on the board of directors or as executive officers of companies for which we perform (or may seek to perform) drug distribution and other services in the ordinary course of business. As a result of this review, the Board has determined that each of the following current directors is independent: Douglas R. Conant, D. Mark Durcan, Richard W. Gochnauer, Lon R. Greenberg, Jane E. Henney, M.D., Kathleen W. Hyle, Michael J. Long, and Henry W. McGee.

Our Board has also determined that each of the members of our Audit Committee, Compensation and Succession Planning Committee and Governance and Nominating Committee are independent, in accordance with the independence requirements set forth in their charters and, as applicable, SEC rules and NYSE listing standards. None of the members of these committees receives any consulting or advisory fee from us other than compensation as non-employee directors.

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Risk Oversight and Management

The Board executes its oversight responsibility for risk management directly and through its committees, as follows:

Our Board considers specific risk topics throughout the year, including risks associated with government regulation as well as with our strategic objectives, business plan, operations, distribution of controlled substances, information technology (including cybersecurity) and capital structure, among many others. Each fiscal quarter, our Chief Financial Officer reports to the Board on AmerisourceBergen's financial performance and explains how actual performance compares to our business plan. Our corporate officers and the leaders of our principal business units report regularly to the Board about the risks and exposures related to their areas of responsibility. The Board is informed about and regularly discusses our risk profile, including legal, regulatory and operational risks to our business. The Board also oversees our compliance policies and practices, including our sophisticated diversion control program through which the Company provides daily reports directly to the Drug Enforcement Administration about the quantity, type, and receiving pharmacy of every order of controlled substances we distribute. Additionally, the Board periodically visits Company facilities, which provides the Directors with an opportunity to observe the Company's operations and to interact with employees outside of the boardroom.

The chair of each Board committee reports to the Board at every regular Board meeting on the topics discussed and actions taken at the most recent committee meeting. The Board discusses the risks and exposures, if any, involved in the matters or recommendations of the committees, as necessary.

Our Audit Committee has responsibility for monitoring our internal audit, corporate, financial and regulatory risk assessment and risk management processes and overseeing our system of internal controls and financial reporting. The Audit Committee discusses specific risk areas throughout the year, including those that may arise in various business units and the measures taken by management to monitor and limit risk. In addition, the Audit Committee oversees the development and implementation of our enterprise risk management program and assists the Board in its oversight of legal and regulatory requirements.

The Audit Committee receives regular reports throughout the year on matters related to risk management. At each regularly scheduled meeting, the Audit Committee receives reports from our (i) external auditor on the status of audit activities and findings; and (ii) chief audit executive (who reports directly to the Audit Committee) on the status of the internal audit plan, audit results and any corrective action taken in response to audit findings. The Audit Committee also periodically reviews cybersecurity issues and the Company's business continuity and disaster recovery plans.

The Board's other committees oversee risks associated with their respective areas of responsibility. For example, the Governance and Nominating Committee oversees our corporate governance practices generally, including monitoring our corporate citizenship function and our corporate responsibility practices. Additionally, the Compensation and Succession Planning Committee assesses risks associated with our compensation policies and programs for executives as well as employees generally. Our Finance Committee discusses risks relating to our capital structure, financing activities, dividend, taxes and stock repurchases.

We have a Chief Compliance Officer who oversees our corporate compliance program, including our Office of Compliance, compliance audits, compliance training, and compliance with our Code of Ethics and Business Conduct and the Company's reporting, investigation and corrective action program. We also have an internal Compliance Committee composed of senior executives, including our Chief Compliance Officer, Chief Compliance Counsel and Senior Vice President Corporate Security & Regulatory Affairs, which supports the Chief Compliance Officer in fulfilling her responsibilities and driving corporate adherence to our compliance program, Code of Ethics and Business Conduct and related policies and procedures. Our Chief Compliance Officer and Chief Compliance Counsel report to the Audit Committee and the full Board throughout the year on corporate compliance matters, the status of our compliance programs (including our diversion control program described above), calls to our hotline and any other material developments.

Oversight of Employee Compensation

We have conducted an internal risk assessment of our employee compensation policies and practices, including those relating to our executives. We have concluded that our compensation policies and practices do not create risks that are reasonably likely to have a material adverse effect on AmerisourceBergen. We have reviewed our risk analysis with the Compensation and Succession Planning Committee. The risk assessment process included, among other things, a review of all key incentive compensation plans to ensure that they are aligned with our pay-for-performance philosophy and include performance metrics that support corporate goals. The objective of the process was to identify any compensation plans and practices that may encourage employees to take unnecessary risks that could threaten the Company. No such plans or practices were identified. Moreover, various factors mitigate the risk profile of our compensation programs, including, among others:

Performance targets under our cash incentive programs are tied to a number of different financial metrics so employees will not place undue emphasis on any particular metric at the expense of other aspects of our business;

Maximum caps on payouts have been established for our annual cash incentive programs, including under our cash bonus plan used for senior management;

Equity awards under our performance plan for senior executives have maximum caps and are forfeited entirely if the threshold performance metrics are not achieved;

For fiscal year 2019, the performance plan ties 50% of an executive officer's annual equity award to financial performance metrics achieved over a three-year period to ensure that our executive officers are accountable for long-term measures of success;

The remaining 50% of an executive officer's annual equity award (in stock options and restricted stock units) vests over a number of years to encourage executive officers to focus on long-term growth and creating value for stockholders;

Stock ownership requirements align the interests of our senior management with those of our stockholders;

We have effective management processes for developing annual business plans and a strong system of internal financial controls; and

A broad-based group of functions, including human resources, finance and legal, oversees aspects of our cash and equity incentive programs.

Board Orientation, Education and Evaluations

We provide our directors with comprehensive orientation and continuing education, as needed, which is overseen by the Governance and Nominating Committee. Director orientation familiarizes the directors with our business and strategic plans, significant financial, accounting and risk management issues, compliance programs and other controls, policies, principal officers and internal auditors, and our independent registered public accounting firm. The orientation also addresses Board procedures, our corporate governance principles and our Board committee charters. We offer continuing education programs and provide opportunities to attend commercial director education seminars to assist our directors in maintaining their expertise in areas related to the work of the Board and the directors' committee assignments. We provide our directors with full membership to the National Association of Corporate Directors to provide a forum for them to maintain their insight into leading governance practices and exchange ideas with peers. Dr. Henney in 2011 and 2012, Ms. Hyle in 2015 and Mr. McGee in 2018 were named to the "NACD Directorship 100," an annual honor sponsored by the National Association of Corporate Directors to recognize influential directors and others who impact corporate governance.

We have a comprehensive annual evaluation policy and process in place for the Board and each of its committees, which is led by the Chair of our Governance and Nominating Committee and our Lead Independent Director. As required by our corporate governance principles, the evaluation occurs annually. Either the Chair of our Governance and Nominating Committee, the Lead Independent Director, or an independent, third-party governance expert interviews each director to obtain his or her assessment of the effectiveness of the Board and the committees on which he or she serves, as well as director performance and Board dynamics. In 2018, the interview process was led by the Lead Independent Director. In advance of the interview, each member of a committee receives a questionnaire soliciting feedback regarding the committee's performance. During the interview, each member is asked to provide an assessment of the Board's and the relevant committee's performance. We also solicit suggestions for improving the Board's and the committee's performance, dynamics, time-management, and functioning, as well as proposed topics of focus for the Board and the committee in the upcoming year. The results of the individual interviews and assessments are aggregated in a report, which the Lead Independent Director presents to the full Board for review, discussion and determination of action items. The annual review by the Board of the corporate governance principles and by each committee of its charter is a further step in the evaluation process through which the directors consider leading corporate governance practices for the Board as a whole and identify new areas of focus for the different committees. The full Board reviews and discusses recommended revisions to the corporate governance principles and committee charters prior to voting on their approval.

Director Elections and Resignations

Our bylaws and corporate governance principles provide for a majority vote standard for the election of directors. Under the majority vote standard, each director must be elected by a majority of the votes cast by the shares present in person or represented by proxy and entitled to vote. A "majority of the votes cast" means that the number of votes cast "for" a candidate for director must exceed the number of votes cast "against" that director. A plurality voting standard will apply instead of a majority voting standard if:

A stockholder has provided us with notice of a nominee for director in accordance with our bylaws; and

That nomination has not been withdrawn on or prior to the day next preceding the date the Company first provides its notice of meeting for such meeting to stockholders.

Under Delaware law, if an incumbent nominee for director in an uncontested election does not receive the required votes for re-election, the director remains in office until a successor is elected and qualified. Our bylaws and corporate governance principles require each director nominee to tender an irrevocable resignation prior to the applicable meeting of stockholders and include post-election procedures in the event an incumbent director does not receive the required votes for re-election, as follows:

The Governance and Nominating Committee shall make a recommendation to the Board as to whether to accept the previously tendered resignation of the director;

The Board will act on the Governance and Nominating Committee's recommendation; and

The Board expects the director whose resignation is under consideration to abstain from participating in any decision regarding that resignation.

CODE OF ETHICS

The Board of Directors adopted our Code of Ethics and Business Conduct in May 2004. We review and revise the Code of Ethics and Business Conduct from time to time, most recently in August 2018. It applies to directors and employees, including officers, and is intended to comply with the requirements of Section 303A.10 of the NYSE Listed Company Manual. Any waivers of the application of the Code of Ethics and Business Conduct to directors or executive officers must be approved by either the Board of Directors or the Audit Committee.

We have also adopted our Code of Ethics for Designated Senior Officers in accordance with Item 406 of the SEC's Regulation S-K. It applies to our President and Chief Executive Officer, Executive Vice President and Chief Financial Officer and Senior Vice President and Chief Accounting Officer.

Our Code of Ethics and Business Conduct and our Code of Ethics for Designated Senior Officers are posted on our website at *investor.amerisourcebergen.com*. Additionally, any waiver or amendment to either code will be disclosed promptly on our website at *investor.amerisourcebergen.com*.

STOCKHOLDER ENGAGEMENT

We value open communications with our stockholders. The goal of our engagement and outreach efforts is to ensure that we work collaboratively to educate our investors about our business and governance practices as well as to identify issues of importance to our stockholders and our business. Our investor relations team regularly shares with our Board and senior executives the feedback that they have received from our stockholders.

On an ongoing basis, we proactively communicate with the investment community and stockholders about AmerisourceBergen's financial performance, operations and strategic developments through the following:

Quarterly earnings releases and quarterly earnings release conference calls and webcasts;

Regular reports filed with the SEC, including annual and quarterly reports;

Conference calls and webcasts related to specific developments;

Participation in numerous healthcare investor conferences with webcasted presentations;

In-person and on-site meetings with investors and stockholders;

Proactive outreach to institutional investors, pension funds and governance professionals from our largest stockholders; and

Our annual stockholders meeting.

Specifically, in 2018 we communicated with our largest stockholders in order to seek their input on a variety of topics. Following our 2018 annual meeting, we reached out to non-affiliated stockholders (i.e., stockholders other than Walgreens Boots Alliance, Inc.) who in the aggregate held approximately 30% of our Common Stock (i.e., approximately 40% of the shares of Common Stock held by parties other than Walgreens Boots Alliance, Inc.) in order to provide information regarding our corporate governance practices and the Company's role in the pharmaceutical supply chain. We held phone calls with interested investors throughout 2018 following such outreach and continue to engage with stockholders in order to provide them with updated information on our Company and in order to listen to their concerns.

Our corporate governance principles, which were most recently reviewed in November 2018, describe the procedures through which stockholders may seek direct engagement with Board members. While management, through our President and Chief Executive Officer, our investor relations team, and our corporate secretary, ordinarily engages with stockholders, the Chairman of the Board, in consultation with the Lead Independent Director, will review and consider, on a case-by-case basis, stockholder requests for meetings with the Board of Directors related to key areas of Board oversight and determine whether such meetings would be appropriate and beneficial. Stockholders may communicate their views directly to the Board by writing to Hyung J. Bak, Secretary, AmerisourceBergen Corporation, 1300 Morris Drive, Chesterbrook, Pennsylvania 19087.

Stockholder Recommendations for Director Nominees

The advance notice provision for nomination of directors in our bylaws allows a stockholder to propose nominees for consideration by the Governance and Nominating Committee by submitting specified information concerning itself and the proposed nominee, including the name, appropriate biographical information and qualifications of the proposed nominee. This and other information required under the advance notice provision must be provided to us in writing to: Hyung J. Bak, Secretary, AmerisourceBergen Corporation, 1300 Morris Drive, Chesterbrook, Pennsylvania 19087, no earlier than October 31, 2019 and no later than November 30, 2019 to be considered for the 2020 Annual Meeting of Stockholders.

The proxy access provision in our bylaws allows an eligible stockholder or group of no more than 20 eligible stockholders that has maintained continuous ownership of 3% or more of our Common Stock for at least three years to include in our proxy materials for an annual meeting of stockholders a number of director nominees up to the greater of two or 20% of the directors then in office. Loaned stock that can be recalled within three days may count towards an eligible stockholder's 3% beneficial ownership requirement, which must be maintained at least until the annual meeting at which the proponent's nominee will be considered. Proxy access nominees who do not receive at least a 25% vote in favor of election will be ineligible as a nominee for the following two years. Provisions in the Shareholders Agreement with Walgreens Boots Alliance would not permit Walgreens Boots Alliance to use proxy access. If any stockholder proposes a director nominee under our advance notice provision, we are not required to include any proxy access nominee in our proxy statement for the annual meeting. Information required under the proxy access provision must be provided to us in writing to: Hyung J. Bak, Secretary, AmerisourceBergen Corporation, 1300 Morris Drive, Chesterbrook, Pennsylvania 19087, no earlier than August 21, 2019 and no later than September 20, 2019 to be considered for the 2020 Annual Meeting of Stockholders. In considering any nominee proposed by a stockholder in accordance with the requirements set forth in our bylaws, the Governance and Nominating Committee will reach a conclusion based on the nominee evaluation criteria described above. After full consideration, the stockholder proponent will be notified of the decision of the committee.

AUDIT COMMITTEE MATTERS

ITEM 2 RATIFICATION OF APPOINTMENT OF ERNST & YOUNG LLP AS AMERISOURCEBERGEN'S INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR FISCAL YEAR 2019

What am I voting on?

You are voting on the ratification of the appointment of Ernst & Young LLP as AmerisourceBergen's independent registered public accounting firm for the fiscal year ending September 30, 2019. The Audit Committee of the Board of Directors has appointed Ernst & Young LLP to serve as our independent registered public accounting firm for fiscal year 2019. Although our governing documents do not require the submission of the appointment of AmerisourceBergen's independent registered public accounting firm to the stockholders for approval, the Board considers it desirable that the stockholders ratify the appointment of Ernst & Young LLP. Should the stockholders not ratify the appointment of Ernst & Young LLP as AmerisourceBergen's independent registered public accounting firm for the fiscal year ending September 30, 2019, the Audit Committee will investigate the reasons and will reconsider the appointment of Ernst & Young LLP.

What is the oversight relationship between the Audit Committee and our external auditor?

Under its charter, the Audit Committee is directly responsible for the appointment, compensation, retention and oversight of AmerisourceBergen's external auditor. To execute this responsibility, the Audit Committee engages in a comprehensive annual evaluation of the external auditor's qualifications, performance and independence. In accordance with SEC rules, audit partners are subject to rotation requirements to limit the number of consecutive years an individual partner may provide service to AmerisourceBergen. For lead and concurring audit partners, the maximum number of consecutive years of service in that capacity is five years. The Audit Committee reviews the process that we and Ernst & Young LLP undertake to ensure the rotation of the audit partner responsible for reviewing the audit, and evaluates the qualifications and experience of the individual selected to serve as lead partner for our audit. Ernst & Young LLP has been retained as the external auditor of AmerisourceBergen since 2001 and of its predecessor entity AmeriSource Health Corporation since 1985. The members of the Audit Committee believe that the continued retention of Ernst & Young LLP to serve as our external auditor is in the best interests of AmerisourceBergen and its stockholders.

What services will the independent registered public accounting firm provide?

Audit services provided by Ernst & Young LLP for fiscal year 2019 will include examination of the consolidated financial statements of AmerisourceBergen and services related to periodic SEC filings. Audit services for fiscal year 2019 also will include the audit of the effectiveness of our internal control over financial reporting as required by Section 404 of the Sarbanes-Oxley Act of 2002. Additionally, Ernst & Young LLP may provide audit-related, tax and other services comparable in nature to the services performed in fiscal years 2017 and 2018, as described under the heading "Independent Registered Public Accounting Firm's Fees."

Will representatives of the independent registered public accounting firm be present at the 2019 Annual Meeting of Stockholders?

Representatives of Ernst & Young LLP are expected to be present at the 2019 Annual Meeting of Stockholders. Such representatives will have an opportunity to make a statement and will be available to respond to appropriate questions.

How does the Board of Directors recommend that I vote?

We recommend that you vote **For** the ratification of the appointment of Ernst & Young LLP as AmerisourceBergen's independent registered public accounting firm for fiscal year 2019.

AUDIT COMMITTEE FINANCIAL EXPERTS

The Board of Directors has determined that each of Mr. Greenberg and Mr. Durcan is an "audit committee financial expert" as defined in Item 407(d)(5) of Regulation S-K. Mr. Greenberg serves as Chair of the Audit Committee. A description of the financial expertise of Messrs. Greenberg and Durcan accompanies their biographies.

POLICY FOR PRE-APPROVAL OF AUDIT AND NON-AUDIT SERVICES

The Audit Committee's policy is to pre-approve all audit services and all non-audit services that the Company's independent registered public accounting firm is permitted to perform for the Company under applicable federal securities regulations. As permitted by the applicable regulations, the committee's policy utilizes a combination of specific pre-approval on a case-by-case basis of individual engagements of the independent registered public accounting firm and general pre-approval of certain categories of engagements up to predetermined dollar thresholds that are reviewed annually by the committee. Specific pre-approval is mandatory for the annual financial statement audit engagement, among others.

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM'S FEES

During the fiscal years ended September 30, 2018 and 2017, Ernst & Young LLP, AmerisourceBergen's independent registered public accounting firm, billed the Company the fees set forth below in connection with services rendered by the independent registered public accounting firm to the Company:

Audit Fees	$ 7,185,000	$ 6,760,000
Audit-Related Fees	$ 577,000	$ 227,000
Tax Fees	$ 2,173,000	$ 1,502,000
All Other Fees	$ 2,000	$ 2,000
TOTAL	$ 9,937,000	$ 8,491,000

Audit fees consisted of fees for the audit of AmerisourceBergen's annual financial statements, consultation concerning financial accounting and reporting standards and consultation concerning matters relating to Section 404 of the Sarbanes-Oxley Act of 2002, reviews of quarterly financial statements as well as services normally provided in connection with statutory and regulatory filings or engagements, comfort letters, consents and assistance with and review of Company documents filed with the SEC. Audit fees also included fees for the audit of the effectiveness of the Company's internal control over financial reporting as required by Section 404 of the Sarbanes-Oxley Act of 2002.

Audit-related fees consisted of fees for assurance and related services, including employee benefit plan audits.

Tax fees consisted of fees for services related to tax compliance, tax advice and tax planning services.

Other fees consisted of subscription fees for Internet-based professional literature.

Our Audit Committee reviewed and approved all fees charged by Ernst & Young LLP in accordance with the policy described above and monitored the relationship between audit and permissible non-audit services provided. The policy is intended to ensure that the fees earned by Ernst & Young LLP are consistent with the maintenance of the independent registered public accounting firm's independence in the conduct of its auditing functions.

REPORT OF THE AUDIT COMMITTEE

The Audit Committee consists of the three directors named at the end of this report. All of the Audit Committee members are independent under SEC and NYSE rules and our corporate governance principles. The Board of Directors has concluded that each member is financially literate and that two of the members qualify as an audit committee financial expert. The key responsibilities of the Audit Committee are set forth in its charter, which was most recently revised by the Board of Directors in November 2018. The charter is available on our website at *investor.amerisourcebergen.com*. Among other responsibilities, the Audit Committee annually considers the performance of Ernst & Young LLP (EY).

AmerisourceBergen's management has the primary responsibility for the Company's financial statements and its internal control over financial reporting. AmerisourceBergen's independent registered public accounting firm, EY, is responsible for performing an independent audit of AmerisourceBergen's consolidated financial statements and for issuing a report on the effectiveness of AmerisourceBergen's internal control over financial reporting. AmerisourceBergen's management has represented to the Audit Committee that the financial statements contained in our Annual Report on Form 10-K for fiscal year 2018 were prepared in accordance with U.S. generally accepted accounting principles and that our internal control over financial reporting was effective as of September 30, 2018.

The Audit Committee reviewed and discussed with AmerisourceBergen's management and EY the audited financial statements contained in our Annual Report on Form 10-K for the fiscal year ended September 30, 2018 and our internal control over financial reporting. The Audit Committee discussed with EY, which is responsible for expressing an opinion on the conformity of the audited financial statements with U.S. generally accepted accounting principles, the firm's judgments as to the quality, not just the acceptability, of the Company's accounting principles, the reasonableness of significant judgments reflected in the financial statements and the clarity of disclosures in the financial statements. The Audit Committee also discussed with EY the matters related to the conduct of the audit that are required to be discussed with the Audit Committee under the standards of the Public Company Accounting Oversight Board (PCAOB), including the matters required to be discussed by the PCAOB Auditing Standard No. 1301, "Communication with Audit Committees." In addition, the Audit Committee discussed with EY the firm's independence from the Company and its management, including the matters in the written disclosures and letter that were received by the Audit Committee from EY as required by applicable requirements of the PCAOB regarding EY's communications with the Audit Committee concerning independence. The Audit Committee further considered whether the provision of non-audited related services by EY to the Company is compatible with maintaining the independence of that firm from the Company. The Audit Committee also discussed with EY the firm's audit of the effectiveness of the Company's internal control over financial reporting as of September 30, 2018.

Based on the reviews and discussions referred to above, the Audit Committee recommended to the Board of Directors that the audited financial statements be included in AmerisourceBergen's Annual Report on Form 10-K for fiscal year 2018.

AUDIT COMMITTEE
Lon R. Greenberg, Chair
D. Mark Durcan
Henry W. McGee

EXECUTIVE COMPENSATION AND RELATED MATTERS

COMPENSATION DISCUSSION AND ANALYSIS

Overview

AmerisourceBergen Corporation is one of the largest global pharmaceutical sourcing and distribution services companies, helping both healthcare providers and pharmaceutical and biotech manufacturers improve patient access to products and enhance patient care. The purpose of our executive compensation program is to attract, motivate and retain the individuals who lead our Company and to align their interests with the long-term interests of our stockholders.

Our fiscal year 2018 named executive officers were:

Steven H. Collis	Chairman, President and Chief Executive Officer
Tim G. Guttman	Executive Vice President and Chief Financial Officer[1]
John G. Chou	Executive Vice President and Chief Legal & Business Officer
James F. Cleary, Jr.	Executive Vice President and Group President, Global Commercialization Services & Animal Health[2]
Robert P. Mauch	Executive Vice President and Group President, Pharmaceutical Distribution & Strategic Global Sourcing

1 Mr. Guttman retired from the position of Executive Vice President and Chief Financial Officer on November 9, 2018.

2 Mr. Cleary assumed the position of Executive Vice President and Chief Financial Officer upon Mr. Guttman's retirement on November 9, 2018.

We seek to pay our executive officers fairly and competitively and to link pay with performance. The main elements of our compensation program are base salary, a short-term incentive in the form of an annual cash bonus, and long-term equity incentive awards. We emphasize compensation opportunities that reward our executive officers when they deliver targeted financial results. A significant portion of our executive officers' compensation is equity-based. In fiscal year 2018, incentive compensation (annual cash bonus and equity incentive awards) accounted for approximately 89% of Mr. Collis's total direct compensation (base salary, annual cash bonus and equity incentive awards) and approximately 81% of the average total direct compensation of the other named executive officers.

2018 Say-On-Pay Vote

In fiscal 2018, we continued to emphasize our pay for performance culture. The compensation of our named executive officers was approved by stockholders in March 2018 with approximately 95% of stockholder votes cast in favor of our 2018 "say-on-pay" resolution. Our "say-on-pay" resolutions have received consistently strong support since the inception of the "say-on-pay" voting requirement implemented under the Dodd-Frank

Wall Street Reform and Consumer Protection Act of 2010. The Compensation and Succession Planning Committee (the "Compensation Committee") considered the results of the stockholder vote and believes it supports the view that compensation for our named executive officers closely aligns with our stockholders' interests. During fiscal 2018, the Compensation Committee reviewed our executive compensation peer group and worked to align pay opportunities for our executive officers with our compensation philosophy. The Compensation Committee also approved performance metrics for incentive pay that were designed to correlate with the way we evaluate our operational results and reflect measures of performance that drive returns for our stockholders.

Fiscal Year 2018 Compensation Practices and Policies

We believe our executive pay is reasonable and provides appropriate incentives to our executive officers to achieve our financial and strategic goals without encouraging them to take excessive risks in their business decisions. The Board and its committees regularly evaluate the major risks to our business, including how risks taken by management could affect the value of executive compensation. To this end, our compensation program encompasses the following:

What We Do	Use financial metrics to make a substantial portion of executive pay contingent on performance.
	Cap payouts under our annual cash bonus plan and performance share plans.
	Apply robust clawback obligations to annual cash bonus and equity awards for executive officers.
	Require our CEO to own stock equal in value to 6 times his base salary, and our CFO and other executive officers to own stock equal in value to 3 times their respective base salaries.
	Require executive officers to retain all options and equity grants until required ownership levels are met.
	Reflect the advice provided by the independent compensation consultant to the Compensation Committee.
	Consider a peer group in establishing named executive officer compensation and published compensation survey data for all other executive officers.
	Prohibit short sales, hedging or pledging of our stock by our executive officers and directors.
	Require forfeiture of awards upon violation of restrictive covenants.
	Require a double-trigger for change in control payments.
	Consider burn rate in equity grant decisions and manage use of equity awards conservatively.
What We Do Not Do	Tie incentive compensation to specific product sales.
	Grant stock options with an exercise price lower than fair market value.
	Backdate or retroactively grant options or restricted stock units.
	Pay dividends on unearned and unvested performance shares.
	Reprice stock options.
	Provide tax gross-ups in the event of a change in control.

2018 Fiscal Year Business Highlights

The Company delivered solid performance in fiscal year 2018 as shown by our growth in specialty distribution, successful integration of H. D. Smith and onboarding of the Rite Aid stores acquired by Walgreens. The Company continued to invest in and provide innovative services and solutions to our manufacturer and provider customers, enhancing efficiency and customer experience. The following fiscal year 2018 highlights include

non-GAAP financial measures with respect to which Appendix A to this proxy statement presents reconciliations to the most comparable GAAP financial measures and information about the reasons such non-GAAP financial measures are disclosed:

- Revenue of $167.9 billion, representing a 9.7% increase over prior year revenue.
- Diluted earnings per share of $7.53, compared to $1.64 in the prior year.
- Adjusted diluted earnings per share ("adjusted EPS") of $6.49, representing a 10.4% increase over prior year adjusted EPS.[1,2]
- Gross profit of $4.6 billion, representing a 1.5% increase over prior year gross profit.
- Adjusted gross profit of $4.7 billion, representing a 7.8% increase over prior year adjusted gross profit.[1]
- Operating income of $1.4 billion, representing a 36.2% increase over prior year operating income.
- Adjusted operating income of $2.0 billion, representing a 1.8% decrease over prior year adjusted operating income.[1]
- Operating income margin of 0.86%, representing an increase of 17 basis points over prior year operating income margin.
- Adjusted operating income margin of 1.18%, representing a decrease of 14 basis points over prior year adjusted operating income margin.[1]
- Net cash provided by operating activities of $1.4 billion, and adjusted free cash flow of $1.7 billion.[1]
- Returned a substantial amount of cash to our stockholders in fiscal year 2018 through $333.0 million in dividends and $639.2 million in stock repurchases.
- Increased the quarterly dividend rate by 4% to $0.38 per share in November 2017, and by an additional 5% to $0.40 in November 2018.
- Invested $336.4 million in the Company through capital expenditures.

2018 Fiscal Year Executive Compensation Objectives and Actions

The Compensation Committee reviews and makes decisions about executive officer compensation, including the amount of base salary, short-term incentive awards and long-term incentive awards made to our named executive officers. The Compensation Committee takes into account our financial and business results, individual performance and competitive data. In light of these considerations, the Compensation Committee made the following executive compensation decisions in fiscal year 2018:

- Continued to emphasize equity-based incentives under which executive officers earn target pay only when AmerisourceBergen's performance is strong and our stockholders have benefited.

- Established fiscal year 2018 performance goals for our annual cash bonus plan, including target adjusted EPS of $6.07 per share, adjusted operating income of $2.1 billion, adjusted operating income margin of 1.21% and adjusted free cash flow of $1.5 billion at the corporate level, consistent with our Board-approved business plan. These performance goals were calculated consistently with the way in which our publicly disclosed non-GAAP financial measures were calculated. (See Appendix A for more information about our non-GAAP financial measures, including a reconciliation to GAAP.)

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1 See Appendix A for additional information regarding non-GAAP financial measures, including GAAP to non-GAAP reconciliations. For a comprehensive discussion of our GAAP financial results beyond those discussed in Appendix A, please refer to our Annual Report on Form 10-K for the fiscal year ended September 30, 2018.

2 As described below, in determining whether the adjusted EPS performance target had been met for purposes of determining the eligibility and amounts of awards of short-term incentive compensation, the Compensation Committee excluded the impact of stock repurchases above the amount planned when the performance thresholds and targets were established.

Set target incentive levels for fiscal year 2018 cash bonuses of 150% of base salary for the CEO and of 100% of base salary for the other named executive officers.

Approved fiscal year 2018 cash bonus payouts that were paid at 110.3% of target to Messrs. Collis, Guttman and Chou based on the corporate-level metrics and at 84.5% and 83.5% of target, respectively, to Messrs. Cleary and Mauch based on corporate-level and business-level metrics.

Granted annual equity incentive awards to our named executive officers after considering our compensation philosophy and the Compensation Committee's assessment of individual performance and expected future contributions. The grant value of each annual equity award was split among stock options (30%), restricted stock units (20%) and performance shares (50%).

Approved performance metrics of compound annual adjusted EPS ("Compound Annual Adjusted EPS") and adjusted average annual return on invested capital ("Average Annual Adjusted ROIC") for the performance shares granted to our named executive officers in fiscal year 2018 (covering the three-year performance period ending September 30, 2020). (See "Performance Share Awards Payout of FY16-FY18 Performance Shares" below for more information about Average Annual Adjusted ROIC.)

We believe that the fiscal year 2018 compensation of our executive officers was aligned with AmerisourceBergen's fiscal year 2018 adjusted results and met our compensation objectives. Our compensation policies have enabled us to attract and retain talented and experienced executive officers. We believe that these policies have benefited AmerisourceBergen over time and will position us for growth in future years.

Setting Executive Compensation

We consider market pay practices as a starting reference point when setting executive compensation. The Compensation Committee assesses whether our level of executive pay is appropriate when compared to industry and market standards. The Compensation Committee's independent compensation consultant assists the Compensation Committee in developing a peer group of companies to serve as the basis for comparing the pay of our named executive officers to the market. We conduct a detailed market review of executive pay to evaluate each element of pay and benefit competitiveness, review pay practices and compare performance against our peer group.

Our peer group is composed of companies with business models and operations comparable to our own, including our two largest direct competitors, and companies that we believe have a similar financial and operational profile. Metrics used to select our peer group include: revenue; market capitalization; number of employees; net income; operating income margin; and return on invested capital. We believe that the companies included in our peer group reflect the type and complexity of business risks managed by our named executive officers and that we compete with many of the companies in our peer group for executive talent.

In fiscal year 2018, the Compensation Committee, in consultation with its independent compensation consultant, evaluated our peer group to ensure that our peer group companies were still appropriate. Following its review, the Compensation Committee concluded that our current peers remained reasonable, except that Avnet, Inc. no longer qualified as a comparable peer as a result of a business divestiture in 2017. Our 2018 peer group as determined by the Compensation Committee is as follows:

2018 Peer Group

Abbott Laboratories	HCA Healthcare, Inc.	Mylan N.V.
Cardinal Health, Inc.	Henry Schein, Inc.	Quest Diagnostics Incorporated

CVS Health Corporation	IQVIA Holdings Inc.	Sysco Corporation
Eli Lilly and Company	The Kroger Co.	Target Corporation
Express Scripts Holding Company	Laboratory Corporation of America	United Parcel Service, Inc.
FedEx Corporation	McKesson Corporation	Walgreens Boots Alliance, Inc.

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In fiscal year 2018, the Compensation Committee reviewed peer group proxy statement data in evaluating our named executive officers' pay and published compensation survey data in evaluating our other executive officers' pay. When assessing pay levels, the Compensation Committee also reviews our executive officers' compensation in relation to each other. In fiscal year 2018, the Compensation Committee's consultant concluded that our overall competitive posture for executive pay remained aligned with our pay for performance compensation philosophy.

Target Percentile Compensation Opportunity

Our compensation program targets executive officer pay relative to our peer group as follows:

35^{th} percentile of peer group	50^{th} percentile of peer group	50^{th} percentile of peer group

We target total direct compensation opportunity in the 50^{th} percentile relative to our peer group. We believe that targeting pay opportunities at the median of our peer group enables us to retain talented and experienced executive officers and is consistent with market-leading practices.

Components of the Executive Compensation Program

Base Salary	Cash	Provide a regular stream of income and security	Fixed	The Compensation Committee takes into account job performance, scope of duties and responsibilities, expected future contributions, peer group and other market pay data.
Short-Term Incentive	Cash	Motivate executives to improve financial performance year-over-year Reward executive officers who deliver targeted financial results	Variable	Actual payout based on Company performance.
Long-Term Incentives	Performance Shares, Restricted Stock Units and Stock Options	Motivate executive officers to achieve superior business results over long-term	Variable	Actual value is determined by Company performance over a three-year time frame and/or linked to stock price.

Enhance alignment between management and stockholder interests

Support stock ownership requirements

Base Salary

We target base salary in the 35th percentile for similar positions in our peer group. By positioning base salary below our peer median, we place greater emphasis on incentive compensation for our executive officers. Further, because base salary is a fixed pay element it is the smallest component of executive pay.

Messrs. Collis and Guttman did not receive an increase to their base salaries during fiscal year 2018 in order to remain aligned with the market. Messrs. Chou, Cleary and Mauch did not receive base salary increases in fiscal year 2018 because they received increases in the third quarter of fiscal 2017 in connection with their increased responsibilities resulting from the restructuring of the Company's operating model and executive leadership, which was publicly announced in June 2017, and in order to align their pay with the market.

FY2018 Short-Term Cash Incentive

The Compensation Committee approves the performance goals and incentive levels for each of our executive officers, and assigns a relative weighting to each performance measure under our cash incentive plan. For each performance measure, there is a threshold and a target. Threshold refers to the minimum acceptable level of performance and target is the desired level of performance. We do not pay a bonus for performance that is below the threshold established for financial performance goals and we pay a bonus of 25% of the target amount if performance is at the threshold. For performance that exceeds threshold but does not meet target, bonus payments are based on the level of performance and are increased ratably until target is reached. All cash incentive awards are issued to the executive officers pursuant to our Omnibus Incentive Plan.

Executive officers may receive an amount in excess of their target bonus (up to a maximum of 200% of the target incentive) if we exceed target on the key performance metric established for them. Therefore, an individual's actual bonus consists of the amount determined based upon having met or exceeded the thresholds (which we refer to as the "earned" bonus) and, if applicable, an amount (which we refer to as a "stretch" bonus) based upon having exceeded target on the key performance metric established for them. The key performance metric for Messrs. Collis, Guttman and Chou was adjusted EPS. The key performance metric for Messrs. Cleary and Mauch was operating income of the businesses that each executive oversaw during the fiscal year.

The stretch portion is calculated by increasing the earned bonus by an additional 5% for every 1% that actual performance exceeds target on the key performance metric. For example, if actual adjusted EPS exceeded target adjusted EPS by 1%, for the three named executive officers with adjusted EPS as the key metric, the stretch portion would be calculated by multiplying the earned bonus by 5%.

In November 2017, the Compensation Committee approved the following corporate-level performance goals for our fiscal year 2018 cash incentive plan:

Adjusted EPS	$5.46	$6.07	$6.48(2)
Adjusted Operating Income	$1.9 billion	$2.1 billion	$2.0 billion
Adjusted Operating Income Margin	1.09%	1.21%	1.18%
Adjusted Free Cash Flow	$1.3 billion	$1.5 billion	$1.7 billion

(1) See Appendix A to this proxy statement for additional information regarding non-GAAP financial measures, including GAAP to non-GAAP reconciliations.

(2) As described below, in determining whether the adjusted EPS performance target had been met for purposes of determining the eligibility and amounts of awards of short-term incentive compensation, the Compensation

Committee excluded the impact of stock repurchases above the amount planned when the performance thresholds and targets were established.

The Compensation Committee chose adjusted EPS, adjusted operating income, adjusted operating income margin and adjusted free cash flow as corporate-level performance goals because they are the key metrics used by management to set business goals and evaluate our financial results. In addition, we communicate our expectations about future business performance to investors by using an adjusted EPS range each fiscal year. We generally set adjusted EPS targets to reflect our long-term business goal of growing adjusted EPS, while allowing for reasonable flexibility to set our annual targets based on the impact of industry trends, other market factors and special items from year to year. In fiscal 2018, in determining whether the adjusted EPS performance target had been met for purposes of determining the eligibility and amount of awards of short-term incentive compensation, the Compensation Committee excluded the impact of stock repurchases above the amount planned when the performance thresholds and targets were established. As a result, we used adjusted EPS of $6.48 to determine awards under our cash incentive plan for fiscal year 2018, rather than the Company's adjusted EPS of $6.49.

The Compensation Committee chose adjusted operating income and adjusted operating income margin to encourage our executive officers to grow our Company's profitability. We use adjusted free cash flow as a corporate-level financial metric because the amount of free cash flow that we generate each year is essential for us to maintain appropriate working capital, complete acquisitions, and return capital to stockholders through dividends. We define the non-GAAP financial measure of adjusted free cash flow as net cash provided by operating activities plus cash payments made relating to unfavorable legal settlements, minus cash payments received related to favorable legal settlements, and minus capital expenditures.

The targets for the 2018 cash incentive plan financial performance measures were based on our Board-approved business plan for fiscal year 2018. AmerisourceBergen exceeded target on the adjusted EPS and adjusted free cash flow performance metrics and exceeded threshold on the adjusted operating income and adjusted operating income margin performance metrics. As a result, the bonus payout for corporate-level metrics was approximately 110.3% of the target incentive amount.

Target and actual fiscal year 2018 cash bonuses for our named executive officers were as follows:

Steven H. Collis	1,240,000	150	1,860,000	3,720,000	110.3	2,050,733
Tim G. Guttman	710,000	100	710,000	1,420,000	110.3	782,807
John G. Chou	660,000	100	660,000	1,320,000	110.3	727,679
James F. Cleary, Jr.	575,000	100	575,000	1,150,000	84.5	485,640
Robert P. Mauch	675,000	100	675,000	1,350,000	83.5	563,392

The fiscal year 2018 cash bonuses for Messrs. Collis, Guttman and Chou were designed to reflect enterprise-wide performance. As a result, 100% of their respective bonus payments was dependent upon the achievement of corporate-level performance goals with adjusted EPS and adjusted operating income each weighted at 30% of the total target incentive and adjusted operating income margin and adjusted free cash flow each weighted at 20% of the total target incentive.

For our internal planning, we divide our businesses into two groups: Pharmaceutical Distribution & Strategic Global Sourcing, which reported to Mr. Mauch during fiscal year 2018, and Global Commercialization Services & Animal Health, which reported to Mr. Cleary during fiscal year 2018. The fiscal year 2018 cash bonus for Mr. Mauch was based on the following metrics and weighting: 30% on the Company's adjusted EPS; 15% on the Company's adjusted operating income; 15% on the Company's adjusted operating income margin; 20% on the operating income of the Pharmaceutical Distribution & Strategic Global Sourcing businesses; and 20% on the free cash flow of the Pharmaceutical Distribution &

Strategic Global Sourcing businesses (see Appendix A for additional information regarding non-GAAP financial measures). The fiscal year 2018 cash bonus for Mr. Cleary was based on the following metrics and weighting: 30% on the Company's adjusted EPS; 15% on the Company's adjusted operating income; 15% on the Company's adjusted operating income margin; 30% on the operating income of the Global Commercialization Services & Animal Health businesses; and 10% on the free cash flow of the Global Commercialization Services & Animal Health businesses (see Appendix A for additional information regarding non-GAAP financial measures). The Compensation Committee believes this mix appropriately linked pay to the respective operating responsibilities of Messrs. Cleary and Mauch while also aligning their goals with the broader organization. For the respective businesses that Messrs. Cleary and Mauch oversaw during the fiscal year, the Compensation Committee chose operating income because it is the primary indicator of profitability and emphasizes our drive toward efficiency in our operations, and it chose free cash flow to focus on capital efficient growth. The 2018 stretch bonuses for Messrs. Cleary and Mauch were based on the operating income of the applicable businesses.

The goals for Messrs. Mauch and Cleary were intended to be challenging and to provide an incentive for them to drive the businesses they oversaw during the fiscal year to help achieve our strategic objectives. The Company's objectives for the Pharmaceutical Distribution & Strategic Global Sourcing businesses included delivering innovative offerings to health systems customers, providing broad access to specialty products, and evolving relationships with physician practices. The Company's objectives for the Global Commercialization Services & Animal Health businesses included extending customer engagement by offering more integrated solutions, increasing profitability through improved application of technology, and continuing to expand into select geographies.

In fiscal year 2018, the businesses in the Pharmaceutical Distribution & Strategic Global Sourcing and the Global Commercialization Services & Animal Health exceeded threshold, but not target, for operating income and exceeded target for free cash flow.

Looking Ahead: Fiscal Year 2019 Cash Bonus

In November 2018, the Compensation Committee approved performance measures for our fiscal year 2019 annual cash incentive plan. In 2019, the fiscal year cash bonus will continue to be paid upon the attainment of financial performance metrics, subject to the Compensation Committee's continued discretion to increase or reduce any portion of a calculated award for reasons including, but not limited to, issues that may positively or negatively impact the Company. For named executive officers whose compensation is based entirely on Company performance, the metrics will be the Company's adjusted EPS, adjusted operating income and adjusted free cash flow. The Compensation Committee removed adjusted operating income margin as a performance goal for fiscal year 2019 in an effort to focus more on operating income. For named executive officers whose compensation is based on the performance of both the Company and specific businesses, the metrics are the Company's adjusted EPS and adjusted operating income, and the operating income and free cash flow of the applicable businesses.

Performance goals are intended to be challenging and to provide an incentive to achieve the goals set out in our fiscal year 2019 business plan and the strategic and other priorities established by our long-range plan. The fiscal year 2019 target incentive level for the CEO is 150% of base salary and for the other named executive officers is 100% of base salary, with the opportunity for each named executive officer to earn up to a maximum of 200% of target incentive if we exceed our financial performance goals.

Long-Term Equity Incentives

We use equity awards to motivate our executive officers to achieve superior business results over the long term. Equity awards support our stock ownership requirements and further enhance the alignment between management and stockholder interests. The allocation of the annual equity award for our executive officers is 30% in stock options, 20% in restricted stock units and 50% in performance shares. This mix provides an incentive to achieve favorable long-term results at a reasonable cost to the Company. Long-term equity incentives are awarded under our Omnibus Incentive Plan.

In fiscal year 2018, we awarded our named executive officers options to purchase 349,578 shares of our Common Stock, 42,563 restricted stock units of our Common Stock and 106,410 target performance shares. These awards represented approximately 22% of the total equity incentives granted to management and other employees in fiscal year 2018. We believe that it was appropriate to award approximately 22% of the annual equity incentives to our named executive officers because they are in the best position to drive our future results and implement our long-term business strategy. Equity incentives represented approximately 71% of Mr. Collis's total direct compensation and approximately 62%, on average, of the total direct compensation of the other named executive officers in fiscal year 2018.

In approving fiscal year 2018 long-term equity incentive awards, the Compensation Committee considered a number of factors:

Skills, experience, time in role and expected future contributions. The size of an equity award depends in part on the scope of an executive officer's job responsibilities and the impact he or she can be expected to have on our future operating results.

Company performance. The Compensation Committee reviews our prior year financial performance and the executive officers' leadership and focus on fostering our strategic initiatives.

Market alignment. The Compensation Committee sets the target value of equity awards so that our executive officers will have a target long-term incentive near the median of our peer group. The target values are informed by the Compensation Committee's review of the competitive positioning of each element of pay based on compensation data prepared by the external compensation consultant with reference to our peer group for our named executive officers and with reference to published market compensation survey data for the other executive officers.

The emphasis placed on equity in the mix of total compensation. The Compensation Committee believes that incentive compensation should constitute the majority of each executive officer's overall compensation package to provide incentives to meet our performance objectives and grow our stock price over time.

Average annual share burn rate. The Compensation Committee also takes into account the average annual shares awarded for total equity incentives granted to employees in order to provide stock options, restricted stock units and performance shares to eligible employees at a reasonable rate and cost to AmerisourceBergen and its stockholders.

Equity awards are subject to vesting, forfeiture and clawback provisions, described in more detail below and in the sections following the Summary Compensation Table. When an executive officer becomes eligible for retirement and retires, unvested equity awards will continue to vest according to their schedule and vested options will remain exercisable for the length of their original term (which is currently seven years). We believe these requirements support our goal of retaining executive officers and aligning individual performance with our long-term growth. The post-retirement provisions provide an additional incentive for executive officers, particularly those near retirement, to continue to focus on our long-term performance. Forfeiture and clawback provisions serve as a means to redress detrimental behavior by current and former employees. For additional information about our long-term equity incentive awards see the narrative discussion titled "Stock Awards and Option Awards (Columns (d) and (e))" following the Summary Compensation Table below.

Performance Share Awards

Our performance plan is designed to encourage our executive officers to focus on initiatives that promote the achievement of our long-term goals. Performance share awards are granted annually, and each performance award is based on a performance period covering three fiscal years. Performance shares are subject to the attainment of performance goals approved by the Compensation Committee. Vesting (or payout of shares) is based on cumulative performance at the end of the applicable three-year performance cycle.

A participating executive officer has the opportunity to earn a payout of between 0% and 200% of his or her target award. If threshold performance for a particular metric is not attained, the executive officer forfeits the right to receive any payout based on that metric. Threshold performance for each metric will result in a share payout equal to 50% of the target award. Target performance for each metric will result in a share payout equal to 100% of the target award. Attaining the maximum goal for each metric will result in a share payout equal to 200% of the target award. Each of our named executive officers was an executive officer of the Company when performance share awards were granted in fiscal year 2016. Accordingly, each named executive officer received performance shares for the FY16 - FY18 performance period.

Payout of FY16 - FY18 Performance Shares

In November 2018, the Compensation Committee approved the vesting and payment of the FY16 - FY18 performance shares at 57% of their target award level. The Compensation Committee's determination was based on AmerisourceBergen's achievement of a Compound Annual Adjusted EPS growth rate of 9.38% and an Average Annual Adjusted ROIC of 16.53% for the three-year performance period ended September 30, 2018. (See the footnotes to the table below for how these non-GAAP performance measures are calculated.)

The award metrics for the FY16 - FY18 performance share awards were as follows:

Compound Annual Adjusted EPS(1)	75%	$4.96	9%	50%	12%	100%	15%	150%	9.4%
Average Annual Adjusted ROIC(2)	25%		16%	50%	19%	100%	22%	150%	16.5%

(1) Compound Annual Adjusted EPS is the mean annual growth rate of adjusted EPS from the baseline over the three-year performance period.

(2) Average Annual Adjusted ROIC is calculated by taking the average of the Company's adjusted ROIC during the three-year performance period. Average Annual Adjusted ROIC is calculated by dividing after tax adjusted operating income by invested capital.

Based on our performance, and the respective weighting of each performance metric, the number of shares earned for the FY16 - FY18 performance share awards was calculated as follows:

Compound Annual Adjusted EPS	75%	X	Performance-Determined Payout Ratio	=	Awards Earned Based on Compound Annual Adjusted EPS Performance
Average Annual Adjusted ROIC	25%	X	Performance-Determined Payout Ratio	=	Awards Earned Based on Average Annual Adjusted ROIC Performance