

AMERISOURCEBERGEN CORP
Form PRE 14A
December 17, 2013

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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 ☒

Filed by a Party other than the Registrant ☐

Check the appropriate box:

- ☒ Preliminary Proxy Statement
- ☐ **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- ☐ Definitive Proxy Statement
- ☐ Definitive Additional Materials
- ☐ Soliciting Material Pursuant to §240.14a-12

AmerisourceBergen Corporation

(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):

- ☒ No fee required.
- ☐ Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
- (1) Title of each class of securities to which transaction applies:
- (2) Aggregate number of securities to which transaction applies:
- (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
- (4) Proposed maximum aggregate value of transaction:

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(5) Total fee paid:

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

(1) Amount Previously Paid:

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

(3) Filing Party:

(4) Date Filed:

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January 24, 2014

Dear Stockholder:

I am pleased to invite you to attend our 2014 Annual Meeting of Stockholders on Thursday, March 6, 2014 at 2:00 p.m., Eastern Time. The meeting will be held at The Ritz Carlton, 280 Vanderbilt Beach Road, Naples, Florida 34108.

The Notice of the 2014 Annual Meeting of Stockholders and the Proxy Statement describe the items of business for the meeting. At the meeting we will also report on AmerisourceBergen's performance and operations during fiscal year 2013 and respond to stockholder questions.

Your vote is very important. Whether or not you plan to attend the 2014 Annual Meeting of Stockholders, we urge you to vote and to submit your proxy over the Internet, by telephone or by mail. If you are a registered stockholder and attend the meeting, you may revoke your proxy and vote your shares in person. If you hold your shares through a bank or broker and want to vote your shares in person at the meeting, please contact your bank or broker to obtain a legal proxy.

Thank you for your support.

Sincerely,

RICHARD C. GOZON
Chairman of the Board

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Notice of 2014 Annual Meeting of Stockholders

TIME AND DATE: 2:00 p.m., Eastern Time, on Thursday, March 6, 2014

PLACE: The Ritz Carlton
280 Vanderbilt Beach Road
Naples, Florida 34108

ITEMS OF BUSINESS:

- (1) To elect the ten nominees named in the accompanying Proxy Statement (or, if necessary, any substitute nominees selected by the Board of Directors) as a director, each to serve until the 2015 Annual Meeting of Stockholders and until his or her successor is duly elected and qualified;
- (2) To ratify the appointment of Ernst & Young LLP as our independent registered public accounting firm for fiscal year 2014;
- (3) To conduct an advisory vote to approve the compensation of our named executive officers;
- (4) To approve the AmerisourceBergen Corporation Omnibus Incentive Plan;
- (5) To approve the amendment of our certificate of incorporation to provide for a stockholder right to call special meetings; and
- (6) To transact any other business properly coming before the meeting.

WHO MAY VOTE: Stockholders of record on January 6, 2014.

DATE OF AVAILABILITY: This Notice and Proxy Statement, together with our Annual Report on Form 10-K for the fiscal year ended September 30, 2013, are being made available to stockholders on or about January 24, 2014.

By order of the Board of Directors,

KATHY H. GADDES
Vice President, Group General Counsel and Secretary

Important Notice Regarding Availability of Proxy Materials for AmerisourceBergen's Annual Meeting of Stockholders to be Held on March 6, 2014.

The Proxy Statement and Annual Report on Form 10-K are available at www.amerisourcebergen.com.

January 24, 2014

**AmerisourceBergen Corporation
1300 Morris Drive
Chesterbrook, PA 19087**

PROXY STATEMENT

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ABOUT THE 2014 ANNUAL MEETING OF STOCKHOLDERS AND VOTING AT THE MEETING

Why am I being furnished this Proxy Statement?

The Board of Directors of AmerisourceBergen Corporation (the "Company," "AmerisourceBergen," "we" or "us") is furnishing this Proxy Statement in connection with its solicitation of proxies for use at the 2014 Annual Meeting of Stockholders to be held on March 6, 2014, and at any adjournments thereof. Our Annual Report on Form 10-K for the fiscal year ended September 30, 2013 accompanies this Notice and Proxy Statement, but is not incorporated as a part of the Proxy Statement and is not to be regarded as part of the proxy solicitation material.

What are the items of business for the meeting?

The items of business for the meeting are as follows:

To elect the ten nominees named in the Proxy Statement (or, if necessary, any substitute nominees selected by the Board of Directors) as a director, each to serve until the 2015 Annual Meeting of Stockholders and until his or her successor is duly elected and qualified;

To ratify the appointment of Ernst & Young LLP as AmerisourceBergen's independent registered public accounting firm for fiscal year 2014;

To conduct an advisory vote to approve the compensation of our named executive officers;

To approve the AmerisourceBergen Corporation Omnibus Incentive Plan;

To approve the amendment of our certificate of incorporation to provide for a stockholder right to call special meetings; and

To transact any other business properly coming before the meeting.

Who is soliciting my proxy?

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

What if I received a Notice of Internet Availability of Proxy Materials?

We are providing access to our proxy materials over the Internet. Accordingly, on or about January 24, 2014, we are mailing to our record and beneficial stockholders a Notice of Internet Availability of Proxy Materials, which contains instructions on how to access our proxy materials over the Internet and vote online. If you received a Notice of Internet Availability of Proxy Materials, you will not receive a printed copy of our proxy materials by mail unless you request one. You may request a printed copy of our proxy materials for the 2014 Annual Meeting of Stockholders. If you wish to receive a printed copy of our proxy materials, you should follow the instructions for requesting those materials included in the Notice of Internet Availability of Proxy Materials.

Who is entitled to vote?

You may vote if you owned shares of our common stock as of the close of business on January 6, 2014, which is the record date. You are entitled to one vote for each share of common stock that you own. As of January 6, 2014, we had _____ shares of common stock outstanding.

What shares can I vote?

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You may vote all shares owned by you as of the close of business on January 6, 2014, the record date. These shares include:

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

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Shares of which you are the beneficial owner but not the stockholder of record. These are shares that are held for you through a broker, trustee or other nominee such as a bank, including shares purchased through any 401(k) plan or our employee stock purchase plan.

How do I vote before the meeting?

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

By Internet We encourage you to vote and submit your proxy over the Internet at www.envisionreports.com/ABC.

By telephone You may vote and submit your proxy by calling 1-800-652-VOTE (8683).

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

If you hold your shares through an account with a bank, broker or other nominee, you may vote by completing and signing the voting instruction form that the bank, broker or other nominee will provide to you, or by using telephone or Internet voting arrangements described on the voting instruction form, the Notice or other materials that the bank, broker or other nominee will provide to you.

May I vote at the meeting?

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

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

How do I revoke my proxy?

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

Changing your vote in the manner described below.

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

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

May I change my vote?

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

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

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Voting again over the Internet or by telephone prior to 2:00 p.m., Eastern Time, on March 6, 2014.

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

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

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

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

For the election of the ten nominees for director named on page 5 of this Proxy Statement;

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For the ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for fiscal year 2014;

For the approval of the compensation of our named executive officers as described in this Proxy Statement;

For the approval of the AmerisourceBergen Corporation Omnibus Incentive Plan;

For the approval of the amendment to our certificate of incorporation to provide for a stockholder right to call special meetings; and

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

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

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

We recommend that you consolidate as many accounts as possible under the same name and address. For assistance consolidating accounts where you are the stockholder of record, you may contact our transfer agent, Computershare, at 1-866-233-1957.

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

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

If you hold shares through an account with a bank or broker, your shares may be voted even if you do not provide voting instructions to your bank or broker. Banks and brokers have the authority under the rules of the New York Stock Exchange, or NYSE, to vote shares for which their customers do not provide voting instructions on certain routine matters. The ratification of the appointment of our independent registered public accounting firm (*Item 2 on the Proxy Card*) is considered a routine matter for which banks and brokers may vote without specific instructions from their customers.

May stockholders ask questions at the meeting?

Yes. Representatives of AmerisourceBergen will answer stockholders' questions of general interest at the end of the meeting. In order to be eligible to ask questions at the meeting, you must be able to establish that you are a stockholder either as of January 6, 2014 or as of the date of the meeting.

How many votes must be present to hold the meeting?

In order for us to conduct our meeting, a majority of the shares of our common stock outstanding as of January 6, 2014 must be present in person or by proxy at the meeting. This is referred to as a quorum. Your shares are counted as present at the meeting if you attend the meeting and vote in person or if you properly return a proxy over the Internet, by telephone or by mail. Shares voted by banks or brokers on behalf of beneficial owners also are counted as present at the meeting. In addition, abstentions and broker non-votes will be counted for purposes of establishing a quorum with respect to any matter properly brought before the meeting. Broker non-votes occur on a matter when a bank or broker is not permitted under applicable rules and regulations to vote on a matter without instruction from the beneficial owner of the underlying shares and no instruction has been given.

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

The affirmative vote of a majority of the votes cast will be required for the election of each director (*Item 1 on the Proxy Card*).

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A majority of the votes cast means that the votes cast "for" a director exceed the number of votes cast "against" that director. Abstentions and broker non-votes are disregarded when determining if a majority of the votes have been cast in favor of a director.

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The affirmative vote of a majority of the shares present in person or by proxy and entitled to vote will be required for:

The ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for the current fiscal year (*Item 2 on the Proxy Card*);

The approval, on an advisory basis, of the compensation of our named executive officers as described in this Proxy Statement (*Item 3 on the Proxy Card*);

The approval of the AmerisourceBergen Corporation Omnibus Incentive Plan (*Item 4 on the Proxy Card*); and

Any other proposal that might properly come before the meeting.

The affirmative vote of the holders of a majority of the shares of our common stock outstanding will be required to approve the proposed amendment to our certificate of incorporation (*Item 5 on the Proxy Card*).

Abstentions will be counted toward the tabulation of votes cast on Items 2, 3, 4, and 5, and will have the effect of negative votes. Under NYSE rules, Item 2 is considered a routine matter on which brokers will be permitted to vote in their discretion even if the beneficial owners do not provide voting instructions. However, Items 1, 3, 4, and 5 are not considered routine matters under NYSE rules, and brokers will not be permitted to vote on Items 1, 3, 4, or 5 if the beneficial owners fail to provide voting instructions. Broker non-votes will not be counted toward the tabulation of votes cast on Items 3 and 4. Broker non-votes will have the effect of negative votes on Item 5.

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

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

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

We are not aware of any other business to be presented at the 2014 Annual Meeting of Stockholders. However, if any other matter should properly come before the 2014 Annual Meeting of Stockholders, the enclosed proxy confers discretionary authority with respect to such matter.

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

Our directors, officers and employees may solicit proxies by telephone or in person. In addition, we have hired Morrow & Co., LLC to assist us in soliciting proxies, if necessary. Morrow may solicit proxies by telephone or in person. We will pay Morrow a fee of \$11,500, plus expenses, for providing such services. All costs and expenses of any solicitation, including the cost of preparing this Proxy Statement and posting it on the Internet and mailing the Notice of Internet Availability of Proxy Materials, will be borne by AmerisourceBergen.

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

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

Will the directors be in attendance at the meeting?

We currently expect all of our directors to be in attendance at the 2014 Annual Meeting of Stockholders. It has been customary for our directors to attend our annual meetings. All of our directors attended the 2013 Annual Meeting of Stockholders.

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ELECTION OF DIRECTORS

(Item 1 on the Proxy Card)

How often are directors elected?

Any nominee who is elected to serve as a director at our 2014 Annual Meeting of Stockholders and in the future 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 is the size of the Board of Directors?

The size of the Board of Directors is ten.

Who are this year's nominees?

Steven H. Collis, Douglas R. Conant, Richard W. Gochnauer, Richard C. Gozon, Lon R. Greenberg, Edward E. Hagenlocker, Jane E. Henney, M.D., Kathleen W. Hyle, Michael J. Long, and Henry W. McGee.

Which of this year's nominees are independent?

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

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 2015 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.

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Biographical information about our nominees:

Name	Age	Position, Principal Occupation, Business Experience and Directorships
Steven H. Collis	52	
		President and Chief Executive Officer of AmerisourceBergen Corporation since July 2011
		President and Chief Operating Officer of AmerisourceBergen Corporation from November 2010 to July 2011
		Executive Vice President and President of AmerisourceBergen Drug Corporation from September 2009 to November 2010
		Executive Vice President and President of AmerisourceBergen Specialty Group from September 2007 to September 2009
		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
		Current director of Thoratec Corporation
		Director of AmerisourceBergen since May 2011
		Member of our Executive Committee

Key Attributes, Experience and Skills:

As the Chief Executive Officer of AmerisourceBergen, Mr. Collis brings to the Board extensive business and operating experience in the wholesale pharmaceutical distribution industry, knowledge of AmerisourceBergen and its history and significant executive leadership experience at AmerisourceBergen. Mr. Collis has extensive knowledge of the healthcare distribution and services market and the competitive nature of the pharmaceutical distribution business. Mr. Collis has demonstrated strategic vision, strong creativity and entrepreneurial and leadership skills throughout his

tenure at AmerisourceBergen.

Name
Douglas R. Conant

Age **Position, Principal Occupation, Business Experience and Directorships**
62

Founder and Chief Executive Officer of ConantLeadership, a firm dedicated to improving the quality of leadership in the 21st century

President and Chief Executive Officer and a member of the Board of Directors of Campbell Soup Company from January 2001 to July 2011

Served from 1992 to 2000 at Nabisco Foods Company in a series of senior leadership positions, including President of Nabisco Foods Company from 1995 to 2000

Current Chairman of the Board of Directors of Avon Products, Inc.

Director of AmerisourceBergen since January 2013

Member of our Compensation and Succession Planning Committee and our Finance Committee

Key Attributes, Experience and Skills:

As a result of his executive roles at Campbell Soup Company and Nabisco Foods Company, Mr. Conant has acquired extensive corporate leadership skills and management experience. His expertise in marketing, branding and strategic innovation provides a unique and valuable perspective for our Board. Mr. Conant also provides insight and guidance on matters of executive and talent development. In addition, he has an in-depth knowledge of international markets and global distribution operations. As a result of his service on the boards of other public companies, Mr. Conant also brings significant corporate governance experience to our Board.

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Name Richard W. Gochnauer	Age 64	Position, Principal Occupation, Business Experience and Directorships
		Chief Executive Officer of United Stationers Inc. from December 2002 until his retirement in May 2011
		Chief Operating Officer of United Stationers Inc. from July 2002 to December 2002
		Vice Chairman and President, International, and President and Chief Operating Officer of Golden State Foods Corporation from 1994 to 2002
		Current director of UGI Corporation, Golden State Foods Corporation and Rush University Medical Center
		Previously served as a director of Fieldstone Communities, Inc. from 2000 to 2008 and United Stationers Inc. from July 2002 to May 2011
		Director of AmerisourceBergen since September 2008
		Member of our Finance Committee and our Governance and Nominating Committee
		<i>Key Attributes, Experience and Skills:</i>
		Through his management of several distribution businesses, Mr. Gochnauer gained valuable perspective on measures to drive operating growth and compete effectively in the distribution business. He offers strategic direction and insight into global competition and international markets. Through his service on other boards of directors, he also brings extensive corporate governance, executive compensation, mergers and acquisitions, strategic planning and technology experience to our Board.
Name Richard C. Gozon	Age 75	Position, Principal Occupation, Business Experience and Directorships
		Interim President of Thomas Jefferson University from July 2012 to September 2013
		Executive Vice President of Weyerhaeuser Company and Chairman of North Pacific Paper Company from June 1994 until 2002

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Prior to that, Mr. Gozon served in various leadership positions of Alco Standard Corporation and Paper Corporation of America

Current director of Triumph Group, Inc.

Serves as Chairman of the Board of Trustees of Thomas Jefferson University

Previously served as a director of Alco Standard Corporation and AmeriSource Health Corporation from 1994 to August 2001, AmeriGas Partners, L.P. from February 1998 to January 2011, and UGI Corporation from 1989 to January 2011

Chairman of the Board of Directors of AmerisourceBergen since February 2006 and director of AmerisourceBergen since August 2001

Chair of our Executive Committee

Key Attributes, Experience and Skills:

Mr. Gozon's longstanding service on our Board provides him with extensive knowledge of AmerisourceBergen's business and industry. Through his service as a senior executive of other public companies, Mr. Gozon brings valuable operations, productivity, supply chain, marketing, international business, mergers and acquisitions and financial experience to our Board. Mr. Gozon contributes substantially to the oversight of all aspects of our operations, including service as our Chairman of the Board. We also benefit from Mr. Gozon's insights and governance acumen drawn from his long experience as a director of several other public companies.

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Name Lon R. Greenberg	Age 63	Position, Principal Occupation, Business Experience and Directorships
		Chairman of UGI Corporation's Board of Directors since 1996
		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
		Current director of UGI Utilities, Inc., AmeriGas Propane, Aqua America, Inc. and Ameriprise Financial, Inc.
		Chairman of the Board of Directors of the United Way of Greater Philadelphia and Southern New Jersey
		Chairman of the Board of Directors of Temple University Health System
		Member of the Board of Trustees of Temple University and the Board of Directors of Fox Chase Cancer Center
		Director of AmerisourceBergen since May 2013
		Member of our Audit and Corporate Responsibility Committee and our Finance Committee
		<i>Key Attributes, Experience and Skills:</i>
		Mr. Greenberg's service as CEO of UGI Corporation provides valuable business and executive management experience to our Board, including expertise leading a large organization with global operations and important perspectives on issues facing public companies generally. Mr. Greenberg has critical insight into the roles of law, finance and strategic transactions in our business, which enables him to provide guidance on strategic direction, international markets, and future growth opportunities. In addition, we benefit from Mr. Greenberg's significant leadership skills and experience providing oversight of executive management. Mr. Greenberg's service as a director of healthcare organizations also enables him to bring to the Board experience and knowledge of the healthcare industry from different perspectives.

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Name	Age	Position, Principal Occupation, Business Experience and Directorships
Edward E. Hagenlocker	74	<p>Vice Chairman of Ford Motor Company from 1996 until his retirement in 1999</p> <p>Chairman of Visteon Automotive Systems from 1997 until his retirement in 1999</p> <p>Prior to that, Mr. Hagenlocker served in leadership positions at various divisions of Ford Motor Company from 1986 to 1996</p> <p>Current director of Ingersoll-Rand plc</p> <p>Previously served as a director of Air Products and Chemicals, Inc., AmeriSource Health Corporation, Trane, Inc. (formerly American Standard) and Alcatel-Lucent</p> <p>Director of AmerisourceBergen since August 2001</p> <p>Chair of our Finance Committee and a member of our Compensation and Succession Planning Committee, our Executive Committee and our Governance and Nominating Committee</p> <p><i>Key Attributes, Experience and Skills:</i></p> <p>During his distinguished career at Ford Motor Company, Mr. Hagenlocker gained extensive experience in operations, manufacturing, productivity, supply chain, marketing, international business, public relations and talent management. We benefit from his leadership and his thorough understanding of our business operations gained from his long tenure on our Board. Through both position and education, he has a wealth of technology and financial experience. Through his service on other boards, Mr. Hagenlocker also brings extensive corporate governance and mergers and acquisitions experience to our Board.</p>

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Name Jane E. Henney, M.D.	Age 66	Position, Principal Occupation, Business Experience and Directorships
		Professor of Medicine, College of Medicine at the University of Cincinnati from January 2008 until December 2012
		Senior Vice President and Provost for Health Affairs at the University of Cincinnati from July 2003 to January 2008
		Prior to that, Dr. Henney held various positions in academia and government, including Commissioner of Food and Drugs at the United States Food and Drug Administration from 1998 to 2001 and Vice President for Health Sciences at the University of New Mexico from 1994 to 1998
		Current director of CIGNA Corporation and Cubist Pharmaceuticals, Inc.
		Previously served as a director of AstraZeneca PLC from September 2001 until April 2011
		National Association of Corporate Directors (NACD) Board Leadership Fellow
		Director of AmerisourceBergen since January 2002
		Chair of our Governance and Nominating Committee and a member of our Compensation and Succession Planning Committee and our Executive Committee
		<i>Key Attributes, Experience and Skills:</i>
		Dr. Henney is a medical oncologist. Her medical knowledge and healthcare policy and regulatory expertise provide industry-specific perspective on the Board. Through both position and education, she has a wealth of public policy, leadership, management and financial experience. She also has an extensive understanding of the role of our Board of Directors and corporate governance matters through her service on other company boards, including service on the boards of companies within the healthcare and pharmaceutical industries.

Name	Age	Position, Principal Occupation, Business Experience and Directorships
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Kathleen W. Hyle

55

Senior Vice President of Constellation Energy and Chief Operating Officer of Constellation Energy Resources from November 2008 until March 2012

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 and Decker Corporation

Current director of Bunge Limited and The ADT Corporation

Serves on the Board of Trustees of Center Stage in Baltimore, MD, and on the Board of Sponsors for the Loyola University Maryland Sellinger School of Business and Management

Director of AmerisourceBergen since May 2010

Chair of our Audit and Corporate Responsibility Committee and a member of our Executive Committee and our Finance Committee

Key Attributes, Experience and Skills:

Ms. Hyle brings to our Board extensive financial experience gained through her career with Constellation Energy and other public companies. This experience also enables Ms. Hyle to provide critical insight into, among other things, our financial statements, accounting principles and practices, internal control over financial reporting and risk management processes. In addition, Ms. Hyle brings extensive management, operations, mergers and acquisitions, technology, marketing, retail and regulatory experience to our Board.

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Name Michael J. Long	Age 55	Position, Principal Occupation, Business Experience and Directorships
		Chairman of the Board, President and Chief Executive Officer of Arrow Electronics, Inc.
		Appointed Chairman of the Board of Arrow Electronics, Inc. in January 2010 and Chief Executive Officer of Arrow Electronics, Inc. in May 2009
		President and Chief Operating Officer of Arrow Electronics, Inc. from February 2008 until May 2009, Senior Vice President from January 2006 to February 2008
		Serves on the Board of Trustees of the Denver Zoo
		Director of AmerisourceBergen since May 2006
		Chair of our Compensation and Succession Planning Committee and a member of our Audit and Corporate Responsibility Committee and our Executive Committee
		<i>Key Attributes, Experience and Skills:</i>
		Through his current and prior leadership positions at Arrow Electronics, Inc., Mr. Long brings to the Board relevant experience in the areas of finance, operations, management, leadership, strategic planning, executive compensation and global competition. As a result of his numerous years in the distribution industry, Mr. Long understands the competitive nature of the industry, provides critical insight into international markets, and has an in-depth knowledge of business and strategic opportunities for wholesale distribution.

Name Henry W. McGee	Age 61	Position, Principal Occupation, Business Experience and Directorships
		Senior Lecturer at Harvard Business School since July 2013
		President of HBO Home Entertainment from 1995 until his retirement in March 2013
		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

Former President of the Alvin Ailey Dance Theater Foundation and the Film Society of Lincoln Center. Served on the boards of the Sundance Institute, the Public Theater, Save the Children and the Time Warner Foundation

Director of AmerisourceBergen since November 2004

Member of our Audit and Corporate Responsibility Committee and our Governance and Nominating Committee

Key Attributes, Experience and Skills:

As a result of his tenure as President of HBO Home Entertainment, Mr. McGee has significant operational, marketing and wholesale distribution expertise. In addition, he brings valuable business, leadership and management experience to our Board. Mr. McGee has a deep understanding of the use of technology and all aspects of wholesale distribution and international markets. In addition, he offers innovative ideas, critical insight into strategic decision-making, governance and exposure to diverse, global points of view.

How does the Board of Directors recommend that I vote?

We recommend that you vote **For** the election of each of the ten nominees named in this Proxy Statement to the Board of Directors.

Table of Contents**ADDITIONAL INFORMATION ABOUT THE DIRECTORS, THE BOARD AND THE BOARD COMMITTEES****Are there any family relationships among AmerisourceBergen's directors and executive officers?**

No.

What are the committees of the Board of Directors?

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

Identified below are the members of the current Board committees along with the duties and responsibilities of each committee:

Name	Executive	Audit and Corporate Responsibility	Compensation and Succession Planning	Finance	Governance and Nominating
Steven H. Collis	X				
Douglas R. Conant			X	X	
Richard W. Gochbauer				X	X
Richard C. Gozon	X*				
Lon R. Greenberg		X		X	
Edward E. Hagenlocker	X		X	X*	X
Jane E. Henney, M.D.	X		X		X*
Kathleen W. Hyle	X	X*		X	
Michael J. Long	X	X	X*		
Henry W. McGee		X			X

*

Chairperson

Duties and Responsibilities of the Board Committees**Audit and Corporate Responsibility Committee**

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

Pre-approves all audit 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 the company's independent registered public accounting firm.

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

Prepares the audit committee report as required by SEC rules.

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

Inquires of management, the internal auditor and the company's 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 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.

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Oversees the development and implementation by management of an enterprise risk management program.

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

Oversees compliance with our Code of Ethics and Business Conduct.

Compensation and Succession Planning Committee

Reviews and approves AmerisourceBergen's executive compensation strategy and the individual elements of total compensation for the President and Chief Executive Officer and other members of executive and senior 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 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 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 pension and retirement plans.

Oversees the administration of our health and welfare benefit plans.

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

Executive Committee

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

Finance Committee

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

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 any proposed issuance or sale of our stock, stock repurchases or redemptions and stock 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 the company.

Governance and Nominating Committee

Recommends selection and qualification criteria for directors and committee members.

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

Considers nominees for director recommended by stockholders.

Reviews and makes recommendations relating to succession planning for 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 the Board and the directors' committee assignments.

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

Oversees the evaluation of the Board and the Board committees.

Reviews and makes recommendations to the Board regarding director compensation.

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

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

How often did the Board and the committees meet in fiscal year 2013?

During fiscal year 2013, the Board of Directors met seven times; the Audit and Corporate Responsibility Committee met twelve times; the Compensation and Succession Planning Committee met four times; the Finance Committee met six times; and the Governance and Nominating Committee met five times. The Executive Committee did not meet.

Did each director attend at least 75% of the meetings of the Board of Directors and of the committees on which he or she served?

Yes.

Do the non-management directors meet regularly?

The non-management directors meet at or near the end of each regularly scheduled meeting of the Board of Directors. The Chairman of the Board of Directors presides at such meetings. If the Chairman 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: Kathy H. Gaddes, Secretary, AmerisourceBergen Corporation, 1300 Morris Drive, Chesterbrook, Pennsylvania 19087. AmerisourceBergen's Secretary will determine, in her good faith judgment, which communications will be relayed to the non-management directors.

Table of Contents**How are directors compensated?**

The following table summarizes the total compensation earned by directors who were not employees of AmerisourceBergen during fiscal year 2013. 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 2013 Fiscal Year End

Name	Retainer/Fees Earned or Paid in Cash (4)	Stock Awards (5)	Option Awards (6)	All Other Compensation (7)	Total
Douglas R. Conant (1)	\$75,000	\$125,000			\$200,000
Charles H. Cotros (2)	\$47,917			\$1,058	\$48,975
Richard W. Gochnauer	\$100,000	\$125,000		\$3,938	\$228,938
Richard C. Gozon	\$150,000	\$175,000			\$325,000
Lon R. Greenberg (3)	\$37,637				\$37,637
Edward E. Hagenlocker	\$110,000	\$125,000			\$235,000
Jane E. Henney, M.D	\$110,000	\$125,000		\$12,289	\$247,289
Kathleen W. Hyle	\$120,000	\$125,000		\$4,668	\$249,668
Michael J. Long	\$108,750	\$125,000		\$3,938	\$237,688
Henry W. McGee	\$100,000	\$125,000		\$11,912	\$236,912

(1) Douglas R. Conant was appointed a director effective as of January 1, 2013.

(2) Charles H. Cotros retired from the Board on February 28, 2013.

(3) Lon R. Greenberg was appointed a director effective as of May 16, 2013.

(4) These amounts represent annual retainers earned by our directors for Board service in fiscal year 2013, including amounts earned for service as Committee Chairs and amounts deferred into our deferred compensation plan. Annual retainers are paid in cash unless a director elects to receive shares of our common stock in lieu of some or all of his or her annual retainer. Any such amounts will be issued in fully vested shares of our common stock in quarterly installments generally on the first trading day of February, May, August, and November of each year. In fiscal year 2013, Ms. Hyle and Mr. Long received the following number of shares of common stock in lieu of the retainer: Ms. Hyle 367 shares and Mr. Long 2,198 shares.

(5) These amounts represent annual equity awards earned by directors for Board service in fiscal year 2013. At the director's election, the annual equity award is issued in the form of restricted stock or restricted stock units that vest three years after the grant date. The 2013 annual equity award had a grant date value of \$125,000 (or, for the Chairman of the Board, \$175,000) on February 28, 2013. As of September 30, 2013, each of the non-employee directors held the following shares of outstanding restricted stock and restricted stock units: Mr. Conant 2,648; Mr. Cotros (retired) 5,132; Mr. Gochnauer 8,352; Mr. Gozon 8,400; Mr. Greenberg 0; Mr. Hagenlocker 5,999; Dr. Henney 8,352; Ms. Hyle 8,352; Mr. Long 8,352; and Mr. McGee 8,352.

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 2013. See Note 9 to the consolidated financial statements contained in our Annual Report on Form 10-K for the fiscal year ended September 30, 2013 for assumptions used to estimate the fair values of restricted stock and restricted stock unit awards granted during fiscal year 2013.

(6) No stock options were granted to directors in fiscal year 2013. As of September 30, 2013, the non-employee directors held outstanding stock options as follows: Mr. Conant 0; Mr. Cotros (retired) 3,528; Mr. Gochnauer 52,541; Mr. Gozon 134,317; Mr. Greenberg 0; Mr. Hagenlocker 38,177; Dr. Henney 3,528; Ms. Hyle 19,932; Mr. Long 15,170; and Mr. McGee 82,732.

(7) These amounts represent the dividends accrued and paid on restricted stock and restricted stock units that vested in fiscal 2013.

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Director Fees. Our director compensation program provides for an annual cash retainer plus an annual equity award of restricted stock or 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 27 for a description of our peer group.)

Annual Retainers. The Chairman of the Board is entitled to receive an annual retainer of \$150,000, and each other non-employee director is entitled to receive an annual retainer of \$100,000. The Chair of each of the standing committees (other than the Chair of the Executive Committee) is entitled to receive an additional annual retainer as follows: Chair of the Audit and Corporate Responsibility Committee \$20,000; Chair of the Compensation and Succession Planning Committee \$15,000; Chair of the Finance Committee \$10,000; and Chair of the Governance and Nominating Committee \$10,000. As explained below, 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.

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Annual Equity Awards. On February 28, 2013, each of the non-employee directors (other than Mr. Greenberg, who joined the Board in May 2013) received an annual grant of restricted stock or restricted stock units covering shares having a grant date fair market value of \$125,000, except the Chairman of the Board who received restricted stock units covering shares having a grant date fair market value of \$175,000. 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 aged 62 with five years of continuous service on the Board. These grants were made under the AmerisourceBergen Corporation Equity Incentive Plan, or Equity 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 elect 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 elect to forego 50% or more of their annual cash retainers and receive either fully vested shares of our common stock or fully vested 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 retainer. We may take unusual market conditions into consideration when assessing compliance.

CODES OF ETHICS

Has AmerisourceBergen adopted a code of ethics and business conduct that applies to directors, officers and employees?

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 January 2013. 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 and Corporate Responsibility Committee. We will disclose any such waiver or amendment of the Code of Ethics and Business Conduct promptly on our website.

Has AmerisourceBergen adopted a code of ethics for the principal executive officer and principal financial and accounting officers of AmerisourceBergen as required by SEC regulations?

We have 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, Senior Vice President and Chief Financial Officer and Vice President and Corporate Controller. Any waiver or amendment of the Code of Ethics for Designated Senior Officers will be disclosed promptly on our website.

Where can stockholders obtain copies of the codes of ethics?

We have posted both the Code of Ethics and Business Conduct and the Code of Ethics for Designated Senior Officers under the Investor Relations section of our Internet website at www.amerisourcebergen.com. A copy of the Code of Ethics for Designated Senior Officers has also been filed with the SEC as an exhibit to our annual reports filed under the Securities Exchange Act of 1934, as amended.

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CORPORATE GOVERNANCE

What is our leadership structure?

Our executive officers, managers and employees conduct our business under the direction of our President and Chief Executive Officer and with the independent oversight of our Board. To enhance its oversight function, our Board is composed of directors who are not employed by us, with the exception of Mr. Collis. A non-employee director serves as Chairman of the Board. At each regularly scheduled Board meeting, our non-employee directors meet in executive session without management present. Our Board provides guidance and critical review of our strategic initiatives, business plan and risk management processes. Our Board also ensures that we have an effective management team in place to run the company 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.

Why have we chosen to have an independent director serve as the Chairman of the Board?

We believe that having a non-executive Chairman of the Board emphasizes the importance of the Board's objectivity and independence from management and best promotes the effective functioning of the Board's oversight role. Our Chairman's responsibility is to ensure that our Board functions properly and to work with our President and Chief Executive Officer to set its agenda. We expect our Chairman to facilitate communications among our directors and between the Board and senior management. While our Chairman provides independent leadership, he also works closely with our President and Chief Executive Officer to ensure that our directors receive the information that they need to perform their responsibilities, including discussing and providing critical review of the matters that come before the Board and assessing management's performance.

Our Board has determined that Mr. Gozon, who has served as Chairman of the Board since 2006, should continue to serve in that capacity for up to two more years, subject to his annual nomination to serve as director and Chairman of the Board by the Governance and Nominating Committee and his election as a director by majority vote of our stockholders. In connection with this determination, the Board approved a waiver of the provision of our corporate governance principles that states that a director will resign at the annual meeting of stockholders following his or her 75th birthday. The Board approved this waiver upon the recommendation of our Governance and Nominating Committee following careful consideration by that committee of succession planning for the Chairman of the Board. Mr. Gozon abstained from the decision. In undertaking its review, the Governance and Nominating Committee was guided by the principles that effective governance is essential to the creation of stockholder value and the outcome of its succession planning deliberations should result in the most suitable governance approach for AmerisourceBergen at this time.

Our Board believes that Mr. Gozon's continued service as Chairman is in the best interests of AmerisourceBergen and its stockholders for a number of reasons. Mr. Gozon has been an extraordinarily effective Chairman of the Board. Looking ahead, we believe that Mr. Gozon's ongoing service will continue to provide robust and stable governance for AmerisourceBergen as it competes in a rapidly evolving healthcare services marketplace. Mr. Gozon possesses significant knowledge and experience in our industry, and a deep understanding of AmerisourceBergen's strategic objectives, all of which will continue to benefit AmerisourceBergen during the years ahead. It will also provide continuity in independent leadership as we integrate new directors onto our Board, some of whom have joined in recent years and others who will join in the future. This includes the possibility of directors that may be designated in the future by Walgreen Co. to serve on our Board in accordance with our shareholder agreement with Walgreens and Alliance Boots GmbH. Mr. Gozon's leadership will be especially critical during a period in which we continue to implement and advance our strategic relationship and commercial arrangements with Walgreens and Alliance Boots. Finally, extending Mr. Gozon's term as Chairman also promotes effective succession planning by providing a transition period during which he may mentor the next Chairman elect designated by our Board. For all of these reasons, our Board believes that permitting Mr. Gozon to continue to serve AmerisourceBergen as Chairman reflects a good governance practice for our company.

What are the standing Committees of the Board?

There are five standing committees of the Board: the Audit and Corporate Responsibility 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, are composed entirely of independent directors. Our Executive Committee, which is composed of our Chairman of the

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Board, Chief Executive Officer, and the Chairs of the other standing committees, has the authority to act between regularly scheduled meetings of the Board, subject to applicable law. In 2013, we reviewed our Committee structure and determined that the Chairman of the Board should serve as the Chair of the Executive Committee. Our Executive Committee did not meet in 2013. 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.

Why is the composition of our Board appropriate for AmerisourceBergen?

We are a global pharmaceutical sourcing and distribution services company. Our Board is called upon to address matters of considerable complexity. These issues range from evaluating long-range strategic initiatives to responding to changing market conditions and/or government regulations. To enhance the Board's decision-making process, we seek individuals with diverse backgrounds, skills and expertise to serve on our Board. Our Board is composed of directors with a mix of industry, operational, healthcare, government, business development, marketing and global expertise. We have directors who are current or former executive officers of public companies or wholesale distribution companies. Many of our directors serve or have served on the board of directors of other public companies. We have directors with significant public policy experience and knowledge of the healthcare and pharmaceutical industries. We believe that this mix encourages fresh perspectives, enriches the Board's deliberations and avoids the dominance of a particular individual or group over the Board's decisions.

Given the diverse backgrounds of our directors, we provide our directors with comprehensive orientation and continuing education, 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. For example, some of our directors have completed executive education programs for directors as part of their continuing education. In addition, one of our directors, Jane E. Henney, M.D., was named a member of the "NACD Directorship 100" in 2011 and 2012, an annual honor sponsored by the National Association of Corporate Directors to recognize influential directors and others who impact corporate governance.

Has AmerisourceBergen adopted corporate governance principles for the Board of Directors?

Our Board has adopted our corporate governance principles. The corporate governance principles, together with the charters of the Board committees, provide the framework for the governance of AmerisourceBergen. The Board reviews and updates the corporate governance principles and the committee charters from time to time to reflect leading corporate governance practices. The corporate governance principles address a variety of governance issues, including those discussed under this heading and the headings *Additional Information about the Directors, the Board and the Board Committees, Codes of Ethics and Process for Identifying and Evaluating Director Nominees and for Submitting Recommendations*.

Where can stockholders find our corporate governance documents?

Our corporate governance principles and the charters of the Audit and Corporate Responsibility Committee, the Compensation and Succession Planning Committee, the Finance Committee and the Governance and Nominating Committee have been posted under the Investor Relations section of our website at www.amerisourcebergen.com.

Do we have a majority vote standard for director elections and a director resignation policy?

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

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"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.

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

Has the Board determined which of the directors are independent?

The Board has determined that, except for 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 ten director nominees are elected at the 2014 Annual Meeting of Stockholders, nine out of ten 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, which are available to stockholders under the Investor Relations section of our website at www.amerisourcebergen.com. 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 to the company, the Board reviewed the applicable legal standards for director and Board committee member independence. As a result of this review, the Board has determined that each of the following directors is independent: Douglas R. Conant, Richard W. Gochbauer, Richard C. Gozon, Lon R. Greenberg, Edward E. Hagenlocker, Jane E. Henney, M.D., Kathleen W. Hyle, Michael J. Long and Henry W. McGee. The Board has also determined that, as required by their charters, all members of the Audit and Corporate Responsibility Committee, the Compensation and Succession Planning Committee, the Finance Committee and the Governance and Nominating Committee are independent. In addition to the independence standards in our corporate governance principles, members of the Audit and Corporate Responsibility Committee may not accept directly or indirectly any consulting, advisory or other compensatory fee from us other than their directors' compensation. All members of the Audit and Corporate Responsibility Committee satisfy this additional SEC and NYSE independence requirement for audit committee members. We also apply this additional independence standard to the Compensation and Succession Planning Committee and the Governance and Nominating Committee and their members satisfy this standard. In undertaking its review, the Board considered that some of our directors serve on the board of directors of companies for which we perform (or may seek to perform) drug distribution and other services in the ordinary course of business.

How does the Board oversee our risk management process?

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

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The Audit and Corporate Responsibility Committee, or Audit Committee, has primary 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 from

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time to time, 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.

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.

We have a Chief Compliance Officer who is in charge of our corporate compliance program and training and monitoring compliance with our Code of Ethics and Business Conduct. Our Chief Compliance Officer and Chief Compliance Counsel report directly to our Audit Committee on compliance matters. In addition, we have an internal Compliance Committee composed of senior executives, including our Chief Compliance Officer and Chief Compliance Counsel, which administers our compliance program. Our Chief Compliance Officer and Chief Compliance Counsel provide reports to the Audit Committee throughout the year on the status of our compliance programs, calls to our hotline and any changes or developments.

The Board's other committees oversee risks associated with their respective areas of responsibility. For example, 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 and tax policy and share repurchase activities.

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.

The Board considers specific risk topics throughout the year, including risks associated with our business plan, operational efficiency, strategic objectives, government regulation, investment opportunities, physical facilities, information technology infrastructure and capital structure, among many others. Each fiscal quarter, our Chief Financial Officer reports to the Board on AmerisourceBergen's financial performance and discusses 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.

Has management conducted a risk assessment of AmerisourceBergen's employee compensation policies and practices?

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. In particular, there are various factors that mitigate the risk profile of our compensation programs, including, among other things:

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 Annual Incentive Plan, the cash bonus plan used for senior management;

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

The performance plan ties 40% of a senior executive's annual equity awards to financial performance metrics achieved over a three-year period to ensure that our senior executives are accountable for long-term measures of success;

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The remaining 60% of a senior executive's annual equity award (in stock options and restricted stock or restricted stock units) vests over a number of years to encourage senior executives 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 within the organization, including human resources, finance and legal, oversee aspects of our cash and equity incentive programs.

**PROCESS FOR IDENTIFYING AND EVALUATING DIRECTOR NOMINEES AND FOR
SUBMITTING RECOMMENDATIONS**

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

Director nominees should:

possess the highest personal and professional ethics, integrity and values;

be committed to representing the long-term interests of the stockholders; and

have an inquisitive and objective perspective, practical wisdom and mature judgment.

The Governance and Nominating Committee seeks to identify candidates who bring diverse experience at policymaking levels in business, management, marketing, finance, technology, human resources, communications, education, government, healthcare and in other areas that are relevant to our activities.

Additionally, director nominees should have sufficient time to effectively carry out their duties. The Chief Executive Officer of AmerisourceBergen may serve on the board of no more than one other public company. Other director nominees may serve on the boards of no more than four other public companies.

How does the Shareholders Agreement with Walgreens and Alliance Boots affect the director nominee processes?

Pursuant to the Shareholders Agreement, in the event that Walgreens and Alliance Boots collectively own five percent or more of our common stock, Walgreens will be entitled to designate one director to our Board of Directors. In addition, upon the later to occur of (1) the exercise in full of certain warrants exercisable during a six-month period beginning in March 2016 and (2) the acquisition in full by Walgreens and Alliance Boots of a certain number of shares of AmerisourceBergen in the open market, Walgreens will be entitled to designate a second director to the Board of Directors. For so long as Walgreens has a right to designate a director to the Board, subject to certain exceptions, including matters related to acquisition proposals and election of directors, Walgreens and Alliance Boots will be obligated to vote all of their shares of our common stock in accordance with the recommendation of the Board on all matters submitted to a vote of our stockholders.

Please refer to 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. Please also see Risk Factors in Item 1A on pages 7 - 13 and the Cautionary Note Regarding Forward-Looking Statements on pages 33 - 34 of our Annual Report on Form 10-K for the year ended September 30, 2013.

What process should a stockholder follow to propose nominees for consideration by the Governance and Nominating Committee?

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Stockholders may propose nominees for consideration by the Governance and Nominating Committee by submitting the names, appropriate biographical information and qualifications in writing to: Kathy H. Gaddes, Secretary, AmerisourceBergen Corporation, 1300 Morris Drive, Chesterbrook, Pennsylvania 19087.

In considering any nominee proposed by a stockholder, the Governance and Nominating Committee will reach a conclusion based on the criteria described above. After full consideration, the stockholder proponent will be notified of the decision of the committee.

In order to be considered by the Governance and Nominating Committee for the Annual Meeting of Stockholders to be held in 2015, the name of the proposed nominee and supporting biographical information and description of the qualifications of the proposed nominee must be received by us no later than September 26, 2014.

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AUDIT MATTERS

Audit Committee Financial Expert

The Board of Directors has determined that Ms. Hyle is an "audit committee financial expert" as defined in Item 407(d)(5) of Regulation S-K. Ms. Hyle serves as Chair of the Audit and Corporate Responsibility Committee.

Report of the Audit and Corporate Responsibility Committee

The Audit and Corporate Responsibility Committee consists of the four directors named below. All of the committee members are independent (as independence is defined in Section 303A of the NYSE Listed Company Manual and our corporate governance principles) and all of the members are financially literate.

The committee reviewed and discussed with AmerisourceBergen's management and its independent registered public accounting firm (i) the audited financial statements contained in our Annual Report on Form 10-K for the fiscal year ended September 30, 2013 and (ii) our internal control over financial reporting. AmerisourceBergen's management has the primary responsibility for the company's financial statements and its financial reporting and control processes and procedures, including its internal control over financial reporting and its disclosure controls and procedures. AmerisourceBergen's management has represented to the Audit and Corporate Responsibility Committee that the financial statements contained in our Annual Report on Form 10-K for fiscal year 2013 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, 2013 (based on the criteria set forth in the 1992 Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission).

The committee discussed with the company's independent registered public accounting firm, 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 as well as such other matters as are required to be discussed with the committee under the standards of the Public Company Accounting Oversight Board (United States).

The committee discussed with the company's independent registered public accounting firm the matters required to be discussed by the PCAOB Auditing Standard No. 16, Communication with Audit Committees. In addition, the committee discussed with the independent registered public accounting firm the firm's independence from the company and its management, including the matters in the written disclosures and letter that were received by the committee from the independent registered public accounting firm as required by applicable requirements of the Public Company Accounting Oversight Board regarding the independent registered public accounting firm's communications with the committee concerning independence.

The committee also discussed with the company's independent registered public accounting firm, the firm's audit of the effectiveness of the company's internal control over financial reporting as of September 30, 2013.

Based on the reviews and discussions referred to above, the Audit and Corporate Responsibility 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 2013.

AUDIT AND CORPORATE RESPONSIBILITY COMMITTEE

Kathleen W. Hyle, Chair
Lon R. Greenberg
Michael J. Long
Henry W. McGee

Table of Contents**Policy for Pre-Approval of Audit and Non-Audit Services**

The Audit and Corporate Responsibility 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, 2013 and 2012, 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:

Fee Category	Fiscal Year 2013	Fiscal Year 2012
Audit Fees	\$ 6,026,373	\$ 4,049,667
Audit-Related Fees	1,036,987	293,000
Tax Fees	1,998,615	1,454,464
All Other Fees	1,995	1,995
TOTAL	\$ 9,063,970	\$ 5,799,126

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, review 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 and due diligence related to acquisitions.

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 and Corporate Responsibility 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 are consistent with the maintenance of the independent registered public accounting firm's independence in the conduct of its auditing functions.

**RATIFICATION OF APPOINTMENT OF ERNST & YOUNG LLP AS
AMERISOURCEBERGEN'S INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM
FOR FISCAL YEAR 2014
(Item 2 on the Proxy Card)**

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, 2014. The Audit and Corporate Responsibility Committee of the Board of Directors has appointed Ernst & Young LLP to serve as our independent registered public accounting firm for fiscal year 2014. 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

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stockholders not ratify the appointment of Ernst & Young LLP as AmerisourceBergen's independent registered public accounting firm for the fiscal year ending September 30, 2014, the Audit and Corporate Responsibility Committee will investigate the reasons for the rejection by the stockholders and will reconsider the appointment of Ernst & Young LLP.

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What services will the independent registered public accounting firm provide?

Audit services provided by Ernst & Young LLP for fiscal year 2014 will include the examination of the consolidated financial statements of AmerisourceBergen and services related to periodic filings made with the SEC. Audit services for fiscal year 2014 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 2012 and 2013, as described above under the heading *Independent Registered Public Accounting Firm's Fees*.

Will representatives of the independent registered public accounting firm be present at the 2014 Annual Meeting of Stockholders?

Representatives of Ernst & Young LLP are expected to be present at the 2014 Annual Meeting of Stockholders. Such representatives will have an opportunity to make a statement, if they desire to do so, 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 2014.

COMPENSATION COMMITTEE MATTERS

General

Our Compensation and Succession Planning Committee, or the Committee, is composed of independent directors. The Committee is responsible for the design of our executive compensation program and review of succession planning. The Committee reviews and approves the compensation of our executives, including our named executive officers. The Committee also oversees our employee pension, long-term incentive and savings, health and welfare plans. The Committee has delegated the administration of our pension and benefit plans to an internal benefits committee, composed of senior finance, human resources and legal executives. The internal benefits committee oversees the management of our pension plan assets, the selection of investment options under our savings plans and the performance of the investment advisers and plan administrators.

Processes and Procedures

Meetings. The Committee met four times in 2013. The Chairman, in consultation with the other Committee members and management, prepares agendas that address an annual calendar of topics and other matters requiring the attention of the Committee. The Committee meets without management present, whenever necessary, to discuss matters it deems appropriate.

Role of External Compensation Consultant. The Committee has sole authority to engage an executive compensation consultant and to terminate the engagement of any such consultant. The Committee's consultant must be independent. No firm will be disqualified solely on the basis of fees, provided it has not received more than \$120,000 in the aggregate for the performance of any other services for AmerisourceBergen during the fiscal year. Pay Governance LLC, or Pay Governance, served as the Committee's executive compensation consultant in 2013 pursuant to a written consulting agreement, subject to annual review. Following an assessment of Pay Governance in accordance with NYSE rules regarding compensation consultants, the Committee determined that Pay Governance was independent of management and did not have any economic interests or other relationships with AmerisourceBergen or the Committee that would conflict with Pay Governance's obligation to provide the Committee with impartial and objective advice.

During 2013, Pay Governance advised the Committee on executive compensation matters, plan design and market trends. As directed by the Committee, Pay Governance prepared analyses and recommendations for the Committee relating to all aspects of the compensation of our executives, including pay recommendations for Mr. Collis. The consultant advised the Committee on market practices regarding executive compensation, including long-term incentive pay, and reviewed the market and peer group positioning of the compensation provided to our named executive officers and other senior management. The consultant meets privately with the Committee and individual Committee members from time to time to plan for Committee meetings and discuss executive compensation matters.

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Outside of its role as the Committee's executive compensation consultant, Pay Governance did not provide any other services to AmerisourceBergen in fiscal year 2013.

Role of Executive Officers and Management. Mr. Collis gives the Committee a performance assessment and pay recommendation for senior management, including each of the other named executive officers. Management, in consultation with the Committee's external compensation consultant, may also make recommendations to the Committee on matters of compensation philosophy and plan design. Executives may attend the Committee meetings, but they are not present when the Committee meets in executive session and they do not make recommendations regarding their own compensation.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Executive Summary

Overview

AmerisourceBergen is one of the largest pharmaceutical sourcing and distribution services companies in the world. We operate in a highly competitive environment. The purpose of our executive compensation program is to attract, motivate, and retain the individuals who lead our company and align their interests with the long-term interests of our stockholders.

Our fiscal year 2013 named executive officers are:

Steven H. Collis, President and Chief Executive Officer

Tim G. Guttman, Senior Vice President and Chief Financial Officer

John G. Chou, Executive Vice President and General Counsel

James D. Frary, Senior Vice President and President, AmerisourceBergen Specialty Group (ABSG)

David W. Neu, Senior Vice President and President, AmerisourceBergen Drug Corporation (ABDC)

We seek to pay our executives fairly and competitively and to link pay with performance. The main elements of our compensation program are base salary, annual cash bonus and long-term equity incentive awards. We emphasize compensation opportunities that reward our executives when they deliver targeted financial results. A significant portion of our executives' compensation is equity-based. In fiscal year 2013, incentive compensation (annual cash bonus and equity incentive awards) accounted for approximately 90% of Mr. Collis's total direct compensation opportunity (base salary, annual cash bonus and equity incentive awards) and approximately 75% of the average total direct compensation opportunity of the other named executive officers.

In February 2013, we held a stockholder advisory vote on the compensation of our named executive officers, commonly referred to as a say-on-pay vote. Our stockholders overwhelmingly approved the compensation of our named executive officers, with approximately 97% of stockholder votes cast in favor of our 2013 say-on-pay resolution. As we evaluated our compensation practices and talent needs throughout 2013, we were mindful of the strong support our stockholders expressed for our pay for performance compensation philosophy and pay practices. As a result, the Committee continued to emphasize our pay for performance culture. We increased our incentive compensation target opportunities for our executives in fiscal year 2013. We increased our CEO's stock ownership requirements to a multiple of six times his salary. We also continued to align incentive pay for executives with the achievement of key financial metrics and set ambitious targets for performance-based pay. Our performance targets are designed to correlate with our operational success and reflect measures of performance that drive returns to our stockholders.

We believe our executive pay is reasonable and provides appropriate incentives to our executives to achieve our financial and strategic goals without encouraging them to take excessive risks in their business decisions. We regularly evaluate the major risks to our business, including how risks taken by management could impact the value of executive compensation. To this end, we note the following:

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Neither our annual cash bonus plan nor our equity incentive performance plan provides payment for poor performance.

There is a cap on the annual cash bonus opportunity and payout under our equity incentive performance plan.

Executives must own our stock and the amount of their stock ownership increases with their level of responsibility. Our CEO is required to own stock equal in value to six times his salary. Mr. Collis owns

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approximately 0.47% of our outstanding common stock, which is an amount well in excess of our ownership guidelines.

Clawback provisions apply to equity awards made after 2009 so that if an employee is terminated for cause, breaches non-compete obligations, or otherwise engages in conduct that is detrimental to AmerisourceBergen (including misconduct leading to the restatement of our financial statements), he or she will be required to forfeit outstanding equity awards and pay back the economic benefits realized from vested awards.

Clawback obligations will also attach to equity and cash awards under our new AmerisourceBergen Corporation Omnibus Incentive Plan, which is being submitted to stockholders for approval in connection with the 2014 Annual Meeting.

We prohibit our executives and non-executive directors from engaging in any speculative transactions in our securities and from hedging the economic risk of ownership of our stock.

2013 Fiscal Year Financial and Business Performance

AmerisourceBergen performed well in a challenging economic environment in fiscal year 2013. Some fiscal year 2013 financial highlights include:

Adjusted diluted earnings per share from continuing operations (EPS) of \$3.14 per share.

Revenue of \$88 billion, representing a 12.7% increase over prior year revenue.

Adjusted gross profit of \$2.8 billion, representing a 5.7% increase over prior year gross profit.

Adjusted operating income of \$1.3 billion, representing a 2.9% decline from the prior year primarily due to an increase in operating expenses and a shift in customer mix to lower margin business.

Adjusted return on invested capital (ROIC) of 19.1%, which exceeded our weighted average cost of capital.

Adjusted free cash flow of \$1.1 billion.

We returned a substantial amount of cash to our stockholders in fiscal year 2013 through approximately \$196 million in dividends and \$484 million in stock repurchases. Our business continues to generate excellent cash flow and, looking forward, we expect to have tremendous flexibility to reinvest in our business, fund our strategic initiatives and return significant value to our stockholders. Our total stockholder returns (TSR), including reinvestment of gross dividends, for the fiscal years ended September 30, 2013, 2012 and 2011 were 59.4%, 5.3%, and 22.2%, respectively. This compares to TSR of the S&P 500 Index of 19.0%, 30.2%, and 0.7% over the same periods.

The leadership and discipline of our management team contributed substantially to our performance over the last several years. Among other achievements in fiscal year 2013:

Mr. Collis and the other named executive officers demonstrated solid execution of our business plan and the promotion of our strategic objectives.

We invested in our future growth by entering into a strategic relationship with Walgreens and Alliance Boots in fiscal year 2013 and successfully implemented the first phase of our expanded pharmaceutical distribution contract with Walgreens.

Our management team's focus on operational excellence and financial discipline increased our efficiency and improved our results.

Our executives promoted a philosophy of continuous improvement, collaboration, and leadership development among our senior managers and the ongoing importance of diversity and inclusion among our employee population.

2013 Fiscal Year Executive Compensation Objectives and Actions

The Committee reviews and makes decisions about executive compensation, including the amount of base salary, cash bonus and long-term incentive awarded to our named executive officers.

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Our objectives in setting compensation in fiscal year 2013 included:

- | | |
|--|--|
| ♦ Attract and retain experienced senior executives | ♦ Align individual objectives and company performance |
| ♦ Motivate our employees to achieve superior results | ♦ Hold our executives accountable for long-term measures of success |
| ♦ Reward performance that exceeds established goals | ♦ Align executives' long-term financial interests with those of our stockholders |

In addition, the Committee takes into account our financial and business results, individual performance and competitive data. In light of these considerations, the Committee made the following executive compensation decisions in fiscal year 2013:

Continued the emphasis on the use of equity-based incentives for executives so that the achievement of target pay for our executives correlates with strong performance for AmerisourceBergen and our stockholders.

Established fiscal year 2013 performance goals for our annual cash bonus plan, including target earnings per share from continuing operations, or EPS, of \$3.22 per share, ROIC of 18.84% and free cash flow of \$644 million at the corporate level, consistent with our Board-approved business plan.

Set target incentives for fiscal year 2013 cash bonuses ranging from 100% to 130% of base salary for the named executive officers.

Approved fiscal year 2013 cash bonus payouts that were paid at 87.6% of target for corporate-level metrics in the aggregate. We underperformed target EPS and exceeded target corporate-level ROIC and free cash flow under our fiscal year 2013 cash bonus plan.

Increased our stock ownership guidelines to a salary multiple of six times for our CEO.

Approved performance metrics of EPS and ROIC and set specific targets for these metrics for the performance share awards that we granted to our named executive officers in fiscal year 2013 (covering the three-year performance period ending September 30, 2015).

Granted annual equity incentive awards to our named executive officers after considering our compensation philosophy and the Committee's assessment of individual performance and expected future contributions. The grant value of each annual equity award was split among stock options (40%), shares of restricted stock or restricted stock units (20%) and performance share awards (40%). However, a portion of Mr. Collis's fiscal year 2013 annual option award was subsequently cancelled and Mr. Collis received an award in August 2013 to replace the fair value of the cancelled options, which is described in more detail below.

We believe that the fiscal year 2013 compensation of our named executive officers was aligned with AmerisourceBergen's fiscal year 2013 results and met our compensation objectives. Our compensation policies have enabled us to attract and retain talented and experienced executives. We believe that these policies have benefitted AmerisourceBergen over time and will position us for growth in future years.

Benchmarking Process

We consider market pay practices as a starting reference point when setting executive compensation. Benchmarking helps the Committee assess whether our level of executive pay is appropriate when compared to industry standards. 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.

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In fiscal year 2013, when considering compensation, the Committee reviewed peer group proxy statement data and broader survey data for Messrs. Collis and Guttman and published compensation survey data for our other executive officers. When assessing pay levels, the Committee also reviews the relative positioning of our executive officers with each other. In 2013, the Committee's consultant concluded that our overall competitive posture for executive pay remained similar to our positioning in the 2012 assessment of executive pay in that the total direct compensation of our named executive officers fell below the median total direct compensation of 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. It includes companies with revenues that generally fall within a range of approximately 50% to 150% of our expected revenue. In fiscal year 2013, we ranked above the median for revenues of companies in our peer group. We believe our peer group reflects the type and complexity of business risks managed by

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our executives and that we compete with many of these companies for executive talent. The Committee reviewed the composition of the peer group in fiscal year 2013 with the assistance of the Committee's compensation consultant, and did not make any changes to the peer group, except to remove Medco Health Solutions, following its merger with Express Scripts.

2013 Peer Group

Cardinal Health, Inc.
Costco Wholesale Corporation
CVS Caremark Corporation
Federal Express Corporation
The Home Depot, Inc.

Ingram Micro Inc.
The Kroger Co.
McKesson Corporation
Safeway Inc.
Supervalu Inc.

Sysco Corporation
Target Corporation
United Parcel Service, Inc.
Walgreen Co.

Target Percentile Compensation Opportunity

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

Base Salary	Total Cash Compensation (Salary + Bonus)	Total Direct Compensation (Salary + Bonus + Long-Term Incentive)
35 th percentile of peer group	50 th percentile of peer group	50 th percentile of peer group

In fiscal year 2012, we revised our executive compensation philosophy to target total direct compensation opportunity in the 50th percentile relative to our peers (previously, we had targeted the 50th - 75th percentile for total direct compensation). We made this change because we believe that targeting pay opportunities at the median of our peer group is the most suitable approach for us at this time to remain competitive and retain talented and experienced executives, and is consistent with market leading practices. Nonetheless, the total direct compensation opportunity for some of our executives continues to fall below our target. This shortfall in total direct compensation as compared to our target pay philosophy is due, in part, to the fact that the target opportunity of our annual and long-term incentive awards is generally lower than that of our peers and the base salaries of some of our named executive officers have historically fallen below the 35th percentile of our peer group. In recent years, we have taken action to address the difference between our compensation philosophy and actual pay for the most affected executives by increasing base salaries, annual target bonus opportunities and the value of annual equity incentive awards. The Committee's goal is to have target compensation opportunities for our named executive officers aligned with our compensation philosophy over time.

Components of the Executive Compensation Program

Our executive compensation program consists of three main components — base salary, cash bonus and long-term equity incentive. This represents a mix of fixed pay and annual and longer-term incentives.

Base Salary. We target base salary in the 35th percentile for similar positions in our peer group. Base pay provides a regular stream of income and financial security. When setting base salary, the Committee evaluates our executives on job performance, scope of duties and responsibilities, and expected future contributions. By positioning base salary below our peer median, we place greater emphasis on incentive compensation for our executive officers. The Committee has and intends to continue to make adjustments to the base salaries of our executives so that their base salaries will be more aligned with our compensation philosophy over time.

In 2013, we decided to move the timing of our merit review cycle from May to November of each year to align our compensation decisions generally with the beginning of a new fiscal year. As a result of this change, during the year of transition, the Committee did not make any adjustments to the base salaries of the named executive officers during fiscal year 2013, which was consistent with the approach taken by AmerisourceBergen with respect to our employee population as a whole in fiscal year 2013. Accordingly, in fiscal year 2013, the base salaries of our named executive officers remained at levels set during fiscal year 2012.

Cash Bonus. We use annual cash bonuses to motivate executives to improve financial performance year-over-year and to reward executives who deliver targeted financial results. Cash bonuses are paid under our Annual Incentive Plan, or AIP.

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The Committee approves the performance goals and incentive levels for each of our named executive officers, and assigns a relative weighting to each performance goal under our cash bonus plan. For each financial performance measure, there is a threshold and a target. Threshold refers to the minimum acceptable level of performance. We do not pay a bonus on a particular financial measure if our performance is at or below the threshold. Target is the expected level of performance.

Executives may receive an amount in excess of their target bonus (up to a maximum cap of an additional 50% 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 for exceeding the thresholds and, if applicable, an amount (which we refer to as a "stretch" bonus) for exceeding target on the key performance metric established for them. EPS for Messrs. Collis, Guttman and Chou; ABSG operating income for Mr. Frary; and ABDC operating income for Mr. Neu. The stretch portion is calculated by increasing the earned bonus by an additional 2% for every 1% that actual performance exceeds target on the key performance metric. For example, if actual EPS exceeded target EPS by 1%, for executives with EPS as the key metric, the stretch portion would be calculated by multiplying earned bonus by 2%. No stretch bonus payments were added to our named executive officers' bonuses for fiscal year 2013.

In November 2012, the Committee approved the following corporate performance measures for our fiscal year 2013 AIP:

Corporate Performance Metric	Threshold	Target (100% Payout)	Actual Performance
EPS	\$2.90	\$3.22	3.14 ⁽¹⁾
ROIC	16%	18.84%	19.10%
Free Cash Flow	\$547.4 million	\$644 million	\$1.1 billion

(1)

Fiscal year 2013 adjusted diluted earnings per share from continuing operations exclude LIFO expense and expense associated with the warrants issued to affiliates of Walgreens and Alliance Boots in March 2013.

The Committee chose EPS and ROIC as corporate-level 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 EPS range for each fiscal year. We generally set EPS targets to reflect our long-term business goal of growing EPS at or close to 15% annually, while allowing for reasonable flexibility to adjust our targets each year based on the impact of industry trends, other market factors and special items from year to year. ROIC equals adjusted after tax operating income divided by invested capital. ROIC measures how well we generate cash flow relative to the capital we invest in our business, including not only the cost of the assets employed but also the cost to acquire those assets. We added 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. Free cash flow is also an important consideration for our investors. We define free cash flow as cash flows from operations less capital expenditures. Fiscal year 2013 free cash flow was adjusted to exclude the initial one-time working capital impact of on-boarding our pharmaceutical distribution agreement with Walgreens. The targets for 2013 AIP financial performance measures were based on our Board-approved business plan for fiscal year 2013. In fiscal year 2013, we did not reach target performance on EPS and we exceeded our corporate-level ROIC and free cash flow targets. As a result, the bonus payout for our corporate-level financial performance metrics was 87.6% of target in the aggregate.

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Target and actual fiscal year 2013 cash bonuses for our named executive officers were as follows:

Name	2013 Base Salary	Target Incentive Percent of Base		Maximum Bonus Potential	Actual Percentage Payout versus Target Incentive	Actual Bonus Payout
		Salary	Amount			
Steven H. Collis	\$1,155,000	130%	\$1,501,500	\$2,252,250	87.6%	\$1,314,978
Tim G. Guttman	\$500,000	100%	\$500,000	\$750,000	87.6%	\$437,888
John G. Chou	\$462,000	100%	\$462,000	\$693,000	85.6%	\$395,369
James D. Frary	\$400,000	100%	\$400,000	\$600,000	75.0%	\$300,068
David W. Neu	\$600,000	100%	\$600,000	\$900,000	85.5%	\$512,885

The fiscal 2013 cash bonuses of Mr. Collis, Mr. Guttman and Mr. Chou were designed to reflect our overall financial results for the fiscal year and company-wide performance. As a result, 80% of their bonus payments were dependent upon the achievement of corporate financial performance goals (with EPS weighted at 50% and ROIC and free cash flow each weighted at 15% of the total target incentive). The remaining portion (20%) of their bonus payout was based on leadership goals related to the executive's area of responsibility (see chart below). The stretch portion of Mr. Collis, Mr. Guttman and Mr. Chou's bonus payment was based on EPS performance. Because we did not attain our target EPS performance in fiscal year 2013, bonus payouts were below target and no stretch payment was added to Mr. Collis, Mr. Guttman or Mr. Chou's bonuses.

For a named executive officer who leads a specific business unit, a substantial part of his or her bonus is tied to business unit performance, including operational metrics and leadership goals related to business unit initiatives. The Committee selects business unit performance goals that are designed to help us achieve our overall corporate performance goals (EPS, ROIC and free cash flow) for the fiscal year.

Mr. Neu is the executive in charge of ABDC. Mr. Neu's fiscal year 2013 cash bonus was based 40% on EPS and 40% on ABDC operating metrics (with weightings of 20% on ABDC operating income, 10% on ABDC pre-tax profit, and 10% on ABDC revenue) and 20% on leadership goals related to ABDC's business operations. We believe this mix, which emphasizes ABDC's performance, appropriately links pay to Mr. Neu's operating responsibility. Mr. Neu's stretch bonus opportunity was based on the extent to which ABDC's fiscal year 2013 operating income performance exceeded target. We chose ABDC operating income as the key financial metric for ABDC in fiscal year 2013 to focus on the profitability of our core businesses and emphasize our drive toward efficiency in our operations. For fiscal year 2013, target ABDC operating income was intended to achieve, at a minimum, an amount roughly equal to fiscal year 2012 target ABDC operating income, given the challenging economic environment. For the fiscal year 2013 AIP, target ABDC pre-tax profit was intended to exceed prior year ABDC pre-tax profit by about 2% and target ABDC revenue was intended to exceed prior year ABDC revenue by approximately 5%. In fiscal year 2013, ABDC did not fully attain its target operating income and pre-tax profit goals. At least two times in the last five fiscal years, ABDC has not achieved target on one or more AIP financial performance measures applicable to a named executive officer. Because ABDC did not reach its target operating income in fiscal year 2013, no stretch bonus was added to Mr. Neu's bonus payout for fiscal year 2013.

Mr. Frary is the executive in charge of ABSG. Mr. Frary's fiscal year 2013 cash bonus was based 40% on EPS and 40% on ABSG operating metrics (with weightings of 20% on ABSG operating income, 10% on ABSG pre-tax profit, and 10% on ABSG revenue) and 20% on leadership goals related to ABSG's operations. We believe this mix, which emphasizes ABSG's performance, appropriately links pay to Mr. Frary's operating responsibility. Mr. Frary's fiscal year 2013 stretch bonus opportunity is based on ABSG operating income. We chose ABSG operating income because it is the primary indicator of profitability for the business and emphasizes our drive toward efficiency in our operations. The Committee determined that ABSG revenue was an appropriate financial performance measure because we want to incentivize ABSG executives to increase focus on ABSG market growth. In addition, ABSG pre-tax profit was used as a financial performance measure because it is a comprehensive measure that takes into account an intercompany charge based on the business unit's committed capital when assessing business unit performance. For fiscal year 2013, ABSG's AIP performance metrics were designed to target an approximately 2% increase in ABSG operating income, 16% increase in pre-tax profit and 11% increase in revenue over ABSG's fiscal year 2012 business plan. In fiscal year 2013, ABSG did not fully attain its target operating income and revenue goals. At least one time in the last five fiscal years, ABSG has not achieved target on one or more AIP financial performance measures applicable to a named

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executive officer. Because ABSG did not reach its target operating income in fiscal year 2013, no stretch bonus was added to Mr. Frary's bonus payout for fiscal year 2013.

The Committee believes that leadership goals are an important component of the annual bonus plan for the named executive officers. The Committee uses leadership goals to emphasize business and strategic priorities that are expected to significantly impact financial results and that are within an individual's area of responsibility. For example, a material regulatory violation or loss of an investment grade rating has the potential to undermine EPS growth. The fiscal year 2013 leadership goals for our named executive officers are set out below.

Named Executive Officer
Steven H. Collis

Fiscal Year 2013 Leadership Goals

Execute leadership role in strategic planning and development of strategic initiatives

Assist business leaders with implementation of new organizational structures and customer retention

Develop and execute strategy for certain assets, including Canadian wholesale distribution business

Tim G. Guttman

Continue to promote focus on culture building and retention of key leadership talent

Drive working capital improvements to achieve our fiscal year 2013 free cash flow objective

Play key role in strategic initiatives, including development of relationship with Walgreens and Alliance Boots

Oversee development of fiscal year 2014 annual operating plan

John G. Chou

Develop and execute strategy for certain assets, including Canadian wholesale distribution business

Oversee compliance with regulatory requirements and avoid any failure that would give rise to a material adverse effect on ABC's financial conditions or operations

Oversee litigation strategy and effectively manage litigation costs

Oversee completion of strategic transactions and avoid outcomes that would give rise to a material adverse effect

Play leadership role in strategic planning process

Oversee legal readiness to assume our contractual responsibilities to Walgreens and Alliance Boots

James D. Frary

Manage ABC Legal Department effectively to sustain high level of contributions

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Implement ABSG management structure, including staffing, retaining culture and prioritizing objectives

Manage effective integration of other businesses into ABSG

Develop and execute on ABSG international strategy

Focus on organizational structure of oncology supply business

Play leadership role in strategic planning process

David W. Neu

Implement strategic initiatives for ABDC, including with respect to generic pharmaceuticals

Implement cost reduction initiatives for ABDC

Develop and execute strategy for certain assets, including Canadian wholesale distribution business

Successfully on-board customers in accordance with internal guidelines and expand customer relationships

Ensure readiness to assume distribution of branded and generic products to 8,100 Walgreens pharmacy locations

The Committee determined that the named executive officers met their leadership goals, except that the Committee reduced Mr. Chou's and Mr. Neu's bonuses because they did not fully implement one of their leadership goals during the fiscal year.

Although the Committee has the discretion to give a bonus even though pre-established performance goals have not been met, it has rarely exercised this discretion. The Committee did not award a discretionary bonus to any of the named executive officers for fiscal year 2013 or in any of the last five fiscal years.

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In November 2013, the Committee set fiscal year 2014 performance measures under the AIP, consistent with our Board-approved business plan. These measures, as adjusted for certain items, include:

- ◆ EPS, ROIC and free cash flow at the corporate level
 - ◆ Operating income, pre-tax profit and revenue at the business unit level (e.g. ABDC or ABSG)
- The Committee also established leadership goals for each of the named executive officers, which include, among others:
- ◆ Avoiding material regulatory or legal failure
 - ◆ Executing specified business plans
 - ◆ Executing international business strategies
 - ◆ Maintaining customer relationships
 - ◆ Facilitating organizational integration
 - ◆ Promoting collaborative business relationships
 - ◆ Developing succession plans
 - ◆ Implementing corporate programs to address matters such as diversity, leadership development or employee satisfaction

Fiscal year 2014 target incentive levels for the named executive officers range from 100% to 135% of base salary, with the opportunity for each named executive officer to earn an additional 50% of his or her target incentive level (or a maximum bonus, depending on the target incentive level, ranging from 150% to 202.5% of base salary) if we exceed our financial performance goals.

Long-Term Incentive. We use equity awards to motivate our executives 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 Committee awards equity incentives to our named executive officers and establishes the performance metrics for our performance plan in the first quarter of our fiscal year, generally in November of each year. The fiscal year 2013 equity incentive awards (including performance shares) provided to our named executive officers are presented in the *Grants of Plan-Based Awards Table* on page 40. The aggregate grant date fair values of the fiscal year 2013 equity incentive awards (including the grant date fair value of target performance shares) provided to our named executive officers are included in the *Summary Compensation Table* on page 37.

In fiscal year 2013, we awarded our named executive officers options to purchase 476,150 shares of our common stock, 129,225 restricted shares (or restricted stock units) of our common stock and 102,462 target performance shares. These awards represented approximately 17% of the total equity incentives granted to management and other employees in fiscal year 2013. We believe that it was appropriate to award approximately 17% of the annual equity incentives to our executive officers because they are in the best position to drive our future results and implement our long-term business strategy. Moreover, equity awards directly link the long-term wealth accumulation opportunity we provide our executives with our stockholders' long-term interests. Equity incentives represented approximately 79% of Mr. Collis's total direct compensation and approximately 54%, on average, of the total direct compensation of the other named executive officers in fiscal year 2013.

In approving fiscal 2013 long-term equity incentive awards, the Committee considered a number of factors:

Skills, experience and time in role and expected future contributions. The value of equity awards depends in part on the scope of an executive's job responsibilities and the impact he or she can be expected to have on our future operating results. The Committee also takes into account each executive's skills, experience and time in role, and considers Mr. Collis's recommendations with respect to each executive officer other than himself. In particular, Mr. Collis became our CEO in July 2011 and fiscal year 2013 compensation reflected the third fiscal year of Mr. Collis's tenure as our CEO. Mr. Collis's fiscal year 2013 long-term equity incentive compensation awards reflected the Committee's assessment that Mr. Collis has provided and will continue to provide highly effective strategic leadership and guidance to facilitate the long-term growth of AmerisourceBergen, and the Committee's desire to provide Mr. Collis with significant long-term equity incentive opportunities to continue to achieve our strategic business goals.

Company performance. The Committee also took into consideration AmerisourceBergen's financial performance in fiscal year 2013 and the named executive officers' leadership and focus on fostering our

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strategic initiatives. In particular, our strategic relationship with Walgreens and Alliance Boots represents a significant achievement in our efforts to foster expansion of our core businesses, enhanced generic pharmaceutical sourcing, and long-term strategic growth opportunities for AmerisourceBergen and provide a platform for global initiatives.

The relative discrepancy between an executive's targeted total direct compensation and the median of our peer group. We aim to provide our executives with total direct compensation at the median of our peer group and the value of long-term equity incentive awards constitutes a substantial portion of their compensation each year. Therefore, the Committee sets the target value of annual equity awards so that, when equity incentives are combined with base pay and cash bonus, our executives will have a target total direct pay opportunity at the median of our peer group. The target values are informed by the 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 CEO and CFO and with reference to published market compensation data for the other named executive officers.

As disclosed on page 27 of our 2013 Proxy Statement, the Committee is taking steps to align the pay opportunities for our executives with our compensation philosophy over time. Accordingly, in fiscal year 2013, we continued our efforts to increase the year over year value of equity incentive awards to our named executive officers as part of the transition to rectify the historical shortfall in total pay in comparison to the median of our peer group. This shortfall significantly contributed to the Committee's decision to grant larger overall long-term equity incentive awards in fiscal years 2012 and 2013 as compared to fiscal 2011.

The emphasis placed on equity in the mix of total compensation. The Committee believes that incentive compensation should constitute the majority of each executive's overall compensation package to provide incentives to meet our performance objectives and grow our stock price over time. As we continue to close the gap between actual pay and our compensation philosophy, a greater portion of our executives' pay mix will shift toward equity-based compensation. Moreover, the Committee did not increase base salaries in fiscal year 2013 and target cash bonus is tied to base salary amounts. Because the Committee emphasizes long-term equity compensation in our pay mix, the value of the year over year increase in fiscal 2013 long-term equity incentive awards is greater than the year over year increase in target cash bonus especially in fiscal year 2013, when base salaries for our named executive officers were not increased and cash bonus payouts were below target.

Average annual share use. The Committee also takes into account the average annual share use for total equity incentives granted to employees so as to provide stock options, restricted stock (or restricted stock units) and performance shares to eligible employees at a reasonable rate and cost to AmerisourceBergen and its stockholders. The grant value of a long-term incentive award for our most senior executives is generally allocated approximately 40% in the form of stock options, 20% in the form of restricted stock (or restricted stock units), and 40% in performance shares. We believe that this mix of equity-based compensation provides an incentive to achieve favorable long-term results at a reasonable cost to the company and increases the focus on stockholder return versus the market.

Because we changed the timing of our annual grant of equity incentive awards (as discussed on page 34), fiscal year 2012 and fiscal year 2013 equity incentive awards were made in the same calendar year. As a result, the total number of shares underlying Mr. Collis's fiscal year 2013 equity incentive award (granted in November 2012), when combined with the total number of shares underlying Mr. Collis's fiscal year 2012 equity incentive award (granted in February 2012), exceeded the maximum cap on shares underlying grants under our Equity Incentive Plan to any individual in any calendar year. The excess portion of shares underlying the unvested option from his November 2012 award was void, and the number of shares covered by the option was reduced by that amount. In order to provide Mr. Collis with the incentive compensation that was intended for him for fiscal year 2013, the Committee made a corrective award of options and restricted stock to Mr. Collis on August 7, 2013, the grant date fair value of which reflected the fair value on that date of the unvested options that were cancelled. The August 7, 2013 award was comprised of a stock option to acquire 107,826 shares of our common stock and a restricted stock award for 77,995 shares of common stock. The stock option has an exercise price per share equal to \$58.74, the closing price per share of common stock on the grant date and will vest in four equal annual installments upon Mr. Collis's completion of each year of employment over the four-year period measured from the August 7, 2013 grant date. The stock option has a term of seven years. Following Mr. Collis's completion of a three-year service period

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measured from the August 7, 2013 grant date, the restricted stock award will vest on any date between August 7, 2016 and November 14, 2019 on which the average daily closing price per share of common stock calculated for the immediately preceding ninety (90) consecutive trading days is greater than \$40.21.

Stock options, restricted stock, restricted stock units and performance shares are subject to vesting and clawback provisions, described on page 48. When an executive 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). Under our Equity Incentive Plan, retirement is defined as a voluntary termination of employment after age 62 with at least 60 months of continuous service. We also have the right to clawback the value of equity awards that are held by current or former employees as a result of misconduct (including misconduct that leads to the restatement of our financial statements) or competitive behavior that is detrimental to AmerisourceBergen. We believe that these requirements support our goal of retaining executives and aligning individual performance with our long-term growth. The post-retirement provisions provide an additional incentive for executives, particularly those near retirement, to continue to focus on our long-term performance and the clawback provisions serve as a means to redress detrimental behavior by former employees.

In February 2012, the Committee added a performance plan to our long-term incentive program for our executive leadership team. Grants under the performance plan are in the form of performance-based restricted share units, which we refer to as performance shares. Performance is measured at the end of the three-year performance period only. There are no interim one-year vesting thresholds.

In November 2012, the Committee approved the terms of the fiscal year 2013 performance shares to align with our three-year business planning cycle, and we expect that future performance share awards will have performance metrics based on this cycle. The Committee selected EPS and ROIC as the performance metrics for the performance plan because it believes that these metrics are critical drivers of sustained value creation over the longer term. The Committee believes the EPS and ROIC goals for the performance shares covering the 3-year performance period ending September 30, 2015 can be characterized as challenging and difficult to achieve, but attainable with significant effort and skill on the part of our executive leadership team.

Under our performance plan, the Committee will determine whether the performance goals have been met at the end of the performance period. Accordingly, for the performance plan covering fiscal years 2013 through 2015, EPS and ROIC growth will be assessed as of September 30, 2015 for the entire three-year performance period. The performance plan is designed to encourage our executives to focus on the initiatives that promote the achievement of our long-term goals.

If the performance goals are met, a participating executive will receive a payout in shares of our common stock.

Under the terms of each grant:

For the performance period extending from October 1, 2012 through September 30, 2015, the performance metrics are EPS and ROIC, which are weighted at 75% and 25%, respectively. We believe sustained EPS and ROIC performance is critical to deliver long-term value to our stockholders.

Performance shares are settled using shares of our common stock. Each performance share represents the right to receive one share of our common stock. The common stock will not be restricted upon payout of the award.

A participating executive has the opportunity to earn a payout between 0% and 150% of his or her target award based on our performance against performance metrics established by the Committee at the beginning of the performance period.

If threshold performance for a particular metric is not attained, the executive forfeits the right to receive any payout based on that metric. Threshold performance for each of the metrics will result in a payout equal to 50% of the target award. Attaining the maximum goal for each metric will result in a payout equal to 150% of the target award.

Vesting of performance share units, if any, occurs at the end of the three-year performance period applicable to the awards and is based on continued employment at the end of the period, subject to certain exceptions, which are described below.

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Upon a change in control of AmerisourceBergen, an executive will be entitled to receive a payout of the award, if any, based on an assessment of performance for a shortened performance period (extending through the end of the fiscal quarter preceding the change in control). Except as set forth below, the executive must remain continuously employed by us through the end of the original performance period in order to receive a payout of the award. However, if the executive is involuntarily terminated within two years of a change in control, the performance award will vest on the date of the executive's termination.

If an executive voluntarily retires prior to the end of a performance period, the performance share award will continue to vest according to its original term, and the executive will be entitled to receive a payout under his or her award, if any, depending upon an assessment of our performance at the end of the three-year performance period.

There are no dividends paid on outstanding performance share units during the performance period. If the required performance is attained, the executive will receive shares of common stock equal in value to the total dividends that would have been paid on the award.

Equity Award Grant Practices

We have a written policy on equity grants designed to formalize our equity grant practices and ensure that equity awards will generally be made at specified times. The Committee revised this policy so that, beginning in fiscal year 2013, the Committee will review and approve annual stock option, restricted stock and performance share awards to executives and other eligible employees in November of each year, which generally coincides with the beginning of our fiscal year. This policy change allows the Committee to make equity awards at the beginning of the relevant performance cycle with the benefit of reviewing results from the immediately preceding performance cycle. We also may make equity awards at other times during the year for new hires or other reasons, including, for example, a job promotion or as a result of an acquisition. In accordance with our policy and our Equity Incentive Plan, the Committee has delegated limited authority to the Chief Executive Officer to approve grants to non-executive officers. Such awards may only be made on the 1st day of a month (or the next trading day, if the first day of the month is not a trading day). The Committee must approve any equity awards to the named executive officers.

The exercise price of any stock option award is the closing price of our common stock on the date of grant. We do not backdate or grant options, restricted stock or restricted stock units retroactively. We generally schedule Board and Committee meetings at least one year in advance and, as noted above, generally make annual equity awards to our named executive officers at approximately the same time every year. We do not time our equity awards to take advantage of the release of earnings or other major announcements by us or market conditions.

Other Compensation

Our named executive officers receive a limited amount of other benefits as part of a competitive compensation package. These benefits include a company matching contribution under our 401(k) plan, which is provided to all employee participants. We provide an allowance for tax and financial planning services for our executives to give them the opportunity to maximize the benefits from the compensation and benefits programs offered to them. In the aggregate, these other benefits constitute only a small percentage of each named executive officer's total compensation.

Deferred Compensation

Executives may defer receipt of part or all of their cash compensation under our deferred compensation plan. The plan is intended to promote retention of executives by providing a long-term, tax efficient savings opportunity at low cost to us. Amounts deferred under the plan are deemed invested in the plan investment options chosen by the executive. The executive receives a quarterly adjustment in his or her account for any notional gains and losses on the amounts deferred under the plan.

Employee and Retirement Benefits

Core employee benefits are available to the named executive officers on the same basis as all domestic employees generally. These benefits include medical and dental coverage, disability insurance, life insurance and a 401(k) plan.

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We offer a benefit restoration plan to selected key management, including the named executive officers. We implemented this plan to address the absence of any non-legacy executive retirement plan following the 2001 merger to form the company and to permit executives to receive the full amount of the company match available for other employees generally under the 401(k) plan. This plan provides an annual contribution amount equal to 4% of a participant's salary and bonus to the extent that his or her compensation exceeds IRS limits applicable to our 401(k) plan.

Mr. Neu participates in a supplemental executive retirement plan that we maintain. This plan was in existence prior to the 2001 merger that formed our company and is now frozen with respect to participation and benefit accruals. This legacy plan is more fully described on page 42.

Severance and Change in Control Benefits

Severance Benefits. We provide severance benefits under specified circumstances to give executives a measure of financial security following the loss of employment, to protect the company from competitive activities after the departure of certain executives, and because we believe that these benefits are important to attract and retain our executives in a competitive industry. We will provide severance benefits if we discharge a named executive officer without cause or he leaves the company for good reason. Good reason means a reduction in base salary or our failure to comply with our obligations (including, in some cases, by diminishing the executive's authority, duties and responsibilities) under his employment agreement. The terms of these benefits are set out in employment agreements and various plans, which are described on pages 44 - 45.

We do not provide severance benefits if a named executive officer is terminated for cause or leaves without good reason. In that case, we would only pay the amount of accrued obligations.

Change in Control. We do not provide enhanced cash compensation in connection with a change in control of the company. The vesting of equity awards will be accelerated if a named executive officer's employment is involuntarily terminated within two years after a change in control. In the event of a change in control, a shortened performance period, which extends only through the end of the fiscal quarter preceding the change in control, will be used to determine the payout under awards of performance shares. We provide these benefits to provide financial protection to employees following an involuntary loss of employment in connection with a change in control and to enable our executives to focus on important business decisions should we be acquired without regard to how the transaction may affect them personally. We believe that this structure provides executives with an appropriate incentive to cooperate in completing a change in control transaction. The Board and the Committee also have discretion under our Equity Incentive Plan to take certain actions in the event of a change in control. These actions include cancelling options that are not exercised within 30 days after a change in control; cashing out outstanding options; cancelling any restricted stock awards in exchange for the payment of cash, property or a combination of cash and property equal to the award's value; or substituting other property (including securities of another entity) for awards granted under our Equity Incentive Plan.

In addition, there is discretion under the AIP to pay cash bonuses during any year in which a change in control occurs. If this discretion is exercised, bonus payments would be based on performance for the portion of the fiscal year until the change in control event and paid within 75 days of the change in control.

Any payments that are made to the named executive officer as a result of termination are not intended to constitute excess parachute payments within the meaning of Section 280G of the Internal Revenue Code. The employment agreements of the named executive officers require us to reduce these payments, if necessary, to ensure that they do not constitute excess parachute payments.

Executive Stock Ownership

Our executives must own shares of our common stock in an amount equal to a multiple of their base salary. Stock ownership aligns management's interests with those of our stockholders and provides a continuing incentive for management to focus on long-term growth. Under our executive stock ownership guidelines, Mr. Collis must own shares worth six times his base salary and the other named executive officers must own shares worth three times their base salaries. Executives who become subject to the guidelines have three years from the date of hire or change in status, whichever is later, to comply with the ownership requirements. Following its annual review, the Committee determined that each of the named executive officers is in compliance with the guidelines.

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Derivatives Trading and Hedging Prohibition

No director, officer or employee may buy or sell options on our common stock or engage in short sales of our common stock. We also prohibit hedging the economic risk of ownership of our common stock. We discourage our employees from holding our stock in a margin account or pledging our stock as collateral for a loan. We have a written policy for our employees on these matters.

Tax and Accounting Considerations

Section 162(m) of the Internal Revenue Code generally disallows a tax deduction to public companies for annual compensation over \$1 million paid to their chief executive officer and the next three most highly compensated executive officers (other than the principal financial officer). The Internal Revenue Code generally excludes from the calculation of the \$1 million cap compensation that is based on the attainment of pre-established, objective performance goals established under a stockholder-approved plan. In fiscal 2013, a portion of the compensation paid to Messrs. Collis, Chou, Frary and Neu was not deductible.

We consider the impact of this exclusion when developing and implementing our executive compensation programs. Performance share awards and stock options are generally designed and intended to meet the requirements under the exclusion. The Omnibus Incentive Plan we are recommending that our stockholders approve at the 2014 Annual Meeting includes a series of performance criteria that the Committee may use in establishing specific targets to be attained as a condition to the vesting of stock-based or cash incentive awards under the plan, which is intended to qualify the compensation attributable to those awards as performance-based compensation for purposes of Section 162(m).

However, we also believe that it is important to preserve flexibility in administering compensation programs in a manner designed to attract and retain executive officers who are essential to our financial success and to promote various other corporate goals. Accordingly, we have not adopted a policy that all compensation must qualify as deductible under Section 162(m). The Committee may deem it appropriate to continue to provide one or more executive officers with the opportunity to earn incentive compensation which may be in excess of the amount deductible by reason of Section 162(m) or other provisions of the Internal Revenue Code.

Compensation Committee Report

The Compensation and Succession Planning Committee has reviewed and discussed with management the Compensation Discussion and Analysis contained in the 2014 Proxy Statement. Based on this review and discussion, we recommended to the Board of Directors that the Compensation Discussion and Analysis be included in the 2014 Proxy Statement and incorporated by reference into our Annual Report on Form 10-K for the fiscal year ended September 30, 2013.

COMPENSATION AND SUCCESSION PLANNING COMMITTEE

Michael J. Long, Chairman
Douglas R. Conant
Edward E. Hagenlocker
Jane E. Henney, M.D.

Table of Contents**Executive Compensation Tables****Summary Compensation Table**

The following table sets forth the compensation paid to or earned during fiscal year 2013 by our President and Chief Executive Officer, Senior Vice President and Chief Financial Officer, and the three other most highly compensated executive officers, who we refer to in this Proxy Statement as the named executive officers.

(A) Name and Principal Position	(B) Year	(C) Salary	(D) Stock Awards	(E) Option Awards	(F) Non-Equity Incentive Plan Compensation	(G) Change in Pension Value and Nonqualified Deferred Compensation Earnings	(H) All Other Compensation	(I) Total
Steven H. Collis <i>President and Chief Executive Officer</i>	2013	\$1,155,000	\$7,710,338	\$1,675,899	\$1,314,978		\$143,991	\$12,000,206
	2012	\$1,093,462	\$2,699,983	\$1,800,015	\$1,348,150		\$115,012	\$7,056,622
	2011	\$834,634	\$727,400	\$1,326,600	\$1,084,137		\$637,111	\$4,609,882
Tim G. Guttman <i>Senior Vice President and Chief Financial Officer</i>	2013	\$500,000	\$720,000	\$480,000	\$437,888		\$46,066	\$2,183,954
	2012	\$363,207	\$180,236	\$334,753	\$324,968		\$23,768	\$1,226,932
John G. Chou <i>Executive Vice President and General Counsel</i>	2013	\$462,000	\$539,980	\$360,003	\$395,369		\$58,577	\$1,815,929
	2012	\$436,154	\$464,995	\$309,994	\$449,383		\$51,542	\$1,712,068
	2011	\$373,653	\$257,609	\$469,838	\$453,992		\$51,944	\$1,607,036
James D. Frary <i>Senior Vice President and President, AmerisourceBergen Specialty Group</i>	2013	\$400,000	\$539,980	\$360,003	\$300,068		\$54,933	\$1,654,984
	2012	\$375,385	\$375,008	\$250,000	\$492,456		\$49,813	\$1,542,662
	2011	\$315,000	\$212,146	\$386,925	\$502,521		\$46,423	\$1,463,015
David W. Neu <i>Senior Vice President and President, AmerisourceBergen Drug Corporation</i>	2013	\$600,000	\$779,994	\$520,001	\$512,885		\$61,676	\$2,474,556
	2012	\$538,462	\$509,988	\$339,998	\$441,299	\$256,128	\$53,756	\$2,139,631
	2011	\$412,789	\$212,146	\$386,925	\$441,000	\$84,277	\$50,858	\$1,587,995

Salary (Column C)

The amounts reported as salary represent the base salaries paid to each of the named executive officers for each fiscal year shown. Amounts shown for Mr. Collis include \$31,732, \$108,688 and \$83,677 deferred into our deferred compensation plan for fiscal years 2011, 2012 and 2013, respectively.

Stock Awards and Option Awards (Columns D and E)

The amounts reported in Columns D and E represent the grant date fair value for equity awards shown in accordance with Accounting Standards Codification No. 718 disregarding the estimate of forfeitures related to service-based vesting conditions. Such values do not reflect whether the recipient has actually realized a financial benefit from the award. There were no forfeitures by any of the named executive officers in fiscal years 2013, 2012, or 2011. See Note 9 to the Consolidated Financial Statements contained in our Annual Report on Form 10-K for the fiscal year ended September 30, 2013 relating to assumptions made in the valuation.

For awards that are subject to performance conditions, such as the performance shares included in the table above, we report the fair value at grant date based upon the probable outcome of such conditions consistent with our estimate of aggregate compensation cost to be recognized over the service period determined under Accounting Standards Codification No. 718, excluding the effect of estimated forfeitures. For this purpose, the probable outcome is assumed to be at target level attainment and the grant date fair values of the performance shares at target level

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attainment were as follows: Mr. Collis \$2,400,014, Mr. Guttman \$479,987, Mr. Chou \$360,000, Mr. Frary \$360,000, and Mr. Neu \$519,996. The following represents the grant date fair value of the performance share awards at maximum level attainment: Mr. Collis \$3,600,001, Mr. Guttman \$720,000, Mr. Chou \$539,980, Mr. Frary \$539,980, and Mr. Neu \$779,994.

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Long-term equity incentive awards are made pursuant to our Equity Incentive Plan. Annual equity awards generally are divided approximately 40% in the form of stock options, 20% in the form of restricted stock (or restricted stock units), and 40% in the form of performance shares. Stock options have an exercise price equal to the closing price of our common stock on the date of grant. Stock options vest 25% per year beginning on the first anniversary of the grant date and may be exercised over a term of seven years from the date of grant for those stock options granted on or after February 27, 2008. Unvested options granted normally cease to vest upon any termination of employment other than involuntary termination of employment within two years after a change in control. If we terminate a named executive officer for cause, all outstanding options (vested and unvested) are immediately cancelled. (See page 48 for a description of the impact of termination of employment on vesting and exercisability of restricted stock and stock options.)

Restricted stock and restricted stock unit awards vest on the third anniversary of the grant date. Unvested restricted stock or restricted stock units are forfeited if the executive leaves the company prior to vesting, except by reason of death, disability or an involuntary termination of employment within two years after a change in control. In accordance with the dividend rate applicable to the declaration of dividends on our common stock from time to time, dividends on unvested restricted stock (and restricted stock units) are accrued and paid upon vesting. The dividend rate is not preferential. A restricted stock unit is a right to receive shares of our common stock that is delivered at the time and to the extent that the shares vest.

In fiscal year 2013, we changed the timing of our annual equity awards to executives and other eligible employees so that annual grants would be made in November of each year, which is in the first quarter of our fiscal year. Previously, the Committee approved annual equity awards in February or March of each year, which is in the second quarter of our fiscal year. As a result, fiscal year 2012 equity awards (made in February 2012) and fiscal year 2013 equity awards (made in November 2012) were made in the same calendar year. However, a portion of the option granted to Mr. Collis in November 2012 was void because the aggregate number of shares of common stock subject to equity grants made to Mr. Collis in calendar year 2012 inadvertently exceeded the per person limit under our Equity Incentive Plan by 272,423 shares. The equity incentive plan restricts the number of shares of common stock that may be subject to awards to any individual in respect of any calendar year. Accordingly, the unvested November 2012 option (originally granted to cover 373,250 shares) was reduced to cover 100,827 shares of common stock. The November 2012 option has an exercise price of \$40.21 per share, the closing price per share of common stock on the date of grant. On August 7, 2013, the Committee awarded Mr. Collis a corrective equity grant to replace the fair value on that date of the cancelled options. The August 2013 equity grant was comprised of an option to acquire 107,826 shares of our common stock (determined as of August 7, 2013) and a restricted stock award for 77,995 shares of common stock. The August 2013 stock option has an exercise price equal to \$58.74 per share, the closing price per share of common stock on the date of grant and vests in four equal annual installments. Following Mr. Collis's completion of three years of service measured from the August 7, 2013 grant date, the August 2013 restricted stock will vest on any date between August 7, 2016 and November 14, 2019 on which the average daily closing price per share of common stock calculated for the immediately preceding ninety (90) consecutive trading dates is greater than \$40.21 per share. The purpose of the August 7, 2013 grant was to replace the fair value on that date of the unvested November 2012 options that were void and to provide Mr. Collis with the equity incentive compensation that the Committee had intended to grant him in fiscal year 2013.

Performance shares vest at the end of the three-year performance period applicable to the awards, subject to achievement of the performance metrics and except as noted below. If threshold performance for a performance metric is not achieved, the executive will forfeit the right to receive any payout based on that metric. An executive will forfeit his or her award under the performance plan upon voluntary termination of employment or termination for cause prior to vesting. An executive is entitled to receive a pro-rata portion of his or her award in the event of the executive's death, disability or involuntary termination without cause prior to vesting, provided such event occurs after at least eighteen months from the beginning of the performance period. In addition, in the event of the executive's death or disability, the performance period will be measured only through the end of the most recently completed quarter prior to such event. Upon a change in control of AmerisourceBergen, an executive will be entitled to receive a payout, if any, based upon a shortened performance period (extending from the beginning of the performance period through the end of the fiscal quarter preceding the change in control), but the vesting and the payout of the award, if any, would be made at the end of the original performance period so long as the executive is continuously employed by us. However, in the case of the executive's involuntary termination with or without cause within two years of a change in control, the performance award will vest on the date of the executive's termination. If an executive voluntarily retires, the executive will be entitled to receive a payout of his or her award at the end of the three-year performance

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period. In accordance with the dividend rate applicable to the declaration of dividends on our common stock from time to time, dividends on unvested performance share units are accrued and paid upon vesting. The dividend rate is not preferential.

Non-Equity Incentive Plan Compensation (Column F)

The amounts reported in Column F represent the annual cash bonuses awarded to the named executive officers under our AIP for the fiscal year shown. Cash bonuses were calculated based on the degree to which the named executive officer achieved the performance criteria established for him or her by the Compensation and Succession Planning Committee in the preceding November and approved by the Committee and paid in the November following the close of the applicable fiscal year.

Under the AIP, payment of cash bonus depends upon the achievement of pre-established performance goals for the fiscal year. Cash bonus payments depend primarily on the achievement of financial performance goals and secondarily on individual leadership goals. We use a mix of financial performance goals at the corporate and, depending on the named executive officer, business unit level. In fiscal year 2013, corporate level financial performance measures were EPS, ROIC and free cash flow, and business unit financial performance measures for certain named executive officers were ABDC operating income, ABDC pre-tax profit and ABDC revenue and ABSG operating income, ABSG pre-tax profit and ABSG revenue. (See cash bonus discussion on pages 27 - 30 under "Compensation Discussion and Analysis.")

Change in Pension Value and Non-Qualified Deferred Compensation Earnings (Column G)

The amounts reported in Column G for Mr. Neu include the aggregate year-over-year change in the actuarial present value of his accumulated benefit in the Bergen Brunswick Supplemental Retirement Plan measured as of September 30, 2013, except that the actuarial present value of the accumulated benefit in the plan decreased \$146,713 from September 30, 2012 to September 30, 2013 and this negative amount is not included in the table in accordance with SEC rules.

We do not provide above-market or preferential earnings on deferred compensation.

All Other Compensation (Column H)

The following table shows the specific components of the amounts shown for fiscal year 2013 in Column H of the Summary Compensation Table:

Name	Year	Employee Investment Plan (1)	Benefit Restoration Plan (2)	Financial Planning	Dividends Paid Upon Vesting of Restricted Stock	Airline Membership Dues	Total
Steven H. Collis	2013	\$10,200	\$89,165	\$15,000	\$29,326	\$300	\$143,991
Tim G. Guttman	2013	\$10,200	\$19,903	\$11,500	\$4,463		\$46,066
John G. Chou	2013	\$10,200	\$26,040	\$11,500	\$10,837		\$58,577
James D. Frary	2013	\$10,200	\$25,283	\$11,500	\$7,650	\$300	\$54,933
David W. Neu	2013	\$10,200	\$30,413	\$11,500	\$9,563		\$61,676

(1) These amounts represent company contributions under the AmerisourceBergen Employee Investment Plan, our 401(k) plan, which were posted to the executives' accounts during fiscal year 2013.

(2) These amounts represent company contributions to the AmerisourceBergen Corporation Benefit Restoration Plan (see page 43 for a description of the plan), which were posted to the executives' accounts during fiscal year 2013.

Table of Contents**Grants of Plan-Based Awards**

The following table sets forth certain information regarding grants of plan-based awards to each of our named executive officers during fiscal year 2013.

	Type	Grant Date	Estimated Possible Payouts Under Non-Equity Incentive Plan Awards			Estimated Future Payouts Under Equity Incentive Plan Awards			All Other Stock Awards: Number of Shares of Stock or Units (#)	All Other Option Awards: Number of Securities Underlying Options (#)	Exercise or Base Price of Option Awards (\$/ Sh)	Grant Date Value of Stock Option Awards (\$)
			Threshold (\$ (1))	Target (\$ (1))	Maximum (\$ (1))	Threshold (#) (2)	Target (#) (2)	Maximum (#) (2)				
H. Collis	Restricted Stock	11/14/2012							29,843			\$1,19
	Restricted Stock	8/7/2013							77,995			\$4,11
	Performance Shares	11/14/2012				29,843	59,687	89,530				\$2,40
	Nonqualified Stock Options	11/14/2012								100,827	\$40.21	\$64
	Nonqualified Stock Options	8/7/2013								107,826	\$58.74	\$1,02
	Annual Cash Bonus	n/a	\$301,351	\$1,501,500	\$2,252,250							
G. Guttman	Restricted Stock	11/14/2012							5,969			\$24
	Performance Shares	11/14/2012				5,969	11,937	17,906				\$47
	Nonqualified Stock Options	11/14/2012								74,650	\$40.21	\$48
	Annual Cash Bonus	n/a	\$100,350	\$500,000	\$750,000							
G. Chou	Restricted Stock	11/14/2012							4,476			\$17
	Performance Shares	11/14/2012				4,476	8,953	13,429				\$36
	Nonqualified Stock Options	11/14/2012								55,988	\$40.21	\$36
	Annual Cash Bonus	n/a	\$92,723	\$462,000	\$693,000							
D. Frary	Restricted Stock	11/14/2012							4,476			\$17
	Performance Shares	11/14/2012				4,476	8,953	13,429				\$36
	Nonqualified Stock Options	11/14/2012								55,988	\$40.21	\$36
	Annual Cash Bonus	n/a	\$80,360	\$400,000	\$600,000							
W. Neu	Restricted Stock	11/14/2012							6,466			\$25
	Performance Shares	11/14/2012				6,466	12,932	19,398				\$51
	Nonqualified Stock Options	11/14/2012								80,871	\$40.21	\$52
	Annual Cash Bonus	n/a	\$120,540	\$600,000	\$900,000							

- (1) These amounts represent possible payouts of fiscal year 2013 cash bonuses under the AIP. The amounts shown in the "Threshold" column represent the minimum amount payable under the AIP plan based on the assumption that corporate and business performance exceeded the thresholds established for the financial performance goals and individual leadership goals were met. We do not pay bonus for performance that is at or below the threshold established for the financial performance goals. 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. The actual payouts under the AIP to our named executive officers for fiscal year 2013 are shown in the Non-Equity Incentive Plan Compensation column of the Summary Compensation Table.
- (2) The share amounts shown in these columns represent the range of possible performance share award payouts at various levels of attainment for each named executive officer under the performance plan for the performance period beginning October 1, 2012 and ending September 30, 2015.
- (3) Amounts in this column represent the grant date fair value of restricted stock, performance shares, and stock options. For awards made to our named executive officers on November 14, 2012, the dollar value shown for restricted stock is based on the closing price of our common stock of \$40.21 per share on November 14, 2012. For awards that are subject to performance conditions, such as the performance shares, in the table above, we report the value at grant date based upon the probable outcome of such conditions consistent with our estimate of aggregate compensation cost to be recognized over the service period determined under Accounting Standards Codification No. 718, excluding the effect of estimated forfeitures. For this purpose, the probable outcome of the performance shares is assumed to be at target level attainment. The dollar amount shown for nonqualified stock options was determined on the basis of a binomial method of valuation. For the award made to Mr. Collis on August 7, 2013, the dollar value shown for

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restricted stock is based on the closing price of our common stock of \$58.74 per share on August 7, 2013. The restricted stock award made to Mr. Collis on August 7, 2013 will vest following Mr. Collis's completion of a three-year service period on any date between August 7, 2016 and November 14, 2019 on which the average daily closing price per share of common stock calculated for the immediately preceding ninety (90) consecutive trading days is greater than \$40.21 per share.

Table of Contents**Outstanding Equity Awards at 2013 Fiscal Year End**

The following table provides information on stock options and stock awards (including unvested/unearned restricted stock, restricted stock units and performance shares) held by our named executive officers as of September 30, 2013.

Name	Grant Date	Option Awards				Stock Awards			
		Number of Securities Underlying Unexercised Options Exercisable (#)	Number of Securities Underlying Unexercised Options (#) (1)	Option Exercise Price (\$)	Option Expiration Date	Number of Shares or Units of Stock that Have Not Vested (#) (2)	Market Value of Shares or Units of Stock that Have Not Vested (\$)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#) (4)	Equity Incentive Plan Awards: Market Value or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested (\$)
Steven H. Collis	02/08/2006	145,622		\$ 21.26	02/08/2016				
	02/15/2007	153,286		\$ 27.07	02/15/2017				
	02/27/2008	150,000		\$ 21.46	02/27/2015				
	02/19/2009	157,500		\$ 17.78	02/19/2016				
	03/03/2010	129,375	43,125	\$ 28.00	03/03/2017				
	02/16/2011	90,000	90,000	\$ 36.37	02/16/2018	20,000	\$ 1,222,000		
	02/29/2012	70,866	212,601	\$ 37.37	03/01/2019	24,083	\$ 1,471,471	72,250	\$ 4,414,475
	11/14/2012		100,827	\$ 40.21	11/14/2019	29,843	\$ 1,823,407	89,530	\$ 5,470,283
	08/07/2013		107,826	\$ 58.74	08/07/2020	77,995	\$ 4,765,495		
		896,649	554,379			151,921	\$ 9,282,373	161,780	\$ 9,884,758
Tim G. Guttman	02/27/2008	6,375		\$ 21.46	02/27/2015				
	02/19/2009	13,125		\$ 17.78	02/19/2016				
	03/03/2010	19,687	6,563	\$ 28.00	03/03/2017				
	02/16/2011	13,125	13,125	\$ 36.37	02/16/2018	2,917	\$ 178,229		
	02/29/2012	13,179	39,538	\$ 37.37	03/01/2019	4,823	\$ 294,685		
	11/14/2012		74,650	\$ 40.21	11/14/2019	5,969	\$ 364,706	17,906	\$ 1,094,057
		65,491	133,876			13,709	\$ 837,620	17,906	\$ 1,094,057
John G. Chou	02/08/2006	21,460		\$ 21.26	02/08/2016				
	02/15/2007	30,656		\$ 27.07	02/15/2017				
	02/27/2008	37,500		\$ 21.46	02/27/2015				
	02/19/2009	48,000		\$ 17.78	02/19/2016				
	03/03/2010	47,812	15,938	\$ 28.00	03/03/2017				
	02/16/2011	31,875	31,875	\$ 36.37	02/16/2018	7,083	\$ 432,771		
	02/29/2012	12,204	36,614	\$ 37.37	03/01/2019	4,148	\$ 253,443	12,443	\$ 760,267
	11/14/2012		55,988	\$ 40.21	11/14/2019	4,476	\$ 273,484	13,429	\$ 820,512
		229,507	140,415			15,707	\$ 959,698	25,872	\$ 1,580,779
James D. Frary	08/01/2007	5,000		\$ 23.08	08/01/2017				
	02/19/2009	28,125		\$ 17.78	02/19/2016				
	03/03/2010	33,750	11,250	\$ 28.00	03/03/2017				
	09/23/2010	14,062	4,688	\$ 30.34	09/23/2017				
	02/16/2011	26,250							