

AMERISOURCEBERGEN CORP

Form DEF 14A

January 27, 2005

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

Washington, D.C. 20549

**SCHEDULE 14A**

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

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

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

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

**AmerisourceBergen Corporation**

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(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

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

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

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

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(1) Amount Previously Paid:

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

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(3) Filing Party:

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(4) Date Filed:

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January 28, 2005

Dear Stockholder:

I am pleased to invite you to attend our 2005 Annual Meeting of Stockholders on Friday, March 4, 2005, at 2:00 p.m., Eastern Time. The meeting will be held at the Four Seasons Hotel Philadelphia, One Logan Square, Philadelphia, Pennsylvania.

The Notice of 2005 Annual Meeting of Stockholders and the Proxy Statement describe the items of business for the meeting. At the meeting we also will report on the Company's performance and operations during fiscal 2004 and respond to stockholder questions.

Your vote is very important. Whether or not you plan to attend the 2005 Annual Meeting of Stockholders, we urge you to vote and submit your proxy over the Internet, by telephone or by mail. If you are a registered stockholder and attend the meeting, you may revoke the proxy and vote your shares in person. If you hold your shares through a bank or broker and want to vote your shares in person at the meeting, please contact your bank or broker to obtain a legal proxy.

Thank you for your support.

Sincerely,

JAMES R. MELLOR

Chairman of the Board

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**Notice of 2005 Annual Meeting of Stockholders**

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**TIME AND DATE:** 2:00 p.m., Eastern Time, on Friday, March 4, 2005

**PLACE:** Four Seasons Hotel Philadelphia  
One Logan Square  
Philadelphia, Pennsylvania

**ITEMS OF BUSINESS:** (1) To elect four members to the Board of Directors for three-year terms.  
(2) To ratify the appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for fiscal 2005.  
(3) To transact any other business properly coming before the meeting.

**WHO MAY VOTE:** Stockholders of record on January 10, 2005.

**ANNUAL REPORT:** A copy of our 2004 Annual Report is enclosed.

**DATE OF MAILING:** This Notice and the Proxy Statement are first being mailed to stockholders on or about January 28, 2005.

By order of the Board of Directors,  
WILLIAM D. SPRAGUE  
Senior Vice President, General Counsel & Secretary

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**January 28, 2005**

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**AmerisourceBergen Corporation**

**1300 Morris Drive**

**Chesterbrook, PA 19087**

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**PROXY STATEMENT**

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**ABOUT THE 2005 ANNUAL MEETING AND VOTING AT THE MEETING**

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

This Proxy Statement is furnished by the Company's Board of Directors in connection with its solicitation of proxies for use at the 2005 Annual Meeting of Stockholders to be held March 4, 2005, and at any adjournments thereof. The Company's 2004 Annual Report to Stockholders, including financial statements, accompanies this Notice and Proxy Statement but is not incorporated as 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 four members to the Board of Directors for three-year terms.

To ratify the appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for fiscal 2005.

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 an opportunity to vote on all matters scheduled to come before the meeting, whether or not you attend the meeting in person.

**Who is entitled to vote?**

You may vote if you owned shares of the Company's common stock as of the close of business on January 10, 2005. Each share of common stock is entitled to one vote. As of January 10, 2005, we had 113,058,400 shares of common stock outstanding.

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



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You have three options for voting and submitting your proxy before the meeting:

**Over the Internet** We encourage you to vote and submit your proxy over the Internet. You may vote at the Internet address shown on your proxy card.

**By telephone** You may vote and submit your proxy by calling the number shown on your proxy card.

**By mail** You may vote by completing, signing and returning the enclosed proxy card.

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

### **What shares can I vote?**

You may vote all shares owned by you as of the close of business on January 10, 2005, which is the Record Date. These shares include:

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

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

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### **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 William D. Sprague, Corporate Secretary, AmerisourceBergen Corporation, 1300 Morris Drive, Chesterbrook, PA 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.

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

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

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

Voting again over the Internet or by telephone prior to 2:00 p.m., Eastern Time, on March 4, 2005.

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?**

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

**For** the election of the nominees for director named on pages 4-6 of this Proxy Statement.

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

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 you may contact our transfer agent, The Bank of New York, at 1-800-524-4458.

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

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

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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 on your instruction form. Banks and brokers have the authority under the New York Stock Exchange (NYSE) rules to vote shares for which their customers do not provide voting instructions on certain routine matters. The election of directors and the ratification of the appointment of the Company's independent registered public accounting firm are considered routine matters for which banks and brokers may vote without specific instructions from their customers.

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

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

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

In order for us to conduct our meeting, a majority of our outstanding shares of common stock as of January 10, 2005 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. 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 nominees for director receiving the highest number of For votes will be elected as directors. This number is called a plurality. Because directors are elected by a plurality, abstentions are not taken into account determining the outcome of the election of directors.

The ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for the current fiscal year will require the affirmative vote of the holders of a majority of the shares of common stock present in person or by proxy at the meeting in order to be approved. Abstentions will be included as negative votes in the tabulation of the votes cast by stockholders.

Any other proposal that might properly come before the meeting will require the affirmative vote of the holders of a majority of the shares of common stock present in person or by proxy at the meeting in order to be approved. On any such proposal, abstentions will be counted in the tabulation of the votes cast by stockholders as negative votes. Broker non-votes will not be counted in the tabulation of the votes cast on the proposal.

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

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

The Company is not aware of any other business to be presented at the 2005 Annual Meeting of Stockholders. However, if any other matter should properly come before the Annual Meeting, the enclosed proxy confers discretionary authority with respect thereto.

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

Our directors, officers and employees may solicit proxies by telephone or in person. In addition, we have hired Morrow & Co., Inc. to assist us in soliciting proxies, if necessary. Morrow may solicit proxies by telephone or in person. We anticipate paying Morrow a fee of \$6,500, plus expenses, for providing such services.

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

We will reimburse the expenses of banks, brokers, nominees and fiduciaries who send 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 2005 Annual Meeting of Stockholders. It has been customary for our directors to attend our annual meetings of stockholders. All of the directors attended the 2004 Annual Meeting of Stockholders.

**ELECTION OF DIRECTORS**

*(Item 1 on the Proxy Card)*

**How often are directors elected?**

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

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

The term of office of the current Class I directors will expire at the 2005 Annual Meeting. Four Class I directors are to be elected at the 2005 Annual Meeting.

The current Class I directors are Rodney H. Brady, Charles H. Cotros, Jane E. Henney, M.D. and R. David Yost. The current Class I directors are the nominees for election at the 2005 Annual Meeting.

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

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

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

The four nominees are to be elected for a three-year term and are expected to hold office until the 2008 Annual Meeting of Stockholders and until their successors are elected.

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

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

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

**Rodney H. Brady**

Age 71.

Director of the Company since August 2001.

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Director of Bergen Brunswig Corporation from 1973 to August 2001.

President and Chief Executive Officer of Deseret Management Corporation (for-profit business holding and management company) since 1996.

President and Chief Executive Officer of Bonneville International Corporation from 1985 to 1996.

President of Weber State University from 1978 to 1985.

Assistant Secretary of the United States Department of Health, Education and Welfare from 1970 to 1972.

**Charles H. Cotros**

Age 67.

Director of the Company since January 2002.

Chairman and Chief Executive Officer of Allied Waste Industries, Inc. (waste management services) since October 2004 and Director of Allied Waste Industries, Inc. since July 2004.

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

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

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

Age 57.

Director of the Company since January 2002.

Senior Vice President and Provost for Health Affairs at the University of Cincinnati since July 2003.

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



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

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

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

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

Also a director of AstraZeneca PLC and Cigna Corporation.

### **R. David Yost:**

Age 57.

Director and Chief Executive Officer of the Company since August 2001.

President of the Company from August 2001 to October 2002.

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

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

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

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

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

**AND THE BOARD COMMITTEES**

**Who are the Class II directors?**

The Class II directors are Richard C. Gozon, James R. Mellor and J. Lawrence Wilson.

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

The term of office of the Class II directors will expire at the 2006 Annual Meeting of Stockholders.

**Biographical information about Class II directors:**

**Richard C. Gozon:**

Age 66.

Director of the Company since August 2001.

Director of AmeriSource Health Corporation from 1994 to August 2001.

Executive Vice President of Weyerhaeuser Company (international forest products company) from June 1994 until his retirement in 2002.

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Also a director of UGI Corporation, Triumph Group, Inc. and AmeriGas Partners, L.P.

### **James R. Mellor:**

Age 74.

Chairman of the Board of Directors of the Company since March 2004.

Director of the Company since August 2001.

Director of Bergen Brunswig Corporation from 1979 to August 2001.

Chairman of USEC Inc. (global energy company) since 1998 and President and Chief Executive Officer of USEC Inc. since December 2004.

Chairman and Chief Executive Officer of General Dynamics Corporation from 1993 to 1997 and President and Chief Operating Officer of General Dynamics Corporation from 1991 to 1993.

Also a director of Computer Sciences Corporation and Net2Phone, Inc.

### **J. Lawrence Wilson:**

Age 68.

Director of the Company since August 2001.

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

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

Also a director of Cummins Inc., MeadWestvaco Corporation and The Vanguard Group of Investment Companies.

**Who are the Class III directors?**

The Class III directors are Edward E. Hagenlocker, Kurt J. Hilzinger and Henry W. McGee.

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

The term of office of the Class III directors will expire at the 2007 Annual Meeting of Stockholders.

**Biographical information about Class III directors:**

**Edward E. Hagenlocker**

Age 65.

Director of the Company since August 2001.

Director of AmeriSource Health Corporation from 1999 to August 2001.

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

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

Also a director of OfficeMax Incorporated, Air Products and Chemicals, Inc., American Standard Companies Inc. and Lucent Technologies, Inc.

**Kurt J. Hilzinger**

Age 44.

Director of the Company since March 2004.

President and Chief Operating Officer of the Company since October 2002.

Executive Vice President and Chief Operating Officer of the Company from August 2001 to October 2002.

President and Chief Operating Officer of AmeriSource Health Corporation from December 2000 to August 2001, Senior Vice President and Chief Operating Officer of AmeriSource Health Corporation from January 1999 to December 2000, Senior Vice President and Chief Financial Officer of AmeriSource Health Corporation from 1997 to January 1999 and Vice President, Chief Financial Officer and Treasurer of AmeriSource Health Corporation from 1995 to 1997.

Also a director of Humana Inc.

**Henry W. McGee**

Age 52.

Director of the Company since November 2004.

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

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

President of the Alvin Ailey Dance Foundation, Inc.

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

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

The current members of each of the Committees and the duties and responsibilities of each Committee are shown below.

<u>Name of Committee and Members</u>	<u>Duties and Responsibilities of Committee</u>
<b>Executive and Finance</b>	
R. David Yost, Chairman	<p>Exercises the authority of the Board of Directors between the meetings of the Board on matters that cannot be delayed, except as limited by Delaware law and the Company's Bylaws.</p> <p>Reviews the asset and liability structure of the Company and considers its funding and capital needs.</p> <p>Reviews the Company's dividend policy.</p> <p>Reviews strategies developed by the Company to meet changing economic and market conditions.</p> <p>Appoints, and has authority to terminate, the Company's independent registered public accounting firm.</p> <p>Pre-approves all audit and permitted non-audit services provided by the Company's independent registered public accounting firm.</p> <p>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 Securities and Exchange Commission (SEC).</p> <p>Discusses with the Company's independent registered public accounting firm matters related to the conduct of the audit.</p> <p>Reviews and discusses the independence of the Company's independent registered public accounting firm.</p> <p>Prepares the Audit Committee report as required by SEC rules.</p>
Edward E. Hagenlocker	
Kurt J. Hilzinger	
James R. Mellor	
J. Lawrence Wilson	
<b>Audit and Corporate Responsibility</b>	
Edward E. Hagenlocker, Chairman	
Rodney H. Brady	
Charles H. Cotros	
Richard C. Gozon	
Jane E. Henney, M.D.	

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

Discusses with management and/or the Company's independent registered public accounting firm

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**Name of Committee and Members**

**Duties and Responsibilities of Committee**

**Compensation and Succession Planning**

J. Lawrence Wilson, Chairman

Richard C. Gozon

Henry W. McGee

James R. Mellor

significant financial reporting issues and accounting issues.

Reviews with the Company's independent registered public accounting firm the effectiveness of the Company's accounting and financial controls.

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

Reviews appointment, performance and replacement of the Company's senior internal auditor.

Oversees compliance with the Company's Code of Ethics and Business Conduct.

Reviews and approves the Company's executive compensation strategy and the individual elements of total compensation for the Chief Executive Officer and other members of senior management.

Ensures that executive compensation strategy supports stockholder interests.

Prepares the Compensation Committee report on executive compensation as required by SEC rules.

Evaluates performance of management annually.

Proposes stock option plans for approval by stockholders.

Administers and makes awards under the Company's incentive-compensation plans, including stock option plans.

Administers and makes investment decisions relating to the Company's retirement plans.

Administers the Company's benefit plans.

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

Recommends selection and qualification criteria for directors.

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

Considers nominees for director recommended by stockholders.

Determines selection and qualification criteria for Committee members.

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

**Governance and Nominating**

Charles H. Cotros, Chairman

Rodney H. Brady

Edward E. Hagenlocker

Jane E. Henney, M.D.



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

Assesses the performance of the Board of Directors.

Reviews and makes recommendations to the Board regarding director compensation.

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### **How often did the Board and the Committees meet in fiscal 2004?**

During fiscal 2004, the Board of Directors met seven times; the Executive and Finance Committee met three times; the Audit and Corporate Responsibility Committee met nine times; the Compensation and Succession Planning Committee met six times; and the Governance and Nominating Committee met five times.

### **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 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 chairmen of the Committees 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: William D. Sprague, Corporate Secretary, AmerisourceBergen Corporation, 1300 Morris Drive, Chesterbrook, Pennsylvania 19087-5594. The Company's Corporate Secretary will determine, in his good faith judgment, which communications will be relayed to the non-management directors.

### **How are directors compensated?**

Each director who is not an employee of the Company receives an annual retainer of \$50,000. In addition to the annual retainer, the Chairman of the Board receives \$7,500 for attendance in person at each Board meeting and each other director receives \$3,000 for attendance in person at each Board meeting. The Audit Committee chairman receives \$5,000 for attendance in person at each Committee meeting and each other Committee chairman receives \$3,000 for attendance in person at each Committee meeting. Other Committee members receive \$1,500 for attendance in person at each Committee meeting. Each director receives 50% of the in-person meeting fee for telephonic Board and Committee meetings.

During fiscal 2004, each non-employee director also received non-qualified stock options exercisable for 4,840 shares of Company common stock. The options granted vest over three years beginning on the first anniversary of the grant date, with one-third of the options granted vesting each year. Vested options may be exercised at any time prior to the tenth anniversary of the grant date unless a director ceases to be a member of the Board of Directors, in which case the options may expire earlier than the tenth anniversary of the grant date depending on the circumstances.

under which the director ceases to be a member of the Board of Directors.

A director may elect to have the annual retainer and the meeting fees paid in cash, restricted Company common stock or options exercisable for Company common stock, or credited to a deferred compensation account.

*AmerisourceBergen Corporation 2001 Deferred Compensation Plan.* A director may elect to defer all or any part of the annual retainer compensation and meeting fees received and have the deferred amount credited to an account under the AmerisourceBergen Corporation 2001 Deferred Compensation Plan (the "Deferred Compensation Plan"). A director may elect to have the deferred accounts either credited with interest at one percentage point higher than the prime rate as in effect from time to time or increase (or decrease) in value over time based on the performance of certain designated mutual funds. Payment under the Deferred Compensation Plan will be made or commence on the first day of the month after the non-employee director ceases being a director of the Company. A director may elect to receive a deferred benefit (i) over annual periods ranging from

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three to fifteen years and payable in quarterly installments or (ii) in a single distribution. The Company pays all costs and expenses incurred in the administration of the Deferred Compensation Plan.

*AmerisourceBergen Corporation 2001 Restricted Stock Plan.* A director may elect to forego 50% or more of the annual retainer compensation received and, in lieu thereof, receive a grant of restricted stock having a value equal to 125% of the amount of compensation foregone, provided the director has not elected to have the foregone amount credited in the form of stock options under the AmerisourceBergen Corporation 2001 Non-Employee Directors Stock Option Plan. In most cases, all restrictions on the stock will lapse three years from the grant date. A director who retires prior to three years from the date of grant could receive a pro rata distribution of such stock at the discretion of the Board. A director may also elect to defer the receipt of shares subject to restrictions to a date certain or to death, disability or termination of service by electing to defer the receipt of shares at least six months in advance of the vesting date.

*AmerisourceBergen Corporation 2001 Non-Employee Directors Stock Option Plan.* A director may elect to forego 50% or more of the annual retainer compensation received and, in lieu thereof, receive a grant of non-qualified stock options having a Black-Scholes value equal to 150% of the amount of foregone compensation, provided the director has not elected to have the foregone amount credited in the form of restricted stock under the AmerisourceBergen Corporation 2001 Restricted Stock Plan. In most cases, options will vest and become exercisable in three equal annual installments on each anniversary of the grant date, subject to continued service on the Board.

## **CODES OF ETHICS**

### **Has the Company adopted a code of ethics and business conduct that applies to directors, officers and employees?**

The AmerisourceBergen Corporation Code of Ethics and Business Conduct, in its current form, was adopted by the Board of Directors in October 2003 and applies to directors and employees (including officers). The Company's Code of Ethics and Business Conduct is intended to comply with the requirements of Section 303A.10 of the NYSE Listed Company Manual.

The AmerisourceBergen Corporation Code of Ethics and Business Conduct is posted on the Company's Internet website. The Company's Internet address is [www.amerisourcebergen.com](http://www.amerisourcebergen.com). We will provide the Code of Ethics and Business Conduct in print without charge to any stockholder who makes written request to: William D. Sprague, Corporate Secretary, AmerisourceBergen Corporation, 1300 Morris Drive, Chesterbrook, PA 19087.

Any waivers of the application of the AmerisourceBergen Corporation Code of Ethics and Business Conduct to directors or executive officers must be made either by the Board of Directors or the Governance and Nominating Committee. Any such waiver of the Code of Ethics and Business Conduct will be disclosed promptly on the Company's Internet website. Any amendment of the Code of Ethics and Business Conduct also will be disclosed promptly on the Company's Internet website.

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

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The Company has adopted the AmerisourceBergen Code of Ethics for Designated Senior Officers in accordance with Item 406 of the SEC's Regulation S-K. The Code of Ethics for Designated Senior Officers applies to the Company's Chief Executive Officer, Chief Financial Officer and Corporate Controller.

The AmerisourceBergen Corporation Code of Ethics for Designated Senior Officers is posted on the Company's Internet website. The Company's Internet address is [www.amerisourcebergen.com](http://www.amerisourcebergen.com). A copy of the Code of Ethics for Designated Senior Officers also has been filed with the SEC as an exhibit to the Company's periodic reports under the Securities Exchange Act of 1934, as amended. In addition, we will provide the Code of

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Ethics for Designated Senior Officers in print without charge to any stockholder who makes written request to: William D. Sprague, Corporate Secretary, AmerisourceBergen Corporation, 1300 Morris Drive, Chesterbrook, PA 19087.

Any waiver or amendment of the Code of Ethics for Designated Senior Officers will be disclosed promptly on the Company's Internet website.

**CORPORATE GOVERNANCE**

**Has the Company adopted corporate governance principles for the Board of Directors?**

The Board of Directors adopted the AmerisourceBergen Corporation Corporate Governance Principles in October 2003. The Corporate Governance Principles are intended to comply with the requirements of Section 303A.09 of the NYSE Listed Company Manual.

The Corporate Governance Principles for the Board of Directors, together with the charters of the Committees, provide the framework for the governance of the Company. The Corporate Governance Principles address a variety of governance issues, including:

Role and functions of the Board.

Qualifications of directors, including age limitations.

Independence of directors.

Size of the Board.

Board Committees.

Meetings of non-employee directors, including the procedures for determining which director will preside at such meetings.

Self-evaluation of the Board.

Ethics and conflicts of interest.

Compensation of the Board.

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Access to senior management of the Company.

Access to independent advisors.

The AmerisourceBergen Corporation Corporate Governance Principles are posted on the Company's Internet website.

### **Has the Board determined which of the directors are independent?**

The Board has determined that, except for Messrs. Yost and Hilzinger, all of the directors are independent under the principles contained in Section 303A.02 of the NYSE Listed Company Manual and in Paragraph 4 of the AmerisourceBergen Corporation Corporate Governance Principles.

The NYSE Listed Company Manual requires that the Company have a majority of independent directors. The Company's Corporate Governance Principles require that the Board maintain a minimum of 70% independent directors.

If the four nominees for director (described above under Election of Directors) are elected at the Annual Meeting, all of the directors then serving will be independent with the exception of Messrs. Yost and Hilzinger and more than 70% of the directors will be independent.

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The members of the Audit and Corporate Responsibility, Compensation and Succession Planning, and Governance and Nominating Committees are required to be independent by Section 303A of the NYSE Listed Company Manual and by the charters of those Committees. All of the current members of each of those Committees are independent (as independence is defined in Section 303A of the NYSE Listed Company Manual).

### **Where can stockholders find our corporate governance documents?**

Our Corporate Governance Principles and the charters of the Executive and Finance, Audit and Corporate Responsibility, Compensation and Succession Planning and Governance and Nominating Committees have been posted on the Company's Internet website. The Company's Internet address is [www.amerisourcebergen.com](http://www.amerisourcebergen.com).

Our corporate governance documents also are available in print upon request. Stockholders who wish to request any of such documents in print should submit their requests in writing to: William D. Sprague, Corporate Secretary, AmerisourceBergen Corporation, 1300 Morris Drive, Chesterbrook, Pennsylvania 19087-5594.

## **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,

possess 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 representing 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.



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Additionally, director nominees should have sufficient time to effectively carry out their duties. Director nominees who also serve as the Chief Executive Officer or the Chief Operating Officer of the Company 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.

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

Stockholders may propose nominees for consideration by the Governance and Nominating Committee by submitting the names, appropriate biographical information and qualifications in writing to: William D. Sprague, Corporate Secretary, AmerisourceBergen Corporation, 1300 Morris Drive, Chesterbrook, PA 19087-5594.

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 for inclusion in the proxy statement and form of proxy for the Annual Meeting of Stockholders to be held in 2006, the name of the proposed nominee and supporting biographical information and description of the qualifications of the proposed nominee must be received before September 30, 2005.

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### **Is the Governance and Nominating Committee currently seeking to identify additional candidates for director nominees?**

The Governance and Nominating Committee currently is not engaged in active efforts to identify any additional candidates for director nominees. In the event that the Governance and Nominating Committee should decide to undertake such efforts in the future, the Committee expects that it will engage a nationally-recognized search firm to help identify such candidates.

## **AUDIT MATTERS**

### **Audit Committee Financial Expert**

The Board of Directors has determined that Mr. Hagenlocker is an audit committee financial expert as defined in Item 401(h) of Regulation S-K.

### **Report of the Audit and Corporate Responsibility Committee**

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

The Committee reviewed and discussed with the Company's management and the Company's independent registered public accounting firm the audited financial statements contained in the Company's Annual Report on Form 10-K for the fiscal year ended September 30, 2004 and the Company's financial reporting and control processes and procedures. The Company's management has the primary responsibility for the Company's financial statements and its financial reporting and control processes and procedures, including its system of internal controls and its disclosure controls and procedures. The Company's management has represented to the Audit and Corporate Responsibility Committee that the financial statements contained in the Company's fiscal 2004 10-K Report were prepared in accordance with U.S. generally accepted accounting principles. The Committee discussed with the 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 Statement on Auditing Standards No. 61, Communication with Audit Committees, as amended. 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 which were received by the Committee from the independent registered public accounting firm as required by Independence Standards Board Standard No. 1, Independence Discussions with Audit Committees, as amended.

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 the Company's fiscal 2004 10-K Report.

AUDIT AND CORPORATE RESPONSIBILITY

COMMITTEE

Edward E. Hagenlocker, Chairman

Rodney H. Brady

Charles H. Cotros

Richard C. Gozon

Jane E. Henney, M.D.

**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.

The pre-approval policy was implemented effective as of May 6, 2003, as required by the applicable regulations. All engagements of the Company's independent registered public accounting firm to perform any audit services and non-audit services since that date have been pre-approved by the Committee in accordance with the pre-approval policy. The policy has not been waived in any instance.

**Independent Registered Public Accounting Firm's Fees**

During the fiscal years ended September 30, 2004 and 2003, Ernst & Young LLP, the Company'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 2004	Fiscal 2003
Audit Fees	\$ 2,112,700	\$ 1,758,800
Audit-Related Fees	287,000	997,550
Tax Fees	538,968	616,236
All Other Fees	6,000	1,690
TOTAL	\$ 2,944,668	\$ 3,374,276

Audit fees consisted of fees for the audit of the Company's annual financial statements and 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-related fees consisted of fees for assurance and related services, including primarily employee benefit plan audits, due diligence related to acquisitions, accounting consultations in connection with acquisitions, consultation concerning financial accounting and reporting standards and consultation concerning matters relating to Section 404 of the Sarbanes-Oxley Act of 2002.

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

Other fees consisted in fiscal 2004 of subscription fees for internet-based professional literature and in fiscal 2003 of seminar fees.

**RATIFICATION OF APPOINTMENT OF ERNST & YOUNG LLP AS THE COMPANY'S INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR FISCAL 2005**

*(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 the Company's independent registered public accounting firm for the fiscal year ending September 30, 2005. 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 2005. Although the Company's governing documents do

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not require the submission of the appointment of the Company's independent registered public accounting firm to the stockholders for approval, the Board of Directors considers it desirable that the stockholders ratify the appointment of Ernst & Young LLP.

### **What services do the independent registered public accounting firm provide?**

Audit services provided by Ernst & Young LLP for fiscal 2004 included the examination of the consolidated financial statements of the Company and services related to periodic filings made with the SEC. Additionally, Ernst & Young LLP provided tax and other services 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 Annual Meeting?**

Representatives of Ernst & Young LLP are expected to be present at the Annual Meeting. 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 the Company's independent registered public accounting firm for fiscal 2005.

## **COMPENSATION MATTERS**

### **Report of the Compensation and Succession Planning Committee on Executive Compensation**

The Compensation and Succession Planning Committee consists of the four directors named below. All of the members of the Committee are independent (as independence is defined in Section 303A of the NYSE Listed Company Manual).

The Committee reviews and approves all compensation for the Chief Executive Officer and the other executive officers of the Company. The Committee periodically compares the Company's executive compensation levels with those of companies with which the Company believes that it competes in recruitment and retention of senior executives. The Committee also reviews and makes recommendations with respect to succession planning and management development.

*Objectives of the Company's Compensation Program for Executive Officers*

The objectives of the Company's executive compensation program are:

to align individual objectives and performance with the Company's business objectives and performance,

to enable the Company to attract, retain and reward executive officers who contribute to the long-term success of the Company and

to motivate those executives to advance the interests of stockholders.

*Compensation Policies for the Company's Executive Officers*

The Company's compensation program for executive officers consists of three primary components: base salary, annual incentives (e.g., annual bonus) and long-term incentives (e.g., stock options).

In furtherance of the objectives of the Company's compensation program, the Committee believes that the executive officers of the Company should have a greater portion of their compensation at risk than other employees. The Company's compensation program for executive officers is designed to deliver base salary

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below the median of the companies with which the Company competes for senior executives and base plus annual incentive compensation in the range of the median.

*Base Salary.* The Committee reviews the base salaries of the executive officers of the Company annually and makes adjustments based on: past performance; changes in job duties, scope and responsibilities; competitive pay data; and expected future contributions of each executive. The Committee reviewed and determined the base salaries paid to the Company's executive officers for fiscal 2004 based on consideration of these factors.

*Annual Incentives.* All executive officers participate in the Company's annual incentive program. The program is designed to motivate and reward the executive officers of the Company by aligning pay primarily with the achievement of measurable Company or business group financial performance objectives. The annual incentive for the Company's other executive officers is tied primarily to Company or business group financial performance but in some instances also requires achievement of specific business operating objectives or individual non-financial objectives. The objectives are established for each executive officer at the beginning of each fiscal year.

In fiscal 2004, consistent with the Company's policies, financial performance measures were the primary determinant of each executive officer's annual incentive payment. The financial performance measures included some or all of the following: operating revenue, earnings before interest and taxes, return on committed capital, earnings per share and cash generation, at the Company and/or business group level as applicable for the particular executive officer. At the end of fiscal 2004, the performance of each executive officer was evaluated against the financial, and any non-financial, objectives established for that executive officer for the year and the annual incentive for each executive officer was determined.

In fiscal 2004, the target incentive level for each of the executive officers ranged from 100% to 120% of annual base salary. The annual incentive payments to the executive officers for fiscal 2004 ranged from 40% of target incentive level to 106% of target incentive level. The annual incentive payments to the executive officers for fiscal 2004 averaged approximately 56% of their target incentive levels and approximately 58% of their annual base salaries.

*Long-Term Incentives.* The Company currently provides long-term incentive compensation to the executive officers of the Company through annual non-qualified stock option grants under the Company's 2002 Management Stock Incentive Plan (the 2002 Plan). The Committee is responsible for overseeing the administration of the 2002 Plan and for making grants of stock options under the 2002 Plan. Stock options granted under the 2002 Plan generally are required to have an exercise price equal to or greater than the fair market value of the Company's stock on the date of grant. Generally, stock options vest 25% per year beginning on the first anniversary of the grant date and may be exercised over a term of ten years from the date of grant. The number of options granted to each executive officer of the Company is reviewed and approved by the Committee and is based on position within the Company, job performance, future potential, awards made to executives at comparable companies and other factors.

Options to purchase a total of 340,000 shares of the Company's common stock were granted pursuant to the 2002 Plan to the Named Executive Officers (as defined below), who comprised all of the executive officers of the Company in fiscal 2004. The options granted to the Named Executive Officers represented approximately 15% of the options granted to the Company's management and other employees. In addition, Mr. Collis was awarded 5,000 shares of restricted stock in fiscal 2004 pursuant to the 2002 Plan. No other types of awards were granted to the Named Executive Officers.

In December 2004, the Financial Accounting Standards Board issued a revised standard requiring companies to recognize the cost of stock options. In accordance with the revised standard, the Company will be required to expense unvested stock options (including those already



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granted and outstanding at the time that the Company starts expensing unvested stock options) over their remaining vesting periods beginning in the fiscal quarter ending September 30, 2005. Effective September 1, 2004, the Committee authorized the Company to

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accelerate the vesting of all underwater stock options (i.e., stock options with an exercise price greater than the then market price of the Company's common stock) then outstanding and held by then current employees of the Company. As a result, the Company will avoid incurring any expense for any such options at the time that the Company starts expensing unvested stock options. The Committee and the Company are in the process of evaluating whether to continue using stock options as the primary form of long-term incentive compensation once stock option expensing commences and, if so, the extent to which stock options should be granted.

### *Chief Executive Officer's Compensation for Fiscal 2004*

Each year Mr. Yost and the Committee agree upon performance objectives. At the end of each year the Committee reviews Mr. Yost's performance against those objectives.

The Committee determined at the beginning of fiscal 2004 that Mr. Yost would be eligible to receive annual incentive payments at a target level of 120% of his annual base salary if the Company met or exceeded specified targets in the five following measures of financial performance for fiscal 2004: operating revenue, earnings before interest and taxes, return on committed capital, earnings per share and cash generation. The financial measures were weighted such that Mr. Yost's ability to attain the 120% of annual base salary target level was 33.33% dependent on earnings per share and 16.67% dependent on each of the other financial measures. At the end of fiscal 2004, the Committee evaluated the financial performance of the Company and determined that the Company had met or exceeded only the return on committed capital and the cash generation targets on which Mr. Yost's annual incentive payments were dependent. Accordingly, the Committee determined that Mr. Yost was entitled to receive only 40% of his target incentive level. As a result, Mr. Yost received an annual incentive payment in the amount of 48% of his annual base salary.

At the end of fiscal 2004, Mr. Yost also recommended to the Committee that his base salary should not be increased for fiscal 2005, notwithstanding that modest increases to base salary were provided to employees of the Company generally for fiscal 2005. The Committee accepted Mr. Yost's recommendation and determined not to increase his base salary for fiscal 2005.

### *Deductibility of Compensation*

Section 162(m) of the Internal Revenue Code of 1986, as amended (the Code), imposes a \$1 million limit on the deductibility of compensation paid to certain executive officers of public companies, unless the compensation meets certain requirements for performance-based compensation. The Committee has not taken action to date to structure the elements of cash compensation payable to the Company's executive officers so as to comply specifically with Section 162(m) of the Code. The compensation paid to the Company's executive officers for fiscal year 2004 that is not considered performance-based for purposes of Section 162(m) of the Code exceeded the \$1 million limit per officer only for Mr. Yost.

The Committee will continue to consider and evaluate all the Company's compensation programs in light of Section 162(m) of the Code and related regulations. However, the Company may continue to pay compensation that is not deductible in certain circumstances if sound business judgment so requires.

## COMPENSATION AND SUCCESSION

PLANNING COMMITTEE

J. Lawrence Wilson, Chairman

Richard C. Gozon

Henry W. McGee

James R. Mellor

**Table of Contents****Compensation Committee Interlocks and Insider Participation**

No member of the Compensation and Succession Planning Committee is a former or current officer or employee of the Company or any of the Company's subsidiaries. To the Company's knowledge, there were no other relationships involving members of the Compensation and Succession Planning Committee requiring disclosure in this section of this proxy statement.

**Executive Compensation**

The following table sets forth the compensation paid to or earned by our Chief Executive Officer and the Company's four other executive officers (collectively referred to herein as the "Named Executive Officers") during each of the Company's last three fiscal years:

**Summary Compensation Table**

Name and Principal Position	Fiscal Year(2)	Annual Compensation(1)		Other Annual Compensation(\$)(3)	Long-Term Compensation Awards		
		Salary(\$)	Bonus(\$)		Restricted Stock Awards(\$)	Securities Underlying Options(#)	All Other Compensation(\$)
R. David Yost Chief Executive Officer	2004	1,039,010	501,480			85,000	
	2003	960,350	995,000			100,000	
	2002	662,473	694,700			100,000	
Kurt J. Hilzinger President and Chief Operating Officer	2004	584,115	322,850			85,000	
	2003	549,077	562,000			80,000	
	2002	428,462	450,000			75,000	
Michael D. DiCandilo Senior Vice President and Chief Financial Officer	2004	348,269	175,000			60,000	
	2003	330,962	335,000			55,000	
	2002	248,461	300,000			50,000	
Steven H. Collis Senior Vice President and President, AmerisourceBergen Specialty Group	2004	400,038	426,120		283,400(4)	60,000	1,500,000(4)
	2003	379,231	385,000			40,000	
	2002	335,000	335,000			35,000	
Terrance P. Haas	2004	309,250	167,895			50,000	

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Senior Vice President and President, AmerisourceBergen Drug Corporation	2003	270,692	273,792	30,000
	2002	221,373	230,000	25,000

- (1) Includes any amounts deferred under the AmerisourceBergen Corporation 2001 Deferred Compensation Plan (the "Deferred Compensation Plan"). Eligible executive officers may elect to defer a specified amount of cash compensation and have the deferred amount credited in an account under the Deferred Compensation Plan. The executive officer may elect to have the deferred amount accrue interest at one percentage point higher than the prime rate as in effect from time to time or to have the deferred amount increase (or decrease) in value based on the performance of certain designated mutual funds. Election forms must be filed for each year an executive officer wishes to defer compensation and each form shall specify the method of payment of benefits and the time such payment is to commence. The deferred benefits will be distributed by the Company in accordance with the terms of the Deferred Compensation Plan and payment will be made at the times elected by the executive officer in accordance with the election form. An executive officer may elect to receive a deferred benefit (i) over annual periods

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ranging from three to fifteen years and payable in quarterly installments or (ii) in a single distribution. The Company pays all costs and expenses incurred in the administration of the Deferred Compensation Plan.

- (2) Bonuses for fiscal 2004 were determined by applying the bonus percentage established by the Compensation and Succession Planning Committee to the base salary of each Named Executive Officer as in effect at the time of the bonus payment. The amounts shown for 2004 and 2003 consist of bonuses earned in the fiscal year identified but paid in full in the subsequent fiscal year. The amounts shown for 2002 consist of bonuses earned in the fiscal year identified but paid in part in the subsequent fiscal year.
- (3) No Named Executive Officer was paid or provided perquisites and other personal benefits, securities or property in fiscal 2004, 2003 or 2002 with an aggregate value of more than \$50,000 (or, if lower, 10% of the total of salary and bonus paid in such fiscal year to such individual).
- (4) Mr. Collis was paid \$1,500,000 and granted 5,000 restricted shares of Common Stock in February 2004 pursuant to the terms of the employment agreement that he entered into with the Company in February 2004. The terms of Mr. Collis' s employment agreement are described below under Agreements with Employees. The dollar value shown in the Summary Compensation Table for the restricted shares granted to Mr. Collis is based on a per share value of \$56.68, which was the closing price of the Common Stock on February 19, 2004, the date that the restricted shares were granted to Mr. Collis. As of September 30, 2004, Mr. Collis continued to hold all 5,000 restricted shares of Common Stock. The dollar value of the 5,000 restricted shares as of September 30, 2004 was \$268,550 (based on a per share value of \$53.71, which was the closing price of the Common Stock on September 30, 2004). The restricted shares granted to Mr. Collis vest on the third anniversary of the date of grant. Dividends accrue starting the date of grant on all of the restricted shares granted to Mr. Collis. The dividends accrued on any restricted shares of Common Stock will be paid to Mr. Collis upon vesting and delivery of the shares to Mr. Collis.

**Options Granted and Exercised in Fiscal 2004**

The following tables set forth certain information with respect to options granted to and exercised by the Named Executive Officers during fiscal 2004. The information set forth in these tables relates to options granted to and exercised by the Named Executive Officers of the Company to purchase shares of Common Stock under the 2002 Management Stock Incentive Plan.

**Option Grants in Fiscal 2004**

	<u>Individual Grants</u>				
	<i>% of Total</i>				
<u>Name</u>	<u>Number of</u>	<u>Options/</u>		<u>Grant Date</u>	<u>Present</u>
	<u>Securities</u>	<u>SARs</u>			
	<u>Underlying</u>	<u>Granted to</u>			
	<u>Options/SARs</u>	<u>Employees in</u>	<u>Exercise</u>	<u>or Base</u>	<u>Price</u>
	<u>Granted(#)</u> (1)	<u>Fiscal Year</u>	<u>(\$/Sh)</u>	<u>Expiration Date</u>	<u>Value(\$)</u> (2)
R. David Yost	85,000	3.6	57.49	03/08/14	\$ 1,721,250

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Kurt J. Hilzinger	85,000	3.6	57.49	03/08/14	1,721,250
Michael D. DiCandilo	60,000	2.5	57.49	03/08/14	1,215,000
Steven H. Collis	60,000	2.5	57.49	03/08/14	1,215,000
Terrance P. Haas	50,000	2.1	57.49	03/08/14	1,012,500

- (1) The options were granted in March 2004. Under the terms of the grants, the options were scheduled to vest 25% one year after the date of grant and then 25% per year thereafter. Effective September 1, 2004, the Compensation and Succession Planning Committee of the Board of Directors authorized the Company to accelerate the vesting of all underwater stock options (i.e., stock options with an exercise price greater than the then market price of the Company's common stock) then outstanding and held by then current employees of the Company. All of the options granted in March 2004 to the Named Executive Officers were underwater as of September 1, 2004 and, therefore, all of such options became fully vested as of that date.

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- (2) Present values were calculated using the Black-Scholes option valuation method. The actual value, if any, that an executive officer may receive is dependent on the excess of the stock price as of the date of exercise over the exercise price. Use of this model should not be viewed as a forecast of the future performance of the Company's stock price. The estimated grant date present value of the stock options was \$20.25 based on the following defined option terms and assumptions: (i) a grant price of \$57.49; (ii) an exercise price of \$57.49; (iii) an expected life of five years; (iv) a risk-free interest rate of 2.71%, which represents the yield on Treasury Bonds with maturity dates corresponding to that of the options; (v) a dividend yield of 0.14%, representing the stock's current yield; and (vi) a stock price volatility rate of 0.357.

**Aggregated Option Exercises in Fiscal 2004 and Fiscal Year-End Option Values**

Name	Shares Acquired on Exercise (#)		Number of Securities		Value of Unexercised		
			Underlying Unexercised		In-the-Money Options at		
			Options at		Fiscal Year-End(\$) <sup>(1)</sup>		
			Fiscal Year-End(#)		Fiscal Year-End(\$) <sup>(1)</sup>		
				Exercisable	Unexercisable	Exercisable	Unexercisable
R. David Yost			725,000	0		7,439,200	0
Kurt J. Hilzinger			638,750	6,250		7,009,900	0
Michael D. DiCandilo			251,250	6,250		807,200	0
Steven H. Collis	3,463	86,731	213,574	0		385,706	0
Terrance P. Haas			173,750	6,250		287,400	0

- (1) Value calculated as the difference between the fair market value of the Company's common stock on September 30, 2004 and the option exercise price.

**Pension Plans**

*AmerisourceBergen Drug Corporation Participating Companies Pension Plan.* The Company maintains a qualified defined benefit pension plan providing pension benefit coverage for employees of AmerisourceBergen Drug Corporation who meet the plan's eligibility requirements (the Pension Plan). The Pension Plan was frozen as to new participants shortly after the merger on August 29, 2001 of AmeriSource Health Corporation and Bergen Brunswig Corporation that resulted in the formation of the Company (the Merger). Thus, employees first hired after September 14, 2001 are not eligible to participate in the Pension Plan, unless pursuant to the terms of a collective bargaining agreement with the Company that provides for such participation. Effective August 1, 2004, no collective bargaining agreements allow new participants to enter the Pension Plan. In addition, the Pension Plan has been amended so that participants will cease to earn any additional benefits under the Pension Plan for any compensation paid or services performed after September 30, 2007. Accordingly, the maximum benefits payable to Pension Plan participants will be frozen as of September 30, 2007.

Under the Pension Plan, executive officers and other participants are entitled to annual pension benefits at age 65 equal to the number of years of credited service multiplied by 1% of average annual compensation earned during the three consecutive years within the last ten years of participation in the Pension Plan which yield the highest average.



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All Pension Plan costs are paid by the Company and the plan and benefits are funded on an actuarial basis. Compensation earned by executive officers for purposes of the plan includes salaries and bonuses set forth in the cash compensation table under the Summary Compensation Table above, except that compensation recognized under the plan may not exceed certain limits, as required by the Employee Retirement Income Security Act of 1974, as amended ( ERISA ), and the Code. For 2004, the compensation limit was \$205,000.

*AmerisourceBergen Drug Corporation Supplemental Retirement Plan.* The Company also maintains a Supplemental Retirement Plan (the Supplemental Plan ). Coverage under the Supplemental Plan is limited to certain participants in the Pension Plan whose benefits under the Pension Plan are limited due to (i) restrictions

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imposed by the Code on the amount of benefits to be paid from a tax-qualified plan, (ii) restrictions imposed by the Code on the amount of an employee's compensation that may be taken into account in calculating benefits to be paid from a tax-qualified plan, or (iii) any reductions in the amount of compensation taken into account under the Pension Plan due to an employee's participation in certain deferred compensation plans sponsored by the Company or one of its subsidiaries.

The Supplemental Plan provides for a supplement to the annual pension benefit paid under the Pension Plan to certain individuals who are pension participants and who have been employed by the Company or one of its subsidiaries for five continuous years or who suffer a total and permanent disability while employed by the Company or one of its subsidiaries, and to the pre-retirement death benefits payable under the Pension Plan on behalf of such participants who die with a vested interest in the Pension Plan. The amount of the supplement will be the difference, if any, between the pension or pre-retirement death benefit paid under the Pension Plan and that which would otherwise have been payable but for the restrictions imposed by the Code and any reduction in the participant's compensation for purposes of the Pension Plan due to his participation in certain deferred compensation plans of the Company or one of its subsidiaries.

The following table shows estimated aggregate annual retirement benefits that would be payable to participants under the Pension Plan and, if applicable, the Supplemental Plan, upon normal retirement at age 65 under various assumptions as to final average annual compensation and years of credited service and on the assumption that benefits will be paid in the form of a single life annuity. The benefit amounts listed are not subject to any deduction for Social Security benefits. As of October 1, 2004, the years of credited service under the Pension Plan for the Named Executive Officers of the Company were as follows: R. David Yost, 30.08 years; Kurt J. Hilzinger, 13.58 years; Michael D. DiCandilo, 14 years; and Terrance P. Haas, 15.33 years. As required by ERISA and the Code, the Pension Plan limits the maximum annual benefits payable at Social Security retirement age as a single life annuity to the lesser of \$165,000 or 100% of a plan participant's average total taxable earnings during his highest three consecutive calendar years of participation, subject to certain exceptions for benefits which accrued prior to September 30, 1988.

**Estimated Annual Retirement Benefits (\$)****Based on Years of Credited Service****Final Average**

<b>Remuneration</b>	<b>10</b>	<b>15</b>	<b>20</b>	<b>25</b>	<b>30</b>	<b>35</b>
100,000	10,000	15,000	20,000	25,000	30,000	35,000
150,000	15,000	22,500	30,000	37,500	45,000	52,500
200,000	20,000	30,000	40,000	50,000	60,000	70,000
250,000	25,000	37,500	50,000	62,500	75,000	87,500
300,000	30,000	45,000	60,000	75,000	90,000	105,000
500,000	50,000	75,000	100,000	125,000	150,000	175,000
600,000	60,000	90,000	120,000	150,000	180,000	210,000
700,000	70,000	105,000	140,000	175,000	210,000	245,000
800,000	80,000	120,000	160,000	200,000	240,000	280,000
900,000	90,000	135,000	180,000	225,000	270,000	315,000
1,000,000	100,000	150,000	200,000	250,000	300,000	350,000

**AGREEMENTS WITH EMPLOYEES****AmerisourceBergen Employment Agreements**

Effective October 1, 2003, the Company entered into employment agreements (each, an Employment Agreement and collectively, Employment Agreements ) with Messrs. Yost, Hilzinger, DiCandilo and Haas. Mr. Yost's Employment Agreement specifies that he shall serve as Chief Executive Officer of the Company and

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shall report to the Board of Directors. Mr. Hilzinger's Employment Agreement specifies that he shall serve as President and Chief Operating Officer of the Company and shall report to the Chief Executive Officer. Mr. DiCandilo's Employment Agreement specifies that he shall serve as the Senior Vice President and Chief Financial Officer of the Company and shall report to the Chief Executive Officer. Mr. Haas' Employment Agreement specifies that he shall serve as the Senior Vice President Operations of the Company, or in any other capacity with the Company or any subsidiary as may be determined from time to time by the Company, so long as he is compensated at a salary grade level that is substantially the same as or greater than his salary grade level as of October 1, 2003.

With the exception of the foregoing, the Employment Agreements are substantially similar in form and substance. Each Employment Agreement provides for the following, among other things:

Two-year term of employment, with an automatic two-year extension on each two-year anniversary date.

Continuation of annual base salary at the rate in effect for the executive as of October 1, 2003, subject to increase in accordance with the Company's prevailing practices from time to time.

Incentive compensation, bonuses and benefits in accordance with the Company's prevailing practices from time to time.

Customary rights on the part of the Company to terminate for cause (which includes, among other things, conviction of a crime of moral turpitude).

Rights on the part of the executive to terminate for good reason (which includes notice by the Company of non-renewal of the Employment Agreement upon the end of any two-year term or a reduction in the salary grade of the executive).

Each Employment Agreement obligates the Company to continue to pay the executive base salary and bonus (based on average of annual bonuses paid in the prior three years) and to reimburse the costs incurred by the executive to continue health coverage, in each case for two years after termination if the executive is terminated without cause or the executive terminates for good reason. Good reason is defined to include, among other things, reduction in base salary and notice of non-renewal by the Company at the end of the initial two-year term or any renewal term.

Each Employment Agreement indicates that payments to be made to the executive are intended not to constitute excess parachute payments within the meaning of Section 280G of the Internal Revenue Code of 1986 and provides for reduction of the amount of the payments, if necessary, to ensure that they do not constitute excess parachute payments.

Each Employment Agreement obligates the executive to refrain for a period of two years after any termination of the executive's employment from competing, directly or indirectly, with any business in which the Company or its subsidiaries engages and from soliciting any other employees of the Company or its subsidiaries.

### **Employment Agreement with Steven H. Collis**

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In September 2000, Bergen Brunswig Corporation entered into a written employment agreement (the Bergen Employment Agreement ) with Mr. Collis. The form of this agreement was substantially the same as the forms of such agreements that were entered into with other executive officers of Bergen starting in 1994. The Bergen Employment Agreement provided for an initial term of three years but provided for automatic extension on a monthly basis so that the outstanding term was always three years, subject to the option of either party to terminate the automatic extension provision at any time. The automatic extension provision of the Bergen Employment Agreement was terminated on August 29, 2001, the effective date of the merger of Bergen Brunswig Corporation and AmeriSource Health Corporation, resulting in an agreement with term ending on August 29, 2004. The Bergen Employment Agreement also was terminable prior to August 29, 2004 in the following circumstances:

by Mr. Collis with or without good reason upon written notice of termination delivered to the Company,

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by mutual agreement between Mr. Collis and the Company and

by the Company for cause.

In the event of termination of the Bergen Employment Agreement by the Company for any reason other than cause, or by Mr. Collis for good reason, Mr. Collis was entitled to termination damages equal to three years of salary and bonuses and the value of three years of benefits. The damages were subject to mitigation if Mr. Collis were to obtain other employment during the three years after termination. The Merger constituted good reason for Mr. Collis to terminate his Bergen Employment Agreement. Accordingly, Mr. Collis could have terminated the Bergen Employment Agreement in his discretion at any time on or before August 29, 2004 and Mr. Collis would have been entitled to receive termination damages.

By letter agreement dated July 27, 2001 (the Letter Agreement), the Company and Mr. Collis agreed to a method for calculating the termination damages payable under the Bergen Employment Agreement as follows:

Salary in effect at the time of employment termination would be deemed to continue at that rate until the immediately following September 30 and to increase thereafter on each October 1 by 4%.

Bonus would be calculated as the average of the three highest bonuses paid over the preceding five years, which amount would then increase at 4% per annum during the three year period used to calculate damages.

Value of all other benefits and perquisites would be deemed to be \$25,000 per year.

The amount so determined was then to be reduced to present value using a discount rate equal to 120% of the then applicable federal rate determined under Section 1274 of the Internal Revenue Code of 1986, compounded semiannually.

In February 2004, Mr. Collis entered into a new employment agreement with AmerisourceBergen Corporation (the New Employment Agreement) that replaced and superseded the Bergen Employment Agreement. The New Employment Agreement specifies that Mr. Collis will serve as Senior Vice President of the Company and President of AmerisourceBergen Specialty Group, or in any other capacity with the Company or any subsidiary as may be determined from time to time by the Company, so long as he is compensated at a salary grade level that is substantially the same as or greater than his salary level as of February 2004. In consideration for the benefits extended to him under the New Employment Agreement, Mr. Collis agreed to waive his rights under the Bergen Employment Agreement, including the right to terminate for good reason and receive termination damages. Under the terms of his New Employment Agreement, Mr. Collis received a one-time payment of \$1,500,000 and a one-time grant of 5,000 restricted shares of the Company's common stock, both in February 2004. The restricted shares of the Company's common stock were granted under the 2002 Management Incentive Plan. Mr. Collis also agreed to refrain for a period of two years after any termination of his employment from being employed or engaged as a director, officer, employee, consultant or independent contractor for certain specified competitors of the Company and/or the AmerisourceBergen Specialty Group. The foregoing non-competition covenant differs from the more general non-competition covenant that appears in the standard form of the AmerisourceBergen Employment Agreement. With the exception of the foregoing, the terms of Mr. Collis's New Employment Agreement are substantially similar in form and substance to the AmerisourceBergen Employment Agreements described above and into which the other Named Executive Officers have entered.

**CERTAIN TRANSACTIONS**

**Bergen Deferred Compensation Loan Program**

In April 1990, Bergen's board of directors approved an unfunded deferred compensation loan program available to Bergen's executive officers (the ELP) for the purpose of providing them with an incentive to remain with Bergen. Under the ELP, Bergen made a loan in the amount of \$375,000 to Mr. Collis. This loan was

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forgiven by Bergen in August 2001. Bergen then made an additional loan in the amount of \$170,000 to Mr. Collis in order to enable him to pay the income tax he incurred as a result of the forgiveness of the ELP loan. In February 2004, Mr. Collis paid the tax assistance loan in full.

**What is the Company's current policy with regard to loans to directors or officers?**

The Company does not have any programs under which it extends loans either to its directors or to its officers. Accordingly, no loans have been extended to any director or officer of the Company subsequent to the Merger.

**BENEFICIAL OWNERSHIP OF COMMON STOCK**

This table shows how much of our outstanding common stock is beneficially owned by each of the Named Executive Officers (who comprise all of the executive officers of the Company), each of the directors, and all directors and executive officers as a group as of December 31, 2004. The table also shows how much of our outstanding common stock is beneficially owned by owners of more than 5% of our outstanding common stock.

According to the rules adopted by the SEC, a person beneficially owns securities if the person has or shares the power to vote them or to direct their investment or has the right to acquire beneficial ownership of such securities within 60 days through the exercise of an option, warrant, right of conversion of a security or otherwise. Except as otherwise noted, the beneficial owners listed have sole voting and investment power with respect to the shares shown. An asterisk in the Percent of Class column indicates beneficial ownership of less than 1%, based on 113,044,982 shares of common stock outstanding as of the close of regular trading on the NYSE on December 31, 2004.

Name of Beneficial Owner	Title of Beneficial Owner	Aggregate Number of Shares Beneficially Owned(1)	Percent of Class
R. David Yost(2)	Chief Executive Officer and Director	1,100,000	*
Kurt J. Hilzinger(2)	President and Chief Operating Officer and Director	755,450	*
Michael D. DiCandilo(2)	Senior Vice President and Chief Financial Officer	255,804	*
Steven H. Collis(2)	Senior Vice President and President, AmerisourceBergen Specialty Group	223,302	*
Terrance P. Haas(2)	Senior Vice President and President, AmerisourceBergen Drug Corporation	174,993	*
Rodney H. Brady(3) (4)	Director	47,485	*
Charles H. Cotros(3)	Director	10,001	*
Richard C. Gozon(3)	Director	76,563	*
Edward E. Hagenlocker(3)	Director	37,081	*
Jane E. Henney, M.D.(3)	Director	8,534	*
Henry W. McGee(3)	Director	1,192	*
James R. Mellor(3)	Director and Chairman of the Board of Directors	59,527	*
J. Lawrence Wilson(3)	Director	30,082	*
All directors and executive officers as a group (13 people)		2,780,014	2.5



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Franklin Resources Inc. One Franklin Parkway Building Building 920 San Mateo, CA 94403	10,614,046	9.4
Barclays Global Investors 45 Fremont Street 17th Floor San Francisco, CA 94105	8,075,852	7.1

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\* Less than 1.0%

- (1) Based on information furnished to the Company by the respective stockholders or obtained by the Company from sources the Company believes are reliable. The Company believes that, unless otherwise indicated, the beneficial owners have sole voting and investment power over the shares shown opposite their names.
- (2) Common stock and the percent of class listed as being beneficially owned by the Company's executive officers include outstanding options to purchase common stock which are exercisable within 60 days of December 31, 2004, as follows: Mr. Yost, 725,000 shares; Mr. Hilzinger, 638,750 shares; Mr. DiCandilo, 251,250 shares; Mr. Collis, 213,574 shares; and Mr. Haas, 173,750 shares.
- (3) Common stock and the percent of class listed as being beneficially owned by the Company's non-employee directors include outstanding options to purchase common stock which are exercisable within 60 days of December 31, 2004, as follows: Mr. Brady, 22,962 shares; Mr. Cotros, 7,273 shares; Mr. Gozon, 65,792 shares; Mr. Hagenlocker, 27,792 shares; Dr. Henney, 7,230 shares; Mr. McGee, 0 shares; Mr. Mellor, 43,312 shares; and Mr. Wilson, 15,792 shares.
- (4) Includes 24,523 shares held by Mr. Brady and his wife as tenants in common.

**EQUITY COMPENSATION PLAN INFORMATION**

The following table sets forth information as of September 30, 2004 regarding all of the Company's existing compensation plans pursuant to which equity securities are authorized for issuance to employees and non-employee directors.

<b>Plan Category</b>	<b>(a) Number of securities To be issued  upon exercise of outstanding  options, warrants and rights</b>	<b>(b)  Weighted-average exercise price of outstanding options, warrants and rights</b>	<b>(c)  Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column(a))</b>
Equity compensation plans approved by security holders	9,402,000	\$ 57.00	3,027,300(1)
Equity compensation plans not approved by security holders	0	N/A	0
<b>Total</b>	<b>9,402,000</b>	<b>\$ 57.00</b>	<b>3,027,300</b>

- (1) Includes 2,791,692 shares available for future issuance under the AmerisourceBergen Corporation 2002 Management Stock Incentive Plan (165,409 of which are available for issuance of Common Stock, including restricted stock, or of options and the balance of which are available only for issuance of options), 204,407 shares available for future issuance of options under the AmerisourceBergen Corporation 2001 Non-Employee Directors' Stock Option Plan and 31,201 shares available for future issuance of restricted Common Stock under the AmerisourceBergen Corporation 2001 Restricted Stock Plan.

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**STOCK PERFORMANCE GRAPH**

The Merger of AmeriSource Health Corporation and Bergen Brunswig Corporation occurred on August 29, 2001 and the Company's common stock began trading on the New York Stock Exchange on August 30, 2001. As a result, the cumulative total stockholder return on the common stock of the Company cannot be provided for any period before that date.

This graph depicts the Company's cumulative total stockholder returns relative to the performance of an index of peer companies selected by the Company and of the Standard & Poor's 500 Composite Stock Index from the market close on August 29, 2001 to September 30, 2004. The graph assumes \$100 invested at the closing price of the common stock of the Company and of each of the other indices on the New York Stock Exchange on August 29, 2001. The points on the graph represent fiscal quarter-end index levels based on the last trading day in each fiscal quarter. The Peer Group Index (which is weighted on the basis of market capitalization) consists of the Company and the following companies engaged primarily in wholesale pharmaceutical distribution and related services: Cardinal Health, Inc. and McKesson Corporation.

**COMPARISON OF 37 MONTH CUMULATIVE TOTAL RETURN\***

**AMONG AMERISOURCEBERGEN CORPORATION, THE S & P 500 INDEX**

**AND A PEER GROUP**

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**COMPLIANCE WITH SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING**

**REQUIREMENTS**

Section 16(a) of the Securities Exchange Act of 1934 requires the Company's directors and executive officers as well as persons who beneficially own more than ten percent of a registered class of the Company's equity securities to file with the Securities and Exchange Commission and the New York Stock Exchange reports of ownership and changes in beneficial ownership of the Company's common stock. Directors, executive officers and greater than ten percent stockholders are required to furnish the Company with copies of all Section 16(a) forms they file. Based solely on a review of the copies of these reports furnished to the Company or written representations that no other reports were required, we believe that during fiscal 2004 all of our directors and executive officers complied with these requirements.

**AVAILABILITY OF FORM 10-K AND ANNUAL REPORT TO STOCKHOLDERS**

Securities and Exchange Commission rules require us to provide an Annual Report to stockholders who receive this Proxy Statement. We will also provide copies of the Annual Report to brokers, dealers, banks, voting trustees and their nominees for the benefit of their beneficial owners of record.

**Additional copies of the Annual Report, along with copies of our Annual Report on Form 10-K for the fiscal year ended September 30, 2004 (without exhibits or documents incorporated by reference), are available without charge to stockholders upon written request to Corporate and Investor Relations Department, AmerisourceBergen Corporation, 1300 Morris Drive, Chesterbrook, Pennsylvania 19087, by calling (610) 727-7000 or via the Internet at [www.amerisourcebergen.com](http://www.amerisourcebergen.com).**

**STOCKHOLDER PROPOSALS FOR NEXT YEAR'S PROXY STATEMENT AND**

**STOCKHOLDER COMMUNICATIONS**

Any proposal of a stockholder that is intended to be presented by such stockholder at the Company's 2006 Annual Meeting of Stockholders must be submitted in writing by September 30, 2005 in order to be considered for inclusion in the 2006 Proxy Statement and the form of proxy relating to the 2006 meeting. All proposals should be submitted to: William D. Sprague, Corporate Secretary, AmerisourceBergen Corporation, 1300 Morris Drive, Chesterbrook, Pennsylvania 19087-5594. Stockholder proposals must comply with Rule 14a-8 of the Securities Exchange Act of 1934, the laws of the state of Delaware and the Bylaws of the Company. If a stockholder intends to present a proposal at the 2006 meeting but does not give written notice thereof to the Company in accordance with the Bylaws of the Company by January 3, 2006, the proxy solicited by the Board of Directors of the Company for the 2006 meeting may confer discretionary authority with respect to such proposal.

Stockholder communications may be submitted at any time in writing to: William D. Sprague, Corporate Secretary, AmerisourceBergen Corporation, 1300 Morris Drive, Chesterbrook, Pennsylvania 19087-5594. Stockholder communications are communications from any stockholder to the Board of Directors, any Committee or any director on matters that relate reasonably to their respective duties and responsibilities. Stockholder communications do not include stockholder proposals (discussed above) and stockholder recommendations for director nominee candidates (discussed under Process for Identifying and Evaluating Director Nominees and for Submitting Recommendations at page 13). The Company's Corporate Secretary will determine, in his good faith judgment, which stockholder communications will be relayed to the Board of Directors, any Committee or any director.



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**YOUR VOTE IS IMPORTANT**

**AMERISOURCEBERGEN**

**VOTE BY INTERNET / TELEPHONE**

**CORPORATION**

**24 HOURS A DAY, 7 DAYS A WEEK**

INTERNET

TELEPHONE

MAIL

<https://www.proxyvotenow.com/abc>

**1-866-595-8764**

Go to the website address listed above.

Use any touch-tone telephone.

Mark, sign and date your proxy card.

**OR Have your proxy card ready.**

**OR**

Detach your proxy card.

**Have your proxy card ready.**

Follow the simple recorded instructions.

Return your proxy card in the postage-paid envelope provided.

Follow the simple instructions that appear on your computer screen.



•• **⌘ DETACH PROXY CARD HERE IF YOU ARE NOT VOTING BY TELEPHONE OR INTERNET ⌘**

Please Sign, Date and Return  
the Proxy Card Promptly

Using the Enclosed Envelope.

x

**Votes must be indicated**

**(x) in Black or Blue ink.**

The Board of Directors recommends a vote **FOR** Items 1 and 2.

Item 1. ELECTION OF FOUR DIRECTORS TO CLASS I

FOR ALL      WITHHOLD FOR  
ALL      EXCEPTIONS

Nominees: 01 - Rodney H. Brady, 02 - Charles H. Cotros

03 - Jane E. Henney, M.D., 04 - R. David Yost

**(INSTRUCTIONS: To withhold authority to vote for any individual nominee, strike a line through that nominee s**

Item 2. RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

**FOR      AGAINST      ABSTAIN**

“      ”      “

Item 3. OTHER MATTERS

In their discretion, the proxies are authorized to vote upon such other matters as may properly come before the meeting or any adjournments thereof.

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name and check the Exceptions box above.)

To change your address please mark this box. ..  
If you have any comments please mark this box. ..

**SCAN LINE**

Note: Please date this proxy, sign your name exactly as it appears hereon, and return it promptly using the enclosed postage paid envelope. Joint owners should each sign. When signing as attorney, executor, administrator, trustee or guardian, please give full title as such.

\_\_\_\_\_  
\_\_\_\_\_

Date      Share Owner sign here

\_\_\_\_\_  
Co-Owner sign here

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**AMERISOURCEBERGEN CORPORATION  
PROXY FOR ANNUAL MEETING OF STOCKHOLDERS**

**MARCH 4, 2005**

**THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS**

KNOW ALL MEN BY THESE PRESENTS, that the undersigned stockholder of AMERISOURCEBERGEN CORPORATION, a Delaware corporation, does hereby constitute and appoint R. David Yost and William D. Sprague, or any one of them, with full power to act alone and to designate substitutes, the true and lawful attorneys and proxies of the undersigned for and in the name and stead of the undersigned, to vote all shares of Common Stock of AMERISOURCEBERGEN CORPORATION which the undersigned would be entitled to vote if personally present at the Annual Meeting of Stockholders to be held at the Four Seasons Hotel Philadelphia, One Logan Square, Philadelphia, Pennsylvania 19103, on March 4, 2005 at 2:00 p.m. local time, and at any and all adjournments and postponements thereof, as follows:

THIS PROXY WILL BE VOTED IN THE MANNER DIRECTED HEREIN BY THE UNDERSIGNED STOCKHOLDER. IF NO DIRECTION IS INDICATED, THIS PROXY WILL BE VOTED FOR ITEMS 1 AND 2 AND WILL GRANT DISCRETIONARY AUTHORITY PURSUANT TO ITEM 3.

AMERISOURCEBERGEN CORPORATION

P.O. BOX 11051

NEW YORK, N.Y. 10203-0051

(Continued on the reverse side. Must be signed and dated on the reverse side)