



Corporate Citizenship Overview

2016 Year in Review



About This Report

This report is based on activities in fiscal year 2016 (October 1, 2015 to September 30, 2016), and includes business unit-specific information. Boundaries for data included in this report are provided on a metric-by-metric basis. We utilized the principles and practices outlined in globally accepted sustainability reporting frameworks to inform the content.



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CEO Statement

We are united in our responsibility to create healthier futures



Steve Collis
Chairman, President & CEO

In the nearly six years I've been CEO of AmerisourceBergen and in my 18 years with the Company prior to that, there has been significant change and growth across our diverse portfolio of businesses. Through all this change, one common thread has always united us: our responsibility to our ultimate customer, the patient.

This responsibility also extends to those we serve and with whom we collaborate: our associates, provider customers, manufacturer partners and suppliers, as well as community members in geographies we reach. Our relationships with these stakeholders are the driving force that enables us to provide life-saving and life-improving medications to tens of thousands of healthcare facilities every day. Propelled by our commitment to shape healthcare delivery through responsible corporate citizenship, we have made strategic investments in this area across all parts of our business. It's with great pleasure that I share our progress with you.

At AmerisourceBergen, corporate citizenship comes naturally to us because the mindsets and behaviors that comprise an effective strategy are aligned with our Company's Purpose: "We are united in our responsibility to create healthier futures."

In fiscal year 2016, we took significant strides as we stepped up our efforts to increase Company participation in the communities we serve. Now in its third year of operation, the AmerisourceBergen Foundation provided significant funding

for programs and organizations that focus on expanding access to quality healthcare and educational opportunities to strengthen communities around the world.

AmerisourceBergen has also demonstrated our commitment to responsible operations by developing the tools and analytical capabilities that will help us improve our disclosures on sustainability metrics. We established a steering committee to govern our sustainability activities and policies across the enterprise, and oversight of these programs is now part of the charter for our Board of Director's Governance and Nominating Committee.

Lastly, we have worked diligently to ensure our associates, operations, supply chain and communities reflect our continued dedication to responsible operations and positive social impact. I am proud and excited to share this Corporate Citizenship Report with you. Though only a representative summary, it provides a view into the Company's commitments, our progress and our view toward the future in this crucial area. As I do every day, I thank our AmerisourceBergen associates for making this journey possible.

Sincerely,

A handwritten signature in black ink that reads "Steven H. Collis". The signature is written in a cursive, slightly slanted style.

Steven H. Collis
Chairman, President & Chief Executive Officer

About AmerisourceBergen

LARGEST DISTRIBUTOR of



AmerisourceBergen is one of the largest global pharmaceutical sourcing and distribution services companies, helping both healthcare providers and pharmaceutical and biotech manufacturers improve patient access to products and enhance patient care. With services ranging from drug distribution and niche premium logistics to reimbursement and pharmaceutical consulting services, AmerisourceBergen delivers innovative programs and solutions across the pharmaceutical supply channel in human and animal health. With over \$145 billion in annual revenue, AmerisourceBergen is headquartered in Valley Forge, PA, and employs approximately 19,000 people around the world. AmerisourceBergen is ranked #12 on the Fortune 500 list.

More specifically, we distribute a comprehensive offering of brand-name and generic pharmaceuticals (including specialty pharmaceutical products), over-the-counter healthcare products, home healthcare supplies and equipment, outsourced compounded sterile preparations, and related services to a wide variety of healthcare providers located in the United States and select global markets, including chain retail and independent pharmacies, mail order pharmacies, acute care hospitals and health systems, physician practices, medical and dialysis clinics, long-term care and other alternate site pharmacies, veterinarians, and other customers. Additionally, we furnish healthcare providers and pharmaceutical manufacturers with an assortment of related services, including reimbursement and pharmaceutical consulting services, niche premium logistics services, inventory management, pharmacy automation, and pharmacy management.

About AmerisourceBergen

A Global Healthcare Solutions Leader

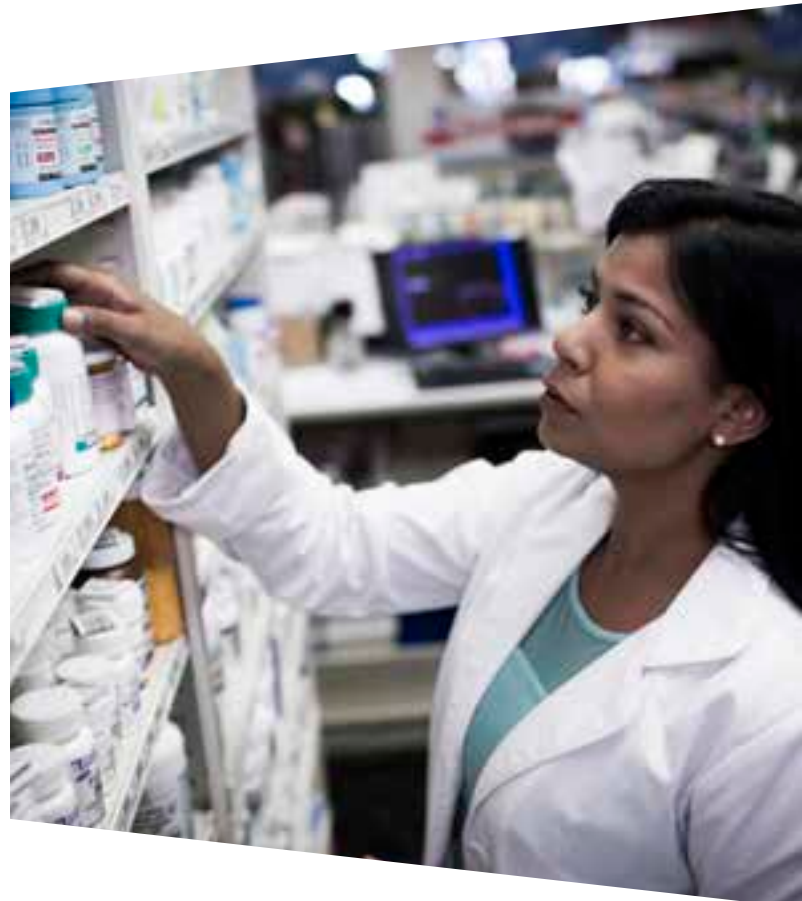
Pharmaceutical Distribution Services Segment

Servicing healthcare providers in the pharmaceutical supply channel, the Pharmaceutical Distribution Services segment's operations provide drug distribution and related services designed to reduce healthcare costs and improve patient outcomes. The Pharmaceutical Distribution Services reportable segment is comprised of two operating segments, which include the operations of:

- AmerisourceBergen Drug Corporation ("ABDC" or "Drug Corporation"), and
- AmerisourceBergen Specialty Group ("ABSG")

AmerisourceBergen Drug Corporation – distributes a comprehensive offering of brand-name and generic pharmaceuticals (including specialty pharmaceutical products), over-the-counter healthcare products, home healthcare supplies and equipment, outsourced compounded sterile preparations, and related services to a wide variety of healthcare providers, including acute care hospitals and health systems, independent and chain retail pharmacies, mail order pharmacies, medical clinics, long-term care and alternate site pharmacies, and other customers. Our network is comprised of 27 U.S. distribution facilities with a national distribution center in Columbus, Ohio, which provides pharmaceutical manufacturers with a single shipping destination.

Additionally, ABDC delivers packaging solutions to institutional and retail healthcare providers through our American Health Packaging business. PharMEDium is the leading national provider of outsourced compounded sterile preparations to acute care hospitals in the U.S., and operates four U.S. FDA registered 503B large-scale sterile compounding outsourcing facilities. Pharmacy Healthcare Solutions provides consulting expertise and business support to help hospital leadership and clinical staff capitalize on the dynamic changes in the healthcare marketplace. And Bellco Generics is a national distributor of generic products and over-the-counter pharmaceuticals.





AmerisourceBergen Specialty Group – through a number of operating businesses, provides pharmaceutical distribution and additional services to physicians who specialize in a variety of disease states, especially oncology, and to other healthcare providers, including hospitals and dialysis clinics. ABSG distributes plasma and other blood products, injectible pharmaceuticals, vaccines, and other specialty products. Additionally, ABSG provides commercialization support services, including reimbursement support programs, outcomes research, contract field staffing, patient assistance and co-pay assistance programs, adherence programs, risk mitigation services, third party logistics and other services and market access programs to pharmaceutical and biotechnology manufacturers. World Courier, which operates in over 50 countries, is a leading global specialty transportation and logistics provider for the biopharmaceutical industry. ABSG operating businesses also include: ASD Healthcare, Besse Medical, Cameron Stewart LifeScience, Cubixx Solutions, HealthForward, Innomar Strategies, ICS, IntrinsicQ Specialty Solutions, ION Solutions, Lash Group, Oncology Supply, Premier Source, Profarma Specialty, US Bioservices and Xcenda.



Expanding Our Reach

AmerisourceBergen Animal Health – a leading distribution company in the United States and in the United Kingdom, MWI Animal Health supports the healthcare industry by serving the product access and business management needs of professionals in both the companion animal and production animal markets by selling pharmaceuticals, vaccines, parasiticides, diagnostics, micro feed ingredients, and various other products. Other businesses that are a part of AmerisourceBergen Animal Health also include Micro Technologies, Securos Surgical, Centaur Services, VetSpace, Vetswest and St. Francis Group.

Global Sourcing and Manufacturing Relations (GSMR) – harnesses the full value of our expertise and solutions from across all business units so we bring manufacturers a coordinated and consistent brand experience — grounded in guidance for how to design a product commercialization, channel and distribution strategy that optimizes access and patient outcomes. GSMR also includes Global Services in Switzerland, which focuses on expanded international operations, and BluePoint Laboratories, which provides high-quality generic drugs at competitive prices, while ensuring a safe and secure supply chain.

Like every successful company, our businesses are backed with a strong enterprise-wide team of departments including human resources, enterprise information technology services, finance, government affairs, sales and marketing, and legal and regulatory affairs.

We are proud of the many valuable contributions each of our businesses make to healthcare. To learn more, go to [amerisourcebergen.com](https://www.amerisourcebergen.com)

Corporate Citizenship

Our Focus Areas

We are united in our responsibility to create healthier futures – this is our Company’s Purpose. One of the many ways AmerisourceBergen is committed to operating as a responsible corporate citizen is by helping people access the healthcare products they need. In the process, we enable the daily improvement of hundreds of thousands of lives.

We are also committed to supporting our most valuable asset and our Company’s differentiator – our talented associates – by providing them access to professional development, health and wellness programs, educational opportunities and a productive and collaborative work environment. We’re building a more sustainable environment. And we’re strengthening customer relationships by fostering innovation, driving operational efficiency and reducing costs. All of this combines to enhance our global reputation, which, in turn, builds shareholder and stakeholder value. We recognize that what we do has economic, social and physical impacts and we strive to integrate sustainability and socially responsible principles into our daily actions:

- **Among our associates**, by ensuring a safe, diverse workplace, providing meaningful development tools to ensure their success and encourage personal wellness.
- **In our operations**, by handling products safely, managing greenhouse gas emissions, improving energy efficiency, minimizing waste and maximizing recycling.
- **Across the healthcare supply chain**, by working alongside our customers and partners to collaborate and innovate to advance responsible principles; and

- **In our communities**, by leveraging associate volunteer engagement opportunities and social investments — including product donations, corporate sponsorships and the AmerisourceBergen Foundation, which partners with nonprofit organizations that focus on increasing access to healthcare, education and community-building initiatives.



Governance Practices

Our Commitment at AmerisourceBergen

As a publicly traded company, our primary responsibility is to deliver long-term value to our shareholders. In pursuit of that goal, we run our business ethically and in a transparent manner. In addition to a multifaceted compliance program, our Code of Ethics and Business Conduct serves as the foundation for our conduct and guides us as we strive to improve patient access to products and to enhance patient care. As part of our commitment to being a responsible company, all associates participate in ongoing compliance and ethics training, which promotes active communication and engagement across all business levels. The Company provides a variety of ways for associates to voice their concerns, including an anonymous hotline for associates to report incidents involving suspected improper, illegal or discriminatory conduct. For further details, please see our [Code of Ethics and Business Conduct](#).

We work hard every day to meet our regulatory requirements in our complex industry. We work with authorities in the countries we serve to remain compliant with changing regulations and in response to market dynamics, and to build awareness about the integral role we play in healthcare in the United States and around the world.

AmerisourceBergen participates in the U.S. political process to support the interests of the Company and our associates, primarily through the AmerisourceBergen Corporation Political Action Committee. Eligible AmerisourceBergen associates may voluntarily contribute to the AmerisourceBergen Corporation Political Action Committee. In these efforts, we focus on healthcare policy issues that directly affect our business and the businesses of our customers.



We are committed to participating responsibly and ethically in the political process, and we disclose our aggregate expenditures for political contributions and lobbying activities on an annual basis. For further details, please see our [Policy Statement on Political Engagement](#).

Our Associates

Our key to success is our associates, who come to work every day, across our business units, with a focus on positively impacting the lives of those we serve.

2016 workplace-related awards include:

- Ranked **#1** on *The Barron's 500 List*
- **#15 Best Workplaces in Healthcare** by *Fortune*
- Rating of 85 (out of 100): **Corporate Equality Index**
- Recognized as a **Champion for Board Diversity** by the Forum for Executive Women

Associate Experience

A Collaborative and Innovative Culture

AmerisourceBergen associates around the world take pride in the role they play in patients' lives. Over the past five years, our associate population has grown from 11,000 to 19,000, and we strive to be a talent destination.

Associate Benefits

Our success relies on our associates' ability to perform at their best, every day. Thus, our benefits support the overall wellbeing of our associates, as well as their families. In addition to compensation, our comprehensive total rewards include healthcare, life and other insurances and a retirement plan with a company match, as well as a discount employee stock purchase program, employee assistance program, tuition assistance, adoption benefits, commuter benefits, paid leave programs, tobacco cessation, transgender-inclusive healthcare benefits, medical coverage for same-sex partners and domestic partnerships and vacation, holiday and paid time off to be used at the associates' discretion. To give back to their communities, the majority of our U.S. associates are provided up to 8 hours per year of annual paid Volunteer Time Off. We provide more information on our community engagement efforts on page 31.

We also offer supplemental benefits, such as accident insurance, critical illness insurance, and hospital indemnity along with a number of voluntary benefits, such as identity theft protection, legal benefits, pet insurance, and home and auto insurance.

Promoting a Healthy Work Environment

Two of our senior leaders, CEO Steve Collis and ABSG President James Frary, are the chairs of their local chapters of the American Cancer Society's CEOs Against Cancer. Through their involvement with the organization, AmerisourceBergen promotes associate health and wellness by sponsoring walking



Over the past five years, our associate population has grown from 11,000 to 19,000.

clubs and access to fitness centers, either on site or through discounted memberships to local gyms. The Company also introduced a tobacco cessation program and is moving toward tobacco-free campuses. In addition to the American Cancer Society, the Company engaged associates this year around cause-related walks/runs in support of the Juvenile Diabetes Research Foundation, the Leukemia and Lymphoma Society, the American Heart Association, Relay for Life and Making Strides, among others.

AmerisourceBergen's Associate Assistance Fund is a nonprofit charitable organization established in 2012 to provide financial assistance to associates of AmerisourceBergen and their families who are victims of natural or civil disasters (e.g., fire, tornado, floods, etc.), or who are facing severe financial hardships. The Associate Assistance Fund has supported more than 180 associates, with financial assistance of nearly \$250,000.

Recruitment, Retention and Engagement

We know that associates with diverse backgrounds bring new ideas to the organization. So, we have developed strong partnerships with historically diverse universities by offering



internship opportunities, resume-writing workshops and mock interview training. Additionally, we plan on broadening mentoring programs, expanding recruiting pools and growing our employee business resource groups in the coming year.

Associates around the world are eligible for awards in our enterprise-wide recognition program, True Blue, delivering recognition from five different achievement and contribution award levels. To date, nearly 80,000 True Blue awards have been given, equivalent to \$4 million in award value. Awards are given in six categories that correspond with the company's values. The categories that received the most awards were "Customer Focus" and "Collaboration."

The Company also rewards associates for performance and listens when ideas for improvement are brought forward. For example, in our Drug Corporation business, through a process called Insight Action Teams, associates are awarded for providing ideas that result in efficiency gains.

We conduct a biannual engagement survey to identify and prioritize enhancements that make AmerisourceBergen a great place to work. Historically, the results have shown that employees are strongly engaged around the Company's

mission, vision, values and purpose. Examples of post-survey actions include the construction or enhancement of 600,000 square feet of office space to offer more open floor plans with collaborative work spaces. As another example, the Company's Innomar Strategies business unit placed a higher focus on associate wellness, including a walking challenge that resulted in associates walking "once around the world" in distance.

In addition to supporting today's workforce, we recognize the importance of nurturing the workforce of tomorrow. To help prepare millennials for their futures, we sent 120 high-potential millennial associates to our headquarters in 2016 for "ThinkForward," a two-day program focused on professional development, leadership skills, financial management, growth opportunities, access to senior leadership and volunteering events at Philadelphia area organizations. We continue to look for ways to engage this important group in our associate population. One example is through our community outreach and social investments, which can be found on page 31.



Women comprise more than 56% of our workforce as a whole.

Diversity, Inclusion and Equal Opportunity

Our commitment to fundamental human rights provides for an equal opportunity work environment where associates are treated with fairness, dignity and respect. We are also collaborative, fair and supportive of long-term, mutually beneficial relationships with our suppliers and business partners. We embrace the uniqueness of every associate, recognizing diverse backgrounds, perspectives and experiences. Our management and Board of Directors receive regular diversity and inclusion updates to ensure our progress.

For us, workplace diversity encompasses the variety of similarities and differences between people in an organization such as race, color, gender, age, religion, ethnic group, physical ability, personality, cognitive style, language skills, sexual orientation, gender identification or expression, education, experience, organizational function, family status, economic background, genetic information and family medical information, veteran status or membership in any other class protected by federal, state or local law.

AmerisourceBergen stands proud on our broad spectrum of talent. Our workforce is diverse and career development is a priority. We promote strong leaders and invest in their success at every turn.

Women comprise more than 56 percent of our workforce as a whole. Of the ten members of our Company's Board of Directors, three are women, and three out of eleven members of our Executive Lead Team are women.

Workplace Safety

As a foundation for everything we do, AmerisourceBergen respects and ensures the safety of all associates. Through a program called "Safety Minded... Patients depend on ME!" the ABDC business unit aims to reduce the number of distribution center incidents by reinforcing safe behaviors, educating about the most common types of unsafe incidents and providing tools to encourage peer-to-peer feedback. All distribution center associates receive training on proper safety procedures, feedback mechanisms and incentive opportunities, with safety performance tracked and shared across the organization. As an example of our safety track record, in March 2016, associates at our Salt Lake City distribution center celebrated three fiscal years without an incident.

The Company is also committed to providing a workplace that is free from harassment and intimidation, one that is safe for all associates. This includes maintaining an alcohol- and drug-free work environment and protecting associates' privacy in regards to medical, family and personal information.

Employee Business Resource Groups

The Company fosters an open environment through communication forums that encourage feedback and an open exchange of ideas between associates. Our Employee Business Resource Groups are organized by associates who, based on shared experiences, join together to provide a positive setting for professional development and for creation of ideas to support the success of the Company's diversity and inclusion efforts. The following are examples of such groups:

- Our **Women's Leadership Initiative** was first launched in November 2014. Today the Women's Impact Network (WIN) is sponsored by Peyton Howell, President of Global Sourcing and Manufacturer Relations. We also host an internal Senior Council of Women Leaders, which engages with external professional development organizations, such as the Healthcare Women's Business Association.
- The mission of the **LGBTAllies** Employee Business Resource Group is to create a network of allies and resources to support lesbian, gay, bisexual and transgender (LGBT) associates and promote initiatives that advance our vision of an inclusive and welcoming workplace that will help make AmerisourceBergen the employer of choice in the industry.
- Our **Veterans in Action** aids in the Company's efforts to recruit and provide opportunities for existing associates who are veterans. We partner with military placement organizations for military personnel transitioning out to placement in full-time jobs.



Personal Growth and Training

At AmerisourceBergen, career development is a shared responsibility between the Company, the manager and the associate, to align their talents and identify personalized developmental opportunities. We provide our associates with the training and tools they need to assess and proactively manage their careers. To ensure we meet consistently high standards around the world, new hires are required to complete more than 25 courses. The core corporate courses include corporate and human resources compliance, as well as an AmerisourceBergen brand overview. Individual business units may also require specific courses to be completed. We offer robust training programs, professional development, tuition reimbursement and opportunities to participate internally in mentorships, projects, business resource groups and volunteerism. We also encourage participation in external associations, training and conferences.

At every level of our associates' journeys, we are committed to providing leadership opportunities to strengthen their skills by participating in challenging projects, best-in-class training, live webinars, individual development planning and more than 300 online courses across a broad array of subject matter. Focused on total rewards, engagement and training, our associates receive annual performance reviews based on needs and requirements of each position. For example, our Lash Group business unit offers a select group of associates a 12-month job rotation program. In our World Courier business unit, important Standard Operating Procedures (SOPs) are brought to life through a robust online training platform, supported by active coaching. This transfer of skills and experience is leveraged throughout the organization in real time where they are most needed, holding associates to the same high standards of SOPs everywhere in the world.

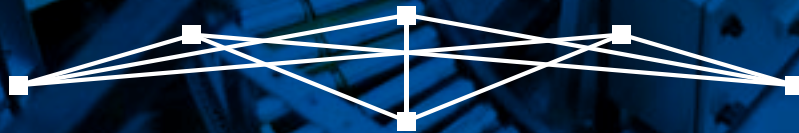
To further enhance associates' talent development, AmerisourceBergen provides tuition assistance to eligible associates by reimbursing a portion of school expenses, including tuition, registration and lab fees, up to \$5,250 per year for full-time associates and \$2,500 for part-time associates. Further, we offer discounts of up to 25 percent with certain university partners. In calendar year 2016, 391 associates benefited from this program. In addition, we award both needs- and merit-based scholarships to children of our associates. Graduating high school seniors are eligible to apply and earn scholarship funds through the AmerisourceBergen Foundation Scholarship Program and the National Merit Scholarship Program. Through this AmerisourceBergen Foundation-sponsored program, each year up to twenty \$2,500 scholarships are offered to children of AmerisourceBergen associates.

To engage the next generation of associates, the AmerisourceBergen Summer Internship Program provides the opportunity for an annual average of 70 students to gain valuable, real-world business experience and make a meaningful contribution in a team-oriented environment. Since the program's inception in 2008, several of those interns have accepted offers of full-time employment and have grown their careers at AmerisourceBergen.

Our Operations & Supply Chain

Across our operations and supply chain, we're creating healthier futures with sophisticated systems and innovations that are focused on efficiency, quality, product safety and stewardship.

LARGEST NETWORK *for*



DISTRIBUTING TO
RETAIL PHARMACIES

15,000
LOCATIONS

SPECIALTY
PHYSICIAN GPOs

90%
RETENTION

DISTRIBUTING
TO HOSPITALS


95%
REACH

Operational Efficiency & Innovation

Patient Care Starts at the Supply Chain

At AmerisourceBergen, our commitment to improving patients' lives starts at the first point a product touches our supply chain.

- For our Pharmaceutical Distribution Services Segment, this happens in one of our 30+ world-class distribution centers. More than 50,000 unique items from more than 1,500 manufacturers stream through several miles of conveyor system, which leverage sophisticated workflow technology and inventory tracking systems, before assignment to our delivery route planning system, all resulting in an average 99.99 percent order accuracy rate.
- Across 23 distribution centers, 1,000 operational associates at MWI Animal Health move 100,000 lines and deliver 20,000 packages per day.
- As a part of AmerisourceBergen's Specialty Group, ASD Healthcare's distribution centers serve 95 percent of all U.S. hospitals.

99.99% 
AVERAGE ORDER
ACCURACY RATE

We encourage associates to consider the patient who will receive the products he or she touches, by sharing actual stories about how their efforts impact patient care.

In an ongoing commitment to continuous improvement, Drug Corporation has applied Lean Six Sigma methodologies in our operations. Continuous Improvement Managers spend 10 weeks at each distribution center to identify opportunities to reduce wasted time, effort and resources, while ensuring quality of production and processes. The complexity of improvements range from "quick win" opportunities — such as changing the location of a trash conveyer line and strategically placing bins for damaged products — to more long-term opportunities, such as ensuring optimal workflow and product quality. Additionally, associates can post innovations through an enterprise-wide innovation portal on the Company's intranet. Associates submit ideas, which are then rated by their peers and reviewed by a selection committee for potential implementation. We continue to seek opportunities to achieve productivity and operating income gains as we invest in warehouse automation technology, adopt "best practices" in warehousing activities and increase operating leverage by increasing volume.

Our Lash Group business unit fields a Lean Six Sigma-trained Clinical Services management team to track trends in patient adherence programs. Their findings help to identify new areas for business process improvement, ultimately with a positive impact on patients' lives.



The strength of our business is reinforced by high-quality customers and our ability to develop long-term collaborative partnerships. Our customers acutely understand changing market conditions and are open to finding mutually beneficial solutions. For example, in ABSG, we worked with a customer to implement a shipping efficiency program that resulted in combined shipments, optimized packaging and reduced packaging waste for our customer.

We provide sources of information to help keep our customers at the forefront of healthcare distribution and innovation:

Knowledge Driven:

knowledgedriven.com

It Takes AmerisourceBergen:

ittakesamerisourcebergen.com



Product Safety and Stewardship

AmerisourceBergen's state-of-the-art infrastructure and technology collectively comprise an efficient and secure pharmaceutical supply chain. This operational focus has strengthened the value we provide and ensures that our customers' orders are filled efficiently and with a near-perfect accuracy rate. We have a solid track record of regulatory compliance, and we work with authorities in the countries we serve to respond to changing regulations and market dynamics.

Following are examples of safety, efficiency and productivity innovations led by the AmerisourceBergen family of companies:

Manufacturing and packaging innovations enhance patient safety and reduce waste

- PharMEDium, our U.S. provider for compounded sterile preparations, has enhanced patient safety by developing new automation technology, advanced filling approaches and leading-edge processes in several aspects of drug compounding, distribution, dispensing and clinical usage. Our Bar Code Verification System ensures the accuracy of each individual unit used in point-of-care medication administration systems, such as scanners, smart pump

technology, and automated dispensing machines. Radio frequency identification (RFID) tags placed on prefilled syringes advance patient safety, increase medication efficiencies and reduce waste in hospitals, helping healthcare providers improve inventory management and controlled substance reconciliation.

- American Health Packaging supplied approximately 430 million barcoded unit doses to health systems in the United States in 2016. These prepackaged unit dose medications help eliminate the potential for human error and improve safety, pharmacy efficiency, liability management and cost savings, allowing staff members to devote more time to patient care.

State-of-the-art logistics and distribution ensure efficiency, accuracy and security

- ABDC purchases pharmaceuticals for distribution in the United States directly from the products' manufacturers or their authorized representatives. We then warehouse the products and deliver them to healthcare providers on a just-in-time basis. To enhance the security of the

supply chain, we use sophisticated and highly engineered order-monitoring systems. This customized infrastructure allows us to not only manage product placement in our distribution centers, but to also identify and trace products throughout the entire supply chain.

- As the world's largest and most experienced provider of specialty courier services, World Courier is industry-leading in meeting the demanding requirements needed to transport time- and temperature-sensitive pharmaceutical products, and investigational medicinal products, used in clinical trials or the commercial space. To accomplish this mission, World Courier holds itself to international quality management standards across its 140 offices in more than 50 countries: Good Distribution Practice, Good Storage Practice, Good Manufacturing Practice and Good Clinical Practice. These practices are one of the many ways in which we expedite and enhance the global clinical trial process, ensure product quality and integrity, minimize risk, increase efficiency, and optimize the supply chain for our customers.



On-site product security features for independent pharmacies, hospitals and doctor offices

The following AmerisourceBergen company examples demonstrate our innovative pharmacy solutions:

- ASD Healthcare developed Cubixx®, a pharmacy solution that uses RFID technology to continuously monitor inventory and instantly provide access to vital medications, all while helping to ensure security and prevent waste.

- IntrinsicQ developed IntelliDose®, a clinical software that tracks and manages complex chemotherapy workflows across busy oncology medical practices.
- MWI Animal Health's products and services promote animal health, while also playing an important role in global food security and safety with our service offerings for the production animal market.



Transportation Efficiency

Delivering daily shipments to tens of thousands of healthcare facilities requires sophisticated planning expertise and a variety of methods. The logistics processes and mechanisms may vary within each of the AmerisourceBergen businesses, but the focus on efficiency does not. Across our business units, we routinely look for opportunities to enhance the efficiency and reliability of transportation. For example:

- When possible, all of our business units select transport companies that are U.S. Environmental Protection Agency (EPA) SmartWay Partners.
- Our Drug Corporation business unit does not have a company-owned trucking fleet, so we work with our transportation partners to reduce the fuel costs and greenhouse gas emissions associated with our distribution activities. These third-party carriers utilize sophisticated delivery route-planning methods to consolidate our orders and shipments. This not only minimizes the number of vehicles required to serve our customers, it also reduces the total miles traveled and the number of required stops.
- As part of World Courier's ISO 14001 Certification, leased and company-owned vehicles are tracked and replaced, when necessary, with more fuel-efficient models.

The world's natural resources become scarcer every day. At the same time, demands for the materials required to produce time- and temperature-sensitive transport are increasing. To address these challenges, in 2016, we unveiled an industry innovation, World Courier's Cocoon™, a cost-effective, lighter-packaging solution. With this technology, shipments maintain temperatures up to 40 percent longer than comparable products and weigh up to 30 percent less. This reduces fuel use and total shipment costs, while still ensuring shipment stability and security.

Across our increasingly complex logistics healthcare supply chain, AmerisourceBergen is committed to partnering with our customers and suppliers throughout our distribution channels to identify even more areas of innovative opportunities to reduce fuel use, increase efficiency and ensure reliability.

Emergency Preparedness

As a resourceful logistics provider, our experience enables us to find alternative solutions that, to the greatest extent possible, guarantee the integrity and delivery deadlines of each shipment.

In the event of a natural disaster, each ABDC distribution center has backup generators and documented, site-specific business continuity plans. These plans include procedures for one distribution center to temporarily service another's customers, in the event of severe weather or a natural disaster. At World Courier, where global weather and transportation delays can cause disruptions, quarter-hour reports keep customers apprised and updated.

Energy Management

Our ability to continuously improve efficiency is a core competency and a key way in which we continue to deliver value to our stakeholders. While we actively seek new ways to reduce energy consumption and cost, we have made significant investments in our distribution infrastructure and advanced warehouse management systems. This not only improves the safety, efficiency and speed of our own operations, it also continues to optimize the operations of the entire pharmaceutical supply channel.

In 2015, ABDC served as the starting point for our company's greenhouse gas inventory, with Scope 1 emissions of 9,152 metric tonnes carbon dioxide equivalents and Scope 2 emissions of 53,670 metric tonnes of carbon dioxide



We seek options to source new products manufactured from recycled material, which are ENERGY STAR-qualified and for which responsible end-of-life management processes have been identified.

equivalents representing approximately 80 percent of our business by revenue. As part of this work, we responded to [CDP's Climate Change Survey](#), and we will respond with our enterprise-wide greenhouse gas emissions for the 2017 [CDP Climate Change Survey](#). In 2016, we started conducting energy audits and will continue to expand our energy-efficiency work to other business units.

One area in which we have a significant opportunity to minimize our footprint is in the construction of our facilities. Many of the sustainability considerations in our building guidelines encourage the use of products and materials for which life-cycle information is available. We seek options to source new products manufactured from recycled material, which are ENERGY STAR-qualified and for which responsible end-of-life management processes have been identified.

Our Kansas City distribution center is Leadership in Energy and Environmental Design (LEED) Gold Certified and, in 2016, we began the process of LEED-certifying Lash Group's new office building in Fort Mill, S.C. To aid in clean electricity production, solar panels sit on top of our World Courier building in New Hyde Park, N.Y.

At World Courier, we have attained two rigorous International Organization for Standardization (ISO) certifications: 9001 for quality management and 14001 for environmental management. Our formal continuous improvement programs focus on minimizing energy consumption by promoting energy efficiency through lighting; lower-impact refrigerants in heating, ventilation and air-conditioning systems; and fuel-efficient fleet vehicles.



Nearly all AmerisourceBergen distribution centers have resources to recycle cardboard.





Waste Management

Each delivery we make and each service we provide comes with individual characteristics – for example, special packaging to ensure temperature control and the protection of fragile items. These individualized needs create unique waste challenges and opportunities for each AmerisourceBergen business unit. For example:

- ABDC uses totes for the majority of its shipments, and MWI has implemented the use of totes in its larger markets, avoiding significant use of packaging materials.
- Pallet recycling has been implemented in our Drug Corporation and MWI distribution centers.
- Paper and plastics, including stretch wrap, are recycled in all locations where services are available.
- Nearly all ABDC, MWI Animal Health and ABSG distribution centers have resources to recycle cardboard. While workflow processes and size constraints prevent some distribution centers from recycling cardboard, we are working on addressing the opportunities in these locations.
- AmerisourceBergen has a company-wide policy for the responsible disposal of electronic waste through a single provider.

- Within the operations of our AmerisourceBergen companies, we have applied technologies and innovations to reduce or eliminate downstream waste. For example, PharMEDium has combined product dating with a unique tamper-evident feature that has reduced drug waste.
- AmerisourceBergen has reduced waste by also making product donation contributions; see page 29.

Assessing operational waste challenges across business units has enabled us to begin to prioritize waste stream opportunities and to develop a waste-management strategy. To increase efficiency and reduce costs, we will continue to seek innovative opportunities to decrease waste in our supply chain and in our operations.

Water-Efficiency Measures

ABDC distribution centers have implemented water-efficiency practices and invested in automated and low-flow plumbing fixtures. To reduce water use, some of our distribution centers have installed desert and native landscaping, as well as timers to automate landscape watering. To more responsibly manage our water use in the future, we have integrated water-efficiency recommendations in our building and new construction guidelines. Please see page 30 for an example of how our World Courier business unit is supporting ground-breaking research work on the world's oceans.

Responsible Sourcing

Our focus is on the continuous improvement of the safety, efficiency and productivity of our operations and the pharmaceutical supply channel, with the ultimate goal of helping to ensure patients have access to medications. As a company, we seek opportunities to buy goods and services from suppliers, contractors and vendors who share the same focus.

In 2016, AmerisourceBergen began incorporating sustainability into the procurement process for indirect goods, encouraging bidders to include socially, economically and environmentally friendly products and service options in their offerings. This approach takes into account the overall costs of ownership, as well as the avoidance of products or equipment that have unsustainable components when alternative options exist.



Supplier Diversity

As the foundation of a competitive economy and the source of business innovation, AmerisourceBergen is committed to promoting the success of small and minority-, women-, disabled- and veteran-owned businesses. We do this through policies, procedures and programs designed to increase the inclusion of small businesses in AmerisourceBergen's sourcing process.

It is AmerisourceBergen's objective to place a certain portion of total procurement dollars with the small and diverse business community. Naturally, because of our business model, major pharmaceutical manufacturers receive a majority of our required product spending. Because alternative pharmaceutical procurement options are non-existent, the percentage of spend we are able to allocate to small and diverse businesses is limited. Our commitment to supplier diversity is led from



AmerisourceBergen is committed to promoting the success of small and minority-, women-, disabled- and veteran-owned businesses.

the top, is integrated across our businesses and includes annual goals. Leaders and several departments across the enterprise actively participate in related councils, conferences and mentoring and training sessions. AmerisourceBergen has

established a strong rapport with local Women's Business Enterprise Councils and the National Minority Supplier Development Council, and encourages the development of small and diverse businesses through the Greater Philadelphia Chamber of Commerce workshops and seminars.

AmerisourceBergen encourages working with diverse suppliers while simultaneously ensuring that we receive the highest-quality products and services at the most competitive prices. Outreach initiatives have been established to gather and review profile information on small and diverse companies that can offer products and services to support our business requirements. Our initiatives include program promotions in marketing literature, supplier diversity employee training, supportive corporate strategic sourcing processes and a web-based supplier registration [portal](#) where opportunities for diverse suppliers are posted.

One example of how we have taken creative steps to advance our spending in meaningful ways is by contracting with organizations who provide work experience for individuals who may have physical, mental or emotional challenges. In our Drug Corporation distribution centers, we work with local organizations to outsource the cleaning of totes, refreezing of coldpacks and other tasks in an effort to link individuals with disabilities to purposeful work opportunities. These partnerships not only broaden our spending portfolio, they are also a great way to invest in fellow citizens in our local communities.

With the guidance of the Small Business Administration, AmerisourceBergen reports Supplier Diversity figures via an annual Commercial Reporting Plan. The Commercial Reporting Plan is company-wide in scope and relates to the entire business activity for both direct and indirect products and services.

Our Communities

AmerisourceBergen Corporation and the AmerisourceBergen Foundation are committed to making a difference in our communities. Together, we can make strides far greater than any one person. We can be a part of a movement to inspire hope and create healthier futures for our patient populations worldwide.



Corporate Giving

Making a Positive Social Impact

With a focus on health, education and community, AmerisourceBergen is committed to making a positive social impact on the communities we serve through corporate contributions, product donations and volunteerism. AmerisourceBergen Corporation provided \$1,785,964 in financial contributions to more than 300 organizations that promote health and wellness in our patient populations, both human and animal in fiscal year 2016.

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AmerisourceBergen Drug Corporation, Besse Medical and ASD Healthcare provided \$2,376,126 in over-the-counter product donations. This excess inventory was donated so that qualified medical teams could dispense it to under-served populations in need, which also responsibly reduced the amount of waste generated at our distribution centers. Recipient organizations included, but were not limited to, AMAR Foundation, Hawaii Foodbank, Kingsway Charities, Roanoke Food Pantry and Save One Life.



Business Unit Spotlights on Corporate Giving

Across the AmerisourceBergen family of companies, meaningful contributions were made to the advancement of healthcare, comfort of patients and future of the world. Here are a few examples:

- **Besse Medical** contributed to organizations aligned with its mission and values, and the best interests of key stakeholders, including Cincinnati Children's Hospital, Ronald McDonald House, the Immunization Action Coalition, the American Bladder Cancer Society and various eye disease and blindness foundations.
- **MWI Animal Health** contributed to improving animal health through product donations, especially in times of need, when animals are displaced due to fires or natural disasters. Through both in-kind and financial contributions, MWI supported organizations like World Vets and The Humane Society.
- **ASD Healthcare** supported several nonprofit organizations that improve the quality of life for persons with rare and chronic diseases, including the Immune Deficiency Foundation and Save One Life. Another example of ASD Healthcare's commitment is the humanitarian program, Project SHARE, which saves lives by collecting unused or unwanted blood-clotting medicine from facilities and individuals in developed countries. The medicine is then donated to patients in developing countries where it is scarce, unavailable and unaffordable.
- **Good Neighbor Pharmacy** led an initiative to provide free Zika Virus Prevention Kits. With support from

the AmerisourceBergen Foundation, our Orlando and Puerto Rico distribution centers and associates at AmerisourceBergen business unit Xcenda in Tampa, 5,000 kits were provided for distribution throughout Puerto Rico and south Florida where outbreaks of Zika Virus have been the most significant.



In a shared vision of improving global health and ensuring a sustainable future for all, **World Courier** has proudly served for five years as the official logistics partner of the legendary schooner, Tara, a research mission working to understand mankind's environmental impact on the world's oceans. Through an in-kind donation valued at \$100,000, World Courier joins Tara's 2016-2018 voyage across Asia Pacific to examine the biodiversity of coral reefs and their evolution in response to climate change and anthropic disturbances. The Tara Pacific expedition will cover nearly 100,000 kilometers around the Pacific Ocean, comprising 70 stopovers in 30 countries, with 70 scientists collecting 40,000 coral reef samples. In less than 48 hours, the irreplaceable samples will be packed and shipped from Tara's location in the Pacific Ocean, and kept at a temperature of -80 °C at all times, while in route to their analysis laboratory.

Volunteering

Service is Rooted in Our Culture



AmerisourceBergen Animal Health, which have not yet been integrated into our tracking systems) contributed more than 14,000 hours to the communities they serve, a nearly three-fold year-over-year increase. MWI associates logged 2,400 hours through a separate program that awards \$1,000 quarterly to one of the supported organizations. From nonprofit board service to packing 28,000 student backpacks to unpacking medical supplies headed for Rwanda, in fiscal year 2016 the in-kind value of our associates' volunteer service totaled nearly \$700,000 ¹. In addition to paid VTO, associates also tracked 8,000 hours volunteering on their personal time.

One example of how we volunteer in healthcare – to not only lend a hand, but to also remind ourselves about why we do what we do – is in Lash Group. Lash Group has partnered with The Children's Inn, a private, nonprofit residence for children and families participating in pediatric research at the National Institutes of Health in Bethesda, Maryland. Lash Group associates from across the country used their VTO hours to create thoughtful treasures, such as ornaments and small toys, for pediatric patients with life-threatening illnesses.

At AmerisourceBergen, service is rooted in our culture – service to our business stakeholders and service to our communities. We strive for our philanthropic activities to improve the lives of people in the communities we serve by expanding access to essential quality healthcare and education to those in need, and by linking engaged associates with social impact initiatives.

Guided by site-based volunteer coordinators and an annual paid Volunteer Time Off (VTO) policy of up to 8 hours per year, in 2016, AmerisourceBergen associates in the United States and Canada (with the exception of PharMEDium and

14,000 hours 
LOGGED BY OUR ASSOCIATES

As we geographically expand our reach, a Community Impact Council, consisting of primarily high-potential young professionals, and a Global Volunteer Advisory group of associates on six continents are developing a coordinated, integrated one-to three-year global volunteer engagement strategy.

¹Calculated using wage averages across nine job categories.

The AmerisourceBergen Foundation

Committed to Making a Difference in Our Communities

Established in 2014 as a nonprofit 501(c)(3) charitable organization that is distinct from the AmerisourceBergen Corporation, the mission of the AmerisourceBergen Foundation is to positively impact the lives of people in communities AmerisourceBergen serves by improving the health and wellbeing of our patient populations. We are working to accomplish our mission by funding programs and organizations that focus on expanding access to quality healthcare and educational opportunities that strengthen communities around the world.

In 2016, the AmerisourceBergen Foundation supported 67 nonprofit organizations with grants of \$1,152,465 impacting more than one million lives. Following are three examples of grants that focus on expanding access to quality healthcare to strengthen communities around the world.

Partners in Health

A \$250,000 grant to Partners In Health (PIH), the largest nongovernmental healthcare provider in Haiti, was used to construct and equip a new medical distribution center outside Port-au-Prince. This distribution center will serve as the cornerstone of the new PIH state-of-the-art logistics and supply chain system, designed to significantly improve inventory management and protect patient access to important medications for 12 healthcare facilities that serve an area of 4.5 million people in two of the country's poorest regions. The new distribution center will be built to U.S. seismic codes, be able to withstand hurricane-force winds and will utilize energy-efficient light emitting diode (LED) lighting.

Present day conditions

Photo by Aliesha J. Porcena / Partners In Health



Future warehouse and distribution center in Mirebelais, Haiti

Photo by Andrew Jones / Build Health International

Project C.U.R.E

A \$50,000 grant allowed Project C.U.R.E to purchase a truck to transport donated supplies to their warehouse on the east coast of the United States. CEO Steve Collis was on hand for the ribbon-cutting ceremony, along with nearly 30 AmerisourceBergen associates. AmerisourceBergen Chief Marketing Officer and AmerisourceBergen Foundation President Gina Clark stated, "Today's event is exactly what the AmerisourceBergen Foundation is about – enabling healthcare for patients who need it most." After brief remarks, our associates unloaded the Project C.U.R.E. truck and filled an enormous container bound for Rwanda the next day.



Family Reach Foundation

The AmerisourceBergen Foundation seeks to address barriers to healthcare access by supporting organizations like Family Reach Foundation, which offers direct financial support to families of cancer patients who struggle with day-to-day expenses while undergoing treatment. Through a partnership with our Foundation, Family Reach is developing a Financial Handbook for cancer patients, by cancer patients. The Handbook will serve to educate families on what to expect and how to manage their finances during the cancer journey. In support of this, our Xcenda business unit is developing a white paper on the Financial Toxicity of Cancer, which explores how financial burdens affect patient outcomes. Additionally, Lash Group's President serves on the Family Reach national advisory board.





In 2016, a Foundation Advisory Council was created, comprised of nine high-potential young professional associates from across the enterprise. The Council selected three organizations to invest a total of \$10,000 in microlending support to increase access to healthcare, healthcare-related education and community-building initiatives in the developing world. Here are some examples that demonstrate the big impact of relatively small microloans:

Richard Andoh, father of three daughters in Ghana, received a loan to expand his pharmaceutical shop and stock malaria medications, as well as pain and fever reduction pharmaceuticals, to benefit his community.

A young Ghanaian entrepreneur, Janet Koomson, overcame odds after losing her father at age 14. While staying with her uncle, she learned how to operate a small drug store. Her local community needs adult and child malaria treatment, but lacks a nearby government hospital. Janet's loan helped her purchase incremental inventory, fueling her ambition to serve her community by providing basic healthcare medications.

Funding was made to Grameen Foundation, who developed a mobile health program, called The Mobile Kilkari, to promote maternal and infant health behaviors across India. The Mobile Kilkari directly calls pregnant women and mothers on their mobile phones, targeted to their stage of pregnancy or their infant's age, to deliver crucial time-sensitive healthcare information. As of October 2016, 1.9 million women were enrolled, with a long-term goal to eventually reach 10 million women.

A loan helped Kaneez, a 62-year-old mother of seven children in Pakistan, and her son operate a pharmacy for one of the poorest communities in Pakistan to generate income.

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Where knowledge,
reach and partnership
shape healthcare delivery.