

CHARTER OF THE  
COMMITTEE ON DIRECTORS AND CORPORATE GOVERNANCE  
OF THE BOARD OF DIRECTORS OF McKESSON CORPORATION  
AS ADOPTED BY THE BOARD  
ON MAY 28, 2003

I. PURPOSE OF THE COMMITTEE

The purposes of the Committee on Directors and Corporate Governance (the "Committee") of the Board of Directors (the "Board") of McKesson Corporation (the "Company") shall be to recommend to the Board individuals qualified to serve as directors of the Company and on committees of the Board; to advise the Board with respect to the Board composition, compensation, procedures and committees; to develop and recommend to the Board a set of corporate governance principles applicable to the Company; and to oversee the evaluation of the Board. The Committee shall report to the Board on a regular basis and not less than once per year.

II. COMPOSITION OF THE COMMITTEE

The Committee shall be comprised of three or more directors each of whom has been determined, in the business judgment of the Board, to qualify as an independent director ("Independent Directors") under (a) the rules of the New York Stock Exchange (the "NYSE Rules") and (b) the Company's Corporate Governance Guidelines.

III. MEETINGS AND PROCEDURES OF THE COMMITTEE

The Committee may fix its own rules of procedure, which shall be consistent with the Bylaws of the Company and this Charter. The Committee shall meet at least two times annually or more frequently as circumstances or such rules of procedure as it may adopt require. The Board may designate one member of the Committee as its Chairperson and in the absence of any such designation by the Board, the Committee shall designate by majority vote of the full Committee one member of the Committee as its Chairperson.

The Committee may request that any directors, officers or employees of the Company, or other persons whose advice and counsel are sought by the Committee, attend any meeting of the Committee to provide such pertinent information as the Committee requests.

Following each of its meetings, the Committee shall deliver a report on the meeting to the Board, including a summary description of actions taken by the Committee at the meeting. The Committee shall keep written minutes of its meetings, which minutes shall be maintained with the books and records of the Company.

#### IV. COMMITTEE RESPONSIBILITIES

##### A. Board Candidates and Nominees

The Committee shall have the following goals and responsibilities with respect to Board candidates and nominees:

(a) To recommend to the Board the director nominees for election by the stockholders or appointment by the Board, as the case may be, pursuant to the Bylaws of the Company, which recommendations shall be consistent with the Board's criteria for selecting new directors. Such criteria shall include the possession of such knowledge, experience, skills, expertise and diversity as may enhance the Board's ability to manage and direct the affairs and business of the Company, including, when applicable, as may enhance the ability of committees of the Board to fulfill their duties. The Committee shall also take into account, as applicable, the satisfaction of any independence requirements imposed by law, regulation, the NYSE Rules, and the Company's Corporate Governance Guidelines. Any new candidate proposed by the Committee for election to the Board shall be discussed with and receive concurrence from the Board prior to the Chairman of the Board extending a formal invitation to the candidate to join the Board.

(b) To establish procedures for evaluating the suitability of potential director nominees proposed by the Directors, management or shareholders.

(c) To review the suitability for continued service as a director of each Board member when his or her term expires and when he or she has a significant change in status, including but not limited to an employment change, and to recommend whether or not the director should be re-nominated.

##### B. Board Composition and Compensation

The Committee shall have the following goals and responsibilities with respect to the composition and procedures of the Board as a whole:

(a) To review annually with the Board the size and composition of the Board as a whole and to recommend, if necessary, measures to be taken so that the Board (i) reflects the appropriate balance of knowledge, experience, skills, expertise and diversity required for the Board as a whole and (ii) contains at least the minimum number of Independent Directors required by the NYSE Rules or such greater number or percentage

of Independent Directors as the Committee may, from time to time, recommend to the Board.

(b) To make recommendations on the frequency and structure of Board meetings.

(c) To review, on an annual basis the level and form of non-employee Director compensation and recommend to the Board any changes the Committee considers appropriate.

(d) To make recommendations concerning any other aspect of the procedures of the Board that the Committee considers warranted, including but not limited to procedures with respect to the waiver by the Board of any Company rule, guideline, procedure or corporate governance principle.

#### C. Board Committees

The following shall be the goals and responsibilities of the Committee with respect to the committee structure of the Board:

(a) To make recommendations to the Board, in consultation with the Chairman of the Board, regarding the size, composition and chair of each standing committee of the Board of Directors, including the identification of individuals qualified to serve as members of a standing committee, including the Committee, and to recommend to the Board individual directors to fill any vacancy that might occur on a committee, including the Committee.

(b) To monitor the functioning of the standing committees of the Board and to make recommendations for any changes, including the creation and elimination of any standing or special committees.

(c) To review annually standing committee assignments and the policy with respect to the rotation of standing committee memberships and/or chairpersonships, and to report any recommendations to the Board.

#### D. Corporate Governance

The following shall be the goals and responsibilities of the Committee with respect to corporate governance:

(a) To develop and recommend to the Board a set of corporate governance principles for the Company, which shall be consistent with any applicable laws, regulations and listing standards. At a minimum, the corporate governance principles developed and recommended by the Committee shall address the following:

- i. Director qualification standards. The Committee shall establish director qualification standards; and such standards must reflect at a minimum the independence requirements of the NYSE Rules. The Committee shall also develop policies regarding director tenure, retirement and succession, and may consider whether it is in the best interest of the Company to limit the number of corporate boards on which a director may serve.
- ii. Director responsibilities.
- iii. Director access to management and, as necessary and appropriate, independent advisors.
- iv. Director compensation, including principles for determining the form and amount of director compensation, and for reviewing those principles at least annually.
- v. Director orientation and continuing education.
- vi. Management succession, including policies and principles for the selection and performance review of the chief executive officer, as well as policies regarding succession of the Chief Executive Officer in the event of his or her retirement.

(b) To review periodically, and at least annually, the corporate governance principles adopted by the Board to assure that they are appropriate for the Company, and to recommend any desirable changes therein to the Board. In formulating its recommendations pursuant to this Charter, the Committee shall work closely with the Chairman of the Board of the Company.

#### E. Evaluation of the Board

The Committee shall be responsible for overseeing the annual evaluation of the Board as a whole. The Committee shall establish procedures to allow it to exercise this oversight function.

#### V. EVALUATION OF THE COMMITTEE

The Committee shall on an annual basis evaluate its performance, which evaluation should among other things: (i) compare its performance with the requirements of this charter, (ii) evaluate its performance against its goals and objectives for the previous year, and (iii) set forth its goals and objectives for the upcoming year. The evaluation should include a review and assessment of the adequacy of the Committee's charter. The Committee shall address all matters that it considers relevant to its performance, including

at least the following: the adequacy, appropriateness and quality of the information and recommendations presented by the Committee to the Board, the manner in which they were discussed or debated, and whether the number and length of meetings of the Committee were adequate for it to complete its work in a thorough and thoughtful manner.

The Committee shall report the results of its evaluation to the Board, including any recommended amendments to this Charter and any recommended changes to the Company's or the Board's policies or procedures.

#### VI. INVESTIGATIONS AND STUDIES; OUTSIDE ADVISORS

The Committee may conduct or authorize investigations into or studies of matters within the Committee's scope of responsibilities, and may retain, at the Company's expense, such independent counsel or other advisors as it deems necessary. The Committee shall have the sole authority to retain or terminate any search firm to be used to identify director candidates, including sole authority to approve the search firm's fees and other retention terms, such fees to be borne by the Company.