

# Indivior

## Our Approach to Tax

### Our Business

We are a world leader in addiction treatment and our business activities include the research, development and manufacturing of products for the treatment of opioid dependence. Our business is headquartered in United States of America, with operations in Europe, Asia Pacific and the Middle East.

For more information on our business, please click [here](#).

### Corporate responsibility and tax

We are committed to responsible corporate behaviour which includes high standards of business conduct in our relationships with employees, contractors, customers, shareholders, suppliers, governments, competitors and the local communities in which we operate.

We are committed to conduct business on a foundation of strong ethical and moral principles and this extends to our approach to tax. Our [Code of Conduct](#) highlights that all our employees must be aware of and must observe all laws and regulations governing the payment of taxes. We seek to comply with all relevant tax laws in all of the countries in which we operate.

### Our approach to tax risk management and governance

The Board of Directors of Indivior Plc ('the Board') is ultimately accountable for our Group's tax affairs. The Audit Committee supports the Board in its oversight of the Group's accounting and financial reporting processes, including those related to tax.

The responsibility for the day to day management of our tax affairs is delegated by the Board to our Chief Financial Officer ('CFO') and Vice President of Tax (VP of Tax).

The VP of Tax and CFO discuss tax matters with the Audit Committee and the Board, as necessary, to ensure that they are informed of the significant tax developments impacting our Group.

Our approach to tax has been formalised and implemented across the Group by our Global Tax Policy which has been approved by the Group's Corporate Controller. Our Global Tax Policy outlines the approval process for decisions that relate to tax, including when the Group Tax Team should be involved in business decisions and how we should manage our relationships with tax authorities. Our Global Tax Policy helps to ensure that our approach to tax is consistent across the Group.

Further, our Group Tax Team is embedded within our business and is regularly represented at meetings with other business functions in order to ensure that the tax implications of significant business developments are appropriately considered.

The principle objective of our Group Tax Team is to ensure that our tax returns are prepared accurately and are submitted on a timely basis. In order to achieve this, we ensure that separate individuals prepare and review our tax returns. We also seek third party advice from external advisors on complex tax matters where necessary.

Indivior is subject to the Senior Accounting Officer ('SAO') legislation in the United Kingdom which requires us to consider whether potential tax risks are appropriately mitigated by our framework of controls.

Our Internal Audit Team also ensures that effective controls are in place in order to minimise any potential risks, including those related to tax. The Internal Audit Team ensures that proper accounting records are maintained and that financial information used within all business areas is reliable and up to date.

As a listed company we appreciate that we also have an obligation to our shareholders. We will strive to maximise shareholder value, while seeking to comply with all relevant tax laws, regulations and obligations in each of the countries in which we operate.

#### **The level of tax risk that we are prepared to accept**

We have a low risk approach to tax. We will seek to reduce any potential tax risks as far as practically possible by ensuring that there are appropriate controls in place. We will also seek third party advice on areas of complexity in order to ensure that the resultant risks are appropriately mitigated.

#### **Our attitude to tax planning**

The transactions that we enter as a business are primarily driven by our commercial aims and will not be led by a tax motivation. As a listed group, we value our reputation, and we will not engage in any tax planning that threatens to undermine it. Significant tax decisions are carefully considered by the Group Tax Team, with our reputation in mind, and may be subject to additional review by the CFO, the CEO and the Audit Committee. We will also seek the opinion of third party advisors, as necessary.

We benefit from government incentives in the manner in which they were intended to be used, including those which are designed to stimulate our research and development into solutions for opioid dependence.

#### **Our approach to engaging with tax authorities**

We seek to comply with all relevant tax laws and our business goals and we will seek to maintain constructive and open relationships with the Tax Authorities worldwide. For example, in the United Kingdom, we are in regular contact our Customer Relationship Manager at HM Revenue and Customs ('HMRC') with whom we proactively discuss significant tax developments and business changes.

*This tax strategy has been prepared in accordance with the requirements of paragraph 16 (2) contained in Schedule 19 of the Finance Act 2016. It has been approved by the Board of Indivior PLC and relates to the Group's year ended 31st December 2017.*