**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, Canada, Asia Pacific and the Middle East.

Our business activities around the world incur a variety of business taxes. We pay corporate income taxes, employment taxes and many other business taxes in all jurisdictions where applicable. We also collect and pay employee taxes and indirect taxes such as value added tax (VAT). The taxes we pay and collect represent a significant contribution to the countries and societies in which we operate.

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.

Indivior’s Global Tax Policy is to comply with all applicable tax laws and regulations of each country and region where Indivior conducts business as well as the international treaties and conventions. Indivior’s subsidiaries in the UK also share and adopt the Global Tax Policy in relation to the UK taxation. We ensure that we are paying the taxes determined by the laws in each country where we do business. We seek to build and maintain a constructive, appropriate and open relationship with tax authorities.

**Our attitude to tax planning**

The transactions that we enter as a business are primarily driven by our business or commercial aims. As a listed group, we value our reputation, and we will not engage in any tax planning that threatens to undermine it. The Group Tax Team, with our reputation in mind, employ diligent professional care and judgement in assessing tax risk, and may take advice from third-party specialists and HM Revenue and Customs (“HMRC”) to support the decision-making process. Significant tax decisions are subject to additional review and approval by the Chief Financial and Operations Officer (“CFOO”), the CEO and the Audit Committee. We have a zero-tolerance approach to tax evasion and the facilitation of tax evasion.

We access government sponsored tax incentives where appropriate and in line with substantive business activities (e.g. UK patent box and R&D tax credits).
The level of tax risk that we are prepared to accept

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

Our approach to tax risk management and governance

Our approach to tax has been formalised and implemented across the Group through our Global Tax Policy which has been approved by the Group Financial 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 and ensures compliance with all relevant tax laws, regulations and obligations in each of the countries in which we operate.

Tax legislation can be complex and differs across the countries in which we operate. As such, tax risk can also arise due to differences in the interpretation of such legislation. Tax risk in each country in which we operate is managed through internal policies and processes to ensure we have alignment across our business and meet our tax obligations.

The Group Tax Team is responsible for the day-to-day management of the tax affairs aligned with the Indivior’s Global Tax Policy. Tax risk management is discussed periodically with the CFOO and with the Audit Committee. The Board is ultimately accountable for the Group’s tax affairs.

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.

In executing the tax strategy, our Group Tax Team ensures that our tax returns are prepared accurately and are submitted on a timely basis, including appropriate levels of review of the tax returns. The Group Tax Team actively monitors new tax legislation and any changes of interpretation of the existing legislation as part of preparation of the tax return. We seek third-party advice from external advisors on complex tax matters where necessary.

Our approach to engaging with tax authorities

We aim to maintain constructive and open relationships with the Tax Authorities worldwide. The Group Tax Team engages openly and regularly with HMRC in the United Kingdom. We meet with our Customer Compliance Manager at HMRC to review our business activities and discuss any current, future and past tax risks across all relevant taxes and tax jurisdictions.

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 Indivior PLC’s Audit Committee under its delegated authority from the Board and relates to the Group’s year ended 31st December 2019.