

Indivior PLC

Terms of Reference of the Compliance, Ethics & Sustainability Committee

**COMPLIANCE, ETHICS & SUSTAINABILITY COMMITTEE
TERMS OF REFERENCE**

A: PURPOSE AND DELEGATED AUTHORITY

1. The purpose of the Compliance, Ethics & Sustainability Committee (the 'Committee') is to assist the Board of Directors (the 'Board') of Indivior PLC (the 'Company') in overseeing and monitoring the Company's approach to ethical, responsible and sustainable conduct. The Committee is responsible for reviewing and overseeing the Group's Global Integrity and Compliance Program and the Group's Sustainability Framework, including performance and reporting against that Framework.
2. The Committee shall work with management to ensure that the Board appoints a Chief Integrity and Compliance Officer for the Group. The Chief Integrity and Compliance Officer shall report directly to the Chief Executive Officer, with a dotted line report to the Committee.
3. The Board has delegated the authority set out in these terms of reference to the Committee. The Committee may sub-delegate any of its powers and authority as it thinks fit including instructing employees or creating sub-committees to review and report to it on specific issues.
4. The members of the Committee must, in fulfilling their responsibilities as set out hereunder, comply with their duty under section 172 of the Companies Act 2006 to act in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, whilst having regard to the interests of employees, stakeholders and other matters as required by section 172.

B: SCOPE

5. The primary focus of the Committee's efforts shall be to make recommendations on matters relating to the Group's:
 - 5.1 Global Integrity and Compliance Program; and
 - 5.2 Sustainability Framework.

C: MEMBERSHIP

6. Members of the Committee shall be appointed by the Board. The Committee shall be made up of at least three non-executive directors.
7. The Board shall appoint the Committee Chair who should be the Chair of the Board or an independent non-executive director. In the absence of the Committee Chair (or an appointed deputy), the remaining members present shall elect one of their number to chair the meeting.
8. Appointments to the Committee shall be for an initial period of three years, which may be extended for two further periods of up to three years, provided that the member still meets the criteria for membership of the Committee.

D: ADMINISTRATION

Quorum and Attendees

9. The quorum for the Committee shall be two Committee members.
10. Only members of the Committee have the right to attend Committee meetings. Other individuals such as the Chief Executive Officer, the Chief Legal Officer, the Chief Integrity and Compliance Officer, the Chief Global Impact Officer, the Chief Manufacturing and Supply Officer, the Chief Human Resources Officer and external advisers may be invited to attend for all or part of any meeting, as and when appropriate. The Committee may exclude from its meetings anyone with a personal interest in the matters to be discussed. The Committee should exercise independent judgement when evaluating the advice of external third parties and when receiving the views from other directors and management.
11. No less than quarterly, the Committee shall meet with the Chief Integrity and Compliance Officer to review the Group's Global Integrity and Compliance Program and at least part of that meeting should be conducted without executive management present.

Secretary

12. The Company Secretary or his or her nominee shall act as secretary to the Committee and shall ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to issues.

Meetings

13. The Committee shall meet no less than quarterly and otherwise as required.

E: DUTIES AND RESPONSIBILITIES

On behalf of and subject to Board approval, the Committee shall:

Integrity and Compliance

14. Keep under review, and conduct an annual review of, the Group's Global Integrity and Compliance Program, to include review of compliance program standards and resourcing levels including the development and maintenance of internal systems and controls to carry out the Group's policies and procedures relating to compliance matters. The Committee will report to the Board on its conclusions and make any necessary or desirable recommendations to the Board regarding its operation.
15. Receive regular reports from the Chief Integrity and Compliance Officer (on at least a quarterly basis) on corporate compliance matters, which must include:
 - 15.1 a report on the status of the Group's Global Integrity and Compliance Program, including policy updates, training and monitoring activities to ensure adherence to applicable legal and regulatory standards and to the Company's Code of Conduct where there may be a material impact on the Group;
 - 15.2 an assessment of the effectiveness of the Group's Global Integrity and Compliance Program including whether the Program has sufficient resources;
 - 15.3 information about confidential reports submitted by members of the workforce or third parties

relating to matters which could have a material impact on the Group. Matters relating to alleged financial impropriety or fraud will be reported to the Audit & Risk Committee;

- 15.4 a report on the major findings of internal investigations including management's response, and on material inquiries received from regulators or governmental agencies; and
 - 15.5 any other matters deemed relevant by the Chief Integrity and Compliance Officer.
16. Meet periodically with management to assess the Group's Global Integrity and Compliance Program, including but not limited to:
- 16.1 the Chief Integrity and Compliance Officer's direct access to senior management and the allocation of sufficient funding, resources and staff to enable the Chief Integrity and Compliance Officer to fully perform his or her responsibilities;
 - 16.2 the implementation of written compliance policies and procedures that guide the Group and the conduct of the workforce in day-to-day operations, as well as appropriate training for members of the Board and for management, employees and agents;
 - 16.3 the establishment and maintenance of procedures for the receipt, retention, and response to complaints received regarding compliance matters, including procedures for the confidential, anonymous submission of complaints from the workforce concerning compliance and ethical issues;
 - 16.4 the adequacy of systems and processes designed to assess the Group's compliance obligations and associated risks, to monitor and audit the Group's systems, processes and transactions, and to promote and enforce standards through incentive and disciplinary action; and
 - 16.5 any specific material compliance issues.

Sustainability

17. Receive reports from the Chief Global Impact Officer and Chief Manufacturing and Supply Officer on at least a half-yearly basis on the Company's approach to ethical, responsible and sustainable conduct to include:
- 17.1 the development of the Group's Sustainability Framework and objectives and performance against those objectives;
 - 17.2 the Group's performance against environmental goals and targets (including greenhouse gas emissions); and
 - 17.3 the development of the Group's climate change strategy and related policies and management systems, and on the disclosure of climate-related information in compliance with emissions reporting requirements and other related compliance regulations.
18. Review and approve the Company's Sustainability Report and related Environmental, Social and Governance ('ESG') disclosures (including disclosures recommended by the Taskforce on Climate-Related Financial Disclosures).
19. Advise the Remuneration Committee on the integration of ESG performance into the Company's remuneration policy.

20. Consider other relevant matters as requested by the Board.

F: REPORTING

21. The Chair of the Committee shall report to the Board after each meeting on the nature and content of its discussion, recommendations and action to be taken. Minutes of meetings of the Committee shall be circulated to other members of the Board except where a conflict of interest exists or where, in the opinion of the Chair of the Committee, it would not be appropriate to do so.

22. The Committee shall report to the Board on its work in discharging its duties and responsibilities during the year and the outcomes of its formal performance evaluation. The Committee will provide a summary report on these matters for inclusion in the Annual Report.

23. The Chair of the Committee should attend the Annual General Meeting to answer questions on the Committee's activities.

G: RESOURCES

24. The Committee shall have access to sufficient resources in order to carry out its duties, including access to the Company Secretariat for advice and assistance as required.

25. The Committee may obtain directly and at the Group's expense any outside independent professional advice on matters within its terms of reference and it shall be responsible for the selection criteria, appointment, setting terms of reference for and compensation of such advisers.

H: TRAINING, REVIEW AND EVALUATION

26. The Committee shall be provided with appropriate and timely training, both in the form of an induction program for new members and on an on-going basis for all members.

27. To maintain maximum effectiveness, the Committee shall at least once a year undertake a review of its own performance, its membership and organization and these terms of reference and it shall make appropriate recommendations to the Board for approval.