

Stephen M. Naughton
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Respected, independent, experienced governance and compliance leader. Dedicated to integrity and the protection of the client by preventing, identifying and resolving risk. Proven track record of adding value while partnering closely with the business. Recognized leader after a wide-ranging in-house career with three leading corporations.

CAREER HISTORY

LOYOLA UNIVERSITY CHICAGO LAW SCHOOL, Director – Regulatory Compliance Studies Program and Clinical Professor, September 2020 – Present

Direct Loyola Law School's Regulatory Compliance Studies program widely considered one of the top programs in the country. Clinical Professor teaching both introductory and advanced ethics and compliance courses. Faculty advisor to Loyola's Journal of Regulatory Compliance, including an annual symposium and the Inside Compliance Blog both focusing upon leading compliance issues.

VOLKOV LAW FIRM, Senior Counsel, October 2020 – Present

Practice focusing upon assisting corporations in compliance counseling and internal investigations. Volkov Law Firm is a leading boutique firm in corporate ethics and compliance areas, internal investigations, complex litigation and white-collar defense.

STONETURN CONSULTING, Senior Advisor, 2017 - 2020

Senior Advisor for leading consulting group, specializing in Compliance, Investigations, Governance and Litigation Management. Assigned to Compliance and other working groups as part of the Volkswagen Monitorship team.

KIMBERLY-CLARK CORPORATION, Vice President and Chief Compliance & Ethics Officer

Neenah, WI | 2013–2016

Multinational corporation with \$20 billion in sales, 43,000 employees, operating in over 100 countries. Recruited to develop and lead a new standalone Compliance program and to leverage in-depth experience to navigate and resolve a major investigation.

- Established and managed Kimberly-Clark's stand-alone Compliance Program.
- Supervised the review and formulation of a new Code of Conduct.
- Oversaw Kimberly-Clark's Anti-Bribery and FCPA Compliance programs.
- Managed Kimberly-Clark's Environmental Compliance programs.
- Led Compliance programs for antitrust, advertising and marketing, privacy and trade.

- Ensured employees and agents were effectively trained in the Code of Conduct and specific policies and legal requirements relevant to their job responsibilities.
- Conducted enterprise-wide risk assessments and formulated appropriate corrective action plans.
- Supervised and personally investigated major internal matters.
- Measured activities related to the Corporate Compliance Program and provided regular reports to the Company's Audit Committee.

PEPSICO, INC.

Purchase, NY | 2001–2013

Multinational corporation, \$67 billion in revenue, over 250,000 employees operating in over 100 countries. PepsiCo acquired The Quaker Oats Company in 2002.

Senior Vice President and Chief Litigation Officer (2012-2013)

Promoted to lead PepsiCo defense of high visibility putative class action suits, relating to the defense of marketing claims. Oversaw all of PepsiCo's Litigation worldwide with a budget over \$40 million.

- Managed defense of nearly 40 putative class actions against PepsiCo.
- Extended U.S. litigation management capabilities to other countries worldwide.
- Reduced outside legal fees by over 5% by consolidating outside counsel fees.
- Challenged and prevailed in New York City's attempt to impose a tax on sugary drinks.

Chief Ethics and Compliance Officer (2006-2012)

Held a series of positions with increasing responsibilities in Compliance, beginning in 2006 and culminating in position as Senior Vice President, Compliance and Business Practices. Managed a Compliance Staff of 25 employees worldwide. Responsible for all Compliance risk. Reported to the General Counsel, with regular reporting to the Company's Audit Committee.

- Transformed Compliance from a "bolt-on" function into an integrated business capability within operating divisions.
- Established independent capability to conduct internal investigations.
- Conducted regular enterprise-wide risk assessments to assess vulnerabilities.
- Established risk management reviews to help businesses anticipate and respond to potential issues in key functions, such as privacy, data security, antitrust, fraud, ESH and financial reporting.
- Recognized as a worldwide leader in Compliance, including receiving a perfect 100 score on the Dow Jones Sustainability Index in 2011.
- Recognized by Ethisphere as one of the "World's Most Ethical" companies every year as CECO.
- Grew PepsiCo's Compliance team from 3 members to over 25 professionals.

Chief Operations, Litigation & Sales Counsel (2002-2006)

Served as Counsel for The Quaker Oats Company, an operating subsidiary of PepsiCo. Supervised all of Quaker's and Tropicana's legal responsibilities related to its operations, including purchasing, plants and facilities, contract manufacturing, joint ventures and

strategic alliances. PepsiCo acquired The Quaker Oats Company in 2002. Served as Quaker's Chief Ethics Officer.

- Oversaw Quaker and Tropicana's sales and distribution work.
- Supervised legal review of complex distribution system, including both "warm" channel distribution system to grocery, chain and mass and club stores and "cold" channel distribution system, using direct store delivery by distributors and Pepsi bottlers.

THE QUAKER OATS COMPANY, Chief Litigation Counsel (1994-2002)

Recruited from private practice to initially serve as in-house Senior Attorney - Litigation, and subsequently promoted to Chief Litigation Counsel for The Quaker Oats Company, which included Snapple and Gatorade brands.

- Actively participated in merger and acquisition due diligence relating to the sale of The Quaker Oats Company to PepsiCo, Inc. in 2001-02.
- Recipient of PepsiCo's Chairman's Award in 2002 for work on the Quaker sale.
- Served as the Quaker in-house attorney responsible for all Snapple operations.
- Represented Quaker on Snapple's Distribution Advisory Council.
- Quaker attorney primarily responsible for all legal issues in Mexico, Central America and South America from 1997 to 2000.
- Negotiated a 10-year, multimillion dollar lease for Quaker's new headquarters as well as negotiating the first commercial tenant Tax Incremental Financing agreement with the City of Chicago.
- Supervised Quaker's Facility Management Group from 1999 to 2000 with an annual budget of over \$18 million.
- Supervised all of Quaker and Tropicana litigation including matters relating heavily in products liability, breach of contract, intellectual property rights, sales and distribution, antitrust, real estate, securities and other general commercial issues.

POPE, BALLARD, SHEPARD & FOWLE, LTD. Chicago, IL | 1986–1994

Elected Partner (1993)

Extensive litigation experience in federal and state courts. Tried over 15 jury trials. Argued on multiple occasions before the Illinois Appellate Court. Practice specializing primarily in product liability and commercial litigation. Representative clients included: General Motors Corporation, E.I. duPont de Nemours & Company, The Goodyear Tire & Rubber Company, Clark Oil Company. Firm Management: Recruiting Committee Member, 1987-1993; Summer Associate Program Director, 1989 through 1991.

ROOKS, PITTS AND POUST

Chicago, IL | 1985–1986

Litigation Associate

Experience in medical malpractice, product liability, general commercial litigation, school law, real estate, personal injury and contracts. Trial, arbitration, deposition and motion experience in federal and state court. Received Martindale-Hubbell's highest ranking over ten times in my career.

RECOGNITION, AWARDS AND PUBLICATIONS

Compliance “Top Mind” – 2016 by Compliance Week

2018 “Top Thought Leader” by Trust Magazine

World’s Most Ethical Companies recipient, PepsiCo, Inc. every year as Chief Ethics and Compliance Officer

PepsiCo – Recipient of perfect 100 score for Compliance program on Dow Jones Sustainability Index - 2011

Member – Compliance Week Editorial Advisory Board (2018 – present)

Author - “Compliance After Covid”, Loyola Journal of Regulatory Compliance, May 2021.

Education

University of Notre Dame Law School, Notre Dame, IN

J.D.

Marquette University, Milwaukee, WI

B.A., Political Science, cum laude

Admissions to Practice

State of Illinois

United States District Court for the Northern District of Illinois

United States District Court for the Central District of Illinois

United States Court of Appeals for the Seventh Circuit