

Corporate social responsibility at Navient



NAVIENT®



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Team Navient is committed to making our world a better place. We aspire to always follow responsible and sustainable business practices, adhere to good corporate governance, empower our employees to bring their whole selves to work, and give and volunteer in our community. We are pleased to share the many ways we work to live up to these goals.

Supporting education and economic opportunity

Navient provides education finance solutions to help people pursue higher education and successfully manage their finances. We have aided millions of households on their path toward success.

As a servicer for the U.S. Department of Education, we support people to successfully manage their student loan payments and build good credit. We also help federal student loan borrowers access federal benefits such as income-driven repayment, loan forgiveness and military benefits.

- More than 400,000 student loan borrowers serviced by Navient pay off their student loans every year.
- The borrowers we serve are on average 34% less likely to default than those serviced elsewhere.¹
- We have helped millions of borrowers enroll in income-driven repayment—including more than half of Navient-serviced student loan volume.
- Since 2014, we have refinanced more than \$14 billion in student loans, helping borrowers save thousands through lower interest rates and accelerate their journey to successful repayment.

We provide free [financial literacy resources](#) that educate student loan borrowers on ways to achieve financial success, including:

- [Tackling your biggest income-driven repayment plan questions](#)
- [Good credit habits](#)
- [The pros and cons of loan consolidation and refinancing](#)
- [Student loan repayment for servicemembers](#)
- [Retirement savings guide](#)
- [Career guidance](#)

About Navient

Navient is a leading provider of education loan management and business processing solutions for education, healthcare, and government clients at the federal, state and local levels. Our mission is to enhance the financial success of our customers by delivering innovative solutions and insights with compassion and personalized service.

¹ Analysis of FY 2012-2017 Cohort Default Rates released by the U.S. Department of Education.

National Partnership with Boys & Girls Clubs of America

Navient is excited to partner with Boys & Girls Clubs of America to bring career and college planning resources to support equity for youth, including those from under-resourced communities. Research shows that young African American and Hispanic students who have access to supportive mentors and who pursue college with strong career goals are more likely to complete college and avoid dropping out.



Boys & Girls Clubs of America serves more than 4 million young people across the country and has the capacity to deliver innovative programming with the help of trained Club staff and virtual platforms.

- With Navient's support, Boys & Girls Clubs of America and Roadtrip Nation [launched Roadmap to Careers](#), a digital tool to help youth explore careers relevant to their unique interests, empowering them to start taking steps toward those careers. The tool combines labor market data with Roadtrip Nation's library of thousands of candid video interviews.
- Navient is also working with Boys & Girls Clubs of America to develop digital curriculum to help teen Club members learn about college and financial aid.
- Navient employees volunteer at Boys & Girls Clubs in the communities where we live and work. Employees have helped host a drive-through college fair, served as spelling bee judges, spoken at career days, painted club buildings and organized back-to-school supply drives, to name a few examples.





Advocating to improve the education finance system in America

We advocate for ways to improve outcomes for student loan borrowers by sharing our insights with policymakers. Here are our [five primary recommendations to increase borrower success in the federal student loan program](#):

1. Providing more front-end resources to improve decision making

Students and their families need tools to understand the total cost of their desired college education. They should have a clear understanding of how much they may need to borrow to earn the degree as well as a clear picture of the likely economic benefits of a chosen field. This information will help students and parents make more informed decisions about whether college is right for them, which college to attend, and whether and how much to borrow.

2. Improving the college completion rate

Just 6 out of 10 bachelor's degree students graduate within six years. Borrowers who struggle with repayment the most are often those who do not complete college. Many colleges are experimenting with novel approaches to improve graduation rates and should be encouraged and rewarded.

3. Simplifying repayment

Today, the federal government offers more than 50 different repayment options. Borrowers who complete college must navigate this maze of complexity as they begin repaying their student loans. These plans should be simplified. Navient has piloted and implemented ways to simplify enrollment processes, such as making it easier to enroll in income-driven repayment plans.

4. Helping borrowers pay off early

Income-driven repayment plans, with lower monthly payments but longer terms, can help struggling borrowers get back on track, but many loan customers would save significantly by paying loans off faster. In addition to providing better financial education before borrowing, the Department of Education can do more to encourage borrowers to understand how interest works and how paying a little extra each month can help save money and speed up the ultimate payoff of their loans. Disclosure forms for federal student loans should clearly show the higher cost of longer-term repayment options. Navient has piloted programs to help borrowers compare repayment plan options.

5. Encouraging borrowers to engage with their loan servicers

Default is avoidable, and borrower contact is key. As a servicer, we've found that 9 times out of 10, when we reach struggling federal loan borrowers we are able to help them avoid default by getting them into a repayment plan that works for them. Navient uses data-driven, multichannel outreach strategies to connect with borrowers. The increase in contact rates means Navient-serviced borrowers default at significantly lower rates.

As we engage with borrowers, we listen for pain points and challenges, and we incorporate this feedback into our servicing activities and policy reform recommendations. For example, regulations and laws should allow for:

- Courtesy credit bureau retractions to reward student loan borrowers who experienced a one-time difficulty but have since reestablished a record of on-time repayment; and
- Federal and private student loans to be dischargeable in bankruptcy after a good-faith effort to repay.



Statement on human rights

Navient uses the following principles as the foundation for our workplace policies and practices.:

- Human rights belong to all human beings, regardless of race, color, religion, gender, sexual orientation, age, disability, national origin, marital status, citizenship, military or veteran status, or any other status. We believe that these rights include, but are not limited to the right to, life and liberty, freedom from slavery and torture, freedom of opinion and expression, and the right to work and be educated. We believe that these rights belong to everyone.
- Navient’s impact starts within our own organization, where we strive toward greater equity for all our employees. Within our broader communities, we also work to transform our community into one with greater opportunities for everyone. To that end, we focus on the United Nations Sustainable Development Goal on Quality Education² (Goal 4), to “ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.”
- Over our 45-year-plus history, we have played many roles to expand higher education access, first as a secondary market, and then later as an originator and servicer of student loans. This higher education financing system has helped to increase the percentage of the United States population with a college degree to record highs, including creating greater access for underserved populations. There is more work to be done to continue to increase access to career training and higher education—and to ensure successful outcomes.
- Today we continue to play a role to support educational goals by:
 - Utilizing our innovative education lending and servicing solutions, which help more people pursue higher education.
 - Advocating for policies that would strengthen educational outcomes and financial literacy, particularly for people in underserved communities.
 - Providing financial tools and resources to help people successfully manage their student loans and develop healthy credit habits.
 - Volunteering in the community and supporting nonprofit organizations that work to break down barriers and enhance financial literacy and education.

Making a positive impact in our communities

Navient supports the communities where we live and work.

- Building on our focus to help people along the path to financial success, the Navient Community Fund supports organizations that address the root causes that limit financial success.
- Through employee-led fundraising efforts, Team Navient gives back to our local communities and supports a variety of nonprofit organizations serving thousands of families each year.
- Our employees get involved in a variety of community activities such as distributing and reading books to kids, participating in blood drives, and collecting food and school supplies for families in need. We offer up to four hours of paid time off per month to empower employees to volunteer for a Navient-supported nonprofit organization in their community.

² Learn more about the United Nations Sustainable Development Goal on Quality Education at <https://www.un.org/sustainabledevelopment/education/>

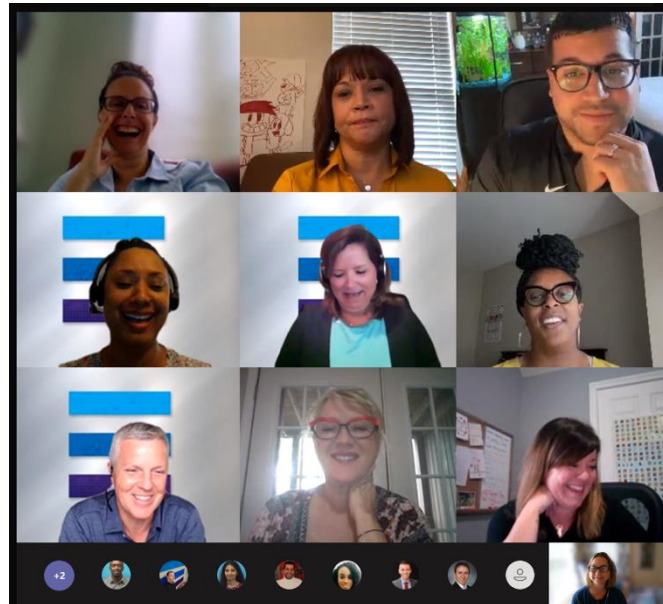
Prioritizing inclusion, diversity and equity

We are committed to creating a workplace where employees are welcomed and respected for who they are as individuals. We believe that our employees and workplace thrive when we are authentically inclusive. We grow and innovate the best when we embrace a rich diversity that reflects the customers and communities we serve. We are committed to listen, learn and take action against acts of inequity and injustice.

Through our inclusion, diversity and equity strategy, our employees lead and participate in initiatives such as our:

- Inclusion, Diversity & Equity Council
- Employee resource groups
- Inclusion and diversity awareness campaigns

We are proud to have been recognized in various ways and to participate with other organizations advocating for equity for all.



- Navient's **Veterans Resources Group** helps the organization recruit, hire, onboard and retain qualified veteran candidates. Navient is also member of the **Veteran Jobs Mission**, a coalition of companies committed to hiring U.S. military veterans and military spouses.
- Navient has earned the 2021 **Gold Military Friendly Employer** designation as well as the **Military Spouse Friendly Employer** designation from VIQTORY, publisher of G.I. Jobs and Military Spouse Magazine. It is the seventh consecutive year Navient has been recognized by the publisher for its support of the military.
- Navient has been recognized by the Human Rights Campaign Foundation as one of the best places to work for LGBTQ people, receiving high marks in the Foundation's **Corporate Equality Index**. We are also a member of the **Business Coalition for the Equality Act**, a group of over 260 leading U.S. employers that support the Equality Act, federal legislation that would provide the same basic protections to LGBTQ people as are provided to other protected groups under federal law.
- Navient is a member of **Employers for Pay Equity**, a consortium of companies that understand the importance of diversity and inclusion, including ensuring that all individuals are compensated equitably for equal work and experience and have an equal opportunity to contribute and advance in the workplace. We are committed to collaborating to eliminate the national pay and leadership gaps for women and ethnic minorities. Toward that end, we have come together to share best practices in compensation, hiring, promotion and career development as well as develop strategies to support other companies' efforts.

Board governance and diversity

Navient's Board of Directors shares a strong commitment to principles of accountability to shareholders. Our policies, practices, and products are designed to earn and maintain the trust of investors, customers, employees, regulatory agencies, and other stakeholders.

Our governance program includes:

- Board refreshment policies, annual board and committee assessments
- A strong focus on shareholder rights, such as majority voting, proxy access and annual election for all board members;
- Long-term compensation incentive metrics designed to promote growth and sustainable profitability
- Robust risk and compliance oversight framework



Navient's Board of Directors has been recognized for board diversity by several organizations, including:

- Women's Forum of New York
- 2020 Women on Boards
- Forum of Executive Women
- New York Stock Exchange Governance Services.

Five out of 10 board members—50%—are women. Collectively, the board reflects diverse industry backgrounds, skills, and experiences.

Training and development for our team

Navient has a robust training and development program. We are honored that Training magazine has recognized Navient as a **Training Top 100** award-winning organization—the premier learning industry awards program recognizing the most successful learning and development programs in the world.

A benchmark of our training and development program is our focus on engagement through individual career development including leadership and management training programs, computer-based training options, and career development plans.



Encouraging diversity in our supply chain

Diversity in our supplier base is an important part of our commitment to responsible business. A wide range of suppliers is needed to support our business operations. We manage and monitor our vendor relationships to ensure compliance with applicable federal, state, and local laws and regulations.

Through our Supplier Diversity Program, we are dedicated to diversifying our supplier base to include, whenever possible:

- Minority-owned
- Women-owned
- Veteran- and service disabled-owned
- LGBT business enterprise
- HUBZone small businesses

Committed to compliance

We maintain a robust, multilayered compliance management system. Below, we highlight certain important compliance and policy information. This list is by no means exhaustive. Please read our [Code of Business Conduct](#), [Related Party Transaction Policy](#) and [Navient's statement on Enterprise Risk](#). Each of these reports can be found on [Navient's Corporate Governance website](#).

Navient has zero-tolerance for sexual harassment or any other form of discrimination or harassment. Violators are subject to disciplinary action, up to and including termination from employment and prosecution.

- Navient does not tolerate bribery or corruption; substantiated instances of either are met with a zero-tolerance policy.
- We have strong whistleblower protections and do not tolerate retaliation against whistleblowers.
- Navient has a zero-tolerance policy for intentional falsification or alteration of corporate records.

Transparency in policy engagement and political participation

Navient engages in the democratic process and plays an active part in forming policy to support the success of our customers, employees and shareholders. We are committed to fulfilling our role as an active corporate citizen with integrity and transparency. [Read our complete report on Transparency in Policy Engagement and Political Participation](#).

Protecting privacy and managing cybersecurity risk

We are dedicated to helping our clients and customers keep their information secure. Recognizing the evolving threats facing all companies, Navient maintains a comprehensive information security program that utilizes a defense-in-depth strategy to protect customer data. Navient is routinely audited and complies with some of the most stringent federal and security compliance regimes. Our Board of Directors, through our Risk Committee, oversees Navient's cybersecurity risk management and receives regular briefings from our Chief Information Officer and Chief Information Security Officer. These briefings include recent developments in cybersecurity prevention, detection, response and recovery, and updates on incidents at other companies.

Minimizing our environmental impacts

- We make it easy for our millions of clients and customers to “go paperless,” reducing the natural resources needed to print and mail hardcopy communications. Nearly 90% of student loan borrowers we serve have opted for electronic communications
- Our office space supporting our approximately 6,000 employees and relatively small data center produces a low carbon footprint.
- Navient incorporates energy-efficient building support systems and corporate-sponsored recycling programs. We are proactive in reducing travel-related emissions by providing video conferencing facilities in conference and training spaces.
- Energy-efficient building support systems include the use of double-pane windows; solar reflected/tinted window film; high-efficiency, low energy-consumption fixture lamps and electronic ballasts; and automatic on-off and dimming lighting controllers.
- Most of our mechanical HVAC components use variable frequency drive controllers to minimize energy consumption based on occupant and equipment density. We monitor and control all building systems through automated, low-voltage building management systems. We can transfer manual control of many mechanical systems, lighting and computer systems to generator power to allow electric peak shave/load shed capability and reduce our consumption from our local utility companies’ power distribution grids.
- Navient participates in the [Carbon Disclosure Project](#) (CDP).

Support during the COVID-19 pandemic

During the COVID-19 pandemic, Team Navient is delivering needed support, information, and resources to our people, clients, customers, and communities:

- Quickly transitioned nearly 90% of workforce to safe work from home environments
- Modified office space that remained in use with strict mask policies, socially distant workstations, and sanitizing equipment
- Extended flexible hours, expanded leave programs, and encouraged employees to take advantage of telemedicine and employee assistance programs
- Donated 10,000 N95 respirator masks to hospitals and first responders in 19 locations and contributed to other nonprofits adapting to serve their impacted communities
- Rapidly implemented CARES Act provisions to support Department of Education student loan borrowers and worked with other customers to access payment relief options
- Created a dynamic webpage that our millions of student loan customers could rely on for up-to-date payment relief information
- Partnered with multiple states to help ensure their citizens could access critical information about unemployment insurance, and help prevent the spread of COVID-19 through contact tracing and vaccine coordination
- Provided hospital clients with information and insights, to help ensure they had the financial resources and data needed to understand, track, and combat the virus

To learn more about Navient and our environmental, social and governance practices, please visit about.navient.com/Social-Responsibility.