Item 2.02. Results of Operations and Financial Condition.

Navient Corporation (the “Company”) frequently provides relevant information to its investors via posting to its corporate website. On January 31, 2024, a presentation entitled “Navient Strategy Update” was made available on the Company’s website at https://navient.com/investors. A copy of the presentation is being furnished herewith as Exhibit 99.1.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

<table>
<thead>
<tr>
<th>Exhibit Number</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>099.1</td>
<td>Navient Strategy Update Presentation, dated January 31, 2024.</td>
</tr>
<tr>
<td>104</td>
<td>Inline XBRL for the cover page of this Current Report on Form 8-K.</td>
</tr>
</tbody>
</table>

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NAVIENT CORPORATION

By: /s/ Mark L. Heleen

Name: Mark L. Heleen
Title: Chief Legal Officer

Date: January 31, 2024
Executive summary: Strategic actions

Following an in-depth business review conducted by the board and management, Navient is announcing strategic actions to simplify the company, reduce expense base and enhance flexibility:

- **Outsource student loan servicing and create variable expense model**
  - Maximize net value of loan portfolio cash flows
  - Facilitate corporate cost reduction
  - Signed binding letter of intent, expect to finalize transaction in 1H24

- **Explore strategic options for business processing division, including potential divestment**
  - Expected to facilitate corporate and unallocated cost reduction
  - Dependent on valuation
  - Alternative is to hold and invest for growth

- **Streamline shared services infrastructure and corporate footprint**
  - Timing of outsourcing and potential divestitures influences timing of corporate overhead reductions
  - Begin in 2024, and implement over next 18 to 24 months
Introduction

Share Price Trend Since 2014

<table>
<thead>
<tr>
<th>Year End</th>
<th>2014</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$ 21.61</td>
<td>$ 18.62</td>
</tr>
</tbody>
</table>

- Board/management project analyzed cost data
  - Business decision making complicated by high percentage of "allocated" costs
    - Intensive cost analysis program by business unit
- Project identified actionable opportunities to add shareholder value
  - Cost reduction
  - Capital allocation
  - Growth initiatives
  - Cost of equity


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Background

- Legacy educational loan portfolios have driven financial performance

Loan Portfolios Ending Balances

<table>
<thead>
<tr>
<th>($ in billions)</th>
<th>2014</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government Guaranteed</td>
<td>$ 104</td>
<td>$ 38</td>
</tr>
<tr>
<td>Private</td>
<td>$ 30</td>
<td>$ 8</td>
</tr>
<tr>
<td>Subtotal Legacy</td>
<td>$ 134</td>
<td>$ 46</td>
</tr>
<tr>
<td>Newly Originated</td>
<td>—</td>
<td>9</td>
</tr>
<tr>
<td>Total</td>
<td>$ 134</td>
<td>$ 55</td>
</tr>
</tbody>
</table>

2. Principally originated by Earnest, which the company acquired in 2017.

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Background (cont’d)

- Expense reductions have lagged revenue declines
  - Excludes Business Processing revenue and expenses

<table>
<thead>
<tr>
<th>GAAP Basis</th>
<th>2014</th>
<th>2023</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$m</td>
<td>% of NII</td>
<td>$m</td>
</tr>
<tr>
<td>Net Interest Income (NII)</td>
<td>$2,567</td>
<td>22.0%</td>
<td>$862</td>
</tr>
<tr>
<td>Expenses</td>
<td>n/a</td>
<td>n/a</td>
<td>435</td>
</tr>
<tr>
<td>Of Which: Corporate &amp; Unallocated</td>
<td>n/a</td>
<td>n/a</td>
<td>212</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Core Earnings</th>
<th>2014</th>
<th>2023</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$m</td>
<td>% of NII</td>
<td>$m</td>
</tr>
<tr>
<td>Net Interest Income (NII)</td>
<td>$2,082</td>
<td>24.7%</td>
<td>$646</td>
</tr>
<tr>
<td>Expenses</td>
<td>515</td>
<td>24.7%</td>
<td>435</td>
</tr>
<tr>
<td>Of Which: Corporate &amp; Unallocated</td>
<td>n/a</td>
<td>n/a</td>
<td>212</td>
</tr>
</tbody>
</table>

- Contributing to declining P/E multiple

<table>
<thead>
<tr>
<th>P/E Multiple</th>
<th>2014</th>
<th>2023</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>9.6x</td>
<td>6.7x</td>
<td>(30.2%)</td>
</tr>
</tbody>
</table>

1. Net interest income is before provision for loan losses.
2. Includes restructuring of $115m and $25m in 2014 and 2023, respectively, and excluding regulatory expenses of $112m (GAAP) and $130m (Core Earnings) in 2014 and $60m in 2023. Corporate and unallocated are part of our “other” segment.
4. Item is a Non-GAAP Financial Measure. See page 20 for more information.
5. Represents estimates for next 12 months; source: FactSet.

Background (cont’d)

- Returned capital to shareholders through repurchases and dividends
  - Repurchased approximately 75% of shares outstanding since 2014
  - Repurchases maintained EPS

<table>
<thead>
<tr>
<th>EPS</th>
<th>2014</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>GAAP Basis</td>
<td>2.59</td>
<td>1.85</td>
</tr>
<tr>
<td>Core Earnings Basis</td>
<td>1.93</td>
<td>2.45</td>
</tr>
</tbody>
</table>

- Declining P/E ratio has increased cost of equity
- Increased cost of equity outweighed reduction in share count
  - Earnings multiple declined 30%

<table>
<thead>
<tr>
<th>P/E Multiple and Share Price</th>
<th>2014</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>P/E Multiple</td>
<td>9.6x</td>
<td>6.7x</td>
</tr>
<tr>
<td>Share Price</td>
<td>$21.61</td>
<td>$18.62</td>
</tr>
</tbody>
</table>

1. Item is a Non-GAAP Financial Measure. See page 20 for more information.
3. Estimates for next 12 months; source: FactSet.

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Immediate issues

- High percentages of corporate and operating expense
  - Deduct from shareholder value of loan portfolio cash flows
    - Currently Navient's major asset
  - Burden on new business initiatives
    - Majority of overhead not relevant to growth businesses
- Declining P/E multiple driven by financial performance trends
  - Prohibitive cost of equity for growth or new business initiatives

Key business components

- Loan portfolios
  - Legacy government guaranteed
  - Legacy private
  - Newly originated private

- Unrestricted cash

- Earnest

- Business Processing Solutions (BPS)
Key business component – loan portfolios

- Projected loan portfolio cash flows as of year-end 2023
  - Principally securitization trust distributions
    - Net interest income
    - Servicing fees
    - Return of initial equity

<table>
<thead>
<tr>
<th>Cash Flow Projections 1</th>
<th>2024</th>
<th>2025</th>
<th>2026</th>
<th>2027</th>
<th>2028</th>
<th>2029-2043</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loan Cash Flows Net of Secured Financing</td>
<td>$12,678</td>
<td>$1,342</td>
<td>$1,493</td>
<td>$1,448</td>
<td>$1,415</td>
<td>$1,171</td>
</tr>
<tr>
<td>Maturities of Unsecured Debt Principal</td>
<td>(6,816)</td>
<td>(569)</td>
<td>(656)</td>
<td>(129)</td>
<td>(795)</td>
<td>(617)</td>
</tr>
<tr>
<td>Cash Flow After Debt Repayment</td>
<td>$6,862</td>
<td>$834</td>
<td>$930</td>
<td>$523</td>
<td>$712</td>
<td>$684</td>
</tr>
</tbody>
</table>

- Approximately 50% of lifetime loan cash flows net of secured financing expected to be received in next 5 years

1. Projections are based on internal estimates and assumptions and are subject to ongoing review and modification. Education loan portfolio projections are forecasted as of 12/31/23 using a SOFR forward curve, are agnostic to timing discrepancies, and assume funding spreads remain stable. These projections may prove to be incorrect.

Loan portfolios (cont’d)

- Maximization of net loan portfolio cash flows requires active steps to minimize dilution from future:
  - Loan servicing expense
  - Corporate overhead
  - Interest expense on unsecured and secured liabilities

- Forecasts of expected net cash flows to be updated after loan servicing outsourcing transaction and potential business processing divestiture decisions are complete
Loan portfolios (cont’d)

- Navient loan servicing costs affected by declining scale

<table>
<thead>
<tr>
<th>Student Loan Borrowers</th>
<th>2014 ¹</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Navient Owned Loans</td>
<td>5.8</td>
<td>2.7</td>
</tr>
<tr>
<td>Education Department</td>
<td>6.2</td>
<td>-</td>
</tr>
</tbody>
</table>

- Loan servicing costs remain competitive, but declining legacy borrower number creates future cost pressure
  - Potential solutions
    - Invest in new lower cost infrastructure and systems
    - Outsource to vendors with greater economies of scale to make costs variable

¹ Navient became a stand-alone company in 2014.
² Includes borrowers serviced for third parties.
³ Department of Education contract transferred to third-party in October 2021.

Key business component – unrestricted cash

- Unrestricted corporate cash
  - Provides liquidity buffer for unsecured debt maturities
  - Available for general corporate purposes

<table>
<thead>
<tr>
<th>Year-end Balance</th>
<th>$ (in millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2023</td>
<td>$  839</td>
</tr>
<tr>
<td>2022</td>
<td>$  1,535</td>
</tr>
<tr>
<td>2021</td>
<td>$   905</td>
</tr>
<tr>
<td>2020</td>
<td>$  1,183</td>
</tr>
<tr>
<td>2019</td>
<td>$   1,233</td>
</tr>
</tbody>
</table>
Key business component – Earnest

- New customer-focused brand cultivating longer-term relationships with consumers who have attractive lifetime revenue potential
  - Distinct brand positioning from Navient
- Currently profitable at approximately $200 million revenue run rate ¹
  - Utilizing education industry experience to initiate relationships with targeted demographics
  - Reviewing conditions and timing of product line extensions
- Lending
  - Highly efficient operating model and customer targeting
  - Originates essentially all new private education loans
- Financial counseling platform
  - Investing for longer-term customer acquisition
    - Developing data for future product line extension strategies
  - Entire investment is currently self-funded in Earnest operating results

¹. Revenue is net interest income before provision for other income.

Earnest (cont’d)

- Successfully developing distinct brand and market positioning
  - Aids lower cost acquisition of high value customers in target demographic
- Selected brand attributes
  - Position out of 11 brands surveyed

<table>
<thead>
<tr>
<th>Earnest Brand Attributes ¹</th>
<th>Earnest Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Empathetic</td>
<td>1</td>
</tr>
<tr>
<td>Ethical</td>
<td>1</td>
</tr>
<tr>
<td>Fair</td>
<td>1</td>
</tr>
<tr>
<td>Supportive</td>
<td>1</td>
</tr>
<tr>
<td>Reliable</td>
<td>1</td>
</tr>
<tr>
<td>Innovative</td>
<td>3</td>
</tr>
<tr>
<td>Aggressive</td>
<td>11</td>
</tr>
<tr>
<td>Arrogant</td>
<td>11</td>
</tr>
</tbody>
</table>

¹. Source: Navient brand health survey, May-June 2023, of 700 student loan borrowers of various lenders; includes 11 providers of education loans or servicing, including Navient, Earnest, and 9 third parties
Earnest (cont’d)

• Lending progress
  - Principal product is graduate loan refinancing
  - Aligns with desired customer profile and current Navient capabilities
  - Alternating #1 and #2 market share position for last three years
  - Year end 2023 loan balance of $9.4 billion

<table>
<thead>
<tr>
<th>Earnest Financial Results</th>
<th>2020</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Revenue After Provision for Loan Losses</td>
<td>$60</td>
<td>$164</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>(69)</td>
<td>(96)</td>
</tr>
<tr>
<td>Pre-Tax Income (Loss)</td>
<td>$(8)</td>
<td>$86</td>
</tr>
</tbody>
</table>

• Financial counseling platform progress
  - Transition to increasing engagement level per user as well as total user growth

<table>
<thead>
<tr>
<th>Users (in thousands)</th>
<th>2019</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>495</td>
<td>1,748</td>
</tr>
</tbody>
</table>

1. 75% of loan balances are undergraduate in-school loans.
2. Earnest financial results are comprised of the refinance loan and in-school loan operating segments which comprise a portion of the Consumer Lending reporting segment. The portion of the Consumer Lending segment not included in Earnest financial results are educational loans which were originated prior to 2014.
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Earnest (cont’d)

• Business model founded on efficient customer targeting and operating execution
  - Annualized acquisition cost per funded loan: <0.3% 1, 2
  - Customer average balance of approximately $50,000 2
    • Navient Legacy private balance of approximately $18,000
  - Realized loss rate of approximately 0.4% helps to minimize administrative costs 2
    • Reserved at approximately 1.3% 2, 3

1. Approximately 1.1% marketing investment cost over approximately 4 year weighted average loan life
2. Figures for refinance loan
3. As of Dec. 31, 2023
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Earnest (cont’d)

- Business model demonstrating favorable operating leverage
  - Operating efficiency and targeted consumer acquisition growth combine for positive operating leverage

<table>
<thead>
<tr>
<th>Earnest Financial Results ¹</th>
<th>2020</th>
<th>2023</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Revenue After Provision for Loan Losses</td>
<td>$60</td>
<td>$184</td>
<td>207%</td>
</tr>
<tr>
<td>Marketing Expense</td>
<td>(15)</td>
<td>(28)</td>
<td>87%</td>
</tr>
<tr>
<td>Other Operating Expenses</td>
<td>(53)</td>
<td>(75)</td>
<td>32%</td>
</tr>
<tr>
<td>Pre-tax Income (Loss)</td>
<td>$(8)</td>
<td>$(86)</td>
<td>Not measureable</td>
</tr>
</tbody>
</table>

¹ Earnest financial results are comprised of the residence loan and in-school loan operating segments which comprise a portion of the Consumer Lending reporting segment. The portion of the Consumer Lending segment not included in Earnest financial results are educational loans which were originated prior to 2014.

Key business component – Business Processing Solutions

- Most business units acquired 2015-2017

<table>
<thead>
<tr>
<th>BPS Results</th>
<th>2023 Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$321</td>
</tr>
<tr>
<td>EBITDA</td>
<td>$39 ¹</td>
</tr>
</tbody>
</table>

- Relatively low capital intensity compared to lending businesses
- Operational overlap currently with Navient loan servicing operations

- 2 distinct operations
  - Healthcare (Xtend)
    - $121 million 2023 revenue
    - Self-contained operations with little corporate expense support
    - Benefits from ongoing consolidation of healthcare systems
  - Government Services (GS)
    - $200 million 2023 revenue
    - Shares significant costs, infrastructure, and corporate expense support with loan servicing operation
    - Increasing new contract momentum in 2023

¹ Item is a Non-GAAP Financial Measure. See page 30 for more information.
Summary

- Major reductions in legacy expenses
  - Significantly increase shareholder value from legacy loan portfolio cash flows
  - Increase viability and earnings impact of growth initiatives

- Anticipating significant positive cash flow in coming years
  - Potential divestiture proceeds and current unrestricted cash
  - Improved net loan portfolio cash flows

- Capital allocation policy
  - Invest in activities expected to generate market value in excess of cash invested
  - Return on equity greater than cost of equity
  - Return uninvested cash to shareholders

- Update and quantify outlook as milestones met
  - Include growth initiatives and corporate structure

Forward-Looking Statements and Non-GAAP Financial Measures

The following information is current as of December 31, 2022 (unless otherwise noted) and should be read in connection with Navient Corporation's "Navient" Annual Report on Form 10-K for the year ended December 31, 2022 (the "2022 Form 10-K"). Navient filed with the Securities and Exchange Commission (the "SEC") on February 24, 2023 and subsequent reports filed by Navient with the SEC. Definitions for capitalized terms in this presentation not defined herein can be found in the 2022 Form 10-K. This presentation contains "forward-looking statements," within the meaning of the federal securities laws, about our business, and prospects and other information that is based on management's current expectations as of the date of this presentation. Statements that are not historical facts, including statements about the company’s beliefs, opinions or expectations and statements that assume or are dependent upon future events, are forward-looking statements and often contain such words as "expect," "anticipate," "intend," "plan," "believe," "will," "will," "would," "should," "goal," or "target." Forward-looking statements are subject to risks, uncertainties, assumptions and other factors that may cause actual results to be materially different from those reflected in any forward-looking statements.

For Navient, these factors include, among others, the risks and uncertainties associated with:

- The continuing impact of the COVID-19 pandemic;
- Changes in the macroeconomic environment, and volatility in market conditions including interest rates, the value of equities and other financial assets;
- The risks and uncertainties associated with increased financing costs;
- The availability of financing or limits on our liquidity resulting from disruptions in the capital markets or other factors;
- Unanticipated increases in costs associated with compliance with federal, state or local laws and regulations;
- Changes in the demand for education finance and business processing solutions or other changes where we compete (including increased competition);
- Changes in accounting standards including but not limited to changes pertaining to loan loss reserves and estimates or other accounting standards that may impact our operations;
- Adverse outcomes in any significant litigation to which the company is a party;
- Credit risk associated with the company's underwriting standards or exposure to third parties, including concentrations to hedging transactions; and
- Changes in the terms of education loans and the educational credit marketplace (including changes resulting from the CARES Act or other new laws and the implementation of existing laws).

The company could also be affected by, among other things:

- Unanticipated repayment trends on education loans including prepayments or defaults resulting from new interpretations of current laws, regulations or future laws, executive orders or other policy initiatives which operate to encourage or require consolidation, allow existing or create additional income-based repayment or debt forgiveness programs or establish other policies and programs which may increase the repayment rates on education loans and accelerate movement of the trends in our securitization levels;
- Reductions in our credit origination, the credit origination of asset-backed securitizations we sponsor or the credit origination of the United States of America;
- Failure of our operating systems or infrastructure or those of third-party vendors;
- Risk relating to cybersecurity, including the potential shutdown of our systems or those of our third-party vendors or customers or potential disclosure of confidential customer information;
- Changes in laws and regulations whether new laws or regulations or new interpretations of existing laws and regulations applicable to any of our businesses or activities or those of our vendors, suppliers or customers;
- Changes in the interest rate environment, including the availability of any relevant money-market index rate, including LIBOR or SOFR, or the relationship between the interest rate and the rate at which our assets are paid;
- Our ability to successfully execute any acquisitions and other strategic initiatives;
- Activities by shareholders, including a proxy contest or any unsolicited takeover proposal;
- Changes in general economic conditions, including the potential impact of pandemic infection;
- The other factors that are described in the "Risk Factors" section of Navient’s Annual Report on Form 10-K for the year ended December 31, 2022, and in our other reports filed with the SEC.

The preparation of the company’s consolidated financial statements also requires management to make certain estimates and assumptions including estimates and assumptions related to certain transactions. These estimates or assumptions may prove to be incorrect and actual results could differ materially. All forward-looking statements contained in this release are qualified by these cautionary statements and are made only as of the date of this release. The company does not undertake any obligation to update or revise these forward looking statements except as required by law.

Navient reports financial results on a GAAP basis and also provides certain non-GAAP performance measures, including Core Earnings, Adjusted Tangible Equity Ratio, and various other non-GAAP financial measures derived from Core Earnings. When compared to GAAP results, Core Earnings exclude the impact of (1) mark-to-market gains/losses on derivatives, and (2) goodwill and acquired intangible asset amortization and impairment. Navient provides Core Earnings measures because this is what management uses when making management decisions regarding Navient’s performance and the allocation of corporate resources. Navient Core Earnings are not determined in accordance with GAAP and may not be comparable to similarly titled measures reported by other companies. See pages 16 to 20 of Navient’s fourth quarter 2022 earnings release available at Navient.com/investors for descriptions and reconciliations related to 2022 results. Reconciliations of forward looking non-GAAP financial measures are not provided because the company is unable to provide such reconciliations without unreasonable effort due to the uncertainty and inherent difficulty of predicting the occurrence and financial impact of certain items, including, but not limited to, the impact of any mark-to-market gains/losses resulting from our use of derivative instruments to hedge our economic risks.