



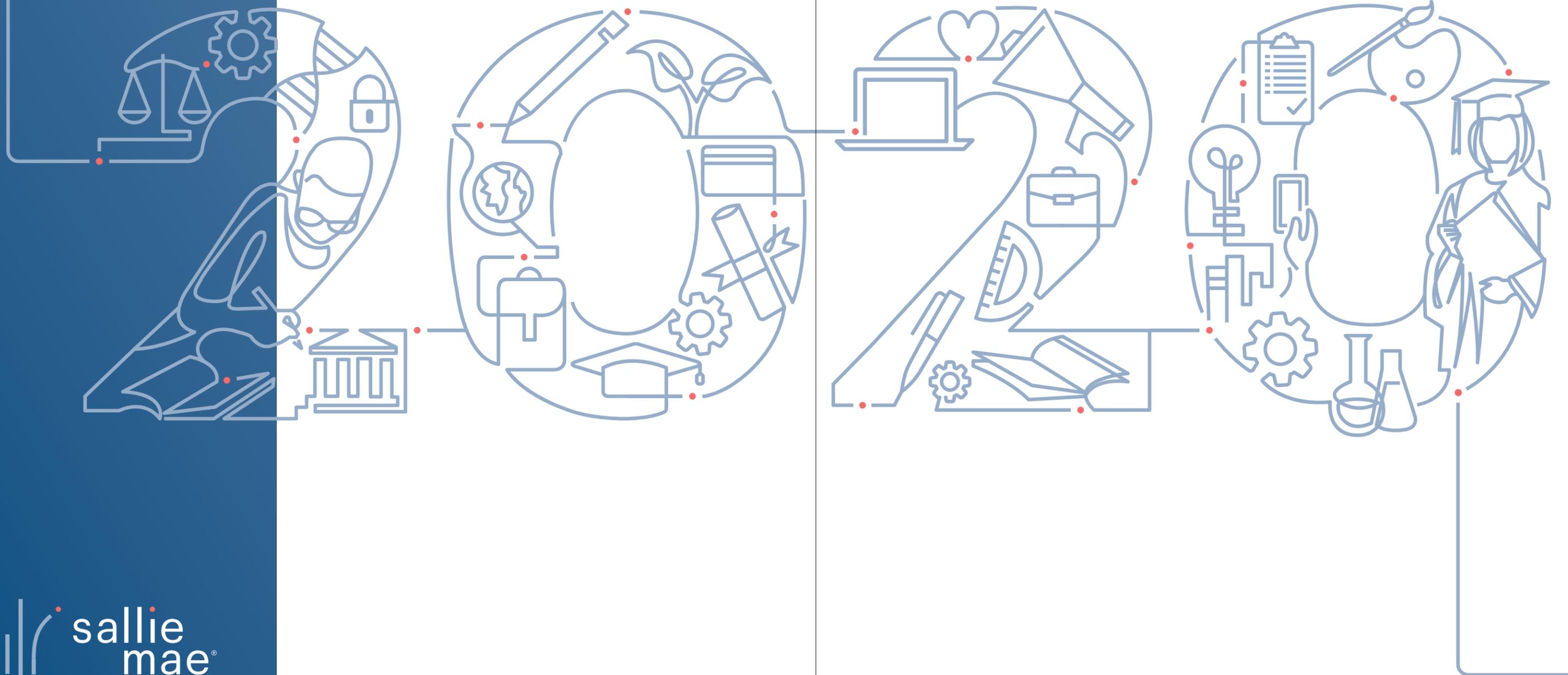
Powering Confidence

*Increasing Access and Opportunity
Through Higher Education*

CORPORATE SOCIAL RESPONSIBILITY REPORT

APRIL 2021

• Powering confidence for students as they begin their unique journey.



About this report

Sallie Mae (SLM Corporation, Nasdaq SLM) is committed to powering confidence for students along their unique journey through higher education.

Our responsible private student loan products help students bridge the financing gap in paying for college. We are also deeply committed to providing families with the necessary resources they need to plan and pay for higher education, which may not include a loan at all. We provide free access to tools for customers and non-customers alike, including FAFSA™ application support, college cost and planning calculators, and free online scholarship search tools. With this approach, we're powering confidence for the next generation of leaders.

More about these efforts are detailed in our Corporate Social Responsibility (CSR) Report. The report is specifically designed to share the environmental, social, and governance (ESG) factors relevant to our business and our communities; our progress on key CSR performance indicators; and how we increase higher education access and completion for students across the country.

This report has been prepared in accordance with the principles and disclosures of the Global Reporting Initiative (GRI) Standards: Core Option and covers topics for all entities included in our financial statements. The GRI Standards are the most widely used framework for sustainability reporting in the world. The recommended disclosures in the Sustainability Accounting Standards Board (SASB) Consumer Finance Standard were also considered when creating this report. The highlights and metrics shared represent calendar year 2020, but when possible, multi-year trend data is included. All financial information is presented in U.S. dollars.

If you have questions or feedback about this report or Sallie Mae's CSR commitments and activities, please contact us at CSR@SallieMae.com.

For more information please visit www.salliemae.com.

ABOUT THE COVER

Jannah Williams

Promoting diversity is a priority at every level of Sallie Mae. As protests and demonstrations led many local businesses in Delaware to board up their storefronts, Sallie Mae team member Jannah Williams saw an opportunity to bring people together through art. She partnered with local artists to turn boarded up storefronts into inspirational canvases.

Jannah's mural addresses our nation's history of racial injustice and combines a collection of newspaper articles covering racism over the last two hundred years with images of civil rights leaders and the simple message: "We just want a kinder world than this."



“

Education is a vital tool for everyone to have and everyone should be able to access all that a great education has to offer no matter who they are or where they come from.

Jannah Williams

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Message from the CEO

2020 was a year of extreme adversity. Across the globe, we battled a pandemic that threatened lives and livelihoods and exposed deep inequities that exist in our communities. In many countries including the United States, we engaged in uncomfortable but critically important discussions about systemic racism and centuries-long inequality. We also witnessed the clear results of climate change be it fire, flood, hurricane, drought, or other natural disaster. Here at home, our democratic process produced a divisive election that tested our resiliency and resolve. It is not an overstatement to say that the very fabric of who we are as people was tested and challenged. And here we are.

Still standing. Together.

One lesson that we can take away from 2020 is the very real importance of owning responsibility—responsibility to each other, our communities, and our planet. This is true of individuals, governments, and certainly the companies that have the privilege to operate and serve customers and our communities. This is a responsibility that we take very seriously here at Sallie Mae.

Providing access to higher education is our primary business. We know with education comes enhanced prosperity, improved health outcomes, economic mobility, and true social justice. As such, we are proud to have helped more than 420,000 students and families pay for higher education in 2020. However, our impact on education goes beyond the loans

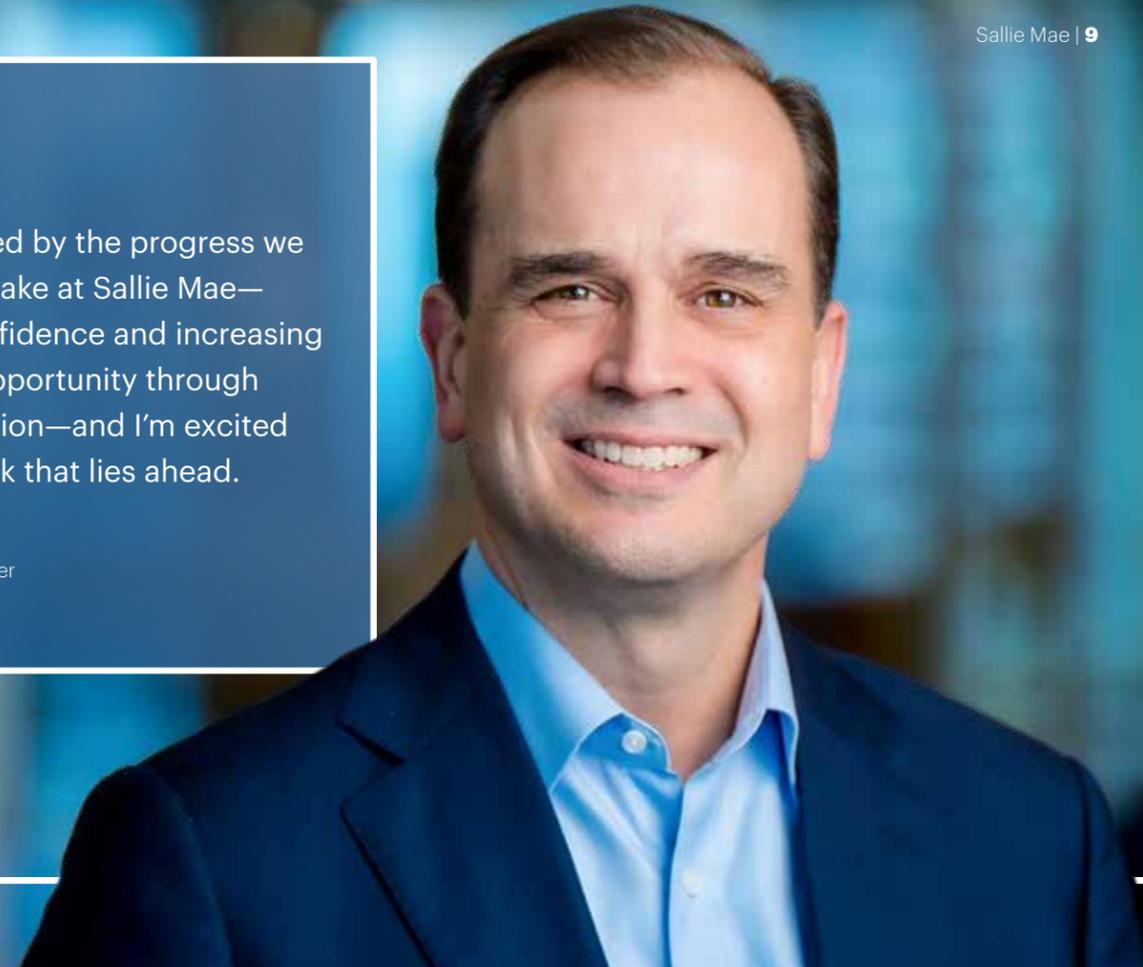
we make. Because the stakes are so high, we recognize that the journey to, and through college, is stressful and uncertain for students and their families. As a result, our mission is to power confidence as students begin their unique journey. We are also proud to have provided tools, information, and services to millions of additional customers to help them simplify the college planning process, improve access, and support the completion of higher education.

This year's Corporate Social Responsibility Report reflects the strides we have made to achieve this mission and support our broader communities. We seek to deliver a healthier, more inclusive, just, and equitable world.



I'm encouraged by the progress we continue to make at Sallie Mae—powering confidence and increasing access and opportunity through higher education—and I'm excited about the work that lies ahead.

Jon Witter,
Chief Executive Officer



Specifically, we:

- took critical steps to support our customers affected by the COVID-19 pandemic;
- pioneered new initiatives to advance equality and strengthen our communities, putting students often overlooked, on track to access and complete their education;
- provided tools and resources to help students and families make informed, sensible decisions about planning and paying for college; and
- made progress on our environmental, social, and corporate governance commitments.

We also appointed Carter Franke as Chair of the Board of Directors, the first woman to hold the position in our company's history. Her leadership underscores our commitment to our customers, knowing their success is the origin of Sallie Mae's success. Her expertise ensures Sallie Mae remains focused, aligned,

and committed to opening the doors of opportunity for students and their families.

Our mission, purpose, and vision are personal for me. My father was an immigrant who came to the United States from Germany at the age of 16, seven years after World War II. He achieved his version of the American Dream through a scholarship, work study program, and gainful summer employment—earning both a bachelor's and master's degree. The belief in the value and promise of education has defined my family. We are the living embodiment of the multi-generational impact that comes with access to higher education.



Jon Witter
Chief Executive Officer

Executive summary

The theme of this year's Corporate Social Responsibility Report is "powering confidence."

That two-word phrase is a summation of the work we do at Sallie Mae to provide students and families the information, tools, and financing they need to access and complete higher education. We equip students and families with confidence in the decisions they're making to plan and pay for higher education. In turn, their education yields economic mobility and advancement for generations to come.



Responding to COVID-19

Because of the economic uncertainty caused by the COVID-19 pandemic, we immediately moved to offer relief to our customers. In March 2020, customers were given the option to have their student loan payments paused through a simplified, automated process, without requiring proof of financial hardship. We waived late fees and enhanced the functionality of our customer service channels to help customers quickly manage their accounts, make or postpone payments, and request hardship relief.

Today, we offer customers still affected financially by the pandemic a COVID-19 forbearance in one-month increments, which allows us to consistently be in contact with customers and ensure we are assisting those in need. We also offer loan modification programs for customers suffering extreme hardship.

In March 2020, before officials issued stay-at-home orders in our home states, we quickly worked with regulators and stakeholders so team members across the country could begin working safely and remotely. Efforts included a nearly \$2.6 million investment to provide our team members with at-home capabilities, including required equipment and tools to effectively support our customers. We also granted five additional days of paid leave so team members could take more time to care for their loved ones and themselves.

Because of the exceptional need in our communities, our charitable arm, The Sallie Mae Fund, provided \$1 million to local food banks in our home states. That contribution provided more than 900,000 meals and 2 million pounds of food, and personal protective equipment for staff and food bank volunteers.

Additionally, our team members volunteered 861 hours and donated more than \$61,000 through the company's matching gifts program to charitable organizations. We view these efforts as extensions of our core mission. Strong communities become the launching pads for students' academic endeavors.

\$2.6 million
investment to our team

861 hours
total volunteer hours for 2020

Advancing Equality Through Higher Education

We're dedicated to helping build a more just society by increasing opportunity and advancement through higher education. However, student loans should be temporary stepping stones. Notably, our average loan is paid off in approximately seven years, ensuring that students are not held back from achieving future milestones.

Sallie Mae launched several initiatives this past year to support increased access and completion of higher education.

Highlights include:

- In partnership with Thurgood Marshall College Fund, The Sallie Mae Fund committed a total of \$3 million in scholarships over the next three years to help minority students and students from marginalized communities access higher education and complete their post-secondary programs.
- The Sallie Mae Fund committed to \$1.5 million in grants to various organizations dedicated to advancing social justice through higher education, including the Point Foundation, the Hispanic Association of Colleges and Universities, the Entertainment Industry Foundation in support of the Know Your Rights Camp founded by Colin Kaepernick, and the National Urban League.

We know much more work is needed to close achievement gaps and increase access to higher education. Sallie Mae is dedicated to finding and implementing solutions, and we will continue to put our expertise to work to improve more lives and to unearth new opportunities.

Improving Financial Literacy

Higher education is one of the most significant investments students and their families can make and we believe they should have the tools to make that investment with confidence. Our free financial literacy resources, available to customers and non-customers alike, help students pay only what is necessary for higher education, and understand how today's decisions will affect their future:

- A [Scholarship Search](#) tool that makes it possible for students to easily search more than 6 million scholarships—worth more than \$30 billion—and quickly find eligible opportunities.
- A [College Planning Calculator](#) that helps families set college savings goals, project the total costs of a college degree, and estimate future student loan payments, as well as the annual starting salary level needed to keep payments manageable.
- A [simplified way to apply for federal financial aid](#) that reduces the average time it takes to complete the FAFSA from 55 minutes to less than 20 minutes. The FAFSA connects students to scholarships, grants, and federal loans from the government. We encourage students to file the FAFSA before considering private student loans.

\$3 million

in scholarships over the next three years to minority students.

\$1.5 million

in support of nonprofits helping to advance social justice through programming or services.

We also want students to take on the least amount of debt possible.

We advise students and families to follow a 1-2-3 approach to lending:

1. **Start with money you won't have to pay back.** Supplement college savings and income by maximizing scholarships, grants, and work-study.
2. **Explore federal student loans.** We encourage students to explore federal student loan options by completing the Free Application for Federal Student Aid.
3. **Consider a responsible private student loan.** Fill the gap between available resources and the cost of college. Our responsible lending philosophy also encourages students and their families to evaluate all anticipated monthly loan payments and how much the student expects to earn in the future before considering a private student loan.

Environmental, Social and Corporate Governance Update

We know how we do business matters, and we're committed to running our company responsibly and sustainably. This starts with treating our employees well. Some of the benefits that helps our team members thrive include 12 weeks of paid leave for primary caregivers and four weeks paid leave for secondary caregivers, an adoption reimbursement of \$10,000, and tuition reimbursement of up to \$10,000 a year.

We reduced our energy expense by 10%, supporting our efforts to minimize energy use and associated greenhouse gas emissions, procure more sustainable materials, and reduce the amount of waste generated in our offices.

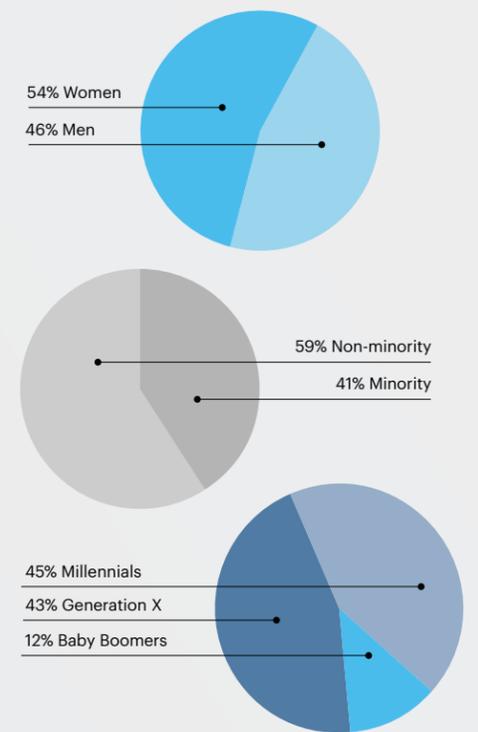
In 2020, we began our search for a Diversity and Inclusion Officer, a role that will be critical to building a workforce that best serves and represents our increasingly diverse nation.

We've long believed a diverse workforce is necessary for success and are excited to continue to build on the progress we've made so far. That's why we launched Diversity and Inclusion listening tours in 2020, gaining a deeper understanding of how our workplace can empower people, regardless of their race, gender, identity, religion, age, or background, to bring their best selves to the workplace. Hundreds of team members participated in these virtual discussions, which sparked conversations with leadership and team members for the remainder of the year.

Conclusion

Sallie Mae plays a critical role in equipping students with the confidence and resources needed for lifelong success while addressing broader societal issues. We're committed to using our platform and products to help build a more just, equitable society, by giving more students access to higher education.

Today, our company is comprised of:



About Sallie Mae

We believe higher education is the foundation for success, an equalizer of opportunities, and a proven pathway to economic mobility.

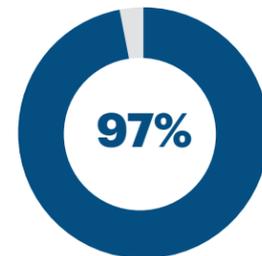
To support students along their journey, we:

- simplify the college planning process by providing tools, resources, and information to help students and families make informed decisions; and
- improve access and completion of higher education through our responsible financing options and targeted scholarship programs.

Simply put, we're here to **power confidence as students begin their unique journey.**

Our customers want more from us than merely loans or financing. They want a partner that can offer them confidence and peace of mind to know they are making the right decisions for themselves and their families. That's why we start with [college planning](#). We offer a variety of free tools and resources, including our Scholarship Search tool, which connected 24,000 students with scholarships in 2020 covering more than \$67 million in college costs, and our Free Application for Federal Student Aid (FAFSA) application tool which simplifies the process for students looking to secure scholarships, grants, work-study, and other types of federal aid. Resources like this ensure our customers are equipped to make informed choices about their future.

When it's time to finance their education, students and families can count on Sallie Mae to provide industry leading products designed with responsibility in mind. Before we lend a single dollar, we thoroughly evaluate a customer's ability to repay—because the choices they make today will be the foundation for their tomorrow. The result: 97% of loans in repayment are in good standing, and fewer than 2% of loans default annually*.



of loans are repaid on time.

* Based on Sallie Mae's 2020 Annual Report Form 10-K.



Our responsible products include:

 **Private Student Loans**

Responsible private student loans with competitive rates to help undergraduate and graduate students bridge the gap between the cost of higher education and the amount funded through financial aid, federal loans, and student and families' resources.

 **Credit Cards**

Designed to help students and young adults build good credit, these cards reward financial responsibility, and encourage habits that lead to financial independence.

 **Savings Accounts**

Competitive savings products to help our customers grow their money and achieve their financial goals.

 **Free planning and paying for college resources**

Free tools to help students sharpen their financial know-how and college planning process.

Learn more about our approach to increasing higher education access and completion, as well as our financial performance, in our [Annual Report Form 10-K](#) as filed with the Securities and Exchange Commission (SEC).

Sallie Mae at a glance

Powering confidence for students as they begin their unique journey.

Our mission is our north star, a reminder to challenge how the system works, and challenge ourselves. Sallie Mae must be, and will be, a champion for change, helping students access education, complete it, and produce meaningful outcomes along the way.

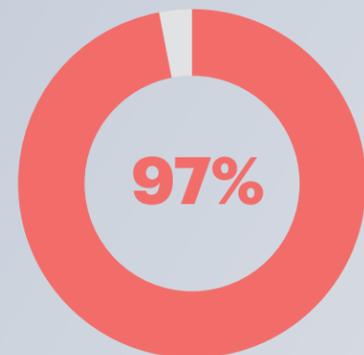
In 2020, with the support of our 1,636 team members in 6 locations, we:

420,000+

students and families supported in financing their college and graduate studies.

\$5.3 billion

authorized in Private Student Loans.



of loans in repayment are being successfully managed.

We generated economic value for our team members, shareholders, and local communities, including:

\$871 million

GAAP Net Income Attributable to Common Stock

\$2.25

GAAP Diluted Earnings per Common Share

\$2.2 million

Total charitable contributions including **\$1 million** to local food banks in response to the COVID-19 pandemic.

\$3 million

scholarship program in partnership with Thurgood Marshall College Fund, which will result in nearly **900 scholarships** to minority students and those from underserved communities over the next three years.

\$1.5 million

commitment to grants that help advance and promote social justice.

2020

- Inaugural Corporate Social Responsibility Report published.
- Jon Witter named CEO of Sallie Mae.
- Announced a three-year commitment to provide \$4.5 million to promote diversity in higher education and advance social justice.
- Appointed Carter Franke as Chair of the Board of Directors, the first woman to hold the position in our company's history.

Our approach to CSR

Our CSR strategy addresses the five categories:

	<p>Community</p> <ul style="list-style-type: none"> • Engagement and investment • Advancing underserved populations
	<p>Customers</p> <ul style="list-style-type: none"> • Customer satisfaction • Helping customers through times of need • Fair and responsible lending • Data security and privacy
	<p>Team Members</p> <ul style="list-style-type: none"> • Developing and nurturing a mission-led culture • A diverse and inclusive workforce • Providing training and development opportunities
	<p>Environment</p> <ul style="list-style-type: none"> • Ensuring a safe and healthy workplace • Energy and emissions
	<p>Governance and Ethics</p> <ul style="list-style-type: none"> • Business integrity • Regulatory compliance • Risk assessment • Board diversity

2020 has proven that in order to successfully operate as a business and a contributing member of any community, we must be able to adapt. We continuously evaluate and update policies and practices, recognizing that stakeholder perceptions and expectations, along with our business environment, are constantly changing.

We are also committed to a steady alignment with the Sustainability Accounting Standards Board and United Nations Sustainable Development Goals.

Sustainability Accounting Standards Board (SASB) Index

The Sustainability Accounting Standards Board (SASB) is an independent standards-setting organization that supports reporting standards for companies to identify, manage, and communicate financially-material sustainability information to our investors.

Sallie Mae supports SASB because it provides a framework for comparable and reliable information, which is consistent with our commitment to provide transparent, useful, and relevant environmental, social and governance data as it relates to our business, as well as long-term value for our stakeholders.

While there are other SASB financial services standards that contain information that may be relevant to a portion of our operations, Sallie Mae has determined the Consumer Finance standard is most applicable for our core business.

Included in the SASB index, starting on [page 90](#), we report relevant data to support our efforts to meet all or a portion of the Consumer Finance disclosure within this report or other externally published documents*. Data provided covers the year ended December 31, 2020 unless otherwise noted.

*Certain information is not disclosed herein because that information (i) is not considered material or is privileged or confidential; (ii) could cause a competitive disadvantage to our business if publicly disseminated; or (iii) is not currently collected in a manner wholly correlative with the related SASB metric.



Sustainable development goals

The United Nations Sustainable Development Goals are a globally recognized framework for advancing sustainability in the public and private sectors. Many stakeholders, including countries, communities, businesses, and organizations, are committed to tackling economic, environmental, and social challenges.

United Nations Sustainable Development Goal #4 – Quality Education, embodies Sallie Mae’s core purpose. Goal #4 requires collaboration among government, corporations, non-governmental organizations, and academic institutions to achieve inclusive and quality education for all, whether for a degree program, continuing education, or certificate training.



Sallie Mae initiatives that support United Nations Sustainable Development Goal #4 include:

- Support of organizations that help strengthen and assist the needs of our hometown communities including the **Year Up Internship Program, Big Brothers Big Sisters, and Junior Achievement.**

- Scholarship programs that promote diversity in higher education, including **The Sallie Mae Fund Bridging the Dream and Utah scholarships and grants programs**, in partnership with Thurgood Marshall College Fund.



- A suite of responsible private loans for students and parents.

- **Scholarships for family members** scholarships for family members of Sallie Mae team members.

- **Free financial literacy tools and resources** that reinforce financial education in high school, connect students with scholarships, help estimate future costs, and show students how to apply for financial aid.



At Sallie Mae, we are committed to the principles of sustainability and understand the long-term value of focusing on the environmental, social, and governance aspects of our operations can have on our business, our customers, and society at large. We’re growing as an organization that thinks big, celebrates and values diversity, has an unwavering commitment to community and making a positive, lasting impact in the lives of the students and families we serve.



Antoine Oakley, Director, Corporate Social Responsibility





Our response to the COVID-19 pandemic

While the pandemic has changed much of the world around us, students and families remain determined to pursue a higher education—and for good reason.

Those with a higher education have experienced lower job loss and unemployment levels than those without. The role Sallie Mae plays in our community became even clearer during the pandemic: to equip students with the means to access higher education and complete their studies, unlocking opportunity that can withstand vulnerable economic times for generations to come.

At the early stages of the pandemic in the U.S., consistent with recommendations from local, state, and federal health officials and aligned with our crisis plan, Sallie Mae took a number of steps including increased safety measures and operational changes.

Serving our customers

Sallie Mae proactively deployed multiple forms of assistance and relief.

We made it easier to communicate through enhanced customer service channels, including increased functionality of our chat tools, automated phone system, mobile app, and website. We also provided customers with tools to easily manage their accounts, make or postpone payments, and request hardship relief.

We introduced temporary relief in March, including:

- **a pause on repayment:** through a specially designed COVID-19 forbearance, customers were given the option to have their student loan payments paused through a simplified, automated process, without requiring proof of financial hardship; and
- **no fees:** late fees and returned check fees were waived during this period.

2020 Covid-19 Timeline

- **January:** Sallie Mae establishes executive management steering committee to monitor growing health crisis
- **February:** Launched an enhanced cleaning program at each Sallie Mae facility
- **March**
 - Transitioned workforce to secure at-home work environment
 - Provided team members five additional days of wellness leave
 - Offered COVID-19 Forbearance for customers affected by the pandemic
 - Donated \$1 Million to local food banks
- **April:** Installed custom precautionary and instructional COVID-19 signage at all six facilities.
- **May:** Initiated an “At Risk: self-reporting survey” to help address concerns for team members with pre-existing health conditions, those caring for elderly family members, or those with childcare concerns.
- **June:** Installed temperature scanning kiosks across all Sallie Mae sites
- **July:** Installed directional floor decals, training room partitions, and divider screens at all facilities
- **August:** Implemented a weekly health attestation, for all facilities, for all team members and visitors
- **November:** Installed Bipolar Ionization Air Filtration System at Sallie Mae’s Newark, Delaware headquarter facility
- **December:** Installed Bipolar Ionization Air Filtration System at Sallie Mae’s Christiana Road facility in Delaware

The measures taken in March helped stabilize customers' financial wellbeing. As the year progressed, more customers returned to making regular payments. Now, customers who are experiencing continued hardship due to the pandemic can request a COVID-19 forbearance in one-month increments. This allows us to consistently be in contact with our customers and ensure we are ready to help those who need it most. For customers who experience more severe and/or longer-term hardship, we provide loan modification programs that allow customers to avoid default and make progress on their loans until they return to solid financial footing.



“
Our team members care deeply and work tirelessly on behalf of our customers and during the pandemic they continued to go above and beyond. Their resilience and resolve were a constant inspiration for me, and I know they'll do whatever it takes to support our customers.

Dan Kennedy,
Chief Operational Officer

Empowering our team members

Our team members consistently demonstrate dedication, commitment, and purpose.

In March 2020 we quickly worked with regulators and stakeholders so team members could begin working remotely and safely. We invested nearly \$2.6 million to provide our team members with at-home capabilities to effectively support our customers and the business.

We granted five additional days of paid leave, known as wellness leave, so team members could take more time to care for their loved ones and themselves. We also implemented adjustments to our medical plans so team members were not responsible for costs associated with COVID-19 testing or in-network and contracted telemedicine and virtual medicine visits.

As we evaluate plans to return to our offices, we are committed to incorporating feedback from team member surveys and assessing national requirements and local conditions. We've also set five guiding principles to assess a return-to-the-office strategy.

1. Consider the needs of at-risk team members, those with at-risk household members, and others identified as needing special attention.
2. Recognize the strain that the pandemic is putting on families, considering factors like school closings, elder care needs, etc.
3. Consider the advice of local, state, and federal health officials in each region and monitor local conditions (e.g. school openings) and follow applicable laws and regulations.
4. Modify our physical workspaces and develop processes to better accommodate social-distancing, aggressively react to isolated COVID-19 incidents, and incorporate other public health best practices.
5. Prepare for an expeditious return to a remote working environment in the event there is a recurrence of COVID-19.

For team members who may need to visit one of our offices, we implemented daily, no-contact temperature screenings, stringent cleaning protocols, and signage to help maintain best practices and social distancing guidelines.



sallie
mae[®]

Supporting our community

Providing our communities with the resources needed to thrive has always been a tenet of our business.

That said, we recognized that their needs changed in response to the pandemic.

To help, we donated \$1 million through The Sallie Mae Fund, to local food banks in states where the majority of our Sallie Mae team members live, work, and serve.

The Food Bank of Delaware, Gleaners Food Bank of Indiana, Inc., The Greater Boston Food Bank, Utah Food Bank, and Loudoun Hunger Relief, Inc. in Virginia each received \$200,000. These grants resulted in the donation of more than **900,000 meals** and **2 million pounds of food** and provided personal protective equipment for staff and food bank volunteers.



We are honored to be the recipient of this remarkably generous donation from Sallie Mae. With so much uncertainty in the future, it will go a long way in helping us respond to increased need as economic fallout from this crisis continues. On behalf of the 511,000 Utahns facing hunger, thank you for your support!

Ginette Bott,

President and CEO, Utah Food Bank



We are very grateful to Sallie Mae for their generous Leadership Circle level gift that will help Greater Boston Food Bank provide healthy food to the increasing number of people who are experiencing food insecurity due to the COVID-19 pandemic. It is the kindness of companies like Sallie Mae that will make a difference in the lives of students, families and seniors in Eastern Massachusetts who need help during this extraordinary time of need.

Catherine D'Amato,

Greater Boston Food Bank President and CEO



Throughout the COVID-19 pandemic, our team members have gone above and beyond to help those in need. A few examples of these efforts include:

- our Audit team's partnership with Food First Delaware to help feed the healthcare workers of St. Francis Hospital in Wilmington, Delaware;
- our Compliance team donated \$1,000 and delivery of lunch, snacks, and other gifts to a local COVID-19 intensive care unit;
- our Credit and Collections teams' donation of more than 2,500 pounds of food and a \$500 Visa Gift Card to help replenish a local school's pantry which has been providing meals and food to families in need; and
- our Business Optimization team's efforts to raise money to feed families at the Ronald McDonald House of Delaware.



At the beginning of the pandemic, I kept thinking about the people who were putting their lives at risk by doing their jobs like nurses, doctors, EMTs, and hospital workers, but also people working in the grocery store, post office, delis, and as delivery drivers. I wanted to acknowledge and thank them; try to make sure they felt appreciated, seen. So, I made up thank you cards featuring a drawing I did, wrote personalized messages on them, and sent them to those places and to individuals I know.

Kristin Carlson,

Creative Director





Advancing equality through higher education

Over the next three years, nearly **900 deserving minority students will receive financial support** needed to help them persist and succeed in higher education.

Promoting diversity in higher education

In 2020, long-standing racial injustice took center stage in the United States.

The senseless killing of unarmed African Americans, including George Floyd, Breonna Taylor, and Ahmaud Arbery, brought the inequities faced by African Americans and all people of color starkly into focus. Those inequities experienced by minorities also extend to higher education where, too often, people of color and students from underserved communities face significant obstacles and fewer resources that not only impede attendance, but also stifle completion of their post-secondary education program.

To begin to help rectify these historic and systemic issues, we announced a three-year commitment to provide \$4.5 million in scholarships to promote diversity in higher education and advance social justice.

The Sallie Mae Fund, in partnership with Thurgood Marshall College Fund, committed a total of **\$3 million in scholarships** over the next three years to help minority students and students from underserved communities access higher education and complete their post-secondary program.

The scholarship program includes:

- **The Bridging the DreamSM Scholarship for High School Seniors:** The Sallie Mae Fund will award (25) \$10,000 scholarships to high school seniors who plan to enroll in a two- or four-year degree professional certificate, or vocational training program.
- **The Completing the DreamSM Scholarship:** The Sallie Mae Fund will award (260) gap scholarships worth up to \$2,500 to minority students and those from underserved communities who are on track to graduate but are at-risk of not completing due to financial emergencies or unpaid school bills.
- **The Bridging the DreamSM Scholarship for Graduate Students:** The Sallie Mae Fund will also offer (10) \$10,000 scholarship to minority students and those from disadvantaged communities who are pursuing a graduate degree.



Higher education transforms lives, and we're committed to removing the financial barriers that so often prevent students from persisting to degree completion. A college degree positions students for greater career success and spurs the kind of economic mobility that can change the life trajectory for a student. That's why we are thrilled to partner with Sallie Mae on this scholarship program.



Dr. Harry Williams, President and CEO, Thurgood Marshall College Fund

Advancing social justice

The Sallie Mae Fund will also contribute a total of **\$1.5 million** over the next three years to support educational programs that advance social justice, diversity, inclusion, and equality.

In 2020, the first **\$500,000** of that commitment was awarded through \$125,000 grants to:

- 

• [Hispanic Association of Colleges and Universities](#)
- 

• The Entertainment Industry Foundation in support of the [Know Your Rights Camp](#) founded by Colin Kaepernick
- 

• The [Point Foundation](#) to support the LGBTQ+ community
- 

• The [National Urban League](#)

For more information see [page 35](#).

Diversity, equity, and inclusion will be a persistent and ongoing focus for Sallie Mae. In addition to the dollars committed to promote diversity in higher education and the advancement of social justice, Sallie Mae committed to:

- implementing best practices in the area of diversity and inclusion;
- reviewing every corporate policy for unintended impact across identity groups;
- establishing a new diversity council to make recommendations related to diversity and inclusion;
- hiring a Chief Diversity and Inclusion Officer; and
- continued reporting of our efforts.

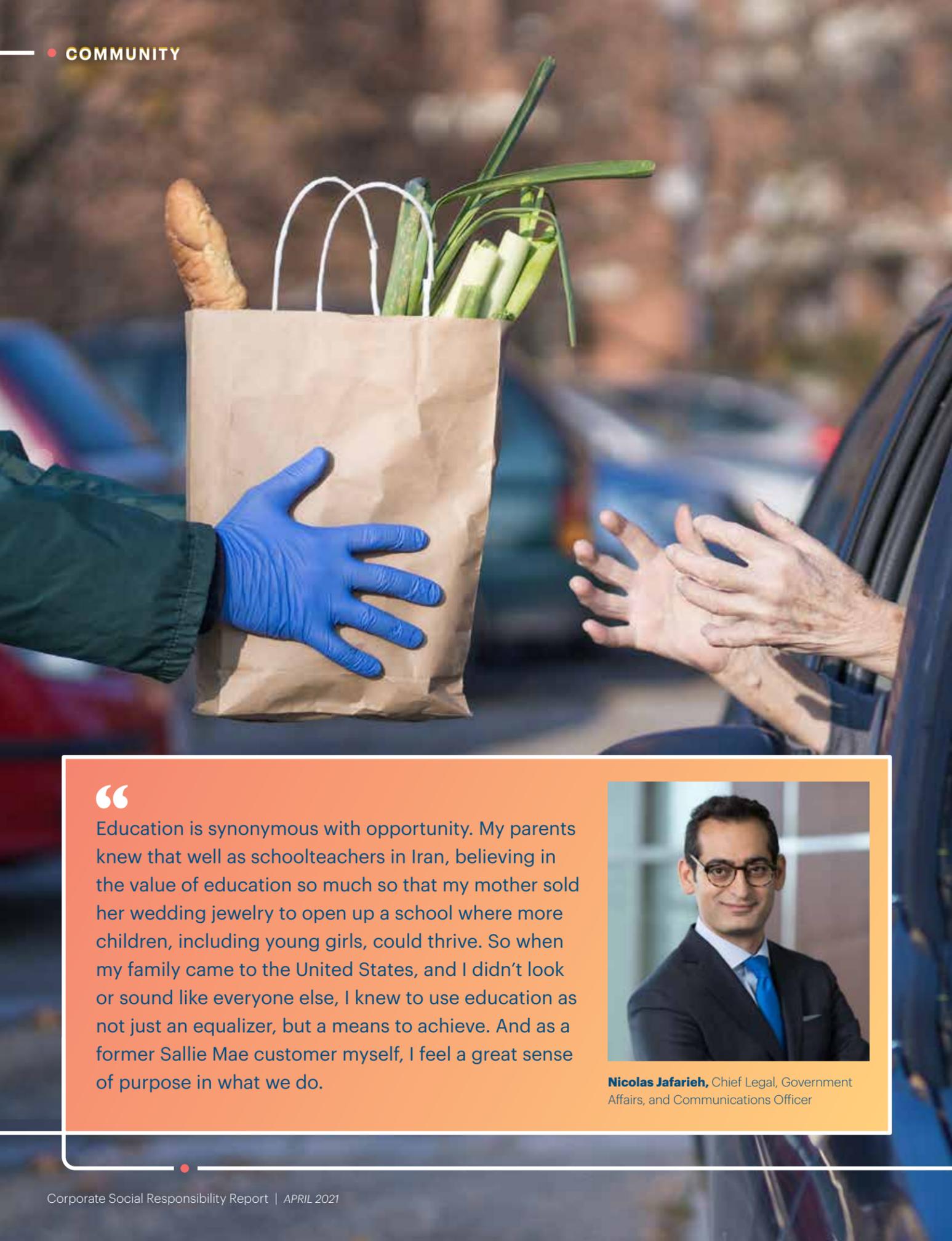
As we furthered our plans to address diversity in the community, we took a hard look at our approach within the company. Sallie Mae’s CEO Jon Witter led a discussion on the importance of diversity and inclusion at work, along with what we needed to do to become the most just and inclusive workforce in America. More than 80% of our team members joined the conversation. Further discussions were fostered through virtual diversity and inclusion listening tours. We remain committed in 2021 and beyond to being part of the solution.

“As a company with a foundation in education, we see first-hand how education opens doors, creates opportunities, and advances us as a people. Those doors and opportunities, however, should be open and available to all who seek to advance through higher learning. We commit to helping make that a reality and playing a part in creating a more just and equal society.

Jon Witter,
CEO, Sallie Mae

In 2020, we reviewed our paid holiday calendar to honor inclusivity and diversity. As a result, we introduced two new paid holidays, Indigenous People’s Day and Veterans Day, along with 13 new ‘quiet’ days, like Juneteenth. Beginning in 2021, mandatory meetings on these days are prohibited, further encouraging team members to take time away. We also included two floating holidays for team members to use for personal days of importance.





Powering stronger, more resilient communities



Our approach

Giving back to the communities where our team members live, work, and serve is essential to developing and nurturing a mission-led culture. To that end, our approach to supporting the community is reflected throughout our core values: [Connect](#), [Thrive](#), [Do Right](#), [Dare to Do](#), and [Make a Difference](#).

Our community outreach is deeply engrained in the idea of helping others, specifically with access to education. We're committed to reducing barriers to higher education by investing in college planning tools and resources and developing financial literacy programs. Our volunteerism and community efforts are channeled through The Sallie Mae Fund and Sallie Mae Bank's Community Reinvestment Act.



Education is synonymous with opportunity. My parents knew that well as schoolteachers in Iran, believing in the value of education so much so that my mother sold her wedding jewelry to open up a school where more children, including young girls, could thrive. So when my family came to the United States, and I didn't look or sound like everyone else, I knew to use education as not just an equalizer, but a means to achieve. And as a former Sallie Mae customer myself, I feel a great sense of purpose in what we do.



Nicolas Jafarih, Chief Legal, Government Affairs, and Communications Officer



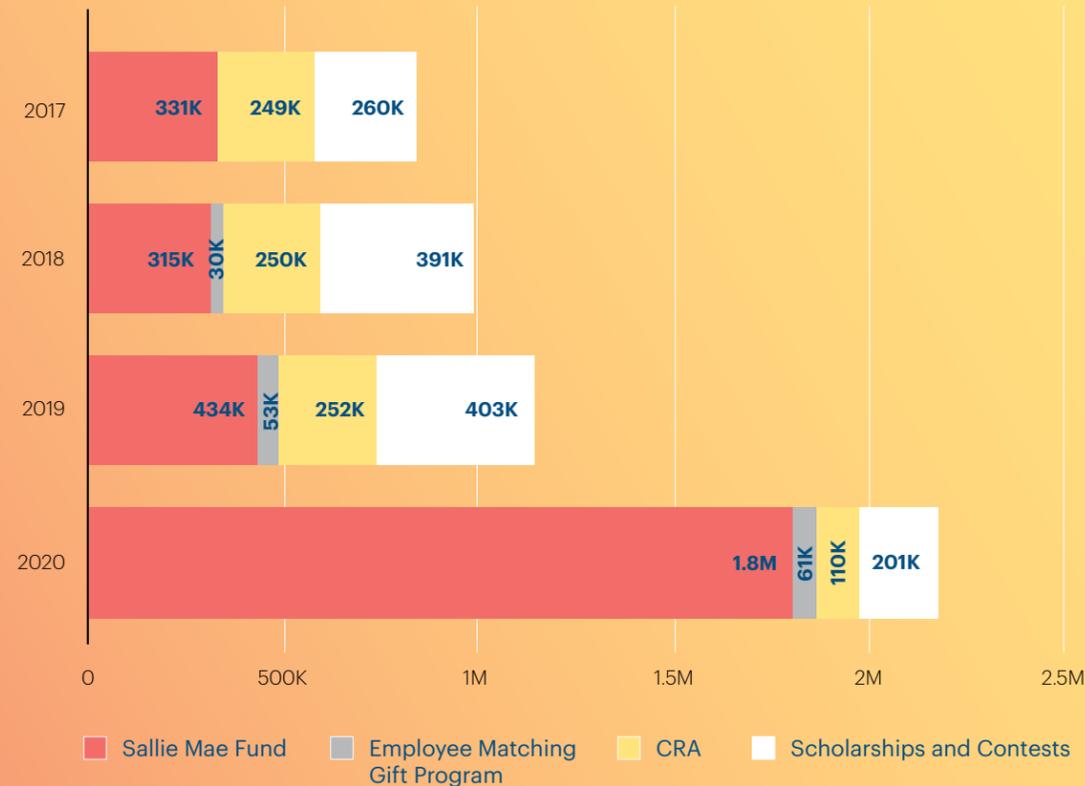
Our values empower us to serve our customers and each other; serving as a blueprint for our actions and attitudes. The values show us how we can challenge ourselves to be our best and give our customers the best experience possible.

Dan Sharma, Director, Project Management



Our social impact

Total charitable contributions 2017 – 2020



\$2.2 million

Total charitable contributions in 2020
 (Includes Sallie Mae Fund, CRA, All Scholarships,
 and Employee Giving)

Investing in our communities

Supporting the communities where our team members live, work, and serve is core to who we are. Corporate contributions and team member giving are funneled through our charitable arm, The Sallie Mae Fund.

The Sallie Mae Fund

Since April 2014, The Sallie Mae Fund contributed more than \$4.8 million to address key barriers to higher education access and completion, and to build more resilient communities.

Highlights include:

- **Point Foundation** – A \$125,000 grant was awarded to the Point Foundation, a scholarship fund that provides financial aid for lesbian, gay, bisexual, transgender, and queer college aspiring individuals in the United States.
- **Hispanic Association of Colleges and Universities** – To promote diversity in higher education and support the Hispanic community, a \$125,000 grant was awarded to this organization to improve access to and the quality of post-secondary educational opportunities for Hispanic students.
- **Know Your Rights Camp by Colin Kaepernick** – A \$125,000 grant supported the Know Your Rights Camp’s mission to advance the liberation and well-being of Black and Brown communities through education, self-empowerment, mass-mobilization and the creation of new systems that elevate the next generation of change leaders.
- **National Urban League** – Furthering equal access to higher education, a \$125,000 grant was made to support the nonpartisan historic civil rights organization that advocates on behalf of economic and social justice for African Americans and against racial discrimination in the United States.
- **Local food banks** – A total of \$1M was given to local food banks in Delaware, Indiana, Utah, Massachusetts, and Virginia, to support families during the COVID-19 pandemic.



Other grants, championed and requested by Sallie Mae team members, included:



● **Cab Calloway School in Delaware**

A \$20,000 grant supported scholarship opportunities for underserved students to participate in Cab Calloway's SMArtSummer to explore paths to a higher education.



● **Christina Cultural Arts Center in Delaware**

A \$25,000 grant supported scholarships that make arts education, career pathways, live performances, and gallery exhibitions accessible to urban youth and underserved communities in a safe, family-centered environment.



● **Girls Scouts of the Chesapeake Bay**

A \$25,000 grant helped underwrite the cost of the Outreach Program which provides leadership experience, high-impact programs, and top-notch outdoor enrichment activities for 1,000 at-risk, low-income girls.



● **Folds of Honor**

A \$50,000 grant supported college scholarships to children and spouses of disabled and fallen military service members.



● **Newark Symphony Orchestra**

A \$12,000 grant supported arts education scholarships and low-cost performances for low-income families.



● **Wilmington Drama League**

An \$11,000 grant to support local artists, keep performances free or inexpensive and updates to A/V system.



● **Year Up Wilmington**

A \$7,500 grant supported skills training and workforce development programs for local young adults.



● **YWCA in Utah**

A \$15,000 grant helped provide a safe environment for homeless teens living with their mothers in YWCA's domestic violence shelter and transitional housing.



● **Big Brothers Big Sisters of Delaware**

A \$50,000 grant to provide academic support and one-on-one guidance for low-income students adapting and adjusting to virtual learning due to COVID-19. In addition, the grant supported the expansion of mentoring programs, including those designed for LGBTQ+ students.



I volunteered for Big Brothers and Big Sisters of Delaware and was matched to an amazing young man named Michel. He needed some direction and help in life and I was able to provide that for him. I met him at 14 and he is now 23 and an active and outgoing person in our community. Through the years I have been able to help him grow into the amazing young adult he is today. When he turned 18, he took on my name and I'm proud to call him my son.



Andrew Zeltt, Director, Compliance

Team member giving and volunteering

Despite constraints during the pandemic, our team members helped build stronger, more resilient communities through their volunteer efforts.

We provide team members with

6 days/yr of PTO

specifically for volunteering and we match individual volunteer and fundraising efforts up to \$1,000.

Sallie Mae team members volunteered more than

860 hours

Sallie Mae team members donated more than

\$61,000

through the company's matching gifts program to charitable organizations across the country.

Team members,

- cooked meals for those in need
- provided school supplies and mentoring at local schools
- served on boards of nonprofit organizations.

“

Together as a team at our Christiana Road facility, we've been able to 'adopt' 18 children and one family, donating more than 1,500 pounds of food to the school's pantry, and purchasing gifts for more than a dozen students' families for the holidays. We help power students every day as part of our job, but helping local students outside of our work responsibilities is incredibly special, too.

Tracy Varnes, Executive Administrative Assistant



Investing in students' dreams

Providing scholarships and grants to aspiring minds brings Sallie Mae's mission to life.

Helping Students Celebrate Their Accomplishments

Due to the pandemic, students graduating from high school and college didn't have the opportunity to participate in a traditional commencement ceremony. To help ensure their accomplishments were still celebrated, Sallie Mae teamed up with Her Campus for a nationwide #ImStillGraduating virtual event.

The six-hour livestream event included more than 50 performances and commencement addresses from actors, musicians, politicians, fashion-icons, and business and nonprofit leaders. As the "Official Partner in Responsibly Funding Futures," Sallie Mae launched the "Funded Futures" contest, providing \$100,000 in scholarships to four recipients who had plans to help change the world. More than 1,000 applications were received and candidates were evaluated on academic and personal accomplishments, experiences facing adversity, and how they aspire to make an impact in the future. The four recipients chosen include a high school, college, graduate, and medical student.

- **Julia Seay** plans to be the first African American to own an environmental firm and is planning to use her award to continue her environmental studies. Julia was a graduate of Westlake High School in Atlanta, Georgia.
- **Isabel DeRamos** plans to use her scholarship to undertake epidemiologic research in highly affected communities of color and poverty and improve the health of Philadelphia's disadvantaged populations. Isabel is a grad student at Drexel University in pursuit of a master's degree in epidemiology.
- **Meaghan Murtagh** hopes to serve as an advocate for sexual assault and interpersonal violence survivors at higher education institutions. As a graduate of Boston University entering a new phase of life post-graduation, she will volunteer and explore opportunities in the non-profit sector, focusing on education in sexual assault prevention and response.
- **Chizitam Ibezim** plans to complete his five-year residency and become a board-certified Orthopedic Surgeon for patients in underserved communities. He is a graduate from University of Missouri – Kansas City School of Medicine.



“

For the past two years, I've been working on a solution for global warming. Now as a Funded Futures recipient, I have the opportunity to pay for my provisional patent and see my ideas come to life.

Julia Seay, Washington and Lee University student, who aspires to be the first African American woman to own an environmental firm.



“

With so much uncertainty living in a pandemic, this award has allowed me to take a deep breath and remember that everything is going to be alright. Sallie Mae's Funded Futures contest has not only lifted my financial burden but has lifted spirits, too.

Meaghan Murtagh, scholarship winner



Simone,
2018 Bridging the Dream
Scholarship Recipient

The Bridging the Dream Scholarship Program

2020 marked the five-year anniversary of Sallie Mae’s Bridging the Dream Scholarship Program. More than 35 high school and graduate students received nearly **\$900,000 in scholarships** through the program. Many of them are already on their way to shaping the world as future nurses, doctors, lawyers, engineers, film makers, activists, scientists, and entrepreneurs.



2020 recipients of the Bridging the Dream Scholarship for Graduate Students:

OLASENI BELLO

Olaseni Bello is a U.S. Army Officer, lawyer, and Nigerian immigrant committed to being a voice for those without the resources needed to get by. Olaseni plans to use his degree from the University of California Berkeley Haas School of Business to help improve access to healthcare and create a better future for his daughter’s generation.



To whom much is given, much is expected, so I plan to pay this forward through initiatives that will improve the lives of marginalized communities and others on the periphery of society.

Olaseni Bello



MATTHEW ST. JEAN

Matthew St. Jean is an aspiring emergency medicine physician with experience working on the frontlines in Maine’s Emergency Medical Services (EMS). Through his degree from the West Virginia School of Osteopathic Medicine, Matthew plans to continue serving the emergency services community that became his second family, helping him learn discipline and resilience.

ALEXIS KALLEN

Alexis Kallen is on a mission to increase opportunities for young women. She plans to become an advocate for marginalized communities, especially for female asylum-seekers with disabilities, with the help of her law degree from Yale. Alexis has interned at Human Rights Watch, the U.S. Supreme Court, and the Justice Centre in Hong Kong. Alexis was a 2018 Rhodes Scholar, Stanford University’s 127th Convocation Speaker, the 2018 Lloyd W. Dinkelspiel Award recipient, and a 2017 Harry S. Truman Scholar.

STEPHANIE ROSADO

Stephanie Rosado is a former Puerto Rican women’s national basketball team player with a master’s in social work. Growing up, her grandmother emphasized, “No te rindas” (Don’t give up). Those words have guided Stephanie on her incredible journey from the court to the University of South Florida where she is pursuing a PhD to advocate for athletes’ well-being and sport social work.



This scholarship removes barriers that will let me focus on my studies, but it’s more than the financial piece. This (scholarship) really put perspective on my story, coming from a low socioeconomic area, and made me acknowledge the worth of my story. The fact I was chosen just validated my motivation.

Stephanie Rosado



New in 2020

The Sallie Mae Fund partnered with Thurgood Marshall College Fund to evolve The Bridging the Dream Scholarship Program to meet the needs of minority students and those from marginalized communities, including LGBTQ+, low-income, and first-generation college students. The program will provide \$1 million a year over the next three years to help students access and complete college and help pay for graduate school.

Community Reinvestment Act

Under the Community Reinvestment Act (CRA), federally insured depository institutions, like Sallie Mae Bank, support the needs of low- and moderate-income neighborhoods in the communities where they are located. Sallie Mae Bank, which is chartered in Utah, focuses on underserved communities in five Utah counties, providing access to finance through consumer and community development lending, qualified investments, grants to community development organizations, and education scholarships for low- and moderate-income persons.

In 2020, we awarded 18 scholarships worth \$110,000 to low- to moderate-income students in Utah. Since 2007, we have awarded more than \$1.2 million to 321 students.

Community investments made by Sallie Mae Bank include a focus on higher education scholarships and community development grants in Utah, and our investments are guided by our CRA Strategic Plan that is approved by the Federal Deposit Insurance Corporation.

Sallie Mae Bank exceeded its funding goal for scholarships and grants in 2020, providing more than \$260,000 to deserving individuals and organizations in our assessment area in Utah. Team members exceeded our service goal as well, spending nearly 187 hours with various community organizations, including the Rocky Mountain Community Reinvestment Corporation, YWCA of Utah, People Helping People, NeighborWorks Salt Lake, and Junior Achievement.

“

Supporting low-income and disadvantaged students through our Utah Scholarship Program gives me a unique opportunity to make a difference. I really enjoy hearing the students' stories and the positive impact that Sallie Mae has made in their lives.

Claire Scott,

Sr. Manager, Compliance and Community Reinvestment Act Officer



Broadening our tools through strategic partnerships

We regularly partner with individuals and organizations to reach more students and cultivate their financial know-how.



Reach Higher

Sallie Mae partnered with Reach Higher, an organization founded by former First Lady Michelle Obama, to present the Beating the Odds Virtual Summit, convening students and discussing challenges experienced during their first year of college, and how best to overcome them.



Embark

Nearly a third of students didn't file the FAFSA® last year, and a big reason cited was the complexity of the form. To raise awareness about the importance of completing the FAFSA, and to simplify the process for students looking to secure financial aid for higher education, Sallie Mae partnered with Embark to provide a free tool that reduces the average time it takes to complete the FAFSA from 55 minutes to less than 20 minutes.



EVERFI

To deliver financial literacy curriculum straight to high school classrooms (in-person or virtually), Sallie Mae partnered with EVERFI, an international social-impact education innovator, to launch [Sallie Mae's Knowledge for College® program](#) in California. This financial literacy curriculum for high school students includes interactive modules to help students develop strategies for responsibly financing their post-secondary education, as well as managing their finances for life. The curriculum covers everything from introductory topics like saving and budgeting to advanced topics like financial aid, student loans, and repaying loans responsibly.

“

Ensuring students and their families fully understand not only the process by which to apply for student financial aid, but also the responsibilities it carries, is of the utmost importance and will help set them up for financial success.

Ray Martinez,

co-founder and president, EVERFI



Her Campus

Sallie Mae teamed up with [Her Campus](#) for the nationwide #ImStillGraduating virtual ceremony, a free, six-hour, live streamed event - open to any and all students graduating from high school, college, or graduate school. As the "Official Partner in Responsibly Funding Futures," Sallie Mae offered four deserving graduates \$25,000 each to help them take their next step after graduation, whether that be starting a business, settling into their first job, or another important milestone.



WiseBread

Sallie Mae and WiseBread partnered to host financial and higher education discussions with money-conscious individuals and families on Twitter.



Kids2College

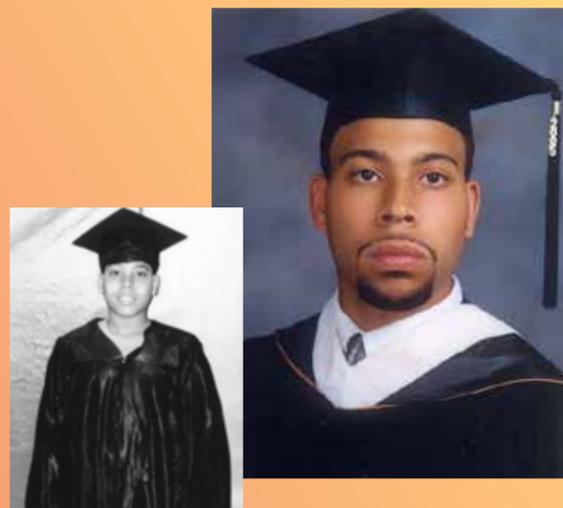
We provide free financial literacy curriculum to more than 860 schools and 361,000 students throughout the country via the Kids2College program. The program, increases engagement among middle school students, leaving them more informed about potential opportunities made possible through higher education. Built in consultation with the National Council for Community and Education Partnerships, the six-session program focuses on careers, college life, and academic preparation.



“

I graduated from the Kids2College Program in 1995 when I was in 6th grade. The program inspired me to go onto college at UVA where I graduated in 2005. It definitely changed my personal trajectory. I still have the picture taken during the program that helped me see myself as a future college graduate.

William Chichester III, Senior Manager, Microsoft's Global University Recruiting



“

Financial literacy provides students with a strong foundation of knowledge and confidence in making informed decisions about the future. That future includes planning and paying for higher education, which is one of the first major financial decisions for many students and families. We want families to make these decisions with eyes wide open, and that means providing critical education and information early in the process through programs like Knowledge for College.

Jen O'Donald, Senior Vice President, Sallie Mae





Powering our customers

Our approach

Since establishing ourselves as a stand-alone consumer bank in 2014, we have helped more than 1.4 million families finance their education—more than any other private student lender in the United States.

And as a leader in private student lending, it's our responsibility to help our customers access and complete higher education. With our eye on their future, we'll continue to power confidence for students through out their journey.

Helping customers through times of need

Sallie Mae supports customers who face special circumstances or have trouble making loan payments.

In March, we took steps to provide options for customers affected by the pandemic, including a forbearance program for those experiencing financial difficulty.

We proactively posted assistance information to our website at www.salliemae.com/coronavirus and then communicated with all Sallie Mae customers, including cosigners, to let them know assistance was available. Customers facing financial difficulties were able to request and receive a three-month suspension of student loan payments, also known as a COVID-19 forbearance. We quickly trained more customer service representatives and enhanced the functionality of our chat, automated phone system, mobile app, and website features to help all our customers manage their accounts, make or postpone payments, and request hardship relief, all on a self-service basis.



The best kind of customer care is respectful, responsive, transparent, and focused on delivering experiences that exceeds the customer's expectations. Customers want confidence that their needs will be met promptly, professionally, and with a focus on doing what's right for them. That's our goal.



JoEllen McCauley, Senior Director, Office of the Consumer Advocate

For customers who experience more severe and/or longer-term hardship, we provide loan modification programs that allow customers to avoid default and make progress on their loans until they return to solid financial footing.

“

I am and have been very satisfied with the services you provide. Thank you for helping me, especially during these times of uncertainty. I have never known a company such as yours to reach out to their clients in such a genuine and sincere manner. You were there during my hardship and still (are) today. You understood my situation and assured me everything would be ok.

Sallie Mae customer



Supporting financial literacy

Higher education is one of the most important, and often first, big investments students make. A student loan is their first major financial commitment. That's why we provide students with the right tools, resources, and information to make informed decisions.

These tools include:

- A free resource to begin an actionable plan to pay for college. [Our College Planning Calculator](#), helps families set college savings goals, project the full costs of a college degree, estimate future student loan payments, and analyze the annual starting salary level needed to keep payments manageable.
- A [simplified way to apply for federal financial aid](#) that reduces the average time it takes to complete the FAFSA from 55 minutes to less than 20 minutes. The FAFSA connects students to scholarships, grants, and federal loans from the government. We encourage students to file the FAFSA before considering private student loans.
- Free resources to help find scholarships. [Our Scholarship Search](#), an online scholarship database, is home to more than 6 million scholarships collectively worth over \$30 billion. Students fill out a brief profile, and in minutes, the tool responds with matches that identify relevant scholarships, their award amounts, application requirements and deadlines. Sallie Mae also offers Graduate School Scholarship Search, home to 950,000 graduate school scholarships worth more than \$1 billion.
- Leading research, including [How America Pays for College](#), [How America Saves for College](#), [How America Pays for Graduate School](#), [How Young Adults Manage Their Finances](#), and [How America Plans for Post-secondary Education](#), provides insight into how American students and families approach higher education and finances. This research is regularly featured in the national media, referenced by regulators, policymakers and think tanks, and used by higher education institutions to monitor trends and make informed decisions for students and families.

For academic year 2019 – 2020, more than 24,000 students reported receiving at least one scholarship via our database, covering more than

\$67 million in college costs.



“

I have always felt it was important to be involved in organizations that help me make an impact. Through my work with the Indiana Student Financial Aid Association, I've had the opportunity to speak with high school students about life and financial skills, including filling out the FAFSA, budgeting, and tips to help them get into college.

Donette Cassman, Director, Business Development, and recipient of the Indiana Student Financial Aid Association Recognition of Service Award

Fair & responsible lending

Sallie Mae is firmly committed to making credit products available to consumers on a fair, consistent, and responsible basis.

We comply with all applicable fair lending laws and do not discriminate against applicants regarding any aspect of a credit transaction on a prohibited basis. Fair lending is not only a basic responsibility for all team members, but also good business. Our Fair Lending Program provides supporting guidance and sets expectations on the controls, standards, and practices outlined in our Fair Lending Policy.

While each family's strategy to plan and pay for college is different, we recommend families follow a 1-2-3 approach to financing their education:

1. Start with money you won't have to pay back.

Supplement your college savings and income by maximizing scholarships, grants, and work-study.

2. Explore federal student loans.

We encourage students to explore federal student loan options by completing the FAFSA.

3. Consider a responsible private student loan.

Fill the gap between your available resources and the cost of college. We encourage students to evaluate all anticipated monthly loan payments, as well as how much the student expects to earn in the future, before considering a private student loan.

Supporting our customers' success

Sallie Mae private student loans are a responsible option to cover college costs after scholarships, savings, and federal financial aid. Our philosophy is designed to help customers make informed choices, and ultimately, graduate with less debt.



of loans in repayment are being successfully managed.



of loans default annual.

The average Sallie Mae loan is repaid within

7 years



If the customer is experiencing hardship, we work to understand their financial circumstances and identify any available alternative arrangements designed to reduce monthly payment obligations. These can include extended repayment schedules, temporary interest rate reductions and, if appropriate, short-term hardship forbearance, suited to their individual circumstances.

Outstanding study tools

Undergrads with a Sallie Mae loan have access to four months of free access to study tools, available 24/7, to help power success in school.

Supporting military families

Sallie Mae demonstrates its commitment to veterans and service members year-round with resources and benefits, beyond what is required by federal or state law, for customers and team members.

The company employs a team of customer service advisors who are dedicated to working with military families to provide personal assistance. This dedicated group can help customers with military-specific benefits, make arrangements for their loans while customers are deployed, and support them as they transition back to school or into repayment.

The Sallie Mae Fund reinforced its commitment to military servicemembers and their families with a \$50,000 grant to Folds of Honor. The grant supported college scholarships to children and spouses of disabled and fallen military servicemembers. Since 2014, The Sallie Mae Fund has contributed more than \$325,000 to Folds of Honor.



Since 2014, The Sallie Mae Fund has contributed more than **\$325,000** to Folds of Honor.

Fraud prevention

Fraud detection and prevention plays an important role in our responsible lending practices. We are committed to safeguarding our customers' personal information and protecting their accounts from fraudulent activity.

Our [website](#) provides consumers with tips on how to avoid online fraud, as well as how to spot student loan debt relief scams.



Some of the tools we use to identify and prevent fraud include:

- Utilizing pattern recognition programs and systems
- Maintaining web access security features, including multi-factor authentication
- Automating customer verification and fraud detection software
- Segregating duties, transaction limits and restricted access to data systems and dual controls
- Training team members in fraud prevention and detection practices and ensuring managers of risk are independent from the functions they monitor
- Utilizing several lines of defense, including, but not limited to, comprehensive and independent internal audits that evaluate compliance with our policies
- Implementing tools to further enhance customer identity processes

Safeguarding data and customer privacy

Our customers trust that when they bank with us, their data will remain safe and secure, and our attention to data security and privacy is engrained in our culture.

We start with policies and procedures governing enterprise-wide information security and privacy controls and practices. These policies are approved by management committee and/or the Compliance or Risk Committees of our Board of Directors. All policies and procedures are reviewed at least annually to ensure they include appropriate legal and regulatory updates.

When unexpected events such as the COVID-19 pandemic occur, we take significant precautions to maintain a consistent approach to safeguarding our customers' data. During the pandemic, our teams have provided updates to the regulatory agencies as needed to keep them aware of the support provided to team members and customers. We also increased data privacy testing controls from semi-annual to monthly.

In addition, Sallie Mae has a comprehensive suite of privacy disclosures, available on our [website](#). These disclosures include:

- The Privacy Notice provided to all customers at time of application and annually thereafter, which describes Sallie Mae's privacy principles and practices regarding our relationship with our customers and how we collect and share their information with our affiliates and outside companies;
- The Online Privacy Policy describing Sallie Mae's practices concerning the collection and use of information gathered from or about our online visitors and registered users; and
- The California Consumer Privacy Act ("CCPA") addendum applying to California residents and supplements our Online Privacy Policy, which describes our privacy principles and practices and provides instructions on how to exercise their rights under the CCPA.

Sallie Mae falls under state and federal regulatory oversight and examination (generally the Federal Deposit Insurance Corporation, Consumer Financial Protection Bureau, and the Utah Department of Financial Institutions). In addition, information security and privacy undergo regular audits from our independent internal auditors. These examinations and audits ensure compliance with certain standards and legal compliance. We are active in several industry associations such as the American Bankers Association, International Association of Privacy Professionals, and the Financial Services Information Sharing and Analysis Center.

The Privacy Officer oversees the implementation and effectiveness of the privacy program throughout all business units and processes. This ensures that there is regular testing and monitoring allowing for the early capture of potential issues. As laws come into effect or change, the Privacy Officer is closely aligned with

the legal department to ensure that senior management is informed, and the affected business units are engaged to ensure their systems are updated, their team members are educated, and their practices are in line with the applicable laws. Team members and authorized service providers are granted system and personal information access only when necessary to perform their functions. Our third-party management office and risk partner teams ensure that service providers' security and privacy controls are thoroughly reviewed and monitored prior to and during the engagement.

Our Chief Security Officer and Corporate Security establish and monitor the relevant and necessary standards, protocols, and management processes for cyber security. We have developed comprehensive data privacy and security-related internal policies and procedures which dictate requirements and controls that protect customer and company information. These include, but are not limited to, the Corporate Information Security Program, Customer Information Safeguarding Program, Information Security Policy, and Privacy Policy and Procedures.

Our policies and procedures are examined regularly by internal and external auditors, bank regulators, and third-party consultants. In addition, our vendors, contractors, and consultants are subject to security and privacy policies and contract provisions as appropriate for the services or products being provided.

Our comprehensive [privacy policy](#) is publicly available on our website. It sets forth the data privacy practices related to the collection, use, and sharing of customer information across Sallie Mae products and business lines.

Employee training

We regularly train and continually assess our workforce on the importance of data privacy and security, including training to help mitigate the threats posed by phishing emails and other forms of social engineering, and how to report data privacy events or other suspicious activity. We enhance this security awareness employee training annually to ensure it covers current and evolving threats, and applies best practices to keep our customer, employee, and company data safe.

Incident response program

Our comprehensive Cyber security Incident Response Program is constantly evolving and sets forth detailed enterprise-wide policies and procedures for responding to a cyber security event. The procedures are tested through semi-annual **cyber security incident response exercises**, led by independent third-party experts. These exercises are designed to resemble real life situations, they challenge us to both test and rehearse our response and decision-making protocols, and participation by key executives and senior management is mandated.





Powering our team members

Our approach

We're committed to creating an environment where team members feel appreciated, engaged, and inspired to make a difference. Just as we are here to help our customers build prosperous futures, we strive to help our team members do the same.



We are focused on creating the most just and inclusive place to work in the country. We are building and reinforcing a culture that fosters ongoing growth, prioritizes health and well-being, and empowers team members to achieve great things for our customers, one another, and themselves.

Bonnie Rumbold,
Chief People Officer

United by our purpose

	<p>Connect.</p>	<p>We believe a diverse and inclusive team that unites through shared goals drives the greatest outcome. We connect by listening, being kind, caring, and accepting in all our relationships.</p>
	<p>Thrive.</p>	<p>We believe in personal and professional growth and fulfillment. We thrive when we balance our physical, emotional, professional, and financial well-being. When we thrive, so do those around us.</p>
	<p>Do right.</p>	<p>We believe that the time is always right to do the right thing. We are empowered to do right by being bold, acting selflessly, and making tough decisions. Courage required.</p>
	<p>Dare to do.</p>	<p>We believe that making great things happen requires thinking and doing differently. We dare to do by being curious, embracing diverse thought, challenging assumptions, doing cool stuff, and growing from our experiences.</p>
	<p>Make a difference.</p>	<p>We believe that every moment is an opportunity to make a difference—one person or experience at a time. We amaze, surprise, and delight our teams, our customers, and our community.</p>

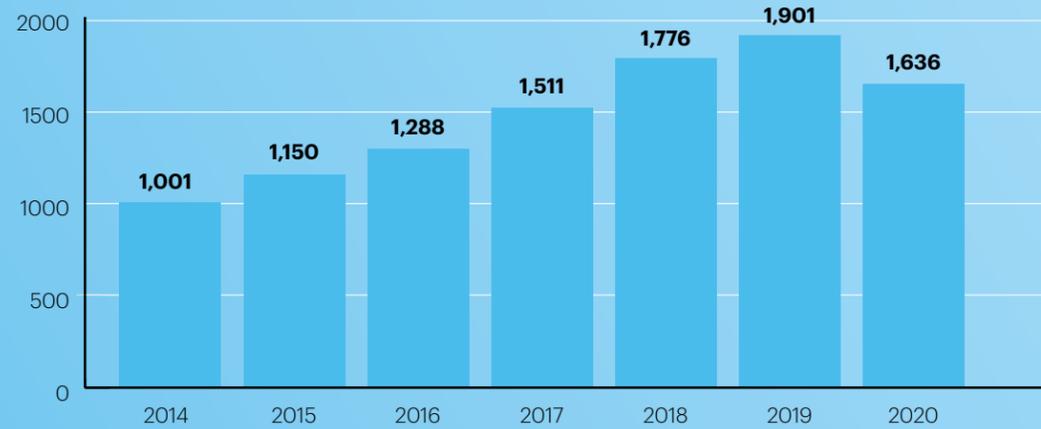


Highlights from our team member surveys



Our workforce

Total workforce

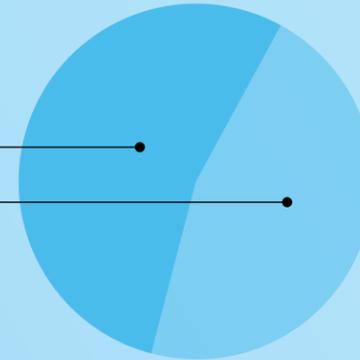


During the summer of 2020, we focused and aligned our organization and talent to strategic priorities that drive performance and inspire commitment to a mission-led culture.

As part of this reorganization, some roles were reevaluated or eliminated. To ensure those team members leaving the organization were cared for, we provided 60 days of advance notice, and we temporarily enhanced our severance benefits making sure that—in addition to severance pay—departing employees received any annual bonuses. In addition, we extended health benefits coverage through the end of 2020; and departing team members had the option of extending coverage for an additional 18 months while Sallie Mae continued to pay the company portion of their health benefits for a period of time, based on their severance benefits. We also created tools and provide services to support our departing team members, including outplacement services.

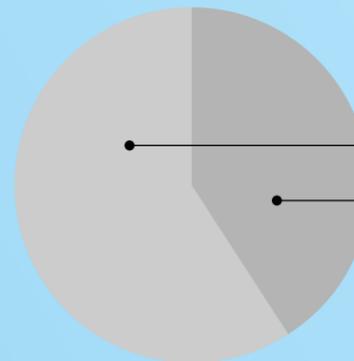
Gender

54% Women
46% Men



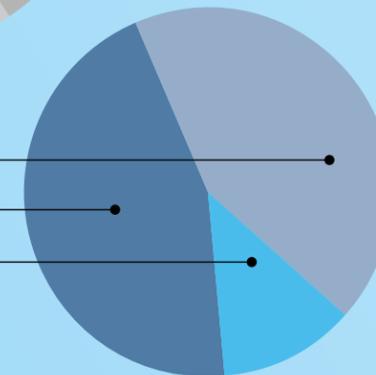
Ethnicity

59% Non-minority
41% Minority



Age

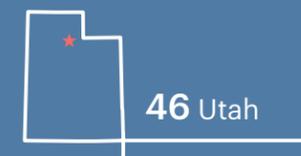
45% Millennials
43% Generation X
12% Baby Boomers



“The opportunity to inspire and develop team members is an honor. To then translate healthy team member experiences into positive customer experiences is a bonus.”

Kimberly Bressi, Sallie Mae Team Member

Geographic Distribution



A diverse and inclusive workplace

Seeking, protecting, and promoting diversity, both in background and perspective, is key to creating the most inclusive and just workplace in America.

2020 Most Influential Black Executives in Corporate America Donna Vieira, Chief Commercial Officer

Donna Vieira was named to Savoy Magazine's list of the "2020 Most Influential Black Executives in Corporate America." Selections are based on executives' record of accomplishments, as well as their commitment to bettering their community and inspiring others.

Alongside her responsibilities as Chief Commercial Officer, Donna supports individuals and families with disabilities through her work with the Special Olympics Delaware. She was also appointed by Delaware Governor John Carney to Chair the Office of the Treasurer's Plans Management Board to help families plan and save for post-secondary education. In addition, she is a member of the Executive Leadership Council, an organization committed to increasing the number of black executives globally.

“

This is an honor that wouldn't be possible if not for those who came before me. I am surrounded and reminded of a community of trailblazers who have paved the path forward, and I'm grateful to be in a position to help the next generation of leaders prepare for their own journey through the power of higher education.



Words from Witter

June 5, 2020

Team,

I want to begin with a thank you. Thank you to the 1,321 team members who, by joining yesterday's virtual Town Hall, began the conversation at Sallie Mae about diversity and inclusion. This is a journey for all of us, one that will have difficult moments, learning moments, moments of grace, and moments of tremendous growth. It is the most important work we can do together because it will create the culture that allows our people and our business to thrive. I am so eager and so proud to make a better company together with you.

Over the last two months, I have had multiple conversations about our mission and values. I think of them as a rallying cry for all of us, the entire company. Last week, I came across our values on the intranet, and I locked in, particularly on the first one. Take a look:

Connect: We believe a diverse and inclusive team that unites through shared goals drives the greatest outcome. I connect by listening, and being kind, caring and accepting in all my relationships.

I ask you to focus on this particular value in all of your interactions over the next week. Talk about it in your team meetings. Share reactions with your managers, heck, even share your reactions with me. A diverse and inclusive team is a stronger team, and although we have work to do, we have begun. Let's connect and tap into it.

All best,



Jon

The message above was issued to all Sallie Mae team members on behalf of Jon Witter, Sallie Mae CEO on June 5, 2020. The message is one of an email series from Jon to team members, delivered each week.

Listening and learning

It's not enough to acknowledge there's value in diversity—we need to actively pursue it.

That's why we launched Diversity and Inclusion listening tours, gaining a deeper understanding of how our team members think our workplace empowers people, regardless of their race, gender, identity, religion, age, or background, to bring their best selves to the workplace. Hundreds of team members participated in these virtual discussions, which sparked conversations with leadership and team members for the remainder of the year.

We provide equal employment opportunity for all team members and job applicants, regardless of their race, color, religion, sex, sexual orientation, gender identity, age, disability, national origin, marital status, citizenship status, protected veteran status, genetic information, or any other basis prohibited by applicable law. Our work focuses on ensuring all are treated with fairness, equality, and value.



My expectation of the listening tours was not to solve any problems immediately, but to have people listen without judgment and take part in the conversations to better understand others' experiences and perspectives. Having open conversations about D&I can help us understand one another on a deeper level and can contribute to the building of more genuine interactions and relationships.



Lauren Simmonds, Manager,
Product Strategy

Thriving amidst a pandemic

Ensuring the wellbeing of our team members has remained a priority for Sallie Mae during the COVID-19 pandemic.

Beginning in March, we successfully transitioned our workforce to a secure, at-home work environment. Knowing that informed team members can make better decisions about their responsibilities at home, we continue to maintain a weekly line of communication between leadership and team members in relation to our work-from-home strategies.

Ongoing growth and development

We ensure team members are able to pursue fulfilling and rewarding careers at Sallie Mae through access to new opportunities, mentorship, leadership development, and management training.

Individual development planning

Our team members work closely with their managers to develop a personal career roadmap toward achieving their long-term professional goals. This development process is based on a core competency model that aligns with and supports our core values. The core values have been translated into a set of attributes and behaviors that are closely linked to successful growth at Sallie Mae.

This core competency model acts as a guide for developing our people and finding and attracting new talent and focuses on the values most important to our organization, such as accountability, leadership, collaboration, innovation, and courage.



I knew that my presentation skills could always be perfected, and I found the ideal social environment to be able to do that it with the help of the Sallie Mae team. Team members provided such a relaxed, supportive community to be able to do this in, and it was a great way to meet new colleagues.

Lisa Talbot,
Director, Business Development, and Toastmasters participant

Internal mobility

Our Task Force Program creates opportunities for team members to develop skills and broaden their experience. Team members work in other areas of the business during periods where those areas require short-term resources for special projects, leaves of absence, or other critical business initiatives. In 2020, 11 team members participated in a task force role at Sallie Mae.

e-Learning platform

Sallie Mae YOUNiversity promotes continuous professional development. Through this platform, team members complete a self-assessment against our competency model, develop an outline for personal development, and are encouraged to take courses that foster personal growth in developmental need areas. Nearly 1,000 team members took advantage of the courses, which include both technical and soft skills for team members.

Cultivating emerging leaders

Through the performance review and development planning process, emerging leaders have been identified and invited to participate in targeted leadership training.

Our MAPS program, (Manage, Apply, Practice, and Succeed), is designed to identify, and cultivate current team members into future leaders, by convening mid and senior-level managers to enhance their leadership skills and build their project management capabilities.

Our Leadership Development Program (LDP) is designed to build leadership competencies and provide an opportunity to bring new solutions through our business challenge. This program is offered to mid to senior level leaders that have the potential to assume broader roles in the future.

To date, nearly **200 team members** have completed our MAPS and LDP programs.

Building the talent pipeline

In a competitive job market, it is critical to not only develop existing team members, but also strategically and intentionally build the talent pipeline. In addition to ongoing recruiting efforts at local colleges and universities, we have targeted internship programs that attract the very best and brightest to the Sallie Mae team.



“A law degree means having the tools to advocate for marginalized communities effectively. I believe in community development and advocating for a more equitable and just society. My experience interning at Sallie Mae was very positive, and I intend to use my legal training to affect the type of positive change I wish to see in my community.

KB,
Howard Law Student and Sallie Mae intern



“I started my journey at Sallie Mae as a security guard contractor in 2012. It wasn't long until I applied for a job as a Sallie Mae team member, and since then, I've served in six different roles. Now, I have the pleasure of helping other employees grow and experience their own journeys.

Sharif Evans,
School Assist Manager

Year Up internship program

Sallie Mae is a proud supporter and corporate partner of Year Up, a national program designed to help young adults gain the skills and experience necessary to excel in professional and technical careers. Since 2019, The Sallie Mae Fund has donated more than \$150,000 to Year Up Wilmington. We've provided six-month internships for 12 individuals, and six have been hired full time in the past three years.



“From the moment I started my Year Up internship at Sallie Mae, I started doing things I'd never done before and really fell in love with the possibilities at the company. When I was offered a full-time position, that idea of doing new things continued, and now I'm analyzing and identifying ways our customer service can be more efficient, helping us serve customers in even better ways.

Cinitae Savage,
Continuous Improvement Analyst

“The Year Up program helps students become so much more confident in finding their voices and discussing their experiences. You see amazing growth in the students as they develop their skills in preparation for a successful career in their field of study.

Margot Evans,
Year Up Corporate Champion and Sallie Mae Talent Acquisition Manager



Promoting health and wellbeing

We recognize that team members may sometimes struggle to find a balance between their physical, emotional, and professional wellbeing.

Through a competitive health benefits program, we offer multiple insurance plans with dental, vision, disability, life and accident insurance, paid bereavement leave, and disability coverage to both full and part time team members.

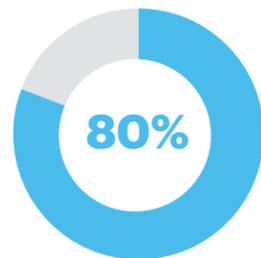
In 2020, our benefits package evolved to meet the needs of team members during the pandemic.

- **We provided coverage for COVID-19 diagnosis and testing at no cost** to our team members, and expanded testing and treatment to include diagnostic testing for other viruses.
- **We adjusted our health plans** to ensure they covered the COVID-19 vaccinations as a preventive service.
- We offered team members the ability to **make prospective mid-year elections for flexible spending accounts**.

We continued to offer a strong foundational benefits package, including:

- our **401(k)-matching program with a company match, dollar for dollar up to 5 percent of team member contributions**;
- **12 weeks of paid leave for primary caregivers and four weeks paid leave for secondary caregivers at 100% of pay rate**;
- a **relationship with Care.com®** to connect team members with care givers, pet sitters, and more during times of need; and
- an **adoption reimbursement of \$10,000**.

We also know that part of striking a healthy balance includes giving back to our communities. That's why we encourage team members to get involved by providing 48 hours of annual paid leave to volunteer for charities and non-profits of their choosing. **In 2020, our team members donated 861 hours through our community engagement programs.**



of our team members believe our benefits programs meet their respective needs.



Sallie Mae provided more than 19,000 hours of primary parental leave and 3,006 hours of secondary parental leave in 2020.



Healthy lifestyles

We love to see our team members thrive through active lifestyles and we strive to support them by providing lifestyle coaching, biometric screening, access to athletic facilities at our offices, and online tools. In addition to traditional healthcare benefits, our **"Get Up & Go" wellness program** supports the integration and long-term adoption of healthy habits and behaviors. Team members earn healthcare premium credits for participation in various activities throughout the year, including annual health assessments and biometric screenings, wellness Lunch n' Learns, daily healthy challenges, quarterly challenges, and financial wellness activities.

Supporting team members who serve

For team members on active military duty and their families, Sallie Mae aids the transition to and from military duty by continuing salary and benefits beyond what is required by law, and by offering flexible work schedules during military training.

In 2018, we received the Pro Patria Award from the Delaware State Committee of the Employer Support of the Guard and Reserve (ESGR), which recognizes a company’s exemplary support to National Guardsmen and Reservists through service, community outreach, and personnel policies that make it easier for team members to serve.



“ I started my military career in early 1999 as a Combat Medic for the Army Reserves and transitioned to the Delaware Army National Guard in 2001. Through my 15-year service, I also served a Military Police Officer and an Administrative NCO. Among many things, the military taught me how to follow and lead others, and I have been able to transfer this knowledge to this civilian world to help me lead meetings and projects. I am called the “task master” at my team meetings because I like to keep us all on topic and adhere to our timing.

January Wright,
Talent Management Specialist

“ I learned the importance of duty, honor, and courage while serving in the Army. As the Education Manager at Sallie Mae, I have the distinct honor to help others grow and develop, both personally and professionally, which is reflective of my mission as a soldier—to put others first and ensure their success.

Duane Hayes,
Education Manager



A culture of feedback

We believe that feedback helps team members grow and stretch beyond their comfort zones.

All team members receive a formal performance review during which managers measure their progress against their individual career maps and provide valuable feedback and coaching on performance and areas of potential growth. Managers are also encouraged to provide feedback on an ongoing basis throughout the year, and team members are encouraged to strengthen and increase their skill sets through ongoing trainings and educational opportunities.

We have several mechanisms that allow team members to let us know when we are doing well and where we might have opportunities to improve including:

- an open-door policy with all managers;
- a weekly message from our CEO with a survey embedded and an email inbox designed to receive feedback;
- quarterly townhalls with our CEO where all team members can submit questions in advance and during the meeting; and
- regular employee engagement surveys.

RECOGNIZING EXCELLENCE

We’ve put several initiatives in place to foster a culture that recognizes important contributions from team members including:

- **Thanks to you! Peer to Peer Recognition Program** – Team members sent creative eCards through our peer recognition program to show appreciation for their peers in real-time.
- **Milestone Anniversary Awards Program** – Team members who reach significant milestone work anniversaries are recognized by managers in various ways, including personalized yearbooks.

TUITION REIMBURSEMENT

Helping students along their higher education journey is our purpose, and sometimes, those students are our own team members. We offer up to \$10,000 tuition reimbursement annually for courses or degrees related to their job. Covered costs include tuition, fees, books, supplies and equipment.

Last year, 107 team members used tuition reimbursement to continue their pursuit of higher education. Nearly 350 team members have taken advantage of the benefit since inception.

“

Sallie Mae plays a significant role in bettering our community. For team members, the company’s commitment to providing flexibility and time off work to volunteer, as well as generously matching donations through the employee matching gift program, supports team members and empowers them to give back. I’ve had the opportunity to advance my own education through Sallie Mae’s tuition reimbursement benefits, which opened up doors for me to serve on the Board of a charity, Pathway Homes, Inc., where I assist with fundraising and strategic oversight.



Patrick Chaing, Associate General Counsel



Powering the environmental movement

Our approach

Our team of facilities experts actively manage our environmental impact.

We are constantly searching for opportunities to **reduce our energy use** and associated greenhouse gas emissions, procure more **sustainable materials**, and **minimize the amount of waste** generated in our offices.

The nature of our business allows us to support aspiring environmental change agents, too. It's their work that will ensure we maintain a healthy world for all, and we're proud to play a part in preparing them through higher education.

When our customers graduate, they go on to pursue their dreams of careers in:

- Sustainable Agriculture
- Renewable Energy
- Sustainable Product and Packaging Design
- Watershed Management
- Green Building
- Sustainable Forestry
- Clean Tech Innovation and Development
- Sustainable Chemistry
- Sustainable Transportation Systems and Logistics
- Environmental Education
- Marine Biology
- Water Conservation
- Ecology and Research
- Sustainable Materials Management
- Environmental Law
- Sustainability Consulting

“By getting the graduate degree in engineering that I always dreamed of, I was able to launch a cleantech startup... I come to work excited every day, forever thankful for the student loans that enabled me to pursue my passion.

Nicholas,
CA, Customer

“I went to law school because I wanted to help people. Now I represent survivors and first responders of 9/11 in seeking compensation for their injuries. I am also litigating on behalf of the residents of Flint, MI over the ongoing water crisis.

Omar,
NY, Customer

“Earning my PhD has positioned me as a leader in bat conservation and equipped me to successfully protect our natural world.

Dr. Kristen Lear
Endangered Species Interventions Specialist, Bat Conservation International
Recipient, 2019 Sallie Mae Bridging the Dream Scholarship for Graduate Students
2020 Doctoral Graduate in Integrative Conservation and Forestry and Natural Resources from the University of Georgia





We have taken the following steps to create a safe and healthy workplace:

TYPE	SUMMARY	EXPENSE(S)	STATUS
Seating capacity	Assured proper spacing during Covid-19 for common areas, conference rooms, and employee seating	\$66,000	 <i>with floor plan seating charts available for each site</i>
Building mechanical augmentations	Installed Dielectric Barrier Discharge Bipolar Ionization equipment and specialty air filters at both DE facilities; installed operation controls & CO ₂ sensors at our Delaware and Indiana offices	\$772,000	
Furniture enhancements and interior safety mechanisms	Installed cube stackers, enclave protective guards, floor decals, floor mats, sanitary door openers	\$385,000	
Personal sanitizing & safety products	Provided masks, gloves, hand sanitizer dispensers and refills, antibacterial wipes, infrared thermometers	\$40,000	
Cleaning products	Provided sanitizing wipes, buckets, specialty industrial grade cleaners	\$4,000	
Cleaning events	Enhanced cleaning in all sites	\$53,000	
Café subsidies	Provided subsidies paid for both Delaware facilities and our facility in Indiana	\$234,000	 Ongoing

Business Protocols During the COVID-19 Pandemic

In response to the COVID-19 pandemic, Sallie Mae invested nearly \$2.6 million to support team members' at-home capabilities, including the required equipment and tools to effectively perform their daily functions.

Leveraging information gathered from experts, including the World Health Organization, the Center for Disease and Control, Johns Hopkins University, and state and local government agencies, Sallie Mae implemented the following measures to ensure the safety of our team members, and visitors:

- Installed hands-free temperature checks to gain entry to our buildings.
- Made face coverings and hand sanitizer available at all locations.
- Implemented a weekly health attestation for anyone coming into our offices.
- Posted clear and highly visible signage in each office identifying the requirements to enter, including lack of symptoms.
- Initiated an "At Risk: self-reporting survey" to help address concerns for team members with pre-existing health conditions, those caring for elderly family members, or those with childcare concerns.

Environmental Upgrades to Facilities

We took steps to reduce energy usage through environmental upgrades in our facilities.

This included retrofitting the air handling units at several of our locations with bipolar ionization systems, which help maintain standard outside air intake percentages, contributing to better energy efficiency while maintaining healthy indoor air quality levels.



Energy and emissions reduction

We focused on reducing our environmental footprint and the source of greenhouse gas emissions in our offices and data centers, through business travel, and through our correspondence to customers.

Reducing energy in the office

The number of Sallie Mae team members in our facilities has dramatically decreased in 2020 as a result of the ongoing pandemic, resulting in a 10% reduction in energy expense.

The following completed projects also contributed to the overall reductions achieved at our Delaware headquarter facility:

LED lighting was installed in our Newark, Delaware parking lot in 2014, and continues to deliver savings of

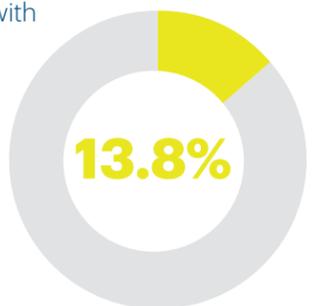
90.8 MWh

or 1.7%, total annual electrical usage at the facility.



One dual port **electric vehicle charging station** has been installed to power four electric vehicles used by team members.

Replaced existing chillers with **high-efficiency chillers** that reduced the building's total energy use by



The new system has approximately 4% of the global warming potential of its predecessor.

Our Newark, DE facility was recognized by the American Council of Engineering Companies for our landscaping and **stormwater control pond system**. The system directs water and landscaping runoff into the local watershed in the case of excess rain.

● ENVIRONMENT

Reducing carbon footprint with the cloud

Our cloud migration is just one example of how we reduced our carbon footprint in 2020. We migrated nearly 2,500 workloads from physical data centers to a cloud service provider—resulting in a reduction of nearly 250 physical servers and the elimination of four storage arrays.

The migration also helped us serve customers more efficiently. Since moving to the cloud, we’ve cut downtime by 25%, empowering our teams to spend more time supporting the needs of students and families.

Reducing business travel

Sallie Mae realized an 87% decrease in cost related to business travel in 2020 compared to 2019, along with an 82% reduction in CO2 emissions.

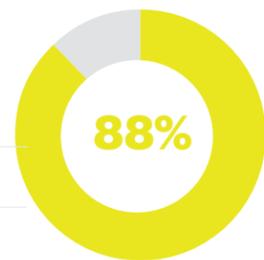
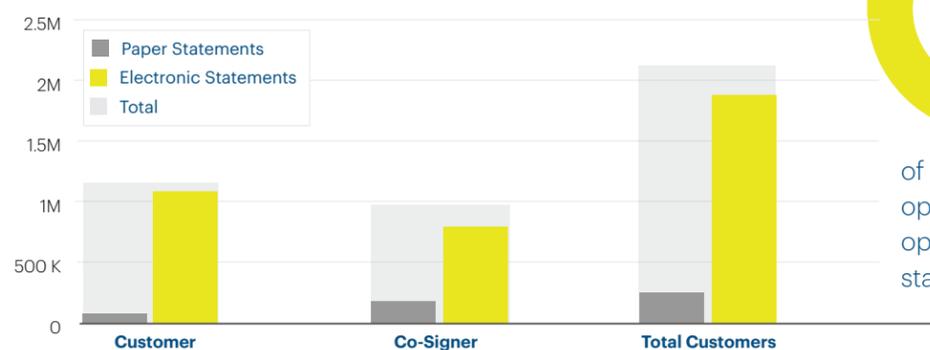
GHG Emissions by activities (Metric Tons)



Customer communications going green

We successfully transitioned more of our customer correspondence to electronic statements. At the end of the calendar year, 88% of customers had opted for the greener option, helping us ensure a healthier world without sacrificing customer service.

Number of Customers by Statement Delivery Type



88% of customers had opted for the greener option of electronic statements.

Energy Audits

We continue to work diligently to increase our energy efficiency, reduce greenhouse gas emissions, and make long-term investments in sustainable and safe workplaces.

In 2019, we partnered with a commercial real estate services firm to conduct extensive energy audits at our two largest office locations in Newark and New Castle, Delaware. We broadened the scope of the audit in 2020 to include all facilities, and employee business travel to track and better manage our energy and greenhouse gas emissions.

Looking ahead, Sallie Mae will focus on the following sustainability initiatives:

- **Track energy usage:** We will continue to track energy usage and establish a benchmark to identify the opportunities to further refine our energy use.
- **Implement green cleaning or sustainable janitorial management:** We will require janitorial teams to use green certified products, such as those with the Green Seal certification, and establish key criteria for janitorial services to ensure all sustainable methods are followed.
- **Track office waste volumes:** We will conduct audits to identify opportunities for waste reduction and diversion from landfill.
- **Prioritize renewable energy purchasing:** We will evaluate appropriate renewable energy goals and consider entering the market for an energy supplier with renewable offerings.

New builds or retrofits

Being good environmental stewards requires thoughtfulness about the materials we use when designing and furnishing office spaces.

Over the last two years, our facilities team developed a set of environmentally preferable standards to guide the selection of materials and equipment and inform our demolition practices. These formal specifications help us design and execute projects in an environmentally conscious manner, and with the health and wellbeing of our team members in mind. Where applicable, the specifications are aligned with the U.S. Green Building Council’s Leadership in Energy and Environmental Design (LEED) qualifications and credits.

We remain committed to environmental standards as we grow the business.



Demolition

Our demolition specification calls for maximum salvaging for reuse, or sorting to recycle, to minimize contribution to landfills.

Our carpets are all subject to the cradle-to-cradle specification, meaning carpet is returned to the manufacturer for recycling or downcycling. These new standards were applied to the renovations at our Christiana Road office.

Print/Paper Reduction

Reducing waste and saving resources is top of mind when it comes to paper consumption.

We actively track paper purchases across the company, have discontinued the use of individual desktop printers, and utilize multi-function devices (MFDs). Some additional tips that we share with our team members included:

- set jobs to double-sided, black-and-white printing;
- scan and e-mail instead of print and copy;
- keep documents in an electronic file instead of file cabinets;
- communicate office publications/communications electronically vs printed; and
- use the secure paper shredding recycle bins located throughout each site to dispose of paper files.



reduction in paper usage and waste in 2020.

Waste Minimization

We have a robust recycling program for greater reductions in overall waste, including separate receptacles to facilitate proper sorting and recycling at each site in easy to access areas.

We began a sustainability program early in 2020 to include a “Zero Waste to Landfill” goal. This will ensure all non-hazardous compacted refuse generated at our headquarters in Delaware will be delivered to a Waste-to-Energy facility located in a neighboring state.

The current environmentally preferable standards we use when designing or retrofitting new offices include:

- **Carpet:** Our carpets are certified and assessed for human health and environmental impact, Greenguard® Certified, PVC free, and qualify for Green LEED credits.
- **Paint:** We used low volatile organic compound (VOC) paints.
- **Ceramic Tile:** We procured tile that is composed of pre-consumer recycled materials.
- **Plumbing:** We installed low-flow toilets and faucets for water conservation, and auto-flush and touchless faucets for both human health and environmental impact.
- **Electrical distribution for general office areas:** We incorporated time-of-day switched outlets for non-critical circuits.
- **Ceiling Tile:** We used tiles that are Greenguard Gold Certified, have low VOC emissions, and are comprised of more than 73% recycled material.
- **Lighting:** We utilized energy efficient LED lighting for all lighting retrofits and exit signage.
- **Lighting controls:** We installed lighting controls that take advantage of daylight; we install occupancy and vacancy sensors; we incorporate the use of manual dimming controls resulting in energy gains of 50%.
- **HVAC:** We installed automation system controls for HVAC systems and zoned temperature controls with centrally controlled variable air volume controllers.



Powering Responsible and Ethical Governance



Corporate Governance

The framework of governance at Sallie Mae is formed by our overarching code of conduct, corporate governance policies, Board committee charters, certificate of incorporation, and bylaws.

We have attracted and maintained a strong, qualified, and diverse Board of Directors with expertise relevant to our business, deeply committed to operating ethically and with integrity. Our twelve members of the Board are independent directors, with the exception of Jonathan Witter, our CEO. In 2020, **Carter Franke became the first woman to chair our Board in the company's history.**

We recruit Board members with vast experience and diversity to help us with emerging and regulatory requirements, navigate changing market needs, and guide our advancements in the technology and customer experience space. Key corporate governance policies and practices are available in the [Governance](#) section of our website.



Higher education is an investment that empowers students' future opportunities. As the leader in private student lending, our role is to help families make that investment responsibly. Our Board appreciates that our customers' success yields our company's success. We are focused and aligned on providing more value to more customers to enable their positive outcomes and bright futures.

Carter Franke,
Chair of Sallie Mae Board of Directors



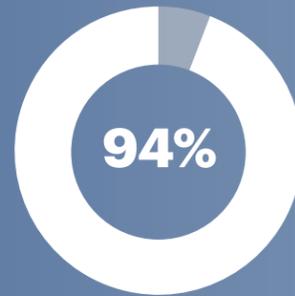
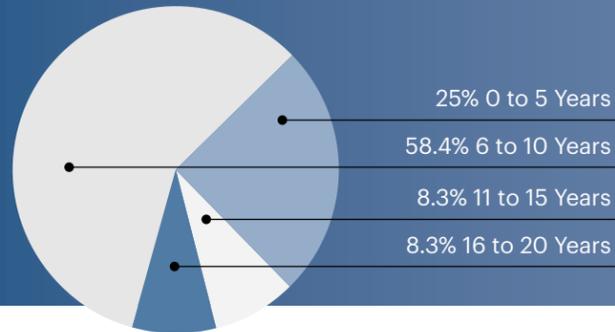
Board Composition

As of December 31, 2020

Our Nominations, Governance, and Compensation Committee recognizes the great value in diversity of experience, background, and perspective.

Our Board is committed to providing oversight of the company's strategy and performance in an effective and constructive manner, with the goal of representing the best interests of our shareholders and balancing those with the interests of our customers, team members, and regulators.

Tenure of members of the Board of Directors



Say on Pay
(executive compensation)
for vote at 2020 Annual
Shareholder Meeting



Our Board of Directors is comprised of four women and has been recognized for the past six years as a 2020 Women on Boards Winning "W" company.

YES Independent Chair

“

Studies have shown that organizations with strong diversity and inclusion initiatives are more innovative, enjoy increased customer satisfaction, greater profits, and a stronger brand reputation. It makes sense to have more women in the boardroom to be more reflective of the world we live in. It's not just about having a seat at the table. It's about working in an inclusive environment where your opinion is respected.

Temeka Easter Rice, Sr. Director, Social Media, and member of the Wilmington, DE 2020 Women on Boards' Steering Committee



Operating with integrity

How we uphold our promise of integrity.

Doing right by all our key stakeholders

- Communities
- Customers
- Team members
- Partners
- Government and regulators
- NGO & academic
- Investors

- **Our Legal Department** advises and reviews all of our policies and practices, and provides counsel that adds rigor to all compliance activities.
- **Our Comprehensive Compliance Management System** helps us identify, aggregate, monitor, and manage potential regulatory risks, led by our Chief Compliance Officer and supported by a team of approximately 40 employees dedicated to compliance risk management.

- **Office of the Customer Advocate** a team of 11 dedicated employees, is committed to researching and resolving complaints received through various channels and improving the overall customer experience.
- **Our Code of Business Conduct** outlines clear principles and expectations.
- **Annual Employee Training on Code of Conduct** and **Code of Conduct Hotline** provide employees with the knowledge and support they need on our high ethical standards.
- **Our Enterprise Risk Management System** identifies key risks and mitigation strategies which are regularly monitored and reviewed by the Risk Committee of our Board of Directors.
- **Our Robust Data Security & Privacy Program** starts with policies governing enterprise-wide controls and practices that are approved by the Risk Committee of our Board of Directors. **Our Chief Security Officer** and Corporate Security Group of 64 team members hold us.
- **Compliance Tracking and Root Cause Analysis** is a collaborative approach by the Company to identify, research, remediate, report and escalate issues, including customer complaints.

Code of business conduct

Our [Code of Business Conduct](#) is the foundation of our ethics program. It provides a clear set of principles and expectations for Sallie Mae team members, officers and directors, and consultants, and is supplemented by policies and procedures that offer more detailed guidance on specific compliance requirements. We train each of our team members on the Code of Conduct annually, provide numerous avenues for support when they have questions, and put several checks and balances in place to ensure we do right by all stakeholders, including our communities, customers, team members, partners, regulators, and investors.

Team members are trained regularly on a range of key issues and business practices, including anti-corruption, technology use, gift-giving, travel and entertainment expenses, identifying and preventing money laundering, conducting business with foreign governments, and protecting customer privacy. Team members completed a total of 60,653 courses and 37,058 training hours in 2020. Business units also maintain policies relevant to their specific function. Adherence to the Code of Conduct is a condition of employment, and violations can result in termination. Each team member must review the Code of Conduct and sign a Code of Conduct Certification upon joining Sallie Mae and confirm continuing compliance every year thereafter.

Our Board of Directors is also subject to Code of Business Conduct training focusing each director on (i) appropriate conduct, (ii) conflicts of interest and other ethical concerns, (iii) mechanisms to report potential conflicts or unethical conduct, and (iv) helping foster a culture of openness and accountability. In 2020, our Board of Directors completed a total of 120 assignments and 75 training hours.

The procedures of the Code of Conduct are established, reviewed, and amended as needed, by the Sallie Mae Management Compliance Committee.

PROACTIVE APPROACH

We seek to identify and respond to issues that could impact our business, our partners, and our communities. Identifying risks, engaging with experts, and implementing policies are a few of the ways we proactively manage risks. Our Annual Compliance Plan is a twelve-month, risk-based description of the action items the Bank is undertaking either directly or in partnership with business areas to develop and maintain a sound, compliance management system.

REPORTING CONCERNS

The Sallie Mae Code of Conduct Hotline and Internet-Based Reporting provides team members, contractors, vendors, and suppliers with a resource to report actual or potential breaches of the Code, without fear of retaliation. The anonymous hotline and website are operated by an independent third party and is accessible 24 hours a day, seven days a week. When received, investigations are handled timely and confidentially. Complaints of a sensitive nature may be handled by the General Counsel as well as appropriate committees of the Board of Directors. Incidents of fraud and theft will be referred for criminal prosecution when appropriate. Sallie Mae does not retaliate against any employee who, in good faith, reports a questionable activity or asks a question related to the Code.

In 2020, team members completed a total of
60,653
 courses and
37,058
 training hours.

COMPLIANCE MANAGEMENT SYSTEM

Our emphasis on compliance risk management and governance structure is how we keep our promise of security, integrity, and trust to customers and other stakeholders. Our Compliance Management System (CMS) helps us identify, aggregate, monitor, and manage consumer regulatory risks. The program also defines compliance risk, governance, culture, and capabilities. Our Chief Compliance Officer leads implementation and execution of the CMS program, and compliance management is overseen by the Board of Directors through the Compliance Committee.

RISK IDENTIFICATION AND ASSESSMENT

We conduct compliance risk assessments through ongoing discussions with senior management team, review of the current risk and control environment, consideration of specific compliance issues, and discussions with the Internal Audit and Risk Departments. In addition to an annual compliance risk assessment, we also facilitate the completion of the Bank Secrecy Act, Anti-Money Laundering and Office of Foreign Asset Control (OFAC) risk assessment, Privacy risk assessment, Red Flags risk assessment, and Fair Lending risk assessment. Risk assessments are conducted pursuant to the Enterprise Compliance Risk Assessment Methodology and the Management Assessment of Risk and Control. In addition, Internal Audit conducts its annual risk assessment.

Please see our most recent Proxy Statement for additional information regarding risk oversight by the Board of Directors.

APPROACH TO PUBLIC POLICY

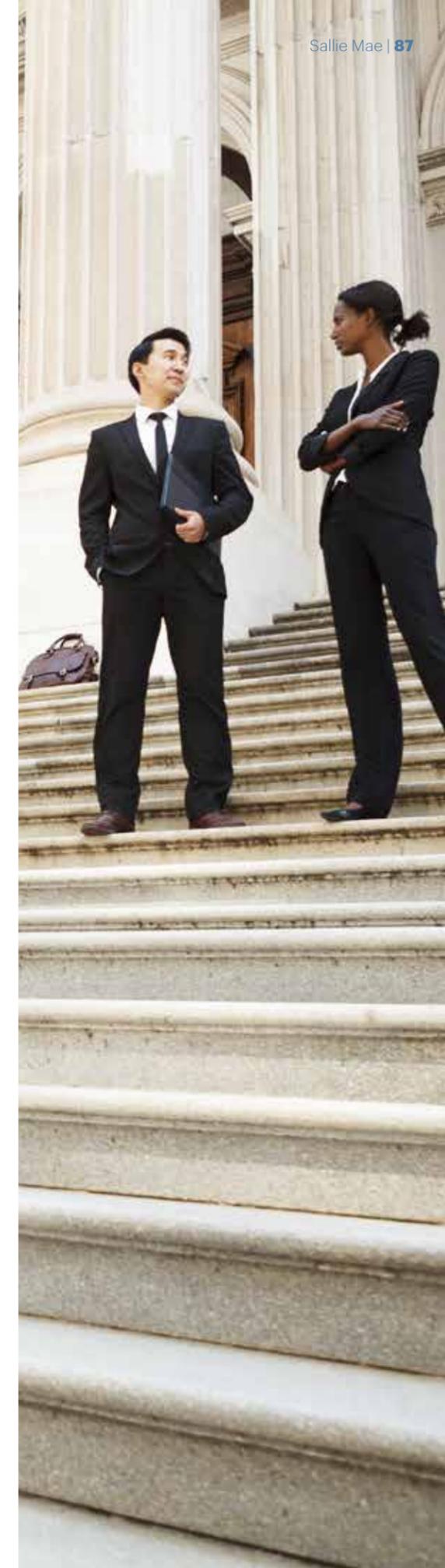
Our current policy on [political activities](#), outlines the principles and guidelines regarding engagement and advocacy. We comply with all federal, state, and local lobbying registration and disclosure requirements, and do not engage in grassroots lobbying efforts.

Currently, we engage in lobbying activities exclusively related to matters that directly or indirectly affect our business. Our senior vice president of Government Relations manages external, bipartisan consulting firms that assist with the same objectives, and we report the expenditures made to these firms in our lobbying disclosures. Our involvement with industry associations is limited to those associations comprised of financial institutions with similar interests.

Quarterly disclosures detailing lobbying activities and expenditures are posted online by the Clerk of the U.S. House of Representatives and the Secretary of the U.S. Senate. Disclosures relating to contributions by our Political Action Committee are posted online by the Federal Election Commission (FEC).

THE SALLIE MAE POLITICAL ACTION COMMITTEE

In June 2015, we formed the Sallie Mae Political Action Committee (PAC). Our PAC is governed by an Advisory Board composed of representative from different divisions within the Sallie Mae organization. The PAC's Advisory Board reviews and approves all PAC and corporate political contributions and evaluates candidates based on issues that impact the organization or our team members. Our PAC contributions are published on the [Federal Elections Commission \(FEC\) website](#).

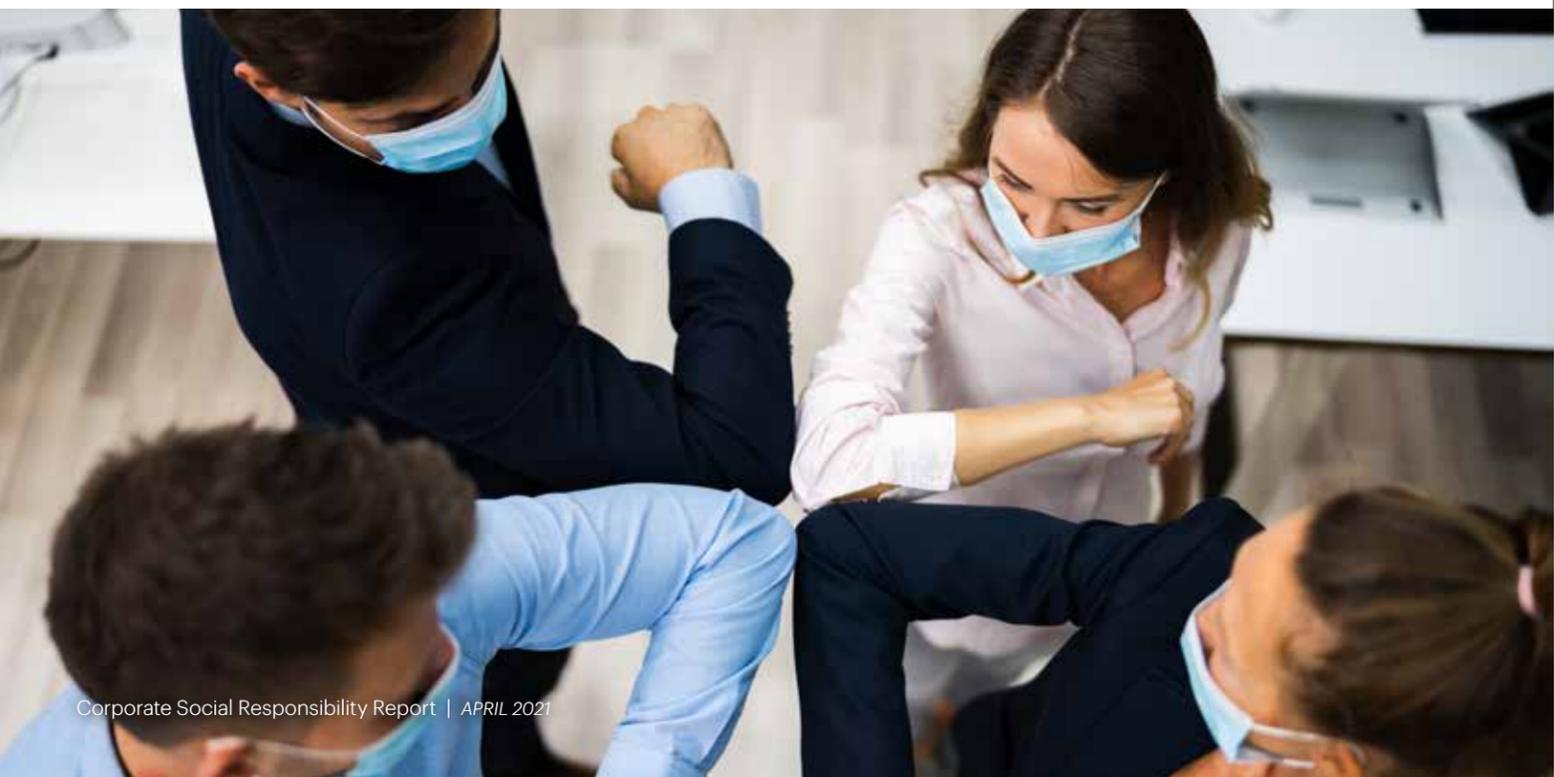


CSR Governance

Various functions are committed to CSR initiatives, and team members work to ensure the appropriate and strategic alignment and management of such programs. These teams include: Human Resources, Customer Operations, Legal, Corporate Communications, Marketing, and Information Security. Sallie Mae's leadership team provide guidance, oversight, and accountability for strategy and performance outcomes.

Managing Risk

We identify and manage risks related to strategic, financial, compliance, and operational objectives. Our Board of Directors approves the Company's risk framework, including risk appetite tolerances and related risk indicators annually. The Risk Committee of our Board of Directors is responsible for monitoring risks and risk management capabilities within the Company. Key risks and mitigation strategies are documented, monitored, and reviewed with the Risk Committee of the Board of Directors quarterly. Material exigent risks are escalated to the Board or an appropriate committee for their review. The Board of Directors or management may require additional reviews as deemed appropriate or necessary. See the most recent Proxy Statement for additional information regarding risk oversight by the Board of Directors.



Engaging stakeholders on what matters

We regularly review stakeholder partnerships across a range of functions, including Customer Relations, Corporate Social Responsibility, Government Affairs, Investor Relations, Human Resources, and Corporate Governance.



Shareholders

Proactively hold discussions with institutional investors and financial analysts who are increasingly interested in our CSR performance as well as financial results.



Customers

Use combination of formal customer satisfaction surveys and channels like our chat, mobile app, social media, and website, to gather feedback.



Team Members

Solicit team member perspectives through the employee surveys, the performance review process, and quarterly Town Hall meetings.



Industry Peers and Trade Groups

Engage with industry partners on key business issues, such as cybersecurity, data privacy, and fair and responsible lending.



Community and Non-Government Organizations

Engage with non-government organizations and community partners to identify and address the greatest needs in the communities where we operate and encourage our team members to engage in community service.



Academic Institutions

Collaborate with academic institutions to increase financial literacy awareness as well as develop and distribute valuable tools that empower students and their families to navigate and plan for higher education.



Government and Regulators

Engage in regular interactions with Members of Congress and their staff as well as the representatives of the Federal Deposit Insurance Corporation (FDIC), the Utah Department of Financial Institutions (UDFI), and the Consumer Financial Protection Bureau (CFPB). Such interactions involve matters of compliance, policy, or operational expertise and guidance.



Suppliers/Vendors

Execute best practices for third-party oversight and management that support development and inclusion of diverse suppliers. Utilizing diverse suppliers is beneficial both to the communities we serve and our company's growth. Our comprehensive third-party management program provides the framework to ensure integrity and soundness of third parties providing products and services to Sallie Mae by exercising appropriate due diligence prior to entering third-party relationships and ongoing monitoring after the relationship has been established.

Our ongoing engagement with these stakeholders helps us understand their current and future expectations and identify ways to create value for them.

SASB index

Sallie Mae has elected to report to the Sustainability Accounting Standards Board (SASB) Framework in our CSR Disclosure. SASB connects business and investors on the financial impacts of sustainability. Unless otherwise noted, all data and descriptions apply to our entire company. We do not currently disclose all metrics included in the standards for this sector, but we will continue to evaluate them in the future. All data for the year ended December 31, 2020 unless otherwise noted.

ACCOUNTING METRIC	CATEGORY	CODE	RESPONSE/ LOCATION
Consumer Finance			
CUSTOMER PRIVACY			
Number of account holders whose information is used for secondary purposes	Quantitative	FN-CF-220a.1	The Online Privacy Policy describes our practices concerning the collection and use of information gathered from or about our online visitors and registered users. Safeguarding data and customer privacy
Total amount of monetary losses as a result of legal proceedings associated with customer privacy	Quantitative	FN-CF-220a.2	SLM discloses all material legal and regulatory proceedings in its Annual Report on Form 10-K .
DATA SECURITY			
(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of account holders affected.	Quantitative	FN-CF-230a.1	Due to our strong privacy culture, to our knowledge we have not experienced any significant or material breaches or loss of customer information in 2017, 2018, 2019, or 2020. Safeguarding data and customer privacy
Card-related fraud losses from (1) card-not present fraud and (2) card-present and other fraud	Quantitative	FN-CF-230a.2	Not disclosed. SASB Disclosure
Description of approach to identifying and addressing data security risks	Discussion and analysis	FN-CF-230a.3	Our approach to CSR Safeguarding data and customer privacy Annual Report on Form 10-K: Privacy Laws

ACCOUNTING METRIC	CATEGORY	CODE	RESPONSE/ LOCATION
Consumer Finance cont.			
SELLING PRACTICES TOPIC			
Percentage of total remuneration for covered employees that is variable and linked to the amount of products and services sold	Quantitative	FN-CF-270a.1	This is not applicable as we do not have employees who "sell" loans or credit cards.
Approval rate for (1) credit and (2) pre-paid products for applicants with FICO scores above and below 660	Quantitative	FN-CF-270a.2	1) Not disclosed SASB Disclosure 2) SLM does not offer pre-paid products Annual Report on Form 10-K FICO is one attribute we use in credit underwriting to assess the risk of default as a way to minimize the number of credit accounts in our portfolio that will become past due or delinquent.
1) Average fees from add-on products, (2) average APR, (3) average age of accounts, (4) average number of trade lines, and (5) average annual fees for pre-paid products, for customers with FICO scores above and below 660	Quantitative	FN-CF-270a.3	1) We do not have add-on products. 2) Annual Report on Form 10-K 3) The weighted average life of each asset is public information and disclosed in our Form 10-Q and Form 10-K filings. 4) Average number of trade lines is not accessible to us because we do not seek, track, or maintain this data—it sits with the credit reporting agencies. 5) We do not offer pre-paid products.
(1) Number of complaints filed with the Consumer Financial Protection Bureau (CFPB), (2) percentage with monetary or nonmonetary relief, (3) percentage disputed by consumer, (4) percentage that resulted in investigation by the CFPB	Quantitative	FN-CF-270a.4	Consumer Complaint Database Annual Report on Form 10-K
Total amount of monetary losses as a result of legal proceedings associated with selling and servicing of products	Quantitative	FN-CF-270a.5	SLM discloses all material legal and regulatory proceedings in its Annual Report on Form 10-K .

*Certain information is not disclosed herein because that information (i) is not considered material or is privileged or confidential; (ii) could cause a competitive disadvantage to our business if publicly disseminated; or (iii) is not currently collected in a manner wholly correlative with the related SASB metric.

GRI content index

This table covers the Global Reporting Initiative’s Sustainability Reporting Standards and Disclosures found in Sallie Mae’s 2020 Corporate Social Responsibility Report, 2020 Annual Report, and our company website. This report has been prepared in accordance with the GRI Standards: Core Option.

GRI DISCLOSURE NUMBER	GRI DISCLOSURE TITLE	LOCATION & NOTES
GRI General Disclosures		
ORGANIZATIONAL PROFILE		
GRI 102-1	Name of the organization	SLM Corporation (NASDAQ: SLM)
GRI 102-2	Activities, brands, products, and services	About Sallie Mae
GRI 102-3	Location of headquarters	300 Continental Drive, Newark, DE 19713
GRI 102-4	Location of operations	Our locations: <ul style="list-style-type: none"> • Newark, DE (HQ) • New Castle, DE • Newton, MA • Indianapolis, IN • Salt Lake City, UT • Sterling, VA
GRI 102-5	Ownership and legal form	Delaware corporation See Annual Report on Form 10-K for the year ended December 31, 2020
GRI 102-6	Markets served	See Annual Report on Form 10-K for the year ended December 31, 2020
GRI 102-7	Scale of the organization	Sallie Mae at a glance As of Dec 31, 2020, Sallie Mae had 1,636 team members and we reported GAAP Net Income Attributable to Common Stock of \$871 Million in 2020.
GRI 102-8	Information on employees and other workers	Sallie Mae at a glance Powering our team members As of Dec 31, 2020, Sallie Mae had 1,636 team members across its six locations

GRI DISCLOSURE NUMBER	GRI DISCLOSURE TITLE	LOCATION & NOTES
ORGANIZATIONAL PROFILE cont.		
GRI 102-9	Supply chain	Our suppliers are critical to the services and value we deliver to our clients and consumers each and every day. They enable us to progress and help us to reach our strategic goals, purchase responsibly and manage our expenses. The management of our spend is the responsibility of Strategic Procurement, responsible for negotiating and contracting with either new suppliers or new statements of work as well as management of the supplier’s post-contract performance.
GRI 102-10	Significant changes to the organization and its supply chain	In 2020, Sallie Mae hired a new CEO - Jonathan Witter. Additionally, the company went through a restructuring to streamline the business. The restructuring resulted in a 6% reduction of team members. No significant changes to ownership or supply chain.
GRI 102-11	Precautionary Principle or approach	Our precautionary approach is reflected in our Enterprise Risk Management approach.
GRI 102-12	External initiatives	Global Reporting Initiative, UN Sustainable Development Goals, U.S. Green Building Council (USGBC) and LEED
GRI 102-13	Membership of associations	<ul style="list-style-type: none"> • Consumer Bankers Association • American Bankers Association • Student Loan Servicing Alliance • Structured Finance Industry Group • Delaware Bankers Association • Utah Bankers Association • National Association of Industrial Bankers • National Council of Higher Education Resources
STRATEGY		
GRI 102-14	Statement from senior decision-maker	Message from the CEO
ETHICS & INTEGRITY		
GRI 102-16	Values, principles, standards, and norms of behavior	Code of Business Conduct and Ethics outlines our policy, which applies to the company’s employees, officers, and nonemployee directors, including the company’s CEO, CFO, and principal accounting officer or controller. Learn more about our Corporate Governance policies and practices, and our Board of Directors and committees here: Corporate Governance .
GRI 102-17	Mechanisms for advice and concerns about ethics	SLM Proxy Statement Our Code of Business Conduct outlines the internal and external mechanisms for employees to seek advice about ethical and lawful behavior, and organizational integrity, and to report concerns about unethical or unlawful behavior, and organizational integrity.
GRI 102-18	Governance structure	SLM Proxy Statement Learn more about our Corporate Governance policies and practices, and our Board of Directors and committees here: Corporate Governance .

GRI DISCLOSURE NUMBER	GRI DISCLOSURE TITLE	LOCATION & NOTES
GOVERNANCE		
GRI 102-18	Governance structure	Learn more about our Corporate Governance policies and practices, and our Board of Directors and committees here: Corporate Governance .
GRI 102-22	Composition of the highest governance body and its committees	Learn more about our Corporate Governance policies and practices, and our Board of Directors and committees here: Corporate Governance .
GRI 102-23	Chair of the highest governance body	Learn more about our Corporate Governance policies and practices, and our Board of Directors and committees here: Corporate Governance .
GRI 102-29	Identifying and managing ESG topics	Our approach to CSR
GRI 102-30	Oversight of risk management process	Compliance management system CSR Governance
STAKEHOLDER ENGAGEMENT		
GRI 102-40	List of stakeholder groups	Engaging with stakeholders Our key stakeholder groups include but aren't limited to: current and former Sallie Mae Team members; Customers; Community and Non-Government Organizations; Academic Institutions; Industry Peers; Trade Organizations; Suppliers/Vendors; Government & Regulators
GRI 102-41	Collective bargaining agreements	None of our employees are covered by collective bargaining agreements
GRI 102-42	Identifying and selecting stakeholders	Engaging with stakeholders
GRI 102-43	Approach to stakeholder engagement	Engaging with stakeholders
GRI 102-44	Key topics and concerns raised	Engaging with stakeholders Powering Stronger, More Resilient Communities Community Reinvestment Act
REPORTING PRACTICE		
GRI 102-45	Entities included in the consolidated financial statements	See Annual Report on Form 10-K for the year ended December 31, 2020
GRI 102-46	Defining report content and topic Boundaries	Our approach to CSR In support of the 2020 materiality assessment, we reviewed industry standards, feedback from key stakeholders, inputs from the business, and our competitor and peer reporting. We then assessed the importance of each CSR topic in two ways: (i) if such topic impacts our business in terms of growth, cost, risk, or trust, and (ii) if such topic significantly influences the assessments and decisions of our key stakeholders.

GRI DISCLOSURE NUMBER	GRI DISCLOSURE TITLE	LOCATION & NOTES
REPORTING PRACTICE cont.		
GRI 102-47	List of material topics	Our approach to CSR Sallie Mae's priority CSR topics include: <ul style="list-style-type: none"> • Community Engagement and Investment • Business integrity • Data Security and Privacy • Empowering Underserved Populations • Energy and Emissions • Fair and Responsible Lending • Attracting and Retaining Talent • Providing Training and Development Opportunities • Fostering a Diverse and Inclusive Workplace • Ensuring a Safe and Healthy Workplace • Regulatory Compliance • Risk Assessment
GRI 102-48	Restatements of information	No restatements of information in this report.
GRI 102-49	Changes in reporting	This 2020 CSR Report includes in-depth information on our approach and performance across the broad range of environmental, social, and governance issues. The standalone Executive Summary provides a high-level overview of our efforts and progress this year
GRI 102-50	Reporting period	The highlights and metrics shared in this report cover calendar year 2020, and we provide multi-year trend data where feasible.
GRI 102-51	Date of most recent report	March 2019
GRI 102-52	Reporting cycle	Sallie Mae plans to release an annual update to the CSR Report.
GRI 102-53	Contact point for questions regarding the report	Sallie Mae's contact point for questions regarding the report is CSR@salliemae.com .
GRI 102-54	Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the principles and disclosures of the Global Reporting Initiative (GRI) Standards: Core Option and covers topics for all entities included in our financial statements.
GRI 102-55	GRI content index	This GRI Content Index Table.
GRI 102-56	External assurance	While the report's content has not been reviewed by a third party, such content has been reviewed by internal audit.

GRI DISCLOSURE NUMBER **GRI DISCLOSURE TITLE** **LOCATION & NOTES**

Specific Standard Disclosures – Economic

TOPIC: ECONOMIC PERFORMANCE

GRI 103-1 to 103-3	Explanation of the material topic and its Boundary	Sallie Mae at a glance
GRI 201-1	Direct economic value generated and distributed	Sallie Mae at a glance Annual Report on Form 10-K

TOPIC: ECONOMIC PERFORMANCE

GRI 103-1 to 103-3	Explanation of the material topic and its Boundary	Sallie Mae at a glance
GRI 203-2	Significant indirect economic impacts	Our workforce Powering Our Customers SEC Annual Report on Form 10-K for the year ended December 31, 2020

TOPIC: ANTI-CORRUPTION

GRI 103-1 to 103-3	Explanation of the material topic and its Boundary	Operating with integrity
GRI 205-2	Communication and training about anti-corruption policies and procedures	Operating with integrity Team members are trained regularly on the Code regarding a range of key issues and business practices, including anti-corruption, technology use, gift-giving, travel, and entertainment expenses, identifying and preventing money laundering, conducting business with foreign governments, and protecting customer privacy.
GRI 205-3	Confirmed incidents of corruption and actions taken	If allegations of corruption are brought to our attention, we work to investigate and resolve them appropriately and disclose material, substantiated incidents as appropriate.

Specific Standard Disclosures – Environment

TOPIC: EMISSIONS

GRI 103-1 to 103-3	Explanation of the material topic and its Boundary	Powering the environmental movement
GRI 302-1	Energy consumption within the organization	Powering the environmental movement
GRI 302-4	Reduction of energy consumption	Powering the environmental movement

GRI DISCLOSURE NUMBER **GRI DISCLOSURE TITLE** **LOCATION & NOTES**

TOPIC: EMISSIONS *cont.*

GRI 103-1 to 103-3	Explanation of the material topic and its Boundary	Powering the environmental movement Energy and emissions reduction
GRI 305-1	Direct (Scope 1) GHG emissions	Powering the environmental movement
GRI 305-2	Energy indirect (Scope 2) GHG emissions	Powering the environmental movement

Specific Standard Disclosures - Social

TOPIC: EMPLOYMENT

GRI 103-1 to 103-3	Explanation of the material topic and its Boundary	Powering our team members
GRI 401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Promoting health and well-being

TOPIC: OCCUPATIONAL HEALTH AND SAFETY

GRI 103-1 to 103-3	Explanation of the material topic and its Boundary	Promoting health and well-being Powering our team members
GRI 403-6	Promotion of worker health	Promoting health and well-being

TOPIC: TRAINING AND EDUCATION

GRI 103-1 to 103-3	Explanation of the material topic and its Boundary	Culture of feedback Powering our team members Ongoing growth and development
GRI 404-2	Programs for upgrading employee skills and transition assistance programs	Ongoing growth and development Note that we report on the type and scope of programs Sallie Mae provides to help team members upgrade their skills. We don't currently offer any programs to facilitate continued employability of team members who leave either through retirement or termination.

GRI 404-3	Percentage of team members receiving regular performance and career development reviews	100% of all available and eligible team members at Sallie Mae received performance reviews in 2020.
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GRI DISCLOSURE NUMBER	GRI DISCLOSURE TITLE	LOCATION & NOTES
TOPIC: DIVERSITY AND EQUAL OPPORTUNITY		
GRI 103-1 to 103-3	Explanation of the material topic and its Boundary	Powering our team members A diverse and inclusive workplace
GRI 405-1	Diversity of governance bodies and employees	Our workforce Our board
TOPIC: LOCAL COMMUNITIES		
GRI 103-1 to 103-3	Explanation of the material topic and its Boundary	Powering stronger, more resilient communities
GRI 413-1	Operations with local community engagement, impact assessments, and development programs	Powering stronger, more resilient communities Supporting financial literacy All our operations have community engagement and investment programs in place.
TOPIC: PUBLIC POLICY		
GRI 103-1 to 103-3	Explanation of the material topic and its Boundary	Approach to public policy Fair and responsible lending
GRI 415-1	Political Contributions	Approach to public policy Political Activity Policy PAC contributions can be found here .
TOPIC: MARKETING AND LABELING		
GRI 103-1 to 103-3	Explanation of the material topic and its Boundary	Operating with integrity Fair and responsible lending
GRI 417-1	Product and service information and labeling	Fair and responsible lending
GRI 417-2	Incidents of non-compliance concerning product and service information and labeling	We have not identified any non-compliance with regulations and/or voluntary codes concerning product and service information and labeling.
GRI 417-3	Incidents of non-compliance concerning marketing communications	We have not identified any non-compliance with regulations and/or voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship.

GRI DISCLOSURE NUMBER	GRI DISCLOSURE TITLE	LOCATION & NOTES
TOPIC: CUSTOMER PRIVACY		
GRI 103-1 to 103-3	Explanation of the material topic and its Boundary	Operating with integrity Safeguarding data and customer privacy
GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	We have had no substantiated complaints regarding breaches of customer privacy, and no identified leaks, thefts, or losses of customer data in 2020.
TOPIC: SOCIOECONOMIC COMPLIANCE		
GRI 103-1 to 103-3	Explanation of the material topic and its Boundary	Code of Business Conduct
GRI 419-1	Non-compliance with laws and regulations in the social and economic area	Operating with integrity We have not identified any non-compliance with laws and/or regulations in the social and economic area.

Forward looking statement

This Corporate Social Responsibility Report contains “forward-looking statements” and information based on management’s current expectations as of the date of this report. Statements that are not historical facts, including statements about our beliefs, opinions or expectations and statements that assume or are dependent upon future events, are forward-looking statements. This includes, but is not limited to, our expectation and ability to pay a quarterly cash dividend on our common stock in the future, subject to the determination by our Board of Directors, and based on an evaluation of our earnings, financial condition and requirements, business conditions, capital allocation determinations, and other factors, risks and uncertainties, our 2021 guidance; our three-year horizon outlook; our expectation and ability to execute loan sales and share repurchases; our projections for originations and earnings growth and balance sheet position; and any estimates related to pending accounting standard changes. 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 such forward-looking statements. These factors include, among others, the risks and uncertainties set forth in Item 1A. “Risk Factors” and elsewhere in our 2020 Form 10-K and subsequent filings with the Securities and Exchange Commission (SEC); increases in financing costs; limits on liquidity; increases in costs associated with compliance with laws and regulations; failure to comply with consumer protection, banking and other laws; changes in accounting standards and the impact of related changes in significant accounting estimates, including any regarding the measurement of our allowance for loan losses and the related provision expense; any adverse outcomes in any significant litigation to which we are a party; credit risk associated with our exposure to third-parties, including counterparties to our derivative transactions; and changes in the terms of education loans and the educational credit marketplace (including changes resulting from new laws and the implementation of existing laws). We could also be affected by, among other things: changes in our funding costs and availability; reductions to our credit ratings; cybersecurity incidents, cyberattacks, and other failures or breaches of our operating systems or infrastructure, including those of third-party vendors; damage to our reputation; risks associated with restructuring initiatives, including failures to successfully implement cost-cutting programs and the adverse effects of such initiatives on our business; changes in the demand for educational financing or in financing preferences of lenders, educational institutions, students and their families; changes in law and regulations with respect to the student lending business and financial institutions generally; changes in banking rules and regulations, including increased capital requirements; increased competition from banks and other consumer lenders; the creditworthiness of our customers; changes in the general interest rate environment, including the rate relationships among relevant money-market instruments and those of our earning assets versus our funding arrangements; rates of prepayment on the loans that we own; changes in general economic conditions and our ability to successfully effectuate any acquisitions; and other strategic initiatives. The preparation of our consolidated financial statements also requires management to make certain estimates and assumptions, including estimates and assumptions about future events. These estimates or assumptions may prove to be incorrect. All forward-looking statements contained in this report are qualified by these cautionary statements and are made only as of the date of this report. We do not undertake any obligation to update or revise these forward-looking statements to conform such statements to actual results or changes in our expectations.





We are here to power confidence as students begin their unique journeys, and we're committed to doing so responsibly.





• www.salliemae.com

To view this report online, please visit www.salliemae.com

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Newark, DE 19713**