

NAVIENT

NAVIENT CORPORATION

RISK COMMITTEE OF THE BOARD OF DIRECTORS CHARTER

Purpose.

The Risk Committee (the “Committee”) of the Board of Directors (the “Board”) of Navient Corporation (the “Company”) assists the Board in fulfilling its responsibilities to set the types and levels of risk the Company is willing to take. The Committee is charged with:

- (i) Development, maintenance and governance of the Company’s risk profile and risk management policy, standards and program, including the risk appetite statement and enterprise risk management program, all as to be approved by the Board;
- (ii) Monitoring all enterprise risks while recognizing the responsibilities delegated to other standing committees of the Board and understanding that other committees may emphasize specific risk monitoring through their respective activities;
- (iii) Oversight, mitigation and remediation of operational risks including,
 - a. technology operations, information security and cyber-security matters;
 - b. corporate finance matters, including investments, acquisitions and divestitures as are contemplated in the Company’s annual business plan; capital management; debt financings; investments and funding strategy; capital adequacy and basis risk;
 - c. asset quality; and
 - d. marketing and product development.
- (iv) Oversight of all other risks or items identified and delegated to the Committee by the Board; and
- (v) Exercise and performance of all other duties and responsibilities delegated to the Committee by the Board or the Executive Committee of the Board.

The Committee assists the Board in overseeing and holding senior management accountable for implementing the Board’s approved risk tolerance, maintaining the

Company's risk management and control program, and managing the Company's activities in a safe and sound manner, and in compliance with applicable laws, rules and regulations.

Membership.

The Committee shall be comprised of at least three independent members of the Board. The members of the Committee will be appointed by the Board and may be replaced and/or removed by the Board. The Chair of the Committee shall be a non-employee director whom the Board determines to be independent in accordance with SEC and application stock exchange rules.

Meetings.

The Committee shall meet as needed, but not less than four times each year, with the authority to convene additional meetings as circumstances require. The Committee may request any other director of the Company, any officer or employee of the Company or the Company's outside counsel or independent auditor to attend a meeting of the Committee or to meet with any members of, or advisor to, the Committee.

Authority and Responsibilities.

In carrying out the purpose set forth above, the Committee will have the following authority and responsibilities:

Risk Oversight, Mitigation and Remediation

- (1) Periodically review with management and the chief risk officer the framework for assessing and managing the risks of the Company, and the steps management is taking to monitor and control such risk.
- (2) At least annually review and recommend to the Board for its approval the Company's risk appetite framework and risk tolerances.
- (3) Periodically review the Company's compliance and performance against the risk measures and limits contained in the Company's Board approved risk appetite framework relating to credit risk; market risk; funding & liquidity risk; information technology and cybersecurity risk; and operational risk pertaining to key business processes, including loan servicing, collections, information technology, and vendor management.
- (4) Oversee implementation of mitigation or remediation plan(s) for any risk or compliance matter including modifying the Committee's workplan to accommodate such oversight, in each case as delegated to the Committee by the Board or the Executive Committee.

Corporate Finance, Investments and Acquisitions

- (5) Review the Company's funding strategies and funding costs.
- (6) Review the credit standing and financial risk profile of the Company, including, without limitation, existing liquidity, capital market access, credit, interest rate and currency risks and review with management the steps taken to manage such risks.
- (7) Review and approve the Company's investment, asset and liability management and contingency funding policies.
- (8) Oversee the Company's capital management policies, liquidity position, capital adequacy, equity investments, proposed issuance of debt by the Company and its affiliates and plans to return capital to shareholders through dividends and share repurchase activity.
- (9) Review all immaterial acquisitions, divestitures, new businesses and investments (and any material acquisition, divestitures new businesses or investments as may be delegated to the Committee by the Board) and recommend to the Board for approval, as appropriate, any acquisitions and divestitures, and investments not previously approved as part of the annual business plan.
- (10) Review material commercial banking, investment banking, insurance, and other financial relationships of the Company.
- (11) Review of the Company's performance against its annual business plan and the performance of each of its acquisitions versus buy-plan.
- (12) Recommend to the Board for approval the payment of dividends on the Company's common and preferred stock.

Technology Operations

- (13) Review the business and technology operations that support all of the activities of the Company including the Company's policies, strategies and risk tolerance for the Company's cyber-security and cyber-risk, as well as the Company's policies, procedures and risk tolerances oversight of material business, IT and operational suppliers and vendors.

Marketing and Product Development

- (14) Review significant product design and development, marketing strategies and sales activities for the Company's products and services.

Student Loan Portfolios

- (15) Review asset quality, administration and management of the Company's private student loan portfolio.
- (16) Review the administration and management of the Company's federal family education loan program loan portfolio.
- (17) Review asset quality, administration and management of the Company's other loan portfolios.

Resources, Reporting and Review.

The Committee shall have authority to retain such outside counsel, experts and other advisors as the Committee may deem appropriate in its sole discretion. The Committee shall have sole authority to approve related fees and retention terms.

The Committee shall report its actions and any recommendations to the Board. The Committee shall report to the Audit Committee any items that may have significant financial statement impact or require significant financial statement/regulatory disclosures, and any other significant issues within the purview of the Audit Committee.

The Committee shall annually conduct a self-evaluation of the Committee's performance and effectiveness and report the results to the Board. The Committee shall review at least annually the adequacy of this Charter and recommend any proposed changes to the Nominations and Governance Committee.

The Committee may form and delegate any or all of its authority to subcommittees, as appropriate, except when authority is required by law, regulation or listing standard to be exercised by the Committee as a whole.