

Investor Presentation

4th Quarter & Full-Year 2024



CAUTIONARY NOTE AND DISCLAIMER REGARDING FORWARD LOOKING STATEMENTS

The following information is current as of January 23, 2025 (unless otherwise noted) and should be read in connection with the press release of SLM Corporation announcing its financial results for the quarter and year ended December 31, 2024, furnished to the Securities and Exchange Commission (“SEC”) on January 23, 2025, and subsequent reports filed with the SEC.

This Presentation contains “forward-looking statements” and information based on management’s current expectations as of the date of this Presentation. Statements that are not historical facts, including statements about the Company’s (as hereinafter defined) beliefs, opinions, or expectations and statements that assume or are dependent upon future events, are forward-looking statements. These include, but are not limited to: strategies; goals and assumptions of SLM Corporation and its subsidiaries, collectively or individually as the context requires (the “Company”); the Company’s expectation and ability to execute loan sales and share repurchases; statements regarding future developments surrounding COVID-19 or any other pandemic, including, without limitation, statements regarding the potential impact of any such pandemic on the Company’s business, results of operations, financial condition, and/or cash flows; the Company’s expectation and ability to pay a quarterly cash dividend on our common stock in the future, subject to the approval of our Board of Directors; the Company’s 2025 guidance; the Company’s three-year horizon outlook; the impact of acquisitions we have made or may make in the future; the Company’s projections regarding originations, net charge-offs, non-interest expenses, earnings, balance sheet position, and other metrics; any estimates related to accounting standard changes; and any estimates related to the impact of credit administration practices changes, including the results of simulations or other behavioral observations.

Forward-looking statements are subject to risks, uncertainties, assumptions, and other factors, many of which are difficult to predict and generally beyond the control of the Company, which may cause actual results to be materially different from those reflected in such forward-looking statements. There can be no assurance that future developments affecting the Company will be the same as those anticipated by management. The Company cautions readers that a number of important factors could cause actual results to differ materially from those expressed in, or implied or projected by, such forward-looking statements. These factors include, among others, the risks and uncertainties set forth in Item 1A. “Risk Factors” and elsewhere in the Company’s most recently filed Annual Report on Form 10-K and subsequent filings with the SEC; the societal, business, and legislative/regulatory impact of pandemics and other public health crises; 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 or regulations; our ability to timely develop new products and services and the acceptance of those products and services by potential and existing customers; changes in accounting standards and the impact of related changes in significant accounting estimates, including any regarding the measurement of our allowance for credit losses and the related provision expense; any adverse outcomes in any significant litigation to which the Company is a party; credit risk associated with the Company’s exposure to third parties, including counterparties to the Company’s derivative transactions; the effectiveness of our risk management framework and quantitative models; 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, or any change related thereto; 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 prepayments on the loans owned by us; 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 oral and written forward-looking statements attributed to the Company are expressly qualified in their entirety by the factors, risks, and uncertainties set forth in the foregoing cautionary statements, and are made only as of the date of this Presentation or, where the statement is oral, as of the date stated. We do not undertake any obligation to update or revise any forward-looking statements to conform to actual results or changes in our expectations, nor to reflect events or circumstances that occur after the date on which such statements were made. In light of these risks, uncertainties, and assumptions, you should not put undue reliance on any forward-looking statements discussed.

4th Quarter & Full-Year 2024 Highlights

Balance Sheet & Capital Allocation

\$7.0B

Private Education Loan Originations in Full-Year 2024, as compared to \$6.4 billion in 2023.

10%

Private Education Loan Originations growth in Full-Year 2024. 17% Private Education Loan Originations growth compared to year-ago quarter.

3.1%

Full-Year 2024 Total Assets growth compared to 2023, inclusive of FFELP Loan portfolio sale. **5.7%** Private Education Loan balance growth in Full-Year 2024 compared to 2023.

\$982M

Private Education Loan Originations in Q4 2024, as compared to \$839 million in the year-ago quarter.

12.6%

Total risk-based capital ratio; CET1 capital ratio of 11.3%.

\$0.13

Common stock dividend per share paid in Q4 2024.

\$402M

Capacity remaining under the 2024 Share Repurchase Program as of December 31, 2024.

11.6M

Shares repurchased in Full-Year 2024 for \$250M at an average share price of \$21.59 per share. **2M shares** repurchased in Q4 2024 for \$46M.

Income Statement & Earnings Summary

\$107M

GAAP net income attributable to common stock in Q4 2024.

\$0.50

Q4 2024 GAAP diluted earnings per common share.

\$2.68

Full-Year 2024 GAAP diluted earnings per common share. **\$590M** GAAP net income attributable to common stock in Full-Year 2024.

5.19%

Net interest margin for Full-Year 2024 and **4.92%** net interest margin for Q4 2024.

\$637M

Total operating expenses in Full-Year 2024, as compared to \$619M in 2023. **\$148M** total operating expenses in Q4 2024, as compared to \$143M in the year-ago quarter.

Additional Key Performance Metrics

Loan Sales

\$3.7B

Private Education Loans at attractive premiums, including \$3.4 billion of principal and \$274 million in capitalized interest, sold in 2024.

Funding & Liquidity

Deposit portfolio balances at the end of Q4 2024 were 1.8% lower than at the end of Q3 2024; Q4 2024 mix of brokered vs. retail and other was approximately 45% and 55%, respectively.

3%

Uninsured deposits as a percentage of total deposits as of 12/31/2024.

\$80M

Unrealized losses on marketable securities portfolio as of 12/31/2024.

31 bps

Approximate regulatory capital charge that would result if losses were realized.

Credit Performance

\$108M

Q4 2024 provision for credit losses; **5.83%** total allowance as a percentage of the ending total loan balance plus unfunded commitments and total accrued interest receivable on Private Education Loans, compared with 5.89% in Q4 2023.

3.7%

Percentage of Private Education Loans in repayment delinquent 30+ days as of 12/31/2024, as compared to 3.9% in 2023.

\$332M

Private Education Loan net charge-offs for Full-Year 2024; 2.19% of average Private Education loans in repayment, compared with 2.44% in 2023.

1.6%

Percentage of Private Education Loans in an extended grace period for Q4 2024⁽¹⁾; **0.9%** of Private Education Loans in hardship and other forbearances in Q4 2024⁽²⁾.

\$93M

Private Education Loan net charge-offs for Q4 2024; 2.38% of average loans in repayment (annualized), compared with 2.43% in Q4 2023.

A Compelling Investment Opportunity

Significant potential for profitable growth and shareholder returns nearing conclusion of CECL Phase-in Period



Outstanding financial track record with strong EPS performance and ROCE



Well-positioned in large and growing private student loan market, with powerful brand recognition and attractive client base



Consistent profitability, balance sheet strength and strong risk and compliance functions to mitigate enterprise-wide risk and support resiliency of results



Rigorous and consistent capital allocation and return program in place to enhance shareholder value

Sallie Mae is an Outstanding Franchise

Sallie Mae is the market-leading brand for private education loans driven by brand recognition, rigorous underwriting methodology and industry-leading customer service.



Top ranked and **highly recognized brand**



Industry leading and **award-winning technologies**



Well funded with **sufficient liquidity, capital, and loan loss reserves**



2,000+ actively managed **university relationships across the U.S.**⁽⁴⁾



Appears on **98%** of **documented lender lists**⁽⁴⁾



Largest salesforce in the student loan industry



64%

2024 full-year market share of private student lending marketplace⁽³⁾

58%

In School Payment*

17%

Private Education Loan Originations Growth in Q4 2024 compared to year-ago quarter*

88%

Cosigner Rate*

2.38%

Q4 2024 Net Charge-offs as a percentage of Avg. Loans⁽⁵⁾ in Repayment (annualized)

755

Average FICO⁽⁶⁾ at Approval*

* Metrics are for Q4 2024 originations, unless otherwise shown.

Providing Customers with Financial Backing, Information and Tools to **Achieve Their Goals**

PRIVATE EDUCATION LOANS

Smart Option Student Loans

Emphasize in-school payment features that can produce shorter terms and reduce customers' total finance charges

Graduate Student Loans

Six loan products for specific graduate programs of study

SALLIE MAE BANK

Offers traditional savings products

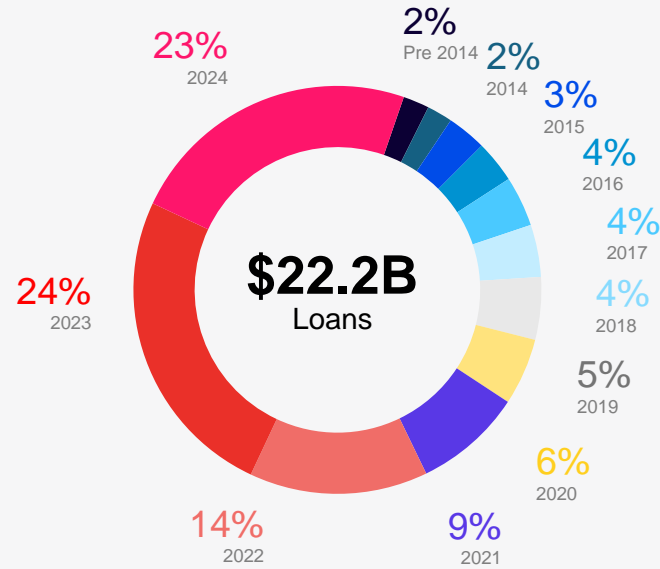
- High-yield savings accounts
- Money market accounts
- Certificates of deposit

Originates Private Education Loans

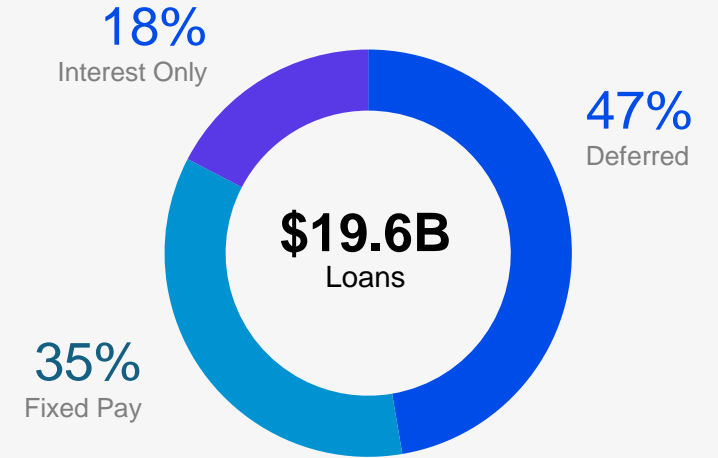
The portfolio of loans insured or guaranteed under the previously existing Federal Family Education Loan Program was sold to a third party in the fourth quarter of 2024

Private Education Loan Portfolio

Originations Vintage⁽⁷⁾

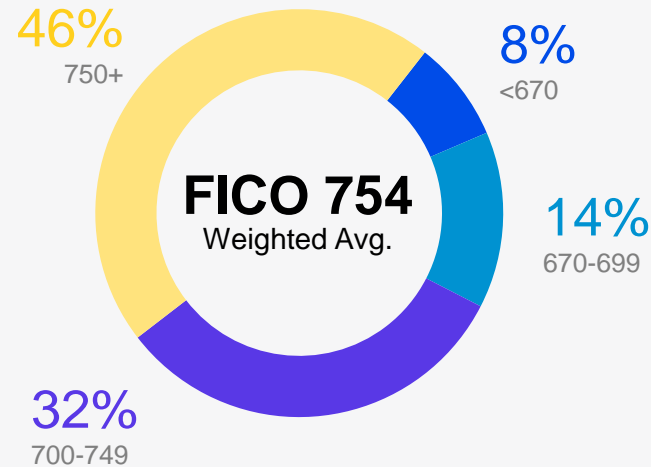


Smart Option Payment Type

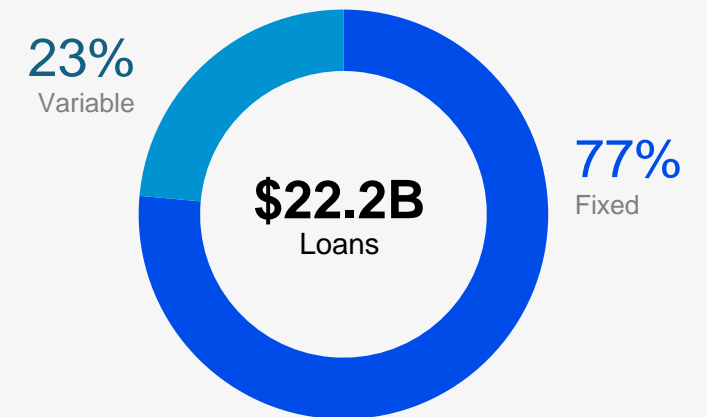


High Quality Private Education Loan Portfolio

Customer FICO at Original Approval⁽⁶⁾



Portfolio Interest Rate Type



Sallie Mae's Smart Option Loan

The Smart Option Loan product, introduced in 2009, consists of:

Interest Only loans

Require **full interest payments** during in-school, grace, and deferment periods

Fixed Pay loans

Require **\$25 fixed payments** during in-school, grace, and deferment periods

Deferred loans

Do not require payments during in-school and grace periods

- Smart Option payment option may not be changed after selected at origination
- Fixed-rate loans or variable-rate loans
- Consumer credit underwriting, with minimum FICO and custom credit score model.
- Marketed primarily through the school channel and also directly to consumers, with all loans^A certified by and disbursed directly to schools
- Qualified education loans are non-dischargeable in bankruptcy, unless a borrower can prove that repayment of the loan would impose an "undue hardship"

More Personalized, Flexible Financing Options that Set Students Up for Success

| | Sallie Mae | Federal Student Loan Program | |
|-----------------------------------|---|---|---|
| | Smart Option Student Loan | Federal Direct Loan (Subsidized & Unsubsidized) | Parent Plus |
| Undergraduate | | | |
| Loan Program | | | |
| Loan Limits | \$1,000 - Cost of Attendance No aggregate limits | Yr. 1 - \$5,500 (\$3,500 > subsidized) Yr. 2 - \$6,500 (\$4,500 > subsidized) Yr. 3+ - \$7,500 (\$5,500 > subsidized) \$31,000 Aggregate (\$23,000 > subsidized) | No Limit |
| Interest Rates (as of 12/31/24) | Variable: S + 0.420% - S + 11.375% Fixed: 3.74% - 16.53% | 6.53% | 9.08% |
| Origination Fees (as of 12/31/24) | 0% | 1.057% | 4.228% |
| Repayment Types | IO / Fixed Pay / Deferred | Deferred | Immediate P&I / Deferred |
| Repayment Terms | 10 - 15 Years | 10 Years (extended repayment 20 or 25 years) | 10 Years (extended repayment 20 or 25 years) |
| | Graduate Product Suite (MBA, Medical, Dental, Law, Health Professions, General Grad) | Federal Direct Loan (Unsubsidized only) | Graduate Plus |
| Graduate | | | |
| Loan Program | | | |
| Loan Limits | \$1,000 - Cost of Attendance No aggregate limits | \$20,500 Per Year \$138,500 Aggregate (\$65,000 > subsidized - including undergraduate subsidized only) | No Limit |
| Interest Rates (as of 12/31/24) | Variable: S+0.420% - S + 10.125% Fixed: 3.74% - 15.000% | 8.08% | 9.08% |
| Origination Fees (as of 12/31/24) | 0% | 1.057% | 4.228% |
| Repayment Types | IO / Fixed Pay / Deferred | Deferred | Immediate P&I / Deferred |
| Repayment Terms | 15 Years - MBA, HP, General Grad, Law 20 Years - Medical & Dental | 10 Years (extended repayment 20 or 25 years) | 10 Years (extended repayment 20 or 25 years) |

Medical

General Studies

Dental

Health Professions

MBA

Undergraduate

Law

Products designed to meet the needs of all students

Developing unique and innovative products to diversify portfolio

Our Proven Strategy Aims to Maximize the Profitability and Growth of the Core Business

STRATEGIES TO MAXIMIZE REVENUE

Drive penetration at all schools

Increase market share by bridging gaps in student funding needs

Enhance risk-adjusted pricing and underwriting

Improve marketing, digital, and data capabilities



STRATEGIES TO MANAGE UNIT COSTS

Maintain strong focus on fixed cost discipline

Drive towards reducing both the unit cost of servicing and the unit cost of acquisitions

Improve third-party vendor cost management

Drive towards strong operating leverage



Optimize the Value of the Brand and Attractive Client Base



WHAT WE DO

- ✓ Ensure products and services are consistent with our core mission and drive customer value
- ✓ Build products and services that leverage our customer affiliation
- ✓ Prioritize partnerships and other capital efficient avenues of growth
- ✓ Look for opportunities to optimize ROI

We know our customers' finances, payment patterns, and indebtedness.

We have relationships and knowledge to assist our customers with their next step: post-graduation plans, jobs, future financial needs.

We are there for our customers during and after their important transition to adulthood.

Enhancing Shareholder Value Through Disciplined Balance Sheet Growth and Strategic Capital Return⁽⁸⁾

Strong Balance Sheet & Recurring Earnings Growth

- ✓ Expected to drive recurring revenue and lead to steady double-digit earnings per share growth with balance sheet expansion.
- ✓ Expected to support a consistent dividend with the potential for future growth.⁽⁹⁾

Loan Sales & Capital Return

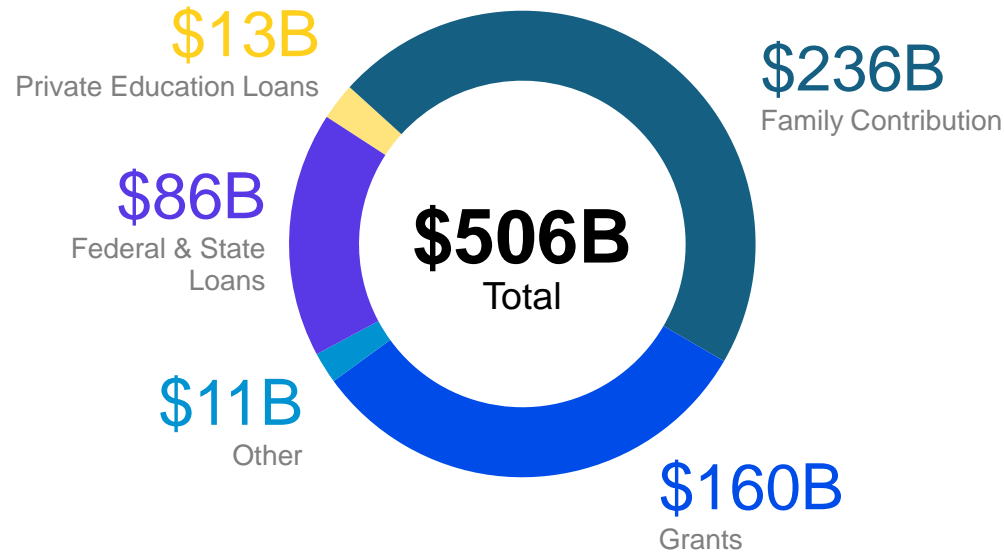
- ✓ Regular loan sales are expected to be utilized as a tool to moderate balance sheet growth.
- ✓ Sold ~\$16 billion in whole loans at an average price of approximately 110% through December 31, 2024.
- ✓ Expected to continue expanding capacity for return of capital through continued share repurchases and other forms of capital return.
- ✓ Repurchased approximately 221 million shares through December 31, 2024, or approximately 52% of the shares outstanding, since the beginning of 2020.



Consumers Increasingly Rely on Borrowed Funds to Finance the Cost of a Higher Education

Higher Education Spend⁽¹⁰⁾

(Academic Year 2023-2024 estimated)

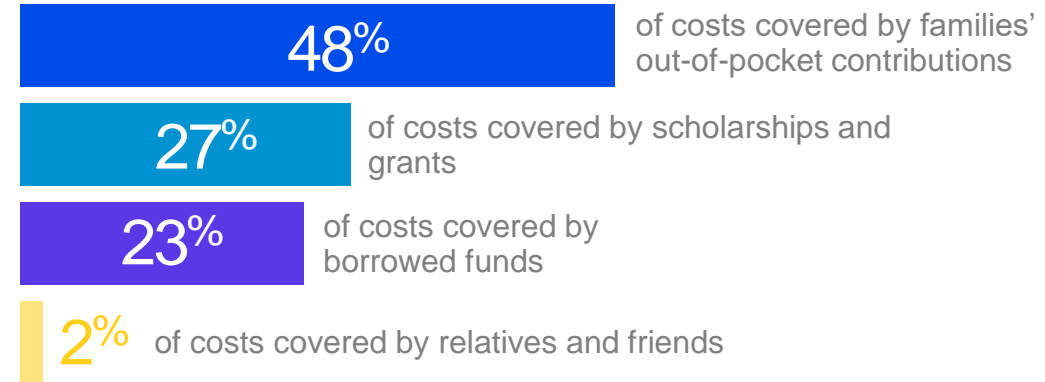


Roughly Half of Families

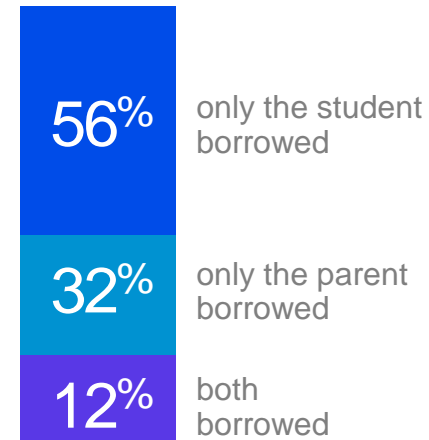
USED BORROWED FUNDS IN AY 2023-24



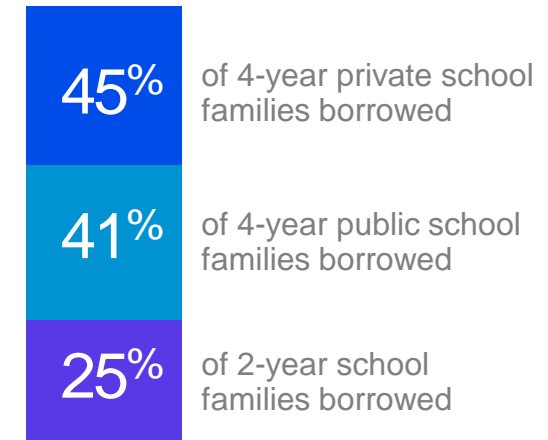
Families' out-of-pocket contributions covered half of college costs



Student borrowing is more prevalent than parent borrowing.



Borrowing rates vary by school type



Private Education Loan Trends



Fourth-quarter 2024 originations at approximately \$982 million, 17% higher than the year-ago quarter. Full-Year originations were approximately \$7.0 billion, 10% higher than the prior year.



Full-Year 2024 originations volume for graduate students increased 22% compared to full-year 2023.

Q4 2024 755 58% 88%
Average FICO at Approval⁽⁶⁾ In School Payment Cosigned

Q4 2023 750 56% 84%
Average FICO at Approval⁽⁶⁾ In School Payment Cosigned

Private Education Loan Originations⁽¹¹⁾

| | | Average FICO at Approval ⁽⁶⁾ | In School Payment | Cosigned |
|------|---------|---|-------------------|----------|
| 2024 | \$7,013 | 752 | 56% | 90% |
| | | | | + 10% |
| 2023 | \$6,383 | 748 | 56% | 87% |
| | | | | + 7% |
| 2022 | \$5,975 | 747 | 57% | 86% |
| | | | | + 10% |
| 2021 | \$5,423 | 750 | 59% | 86% |
| | | | | + 2% |
| 2020 | \$5,321 | 749 | 60% | 86% |

Diversified Funding Optimizes Net Interest Margin

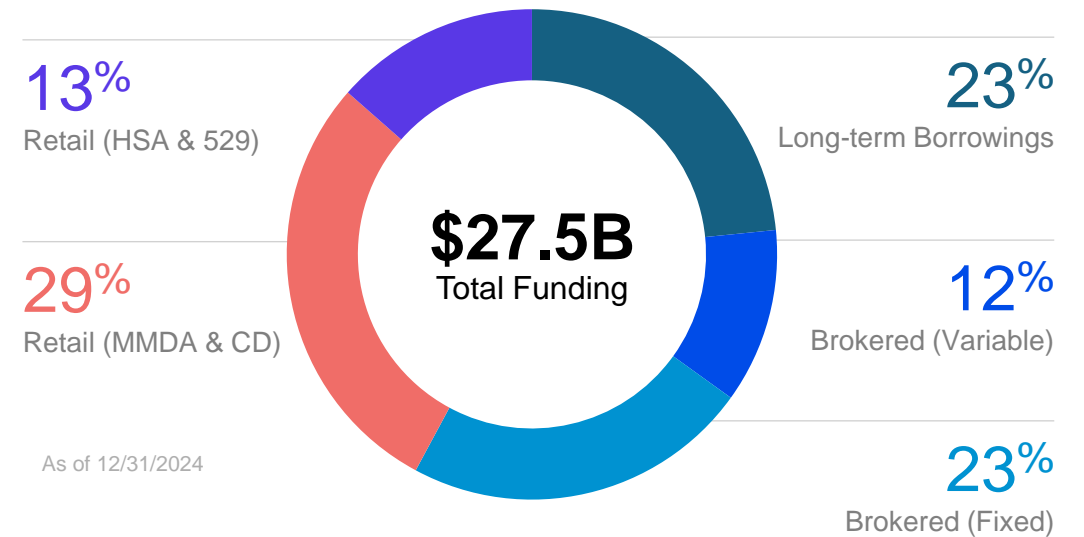
Long-Term Funding

Outstanding borrowings consist of unsecured debt and secured borrowings issued through our term asset-backed securitization program, totaling approximately \$1 billion and \$5.4 billion, respectively, as of December 31, 2024.

Deposits

- Our total deposits of \$21.1 billion were comprised of \$9.5 billion in brokered deposits and \$11.6 billion in retail and other deposits at December 31, 2024.
- Interest-bearing deposits consist of retail and brokered non-maturity savings deposits, retail and brokered non-maturity money market deposits, and retail and brokered certificates of deposit. Also included are deposits from Educational 529 and Health Savings plans that diversify our funding sources.
- There were \$567 million of deposits exceeding FDIC insurance limits at the end of Q4 2024.

Funding Strategy



Improving Political Environment

We believe the current environment presents opportunity for meaningful reform to the federal student loan program:

- ✓ *Attention is on the federal student loan program*
- ✓ *Increased focus on implementing limits to federal loans*

A Focus on Federal Lending

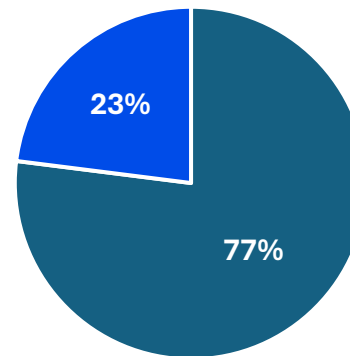
National policymakers are focused on addressing federal student lending issues and reform, including:

- Federal loan forgiveness
- Federal PLUS limits
- Enhanced federal repayment programs

PUBLIC CONCERN WITH UNLIMITED FEDERAL LENDING*

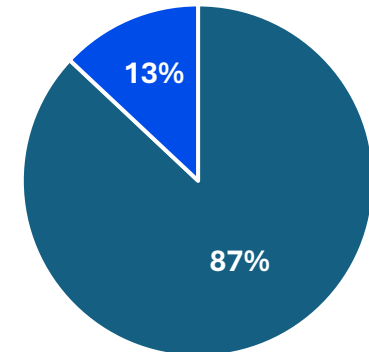
College costs have risen because people can borrow from the government whatever a school says it costs to attend.

77% agree / 23% do not agree



There should be a limit on how much debt federal student loan borrowers can take on.

87% believe / 13% do not believe



* Data derived from 2023 survey of 1,000 registered voters performed by The Global Strategies Group for Center Forward.

ABS Supplement



Sallie Mae Bank ABS Summary – Last 12 Quarters (On-Balance Sheet)*

| | 22-C | 23-A | 23-C | 24-C | 24-E | 24-F |
|--|----------|-----------|-----------|-----------|-----------|-----------|
| Issuance Date | 8/9/2022 | 3/15/2023 | 8/16/2023 | 5/15/2024 | 8/14/2024 | 11/6/2024 |
| Total Bond Amount (\$mil) | \$575 | \$579 | \$568 | \$668 | \$868 | \$680 |
| Initial AAA Enhancement (%) | 22% | 18% | 19% | 16% | 15% | 14% |
| Initial Class B Enhancement (%) | 16% | 11% | 13% | 9% | 8% | 7% |
| Wtd Avg Spread over Benchmarks | | | | | | |
| 'AAA' Rated A Classes (%) | +1.64% | +1.41% | +1.55% | +1.10% | +1.35% | +1.00% |
| A and B Classes Combined (%) | +1.76% | +1.53% | +1.69% | +1.19% | +1.42% | +1.08% |
| Loan Program (%) | | | | | | |
| Smart Option | 100% | 100% | 100% | 100% | 100% | 100% |
| Loan Status (%) ⁽¹²⁾ | | | | | | |
| School, Grace, Deferment | 59% | 62% | 61% | 70% | 63% | 64% |
| P&I Repayment | 41% | 37% | 39% | 28% | 36% | 34% |
| Forbearance | 1% | 1% | 1% | 2% | 1% | 2% |
| Wtd Avg Term to Maturity (Mo.) | 145 | 160 | 159 | 172 | 170 | 171 |
| % Loans with CoSigner | 92% | 92% | 91% | 90% | 90% | 90% |
| Not For Profit (%) | 92% | 92% | 90% | 87% | 88% | 87% |
| Wtd Avg FICO at Origination ⁽⁶⁾ | 743 | 744 | 743 | 744 | 743 | 743 |
| Wtd Avg Recent FICO at Issuance ⁽⁶⁾ | 745 | 742 | 741 | 738 | 738 | 737 |
| Wtd Avg FICO at Origination (Cosigner) | 745 | 746 | 745 | 746 | 745 | 745 |
| Wtd Avg Recent FICO at Issuance (Cosigner) | 748 | 745 | 745 | 742 | 742 | 741 |
| Wtd Avg FICO at Origination (Borrower) | 722 | 722 | 724 | 727 | 726 | 727 |
| Wtd Avg Recent FICO at Issuance (Borrower) | 706 | 701 | 703 | 701 | 700 | 698 |
| Variable Rate Loans (%) | 48% | 43% | 39% | 25% | 25% | 22% |
| Wtd Avg Annual Borrower Interest Rate | 9.30% | 10.86% | 11.26% | 11.47% | 11.32% | 11.30% |



* Pool characteristics represent the last three years of issuance as of the Statistical Cutoff Date for the respective transaction.

Sallie Mae Bank ABS Structures

| | SMB 2024-F | | | | | SMB 2024-E | | | | | SMB 2024-C | | | | |
|--|---|------------|------|-------|---------------|---|------------|------|-------|---------------|---|------------|------|-------|---------------|
| SIZE | \$680.0MM | | | | | \$868.0MM | | | | | \$668.0MM | | | | |
| PRICING DATE | October 29, 2024 | | | | | August 7, 2024 | | | | | May 7, 2024 | | | | |
| COLLATERAL | Smart Option Private Education Loans | | | | | Smart Option Private Education Loans | | | | | Smart Option Private Education Loans | | | | |
| SERVICER | Sallie Mae Bank | | | | | Sallie Mae Bank | | | | | Sallie Mae Bank | | | | |
| OVERCOLLATERALIZATION ⁽¹³⁾ | 7% | | | | | 8% | | | | | 9% | | | | |
| PRICING PREPAYMENT SPEED ⁽¹⁴⁾ | 8% | | | | | 8% | | | | | 8% | | | | |
| TRANCHE STRUCTURE AT ISSUANCE | | | | | | | | | | | | | | | |
| | CLASS | AMT (\$MM) | DBRS | WAL | Pricing | CLASS | AMT (\$MM) | DBRS | WAL | Pricing | CLASS | AMT (\$MM) | DBRS | WAL | Pricing |
| | A-1A | 579.00 | AAA | 4.57 | I Curve + 100 | A-1A | 630.00 | AAA | 4.65 | I Curve + 135 | A-1A | 438.00 | AAA | 4.83 | I Curve + 110 |
| | A-1B | 50.00 | AAA | 4.57 | SOFR + 100 | A-1B | 173.00 | AAA | 4.65 | SOFR + 135 | A-1B | 180.00 | AAA | 4.83 | SOFR + 110 |
| | B | 51.00 | AA | 11.54 | I Curve + 145 | B | 65.00 | AA | 11.59 | I Curve + 175 | B | 50.00 | AA | 11.83 | I Curve + 165 |
| WA BORROWER INTEREST RATE | 11.30% | | | | | 11.32% | | | | | 11.47% | | | | |
| WA FICO AT ORIGINATION ⁽⁶⁾ | 743 | | | | | 743 | | | | | 744 | | | | |
| % LOANS WITH COSIGNER | 90% | | | | | 90% | | | | | 90% | | | | |
| % VARIABLE RATE LOANS | 22% | | | | | 25% | | | | | 25% | | | | |

Appendix



Quarterly Financial Highlights

| | Q4 2024 | Q3 2024 | Q4 2023 |
|--|------------|-------------|------------|
| Income Statement (\$ Millions) | \$ | \$ | \$ |
| Total interest income | 661 | 653 | 669 |
| Total interest expense | 299 | 293 | 283 |
| Net Interest Income | 362 | 359 | 386 |
| Less: provisions for credit losses | 108 | 271 | 16 |
| Total non-interest income | 28 | 24 | 57 |
| Total non-interest expenses | 150 | 172 | 202 |
| Income tax expense (benefit) | 21 | (14) | 57 |
| Net Income (Loss) | 112 | (45) | 168 |
| Preferred stock dividends | 4 | 5 | 5 |
| Net income (loss) attributable to common stock | 107 | (50) | 164 |
| Ending Balances (\$ Millions) | | | |
| Private Education Loans held for investment, net | 20,902 | 20,460 | 19,772 |
| FFELP Loans held for investment, net | - | - | 534 |
| FFELP Loans held for sale, net | - | 486 | - |
| Deposits | 21,069 | 21,445 | 21,653 |
| Brokered | 9,476 | 9,844 | 10,275 |
| Retail and other | 11,593 | 11,601 | 11,378 |

| | Q4 2024 | Q3 2024 | Q4 2023 |
|--|------------|------------|------------|
| Key Performance Metrics | | | |
| Net Interest Margin | 4.92% | 5.00% | 5.37% |
| Yield—Total Interest-earning assets | 8.98% | 9.07% | 9.30% |
| Private Education Loans | 10.54% | 10.79% | 11.02% |
| Cost of Funds | 4.31% | 4.35% | 4.17% |
| Return on Assets ("ROA") ⁽¹⁵⁾ | 1.5% | (0.6)% | 2.3% |
| Return on Common Equity ("ROCE") ⁽¹⁶⁾ | 22.5% | (10.2)% | 40.2% |
| Private Education Loan Sales | \$- | \$- | \$1,052 |
| Per Common Share | | | |
| GAAP diluted earnings (loss) per common share | \$0.50 | \$(0.23) | \$0.72 |
| Average common and common equivalent shares outstanding (millions) | 215 | 215 | 227 |

Full-Year Financial Highlights

| | 2024 | 2023 |
|--|--------------|--------------|
| Income Statement (\$ Millions) | \$ | \$ |
| Total interest income | 2,619 | 2,592 |
| Total interest expense | 1,138 | 1,030 |
| Net Interest Income | 1,481 | 1,562 |
| Less: provisions for credit losses | 409 | 345 |
| Total non-interest income | 368 | 247 |
| Total non-interest expenses | 642 | 685 |
| Income tax expense | 190 | 197 |
| Net Income | 608 | 581 |
| Preferred stock dividends | 18 | 18 |
| Net income attributable to common stock | 590 | 564 |
| Ending Balances (\$ Millions) | | |
| Private Education Loans held for investment, net | 20,902 | 19,772 |
| FFELP Loans held for investment, net | - | 534 |
| Deposits | 21,069 | 21,653 |
| Brokered | 9,476 | 10,275 |
| Retail and other | 11,593 | 11,378 |

| | 2024 | 2023 |
|--|---------|---------|
| Key Performance Metrics | | |
| Net Interest Margin | 5.19% | 5.50% |
| Yield—Total Interest-earning assets | 9.17% | 9.13% |
| Private Education Loans | 10.81% | 10.86% |
| Cost of Funds | 4.25% | 3.85% |
| Return on Assets (“ROA”) ⁽¹⁵⁾ | 2.1% | 2.0% |
| Return on Common Equity (“ROCE”) ⁽¹⁶⁾ | 31.3% | 35.8% |
| Private Education Loan Sales | \$3,692 | \$3,154 |
| Per Common Share | | |
| GAAP diluted earnings per common share | \$2.68 | \$2.41 |
| Average common and common equivalent shares outstanding (millions) | 220 | 234 |

Credit Performance⁽¹⁷⁾⁽¹⁸⁾⁽¹⁹⁾

Private Education Loans Held for Investment

| | Quarters Ended | | | | | |
|---|----------------------|---------------|----------------------|---------------|----------------------|---------------|
| | DEC 31, 2024 | | SEP 30, 2024 | | DEC 31, 2023 | |
| (\$ Thousands) | Balance | % | Balance | % | Balance | % |
| Loans in repayment and percentage of each status: | | | | | | |
| Loans current | \$ 15,513,333 | 96.3% | \$ 14,806,983 | 96.4% | \$ 14,809,271 | 96.1% |
| Loans delinquent 30-59 days | \$ 310,748 | 1.9% | \$ 285,471 | 1.8% | \$ 298,751 | 1.9% |
| Loans delinquent 60-89 days | \$ 140,735 | 0.9% | \$ 149,098 | 1.0% | \$ 151,017 | 1.0% |
| Loans 90 days or greater past due | \$ 141,935 | 0.9% | \$ 118,703 | 0.8% | \$ 150,775 | 1.0% |
| Total private education loans in repayment | \$ 16,106,751 | 100.0% | \$ 15,360,225 | 100.0% | \$ 15,409,814 | 100.0% |
| Delinquencies as % of loans in repayment | | 3.7% | | 3.6% | | 3.9% |
| Loans in forbearance | \$ 405,430 | | \$ 301,414 | | \$ 324,039 | |
| Percentage of loans in forbearance: | | | | | | |
| Percentage of loans in an extended grace period ⁽¹⁾ | | 1.6% | | 0.9% | | 1.1% |
| Percentage of loans in hardship and other circumstances ⁽²⁾ | | 0.9% | | 1.0% | | 1.0% |
| Total allowance for credit losses* as a percentage of the ending total loan balance plus unfunded loan commitments and total accrued interest receivable on Private Education Loans | | 5.83% | | 5.84% | | 5.89% |
| Net charge-offs as a % of average loans in repayment (annualized) | | 2.38% | | 2.08% | | 2.43% |

* Total allowance for credit losses represents the sum of the allowance for Private Education Loans and the allowance for unfunded loan commitments.

Allowance for Credit Losses

Consolidated Statements of Income – Provision for Credit Losses Reconciliation

| (\$ THOUSANDS) | Quarter Ended December 31, 2024 | |
|--|------------------------------------|---------|
| Private Education Loan provision for credit losses: | | |
| Provision for loan losses | \$ | 80,533 |
| Provision for unfunded loan commitments | | 27,646 |
| Provisions for credit losses reported in consolidated statements of income | \$ | 108,179 |

Factors affecting the Provision for Credit Losses 4th Quarter 2024

- Provision was impacted by both originations volume, as well as the timing of disbursements. Total originations in Q4 2024 increased 17% compared to the year-ago quarter. New unfunded commitments in Q4 2024, net of expired commitments unused, increased 18% compared to the year-ago quarter.

Footnotes

1. We calculate the percentage of loans in an extended grace period as the ratio of (a) Private Education Loans in forbearance in an extended grace period numerator to (b) Private Education Loans in repayment and forbearance denominator. An extended grace period aligns with The Office of the Comptroller of the Currency definition of an additional, consecutive, one-time period during which no payment is required for up to six months after the initial grace period. We typically grant this extended grace period to customers who may be having difficulty finding employment before the full principal and interest repayment period starts or once it has begun.
2. We calculate the percentage of loans in hardship and other forbearances as the ratio of (a) Private Education Loans in hardship and other forbearances (excluding loans in an extended grace period) numerator to (b) Private Education Loans in repayment and forbearance denominator. If the customer is in financial hardship, we work with the customer and/or cosigner and identify any available alternative arrangements designed to reduce monthly payment obligations, which may include a short-term hardship forbearance.
3. Source: Enterval CBA Report (<https://www.enterval.com/>) for full-year 2024 as of December 2024.
4. Based on internal Company statistics.
5. Statistic considers portfolio Private Education Loans only and is presented as an annualized number, as of December 31, 2024.
6. Represents the higher credit score of the cosigner or the borrower.
7. By year of origination approval.
8. The information on this page constitutes forward-looking statements. See page 2 of this Presentation for a cautionary note regarding forward-looking statements.
9. The Company's expectation and ability to pay a quarterly cash dividend on its common stock in the future will be subject to the determination by, and discretion of, the Company's Board of Directors, and any determination by the Board will be based on an evaluation of the Company's earnings, financial condition and requirements, business conditions, capital allocation determinations, and other factors, risks and uncertainties.
10. Enrollment data from NCES Digest of education statistics (various tables). Cost data included from College Board 2024 Trends in College Pricing and 2024 Trends in Student Aid. Total market is based on internal company statistics that include inputs from government projections. These projections were updated in the fourth quarter of 2024.
11. Originations represent loans that were funded or acquired during the period presented.
12. Smart Option loans considered in 'P&I Repayment' only if borrowers are subject to full principal and interest payments on the loan.
13. Overcollateralization for Class A & B bonds.
14. Estimated based on a variety of assumptions concerning loan repayment behavior. Actual prepayment rate may vary significantly from estimates.
15. We calculate and report our Return on Assets ("ROA") as the ratio of (a) GAAP net income (loss) numerator (annualized) to (b) the GAAP total average assets denominator.
16. We calculate and report our Return on Common Equity ("ROCE") as the ratio of (a) GAAP net income (loss) attributable to SLM Corporation common stock numerator (annualized) to (b) the net denominator, which consists of GAAP total average equity less total average preferred stock.
17. For purposes of this slide, loans in repayment include loans making interest only or fixed payments, as well as loans that have entered full principal and interest repayment status after any applicable grace period (but do not include those loans while they are in forbearance).
18. For purposes of this slide, loans in forbearance include loans for customers who have requested extension of grace period generally during employment transition or who have temporarily ceased making full payments due to hardship or other factors, consistent with established loan program servicing policies and procedures.
19. The period of delinquency is based on the number of days scheduled payments are contractually past due.