

2008 CODE OF BUSINESS ETHICS

Dear Colleagues:

The McGraw-Hill Companies has a global reputation for the highest standards of excellence, quality and reliability in all of our products and services, and for respect, honesty and fairness in our dealings with customers, investors, business partners, vendors, colleagues and other constituents. Our continued success and future growth depend on the maintenance of these standards.

Each year we ask employees to read and reaffirm The McGraw-Hill Companies' Code of Business Ethics, which sets forth the principles that continue to define us. These principles are at the heart of our strength and our identity as a Corporation. Therefore, it is essential that we all continue to follow both the letter and the spirit of the Code.

It is a clear measure of how highly we value these principles that signing the Code of Business Ethics continues to be a condition of employment and a prerequisite for merit salary increases for U.S. employees. Both the Code of Business Ethics and the Affirmation Statement are accessible on the Intranet. **Please read the Code carefully, ensure that you are in complete compliance with its guidelines, and sign the Affirmation Statement.**

If you know of any violations of the Code, please so indicate when completing the Affirmation Statement and speak to your manager. Also note that the Corporation continues to maintain The McGraw-Hill Companies' Employee Hotline. This hotline, 1-888-722-3277, provides employees with a confidential way to report any violations of corporate policy or the law and any workplace concerns or related issues.

Additionally, the Corporate Compliance and Ethics Steering Committee, which issues regular reports to the Board of Directors, has strengthened our programs for handling compliance and ethics issues across the Corporation, thereby strengthening our corporate governance.

If you have any questions regarding the Code of Business Ethics or related matters, please discuss them with your manager or Human Resources representative.

Thank you.



Harold McGraw III
Chairman, President and Chief Executive Officer
The McGraw-Hill Companies

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The McGraw-Hill Companies enjoys a worldwide reputation for integrity, honesty and good faith in all its dealings. We are proud of our reputation, for it is our heritage, reflecting our goals and the manner in which we work to achieve them.

Our standards of conduct are summarized in the paragraphs that follow. Written words alone, however, do not create a moral conscience or lead inevitably to ethical conduct.

The written words, in fact, are nothing more than a description of the way we have always done our business. Our reputation for fair dealing was well established long before a written policy was first published. In short, we are a people-oriented company. It is the conduct of our people that has produced our reputation for integrity and honesty.

Failure to comply with the Code may result in disciplinary action, up to and including termination of employment. In the event that there is a conflict between the umbrella provisions of the Code and the specific policies of your business unit or local office, the policies of your business unit or local office will prevail.

WHAT EMPLOYEES CAN EXPECT OF THE MCGRAW-HILL COMPANIES

You have been employed solely on the basis of The McGraw-Hill Companies' estimate of your ability to do your job well. You will not be unfairly discriminated against because of race, color, religion, sex, age, sexual orientation, national or ethnic origin, citizenship status, veteran status or disability or for any other unlawful reason.

Any future promotion and pay increase is at the discretion of your manager and will depend on the needs of the business matched to your demonstrated ability to do superior work, to grow in your job and to accept responsibility.

You can expect courteous and considerate treatment from the corporation. Through on-the-job training, sharing tuition costs, and other means, we will endeavor to provide appropriate opportunities for developing your ability to perform your job well and to prepare you for greater challenges. You can learn of possible job openings throughout the corporation through our Career Opportunities Program. You may apply for any position you may be qualified to fill.

Every reasonable effort will be made to provide you with a safe and healthy place in which to work. In addition, it is the corporation's policy to provide a work environment free from sexual harassment or any other type of unlawful harassment.

Resolving Problems in the Workplace. At any time, you may discuss a problem related to your employment with your manager, the next higher level of management, the Human Resources Department, or the Corporate EEO Department. Through appropriate supervisory channels, you may take a complaint to the highest executive level of the corporation.

You may also make a complaint or provide a constructive comment through the Employee Hotline. The Employee Hotline (1-888-722-3277) is made available to employees worldwide, with the exception of certain jurisdictions outside the United States that restrict the use of employee hotlines. The Employee Hotline provides a way of reporting, even anonymously, violations of corporate policy, workplace concerns, violations of law and related issues.

You also may take advantage of the **FAIR** Program (Fast and Impartial Resolution), a voluntary alternative dispute resolution program, to address any problems in the workplace. Employees may file a FAIR

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complaint and receive a written response from the corporation (Phase I). If the employee is dissatisfied with the result, the employee may request a mediation which is an attempt to resolve the dispute with the help of a trained, neutral mediator (Phase II). If the employee is still dissatisfied with the results, the employee may bring the issue to binding arbitration (Phase III). The company pays the costs of the program although it does not pay the employee's legal expenses. You can reach a FAIR representative at 1-800-219-9099.

The McGraw-Hill Companies prohibits retaliation against an employee for filing a complaint under FAIR or with a government antidiscrimination agency. Further, the corporation bars retaliation against anyone for assisting with the investigation of such a complaint. An employee who retaliates against an employee for either of these reasons will be subject to disciplinary action up to and including termination.

Your personnel and payroll records will be disclosed only to employees authorized to receive this information, to others with your authorization, or pursuant to legal compulsion. During your employment, you may examine those records yourself at reasonable times. Employees may contact their respective Human Resources representatives regarding those records. The McGraw-Hill Companies will also comply with applicable local laws that require particular procedures for the review of personnel records.

The McGraw-Hill Companies provides medical, disability, life insurance, and retirement programs as further described in materials you will receive from the Human Resources Department.

WHAT THE MCGRAW-HILL COMPANIES CAN EXPECT OF US AS EMPLOYEES

Of course, The McGraw-Hill Companies expects that employees will work diligently and to the best of their abilities. In addition, here are some specific requirements.

Compliance with law. All employees of The McGraw-Hill Companies shall be responsible for conducting their activities on behalf of The McGraw-Hill Companies in compliance with applicable laws and regulations. As part of this responsibility, it is imperative that all of our financial disclosures and reports be full, fair, accurate, timely and understandable. When appropriate, employees should seek advice from The McGraw-Hill Companies' Legal Department with respect to the application or interpretation of laws and regulations relevant to their business activities.

Conflicts of interest. Employees should not engage in any activity that might result in a conflict, or the appearance of a conflict, between the individual's self-interest or the interests of another organization, on the one hand, and The McGraw-Hill Companies' interests on the other hand. Each employee should be free from any interest or influence that would make it difficult to give The McGraw-Hill Companies the employee's best efforts and undivided attention. The following are examples of conflicts of interest but these examples are not intended to limit the general applicability of the prohibition against conflicts.

- (a) Employees may not take for themselves, or divert to others, any business opportunity in which the corporation has, or can reasonably be expected to have, an interest.
- (b) Employees may, on their own time, do limited amounts of work for other employers so long as such work does not conflict with the employee's obligations to The McGraw-Hill Companies. A conflict would arise if outside work consumed so much of an employee's time and energy as to impair the ability to perform The McGraw-Hill Companies' job effectively. Also, a conflict of interest is presumed if an employee does outside work for a firm that has business dealings with, or competes with, The McGraw-Hill Companies. Employees should also avoid outside employment that is otherwise detrimental to the interests of The McGraw-Hill Companies.
- (c) No employee may directly or indirectly own any interest in another firm, or serve as a director, officer or employee of a firm, whose business in any way competes with The McGraw-Hill Companies or that has business dealings with The McGraw-Hill Companies. However, an employee may own up to one percent (1%) of the shares of any public corporation, regardless of its business,

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except as limited by other obligations under the Code of Business Ethics or other policies of the corporation.

- (d) An employee should never become involved in a situation with a supplier, customer or other entity having business dealings with The McGraw-Hill Companies that could possibly be interpreted as improper. Certainly no payment or other consideration may be accepted by employees or members of their families from any such entities. No gift having more than nominal value and no loan (other than a normal bank loan) may be accepted from any person or firm having current or prospective dealings with the corporation. Nor should an employee be in a position to receive any benefits from such firm if the employee is in any way involved in decisions for The McGraw-Hill Companies regarding that firm or its services or products.

Employees may obtain waivers of these conflict rules under limited circumstances. The employee may request a waiver of these conflict rules by submitting a written request to the appropriate executive, with a full explanation of the basis for the request. Waiver requests must be sent to, and written approval obtained from, either the Chairman, President and Chief Executive Officer of The McGraw-Hill Companies (or a person designated by the CEO), or the corporate staff officer or segment president in charge of the employee's department or unit.

Improper payments to others. No employee should make, or be involved in any way with making, any improper payment, or offer any improper inducement to any existing or potential customer or supplier in the form of a bribe, kickback, excessive commission or fee in connection with any company activity. This prohibition includes, but is not limited to, obtaining business for the company from private businesses or government bodies, anywhere in the world.

Objectivity of reporting and evaluation. The McGraw-Hill Companies' reputation rests in great measure on the integrity of its reporting and evaluation services. For this reason, no employee whose duties include reporting on an industry or evaluating securities should have any employment, ownership or other relations with companies in the relevant companies and industries in a way that might compromise, or appear to compromise, the objectivity of the employee's reports or evaluations. Employees must provide prior written disclosure in writing to their supervisors detailing any factors, such as holding stock, that might be relevant to this restriction. No employee may exert or attempt to exert any improper influence on any editorial position or opinion, including any Standard & Poor's equity or rating analyst. Individual business units of The McGraw-Hill Companies will, as appropriate, issue supplemental guidelines that relate to their particular operations.

Discriminatory conduct. Employees may not discriminate against or harass any other employees on the basis of race, color, religion, sex, age, sexual orientation, national or ethnic origin, citizenship status, veteran status, disability or any other unlawful basis.

Confidential information. An employee must regard all non-public information about The McGraw-Hill Companies or its activities as a corporate trust. Employees may not use for any purpose or disclose to others any non-public information. For example: (a) employees and members of their families possessing non-public information about The McGraw-Hill Companies may not use such information to trade in The McGraw-Hill Companies' securities, nor divulge such non-public information to other persons to trade in The McGraw-Hill Companies' securities; (b) employees or members of their families possessing non-public information regarding studies or pending negotiations by The McGraw-Hill Companies to acquire all or part of a company shall not divulge such information to other persons and shall not trade in the securities of such a company unless and until the studies or negotiations have been permanently terminated or completed by The McGraw-Hill Companies; and (c) employees obtaining non-public information about another company or securities shall not trade in the securities of such other company until such non-public information becomes known.

Trade secrets, confidential information and proprietary information concerning products and services (both those already on the market and those being developed) are a special, valuable and unique asset of The McGraw-Hill Companies. Employees should hold all trade secrets and other confidential or proprietary

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information in strictest confidence and should not use such trade secrets and confidential or proprietary information in any way other than in performing their duties as employees. Such trade secrets and other confidential or proprietary information may not be misappropriated, transferred or disclosed, directly or indirectly, to any person or entity. This obligation remains in effect after an employee leaves The McGraw-Hill Companies.

No employee may, without appropriate management approval, disclose to any person in advance of publication by The McGraw-Hill Companies: (a) any security or other rating, equity ranking or other opinion pertaining to securities, funds or other investments; or (b) the contents of any book, magazine, newsletter, electronic product, or any other information product or service produced by The McGraw-Hill Companies in any medium.

Intellectual Property. Each employee assigns to The McGraw-Hill Companies all intellectual property, including trademark and trade secret rights, created by that employee within the scope of his or her employment. Subject to local intellectual property laws, all copyrightable work prepared by an employee within the scope of his or her employment, is a "work made for hire" and is the property of The McGraw-Hill Companies. All inventions or designs conceived or first reduced to practice in whole or in part by an employee within the scope of his or her employment shall be disclosed on a timely basis to the corporation and title to such inventions, including all patent and other such rights, shall be assigned to and owned by the corporation.

Customer Privacy. The McGraw-Hill Companies has implemented a policy to protect the privacy of its customers. Privacy Officers have been appointed to ensure compliance with this policy. All employees are responsible for being familiar with this policy and for complying with its terms. Additional information regarding this policy is available on The McGraw-Hill Companies' Internet and Intranet sites.

Information Security. Accurate and reliable information is the foundation of our business. Without proper safeguards in place, our systems are vulnerable to loss, destruction, error and abuse that can undermine the objectives and goals of The McGraw-Hill Companies.

Several of The McGraw-Hill Companies' policies provide support and guidance for appropriate use of company information management resources. These policies include:

- 33 – Review and Approval of Information Technology Related Projects
- 46 - Software Licensing Compliance
- 48 - Information Security
- 52 - Information and the Use of Computers and Electronic Networks
- 54 - Use of Electronic Messaging

Employees are required to review and comply with these policies.

The McGraw-Hill Companies' use of third-party information. The McGraw-Hill Companies is a substantial user of proprietary materials belonging to others, including "hard copy" magazines and newspapers, as well as software and electronic information. Employees have an obligation to comply with the copyright, trademark, patent and trade secret laws as they pertain to these materials. In addition, employees have an obligation to comply with the terms and conditions of agreements under which employees use third party proprietary material, including content and software.

Information and the use of computers and electronic networks. The McGraw-Hill Companies' owned and leased personal computers, software, electronic networks and other information processing and storage devices (including electronic mail and other information stored on these devices) are for the direct support of The McGraw-Hill Companies' activities. Employees are prohibited from accessing, attempting to access, or providing access to any of these devices or the materials contained on them without proper authorization. The McGraw-Hill Companies' owned and leased personal computers may be used on a limited basis for personal or non-business purposes at the discretion of the employee's business unit or corporate

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department so long as such use does not otherwise violate this Code. Illegal, inappropriate or offensive material may not be accessed, stored, used or disseminated on these devices.

The McGraw-Hill Companies reserves the right, subject to applicable local law, to monitor and review the content of all electronic mail messages or other information contained in any devices owned or leased by the corporation for any valid business or legal purpose, without informing the sender or recipient of the information, or the person in whose possession those files reside.

Political Activities. Employees, of course, are entirely free, and indeed are encouraged, to endorse, advocate, contribute to or otherwise support any political party, candidate or cause they may choose. But no reimbursement of such contributions will be or, in most instances, lawfully can be, made by The McGraw-Hill Companies in any form, directly or indirectly. Any payment or contribution made by The McGraw-Hill Companies must comply with the Corporate Policy relating to payments to government officers, public employees and political candidates (Corp. Policy No. 41). In any public political statement, references to an employee's affiliation with The McGraw-Hill Companies or any of its subsidiaries should be avoided, and in any personal political activity it must be clear that the employee is acting personally and not for the company.

Government Contracts. Government contracts, whether with federal, state or municipal entities, are subject to complex laws and regulations setting forth the information which must be furnished to the government in the course of negotiating a contract or submitting a bid. Other laws regulate the performance of government contracts, accounting procedures and payment requests in ways different from private commercial contracts. In certain instances, serious violations of government contract laws or regulations may affect The McGraw-Hill Companies' ability to do business with the government or even constitute criminal conduct. Employees responsible for government contract work should become familiar with the relevant rules and regulations and should contact The McGraw-Hill Companies' Legal Department with any questions.

Representing The McGraw-Hill Companies in an unauthorized capacity. No employee may contact any person or entity to seek personal gain or other benefits by claiming that the employee represents or is affiliated with The McGraw-Hill Companies.

Interpretation of this code. Employees should seek advice from The McGraw-Hill Companies' Legal Department concerning any interpretation of the provisions of this Code.

Special situations. Detailed codes of conduct have been developed by certain of The McGraw-Hill Companies' units to provide guidance for situations unique to their businesses. Further, The McGraw-Hill Companies has adopted certain corporate policies specifying in greater detail the appropriate conduct and procedures for matters described in this Code.

Reporting violations of this Code. An employee who observes any conduct by other employees in violation of this Code or of any law applicable to The McGraw-Hill Companies has a responsibility to promptly inform his or her supervisor, the head of the Corporate Auditing Department or The McGraw-Hill Companies' Legal Department. As noted above, subject to laws in certain jurisdictions that prohibit employee hotlines, violations may also be reported through the Employee Hotline in confidence.

In general. All employees will be expected to abide by the highest ethical standards and act with complete integrity when acting on behalf of The McGraw-Hill Companies with government agencies, customers, competitors, suppliers, authors, the media, trade associations, fellow employees and the general public. Failure to follow these policies exposes you to potential disciplinary action up to and including termination.

WHAT THE PUBLIC HAS A RIGHT TO EXPECT FROM THE McGRAW-HILL COMPANIES AND ITS STAFF

We are committed to providing products and services of high quality, to market them fairly, and to conduct our affairs honorably. But our corporation has some special responsibilities. One is to be a good citizen in the communities in which we work. We are sensitive to the economic role we play in those communities, and to the standards of service provided by our publications and broadcasting stations and through our other community-related functions. The McGraw-Hill Companies contributes to community as well as to national institutions, and encourages employees to do so by matching their gifts to educational institutions, libraries, public broadcasting and arts and cultural organizations.

In addition, all The McGraw-Hill Companies' employees are encouraged to take an active personal role in organizations dedicated to public service. The corporation will back up their participation with appropriate financial contributions to qualified projects and institutions through which employees are contributing volunteer services.

There is a further responsibility that comes from being in the business of communicating information and serving the need for knowledge. No day passes in which millions of persons throughout the world do not make some use of The McGraw-Hill Companies' information products and services. As a result, we have a major and pervasive impact on a global scale. And we are trusted. That trust is what imposes on us all a special responsibility to produce the very best and the most completely reliable materials and services we can. That is the basic ethical demand upon us. Nothing must compromise that. All of us should share a sense of that responsibility in all our work.

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