

## THE ADVISORY BOARD COMPANY

### CODE OF ETHICS FOR EMPLOYEES

#### 1. **Purpose.**

The Board of Directors (the "Board") of The Advisory Board Company (the "Company") has adopted the following Code of Ethics (the "Code") to apply to all employees of the Company. This Code is not intended to define specific examples of ethical conduct, but rather to focus employees on areas of ethical risk, provide guidance to help them recognize and deal with ethical issues, provide mechanisms to report unethical conduct, foster a culture of honesty and accountability, and deter wrongdoing.

#### 2. **Introduction.**

Each employee is expected to adhere to a high standard of ethical conduct. Employees are expected to be guided by the following principles in carrying out their responsibilities:

- *Loyalty.* Employees are expected to act in the best interests of the Company.
- *Compliance with Applicable Laws.* Employees are expected to comply with all laws, rules and regulations applicable to the Company's activities.
- *Observance of Ethical Standards.* Employees are expected to adhere to high ethical standards in the conduct of their duties. These include, but are not limited to, honesty and fairness.

#### 3. **Conflict of Interest.**

Employees may not engage in conduct or activities that are inconsistent with the Company's best interests. Employees should act to avoid any conflicts of interest and the appearance of conflicts of interest between themselves and the Company. Situations that involve, or may involve, a conflict of interest with the Company should be disclosed promptly to appropriate personnel (such as a supervisor or manager), who may consult with legal counsel as necessary.

A "conflict of interest" can occur when an individual's own interest is adverse to – or may appear to be adverse to – the interests of the Company as a whole. Conflicts of interest may also arise from the interest of an individual's immediate family, including a person's spouse, parents, children and siblings, whether by blood, marriage or adoption, or anyone residing in such person's home.

#### 4. **Record Keeping and Public Communications.**

Employees are responsible for the accurate and reliable preparation and maintenance of the Company's records. Employees are expected to prepare and maintain records and other essential data with care and honesty. Reports and documents that the Company files with or submits to the Securities and Exchange Commission, and other public communications, should contain full, fair, accurate, timely and understandable disclosure.

**5. Corporate Opportunities.**

Employees are prohibited from: (a) taking for themselves personally opportunities related to the Company's business; (b) using the Company's property, proprietary information, or position for personal gain other than incidental personal gain; or (c) competing with the Company for business opportunities. In addition, employees may not use Company assets, labor or proprietary information for personal use, other than incidental personal use, unless previously approved by a supervisor or manager, or the Company's Chief Financial Officer or Chief Executive Officer.

**6. Confidentiality.**

Employees should maintain the highest confidentiality of information, except when disclosure is authorized or legally mandated. For purposes of this Code, "confidential information" includes all non-public information relating to the Company, its business, customers or suppliers.

**7. Encouraging the Reporting of any Illegal or Unethical Behavior.**

Employees should promote ethical behavior and create a culture of ethical compliance. Employees should foster an environment in which the Company: (a) encourages employees to talk to supervisors, managers and other appropriate personnel when in doubt about the best course of action in a particular situation; (b) encourages employees to report violations of laws, rules and regulations to appropriate personnel; and (c) informs employees that the Company will not allow retaliation for reports made in good faith.

**8. Conclusion.**

Employees are expected to communicate suspected violations of this Code promptly to appropriate personnel, including a supervisor or manager, or the Company's Chief Financial Officer or Chief Executive Officer. If an accounting, internal accounting control, or auditing matter is involved, employees may also contact the Audit Committee by writing to the Company, Attn: Corporate Secretary, 2445 M Street, NW, Washington, D.C., 20037 and marking the outside of the envelope "Audit Committee Communication." Violations will be investigated as deemed necessary and appropriate disciplinary action will be taken in the event of any violations of the Code.

This Code is not intended to address all situations where ethical issues may arise. If employees have any questions as to their roles and responsibilities or meaning of this Code they should address their concerns to appropriate Company personnel, such as a supervisor or manager, before acting.