



Social Responsibility Report 1978

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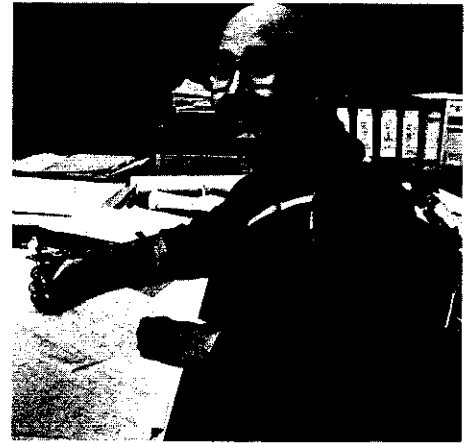


“Control Data is a worldwide business dedicated to improving the quality, equality and potential of people’s lives through the application of its computing technology, financial resources and professional services.”

Corporate Mission Statement



Introduction



The term "corporate social responsibility" denotes vastly more today than when it first appeared some ten or more years ago. From a few small efforts to "do good" it has come to mean, in an increasing number of companies, serious and substantial efforts aimed at meeting some of society's pressing needs.

In part, this reflects a beginning realization that such a change is essential to the preservation of the American business and economic system. This system isn't perfect but it has produced a higher standard of living with more freedom of choice than any other. Still, its performance is far short of what it can be. Major improvements will take planning and implementation in which all segments of society, including business, labor, academia, government and the churches, participate. A high degree of interaction will be required because basic change in one segment won't occur without accommodation and support from others.

Business has far too long been living in the past, preoccupied with doing things in the traditional way. Meanwhile, the world has changed. The problems and needs of the U.S. industrial society today are different from those of the 19th century or the first half of the 20th.

This is reflected in the growing controversy in recent years between the "social" responsibility of business and the "profit" responsibility of business. Business needs to be reminded that the fundamental reason for its existence is to deliver the goods and services that society needs. In our system, profits are essential to the continuation of business, but society may decide that the business system itself, as we know it, is not essential unless it becomes more responsive to society's real needs.

While business has been mainly ignoring the major problems of society, the government has demonstrated its inability to cope successfully with them alone so they are growing to disastrous proportions.

The list of needs is long. It includes more and cheaper energy; rebuilding of cities; environmental protection; lower food costs; more available and less costly health care; lower cost, more available and higher quality education; better availability of technology, and — most important of all — more jobs, especially more skilled jobs.

Solutions are critical to our future and they are interrelated. For example, vast numbers of new jobs will come from the development and production of new energy sources, from programs for energy conservation, environmental protection and city building and rebuilding.

What is required is a fundamental change in which business takes the initiative and provides the leadership for planning and managing the implementation of programs meeting these needs — in cooperation with government, labor unions, universities, churches and all other major segments of society. The major problems of our society are massive, and massive resources are required for their solution. The best approach is to view them with the strategy in mind that they can be profitable business opportunities with an appropriate sharing of cost between business and government. Where the resources for solving problems are beyond those of a single company, as most are, they should be pooled through cooperative projects or joint venture companies.

Control Data adopted such a strategy ten years ago. It has been pursued vigorously and has proven sound. Although we undertake some social programs such as our Northside Child Development Center just because they are the "right thing to do," we view the major unmet needs of society as opportunities to pursue profitable business. Our approach, as indicated by our statement of mission, is to apply our technical and financial resources and professional services in innovative ways to help solve selected societal problems.

Control Data applies these resources to issues that we select on the basis of a number of criteria including:

- 1) The importance of the problem to society
- 2) Control Data's capabilities to address it
- 3) The likelihood that methods developed will result in a business opportunity

The first program implemented was that of putting plants in depressed areas. It was followed by programs in health care, education, technology exchange and others.

Implementation of all programs is done with an underlying sense of concern for our whole range of stakeholders: investors, employees, customers, and the people of the communities where we live and function.

The following pages describe many of the ways Control Data is expressing this sense of responsibility to society.



PLATO Computer-Based Education

Control Data's largest program addresses the worldwide need for better, more available and lower cost education.

The only way to make major progress in solving this massive and urgent problem is through the use of technology, such as television, audio/video tapes and satellite transmission coordinated in a network learning system with computer-based education.

Control Data has been engaged in developing PLATO® computer-based education for fifteen years. We see computer-based education as ultimately becoming the largest part of our business.

PLATO provides a broad and flexible range of courseware stored on a central computer. The courses are accessible by students through television-like terminals operated by the student at his or her own pace via a typewriter-like keyboard.

Computer technology provides the only practicable means of bringing to education the quality, equality and productivity improvement that is so sorely needed. Inadequate education is an underlying cause of the high rate of disadvantaged youth unemployment in our inner cities. In spite of the crying need for it, there is resistance to computer-based education by some teachers and school boards. It has many causes, including fear of loss of jobs. An increased understanding of the potential for quality improvement in education should alleviate these fears and clear the path for innovations such as PLATO.

Fair Break

Control Data launched the Fair Break program in 1977 primarily to aid unemployed youths. Underdeveloped basic skills, lack of vocational training and personal despair are major factors that now prevent thousands of young people from becoming self-sufficient, productive citizens. Many even lack the means to take advantage of existing training programs.

This program is targeted at youths who face serious barriers in completing training programs, in maintaining employment, or in qualifying for military service. Major components of Fair Break include basic skills and vocational education, peer group counseling, individual career guidance and job placement assistance.

A Fair Break Center has been established in the inner city of St. Paul, Minnesota. Because of its success, several more programs have been established by Minnesota Comprehensive and Employment Training Act governmental units. In 1979 Fair Break plans to serve over 1500 clients. At these centers Control Data's PLATO computer-based education system delivers individualized lessons to develop basic skills, helping dropout youths reach an acceptable level of literacy and preparing them for a high school equivalency exam or diploma. The setting is specially designed to appeal to students who have been alienated by conventional schooling.

Counseling and guidance services focus on both personal and vocational needs. Because Fair Break participants typically have experienced failure, counseling services help build students' confidence and self-concept.

Fair Break also provides work experience and job placement assistance. The program prepares students for on-the-job training, for further vocational or skills training or for full-time employment.

In keeping with Control Data's philosophy of cooperation, Fair Break involves government, business, industrial and labor organizations. Control Data integrates the services and resources of these organizations.



Fair Break helps students develop basic skills.



First Fair Break learning center is in St. Paul.

Adult Literacy

Another project aimed at the unemployment problem is the Adult Literacy Program in Baltimore, begun in February 1978 by Commercial Credit Company, Control Data's financial services subsidiary. The project provides basic skills education and employment skills training for functionally illiterate adults — the estimated 10 percent of Baltimore's adult population whose skills are below eighth grade level.

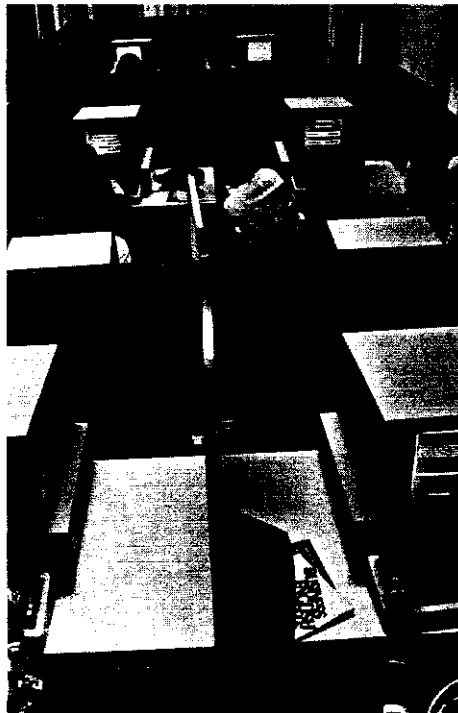
The Adult Learning Center delivers Control Data's Basic Skills Curriculum through the PLATO computer-based education system. The curriculum contains approximately 500 hours of course material in math, reading and language arts. In June 1978, the Learning Center was serving 165 students.

The initial sample group of 15 adults who completed the math portion of Basic Skills, gained 1½ to 2 grade levels. Most began at the sixth or seventh grade level and completed the 19½ hours of study — 13 hours on the PLATO system and 6½ of outside work — in 8 to 10 weeks. In reading, adults advanced an average of one grade level in fewer than 12 hours, including 7½ hours of PLATO instruction.

Most students participate under the federally funded CETA (Comprehensive Education and Training Act) program and spend 4 to 6 hours per week taking Basic Skills as part of their work assignments. A pilot group of 30 is also learning general clerical and office practices combined with Basic Skills as part of a more intensive training program.

This center is a joint venture with the Baltimore Mayor's Office for Manpower Resources which screens and refers

participants to the program. The goal is to increase the employability of educationally and economically disadvantaged people, which includes welfare recipients, ex-offenders, high school dropouts and women returning to the workforce.



Adult Learning Center in Baltimore

Walbrook High School

The Walbrook Project was started in 1975 in Baltimore. Initially, eight PLATO terminals delivered math and consumer credit courses. The program has been expanded by placing four additional PLATO terminals at Walbrook and 14 in two junior high schools that feed Walbrook. Today, these terminals deliver courseware for remedial math, reading and language skills, and foreign language training to over 400 students per semester.

Preliminary findings of the overall project indicate that previously discouraged students are motivated to learn, resulting in reduced absenteeism and a new enjoyment of learning. Some students expressed their enthusiasm for learning via the PLATO system when they broke into the school after hours to work on the computer terminals.

The program is jointly supported by Commercial Credit Company and the Baltimore City School System.



At Walbrook High School, PLATO terminals deliver courses in math, language and consumer education.

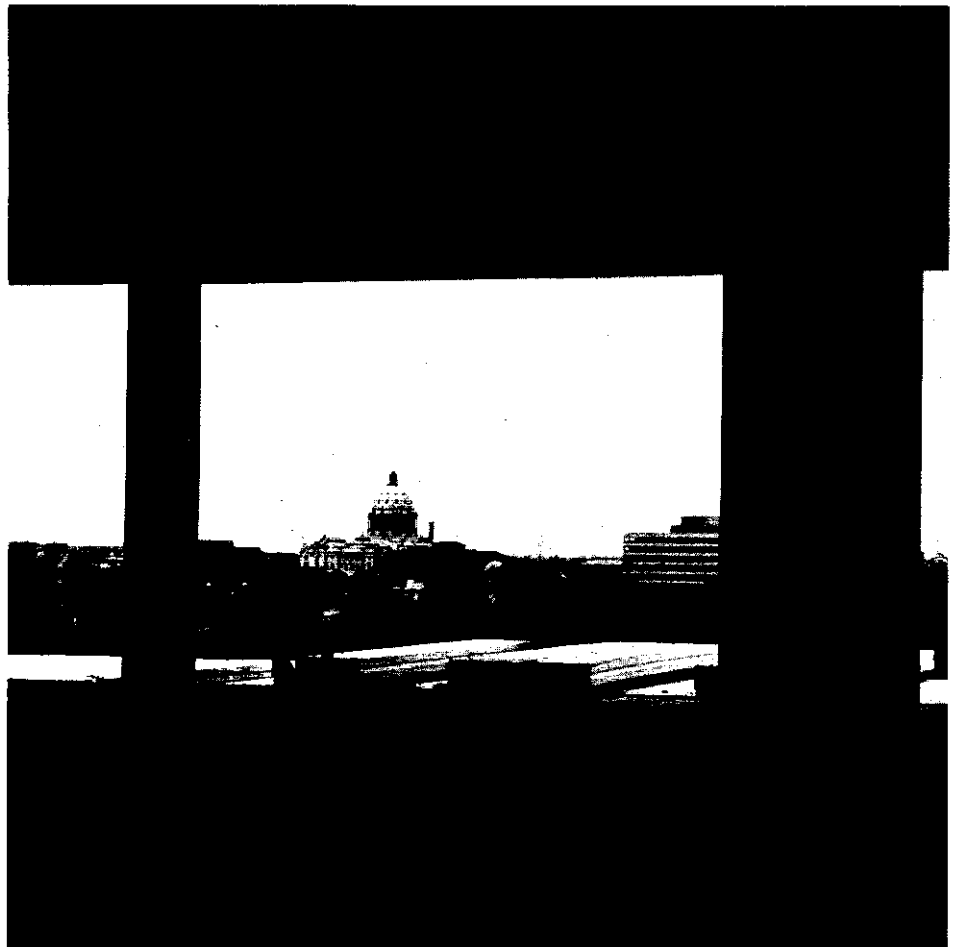
Urban Revitalization

Public programs to solve the nation's urban problems have met with little success and, in some cases, have fostered the social ills they intended to cure. Reasons for failure of urban programs are complex but include the minimal involvement of the private sector in formulating and implementing policy for revitalizing depressed urban areas.

Control Data's experience in urban revitalization has convinced many that improvement of urban areas must be energized by an infusion of management skills, technology, and capital.

Control Data is committed to bringing these needed resources to America's cities through partnerships with others who share the commitment to innovation and problem solving. Each of the partners in this effort will bring significant experience to the solution of societal problems, from areas of education and health care to environmental control and urban renovation. Fundamental to the success of the efforts to revitalize urban areas will be the creation of meaningful, lasting jobs.

It is clear that the social and economic decay present in so many urban areas today constitutes one of our most significant societal problems. The statistics regarding urban crime, unemployment, inadequate housing, deficient educational programs and health services are staggering. While many people continue to debate the situation, known technologies for solving these problems go unapplied on any meaningful scale. The resulting waste of manpower, natural resources, energy and money, coupled with the prevailing climate of fear, hopelessness, despair and anger, strongly suggest that a new alternative be explored.



Multi-million dollar worldwide parts distribution facility under construction.

The successes that have been achieved by Control Data and others are compelling evidence that solving urban problems can be turned into business opportunities . . . with markets in every urban area. Renovation of the inner city, establishment of new towns, investment in the formation and growth of new private enterprises, better education, delivery of human services, applications of new technologies for supply and conservation of energy and for housing construction illustrate just a few areas where substantial potential exists.

New technologies, properly harnessed, with the participation of the private sector and long-term financing from both the public and the private sector, should result in better urban living.



Northside manufacturing plant in Minneapolis

Inner-City Operations

Control Data has successfully established three inner-city plants. These facilities are located in economically depressed areas of St. Paul, Minneapolis and Washington, D.C. A fourth facility is under construction and a fifth is in the planning stages. When the fifth is completed, total employment of the inner-city plants will exceed 1500.

Control Data has succeeded in making the inner-city plants profitable at a level competitive with Control Data's other operations. At the same time, the inner-city facilities serves the interests of the surrounding communities . . . providing jobs for inexperienced persons and the means for inner-city residents to begin careers in the mainstream of industry. In 1978 the payroll from the three plants will total more than \$6.5 million — a substantial addition to the economic base of these communities. And the presence of new facilities helps the communities rebuild.

The Selby plant, operating in the inner city of St. Paul, provides publication services that include collating, binding, and mailing for Control Data and other customers. It is the only plant in the country known to employ part-time workers for nearly all its work force. The part-time arrangement is an innovation that meets the needs of the community and has worked out well for Control Data.

Selby's work force is made up primarily of mothers with school age children and high school students. The part-time work schedule allows them the opportunity to work while meeting other obligations. The City of St. Paul has a 6.5% minority population; the employee population at Selby is 90% minority and management is 100% minority.

To accommodate Selby's growing business, construction of a major

addition was begun in 1978. The addition will nearly double the size of the plant from its current 15,000 square feet.

A new Control Data worldwide parts distribution center is under construction in an inner-city area near the Selby plant. It will consolidate existing operations from several suburban locations. When the center opens in early 1979, it will employ 400 people. Some current Control Data employees will relocate to the new facility but priority for filling job openings will go to neighborhood residents.

From the experience in operating plants in depressed inner city communities Control Data has gained an understanding of how to plan and construct inner city facilities and operate them as successful business operations.

The commitment of the corporation and the support of the community leadership is fundamental and essential to success.

The community can define its needs and work with the company to achieve the mutual goal of a successful operation. Control Data also works in concert with local government especially in the siting and construction of the facilities. Because open land for building is usually scarce in inner city communities, the involvement of the city is needed to assist in site development. Control Data has found local governments to be enthusiastic partners.

What the plant produces is important too. Control Data strives to identify products for inner city facilities which are needed and can provide stable work. It is important that the products be central to the profitability and operation of the corporation or the plant will be vulnerable during times of economic recession.

Priority for employment should be given to community residents and the plant should provide a mixture of job levels to

create opportunities for advancement from within. Availability of entry-level positions and accompanying training programs is an important ingredient.

After the plant is established, continued attention to the human resource is needed. Job skill development and ancillary services such as financial counseling, day care and other similar services may be necessary. At times this requires effort beyond that experienced at conventional plants, but Control Data's record shows that the extra effort pays off.



Washington, D.C. plant makes wiring assemblies.



Selby mails 7 million pieces per month.

Northside Child Development Center

Control Data established the Northside Child Development Center in 1971 as a result of its Northside operation where effective employment of inner-city residents, including many female heads-of-household with young children, often depended on the availability of quality, reliable child care. Thus, the center has a dual purpose. One is to offer job opportunities to families who might have to subsist at a poverty level without child care arrangements; the other is providing educational, emotional and physical development experiences for their children.

In December 1976, the Northside Child Development Center moved from an 80-year-old Minneapolis school building into a modern new building. It was built with 90 percent private funds and loans through the cooperation of local business and industry led by Control Data.

The center provides care for more than 130 children, ages 6 weeks to 13 years. Trained personnel conduct a carefully designed program for enriched child development. The program encompasses personal management and social development, physical development, arts and industry.

Northside Child Development Center operates as a nonprofit corporation controlled by a board of parents, business people and community leaders. Operating expenses are shared by several Minneapolis businesses, parent donations and governmental funds.



W. C. Norris at Northside Child Development Center.



The new Center, built at a cost of over \$400,000



Recreational activity rounds out a total program

Shield's Place

Control Data's subsidiary, Commercial Credit, initiated Project Help in 1975 to provide improved housing opportunity for low and moderate income families. The company purchased 10 row houses in a deteriorating section of Baltimore's inner city. The houses were scheduled for demolition, but Commercial Credit restored them.

When completed, the houses were sold under special financing terms which included low (\$500) down payment and interest rate (6½ percent). Commercial Credit absorbed a substantial share of the closing costs.

Each renovated home featured a living room and combined kitchen and dining area on the first floor with two bedrooms and bath on the second floor. Modern appliances and a central heating unit for each home were included, and a mini-recreation park was established at one end of the block.

Shield's Place represents the kind of corporate social responsibility advocated by Control Data and Commercial Credit by drawing on the company's capabilities and experience in financing and real estate development.

The project was a cooperative venture with the City of Baltimore's Department of Housing and Community Development. Following the renovation and sale of the initial 10 units, the city has undertaken the renovation of another 23 Shield's Place houses, thus improving the residential quality and stability of the neighborhood.



Shield's Place was slated for demolition.

Although technological innovation is the single richest source for creating new jobs, much of our existing technology lies buried in libraries and laboratories of businesses, government, research institutes, academic institutions and individual inventors.

This vast resource must be tapped to permit more efficient transfer of technology that can be transformed into products and services that meet society's long-term needs and, in turn, create new jobs.

Control Data's TECHNOTE[®] service is facilitating the needed exchange. Vast computerized data bases of technologies are being developed in such areas as agriculture, solar energy, and urban systems, and appropriate technology.

In building the agricultural technology data base emphasis is placed on technology that will be most important to the small family farm and small food processors. Priority in the urban data base is placed on energy-efficient technology for housing.

For a search fee, a TECHNOTE user can have access to technologies that have been proven elsewhere and can be applied in another setting. Through TECHNOTE, Control Data is facilitating the transfer of capabilities to solve pressing social problems.



Renovated Shield's Place townhouses



TECHNO-VAN 100,000-mile tour promotes technology exchange.

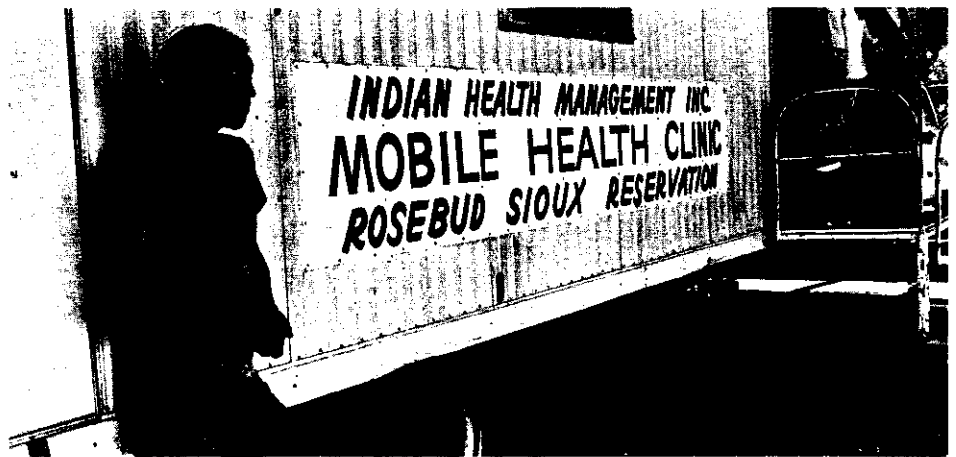
People everywhere must learn to take better care of themselves. The need is especially acute for lower cost, better health care in rural areas, inner cities and underdeveloped countries.

Control Data is active in a broad range of activities designed to improve both health education and the efficient administration of health care.

We are, for example, working to expand the traditional use of computers as a direct extension of treatment. Computer terminals can permit paraprofessionals to perform health screening and many routine medical services. Terminals can also aid physicians in conducting diagnostic work more rapidly and efficiently.

Control Data is committed to the development of a comprehensive "self health management" system using PLATO computer-based education to help teach people to be more responsible for their own health maintenance. The program will include self assessment and specific fitness recommendations.

Another health care program has been underway for three years on South Dakota's Rosebud Indian Reservation where Control Data is working with tribal leaders to apply computer technology and managerial resources to dramatically improve health care delivery. Previously, one small hospital was responsible for the care of 8,500 native Americans at Rosebud. Those who required care had to travel up to 130 miles to get it and the number of professional staff was woefully inadequate for the task.



Mobile clinic helps doctor care for patients throughout the 958,500-acre Rosebud Reservation.



Medical assistants teach infant care



Immunization of children increased 66 percent.

Significant improvements have been evident since Control Data's medical van began traveling the reservation providing care to 900 residents per month. In addition, four clinics have been established and Indian paramedics have been trained. All this was accomplished with corporate social responsibility funds from Control Data. The program has provided Control Data with know-how for helping to provide better health care for less cost.

In 1973 Control Data established an affirmative action program for purchasing supplies and services from minority-owned or controlled businesses. Under this program, the company takes positive action to seek out, use and assist minority vendors. All purchasing operations set goals for minority business activity and report their progress quarterly to the Purchasing Council which has corporate responsibility for the program.

Control Data initiated the program to more effectively practice its social commitment by expanding the opportunities for minorities to become economically independent. Therefore, we emphasize assistance to minority businesses to help them become qualified suppliers. Among the ways we do this are supplying raw materials or components and providing engineering and technical assistance.

Accompanying charts show minority purchasing program activity for Control Data and Commercial Credit.

MINORITY BUSINESS PROGRAM FOR PURCHASING: SUMMARY OF ACTIVITY

CONTROL DATA

	1976	1977	PERCENT CHANGE
1. Number of New Minority Firms Identified	254	276	+8
2. Number of Minority Firms Contacted	554	457	-18
3. Number of Orders Placed with Minority Firms	1,673	2,263	+35
4. Total Dollars Committed to Minority Firms	\$ 2,419,098	\$ 4,298,486	+77
5. Total Dollars Committed to All Suppliers	\$273,271,000	\$391,765,266	+43
6. Percent of Total Commitments with Minority Firms	0.88%	1.1%	+24

COMMERCIAL CREDIT

	1976	1977	PERCENT CHANGE
1. Number of New Minority Firms Identified	2	19	+850
2. Number of Minority Firms Contacted	22	30	+36
3. Number of Orders Placed with Minority Firms	192	330	+72
4. Total Dollars Committed to Minority Firms	\$ 114,948	\$ 147,480	+28
5. Total Dollars Committed to All Suppliers	\$3,797,324	\$4,882,148	+28
6. Percent of Total Commitments with Minority Firms	3%	3.1%	+0.03



Electrical contractor Riser at new St. Paul plant

Employee Advisory Resource (EAR)

In 1974, Control Data established the Employee Advisory Resource to assist employees in seeking solutions to their personal and work-related problems. EAR goals are to improve employee productivity, the quality of working life and employee's personal lives, decrease insurance costs and strengthen employee identification with the company. The EAR program is based on a realization that personal problems are not left at home but have impact in the work place. Similarly, work life and work satisfaction have very important effects on family and personal life.

Control Data has made EAR available as a counseling service — to all of its United States employees, plus their dependents. EAR is a cooperative program that makes full use of the great variety of existing community services as well as company resources. EAR counselors assist employees in defining their problems, deciding on the course of action that best helps solve the concern, and identifying the most appropriate company- or community-based resource to assist in the solution.

Where few, if any, community resources exist, Control Data has established the needed service within the EAR staff. Family financial management, advice on legal matters, assistance in obtaining legal representation, and employee rehabilitation are such areas.

A basic aspect of EAR is its telephone hot-line, available 24 hours a day. Ninety percent of all initial contacts with EAR are by telephone, suggesting that the telephone counseling concept works in industry. Most inquiries are self-referred: the individuals decide they have a problem and want to discuss it. Some callers just want to talk; others need to find help quickly. About two percent of the calls concern an immediate crisis,

such as drug overdose, potential suicide or family emergency.

In 1977, EAR handled approximately 4800 cases — about fifteen percent of Control Data's U.S. workforce. Personal problems represented about sixty percent of the case load: alcoholism and drugs, legal, financial, marital, family, physical and mental health problems. Forty percent are work-related problems — including benefits, policies and procedures, compensation, transfers, career and performance.

Although EAR cannot be evaluated strictly in economic terms, it is apparent to Control Data that there are substantial savings in medical benefits and employment costs. Letters from grateful employees speak of the immeasurable benefits: lives no longer disrupted by problems which have been alleviated or solved. In particular, the rehabilitation of alcoholic employees to acceptable work performance is of enormous importance. The company is paid back in improved job performance, decreased benefit costs, and lower rates of absenteeism and tardiness.

Control Data now markets this unique program and has helped establish more than 50 employee assistance programs in other companies and institutions, some of which purchase counseling and referral services from Control Data.



EAR is accessible by telephone 24 hours a day.



EAR general manager John Moe with national award

Mental Health Employer of the Year Award

The National Mental Health Association and the President's Committee on Employment of the Handicapped granted its 1977 Mental Health Employer of the Year award to Control Data. Association president, Mary Chase Pell, stated that Control Data showed "outstanding achievement in building job opportunities for the mentally restored and for implementing employee policies and practices conducive to sound mental health. Your example . . . constitutes a most significant contribution toward the reduction of social stigma against those who have suffered mental or emotional problems."

Sound mental health practices and equal opportunities for mentally restored people are the primary criteria upon which the Association made the award. Specifically cited were Control Data's free Employee Advisory Resource (EAR) program, employment of handicapped persons, special rehabilitation programs and the broad spectrum of educational and self-enhancement courses offered by the company.

Equal Employment Opportunity

During the late sixties and early seventies, the major equal employment opportunity thrust throughout Control Data was to recruit a greater number of minorities and women. Under this program, Control Data hired many valuable employees and continues to do so.

Today's challenge is to provide more development and career advancement opportunities — that is, quality employment as well as a quantity of jobs. Control Data now has a resource of experienced women and minority employees who have the potential for higher positions. We have created a number of programs to help them develop and advance. Our goal is proportionate employment of minorities and women at all levels and in all job categories throughout the corporation.

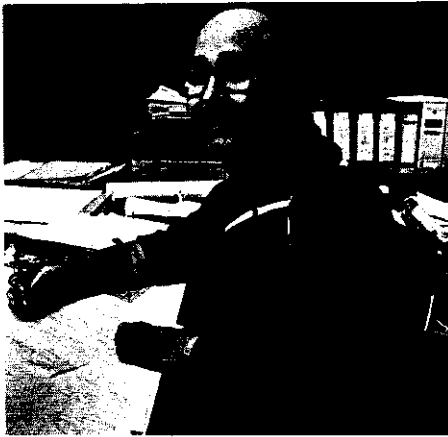
Control Data continues its equal employment policies and practices by actively recruiting minority and women candidates at predominantly minority and women's colleges, establishing numerical goals and timetables for each operating unit, resolving complaints through the use of internal resources rather than external agencies, cooperating with national minority and women organizations and increasing management awareness through training seminars.

Career development programs for minorities and women have led to increased emphasis on development opportunities for all employees. The company wants each employee to realize full individual potential. Control Data also practices interim job placement to give employees experience and background needed for further advancement.

All managers are becoming more involved in plans to move minority and women employees into all job families and employment levels. Further, line managers are accountable for actively working toward proportionate employment goals.

Control Data	As of January 1	Total U.S. Employment	Minority	Percent	Non-Minority Women	Percent
Officials & Managers	1968	9075	40	1.3	61	1.9
	1974	3008	150	3.3	117	2.9
	1976	3865	158	4.0	145	3.7
	1977	4834	181	4.3	189	4.7
	1978	4874	204	4.7	244	5.0
Professional	1968	4832	178	3.6	286	5.8
	1974	6321	425	6.7	528	8.3
	1976	6078	356	5.8	619	10.2
	1977	5797	408	7.0	738	12.7
	1978	5828	522	8.2	908	14.3
Technical	1968	3683	132	3.2	101	2.6
	1974	4654	418	8.1	120	2.6
	1976	5080	511	10.2	380	5.2
	1977	5277	584	10.3	593	5.8
	1978	5848	804	11.3	537	6.3
Sales	1968	424	4	0.9	1	0.2
	1974	1844	91	5.3	98	9.4
	1976	1188	65	5.3	128	11.2
	1977	1178	68	7.6	187	14.2
	1978	1473	128	8.5	258	17.4
Clerical	1968	8808	288	5.4	3543	68.8
	1974	8193	892	13.5	3373	65.0
	1976	8852	822	12.8	3621	74.6
	1977	8458	1005	16.1	4814	73.8
	1978	8331	843	15.3	3194	73.7
Craft	1968	389	29	3.0	298	30.5
	1974	1055	152	14.4	159	15.1
	1976	836	42	7.8	71	13.2
	1977	641	52	8.1	74	11.5
	1978	782	81	10.3	80	10.2
Operatives	1968	4138	261	5.1	2830	68.4
	1974	3788	718	19.0	2582	68.0
	1976	3587	678	18.9	2119	58.9
	1977	4297	900	20.9	2585	59.7
	1978	5014	1020	20.5	3073	61.3
Services	1968	240	22	9.2	8	2.5
	1974	488	41	22.0	13	7.0
	1976	174	32	18.4	18	9.2
	1977	188	22	18.0	18	10.7
	1978	138	20	14.5	14	10.1
TOTALS	1968	22539	918	4.1	6923	30.7
	1974	28068	2653	10.2	8970	26.7
	1976	25810	2884	9.7	8878	27.6
	1977	27824	3218	11.5	8858	31.3
	1978	27800	3246	11.7	8108	29.2

Commercial Credit	As of January 1	Total U.S. Employment	Minority	Percent	Non-Minority Women	Percent
Officials & Managers	1976	1481	34	2.3	74	5.0
	1977	1876	58	3.5	111	6.8
	1978	1538	56	4.3	98	6.4
Professional	1976	662	45	7.1	133	22.1
	1977	788	68	8.3	195	24.7
	1978	614	81	9.9	158	25.9
Technical	1976	193	18	9.8	12	6.2
	1977	228	30	13.1	12	5.2
	1978	128	18	14.1	8	6.3
Sales	1976	280	11	3.9	18	5.7
	1977	413	28	6.2	42	10.2
	1978	376	27	7.2	22	5.9
Clerical	1976	4280	888	15.7	2845	62.5
	1977	4786	827	17.4	2877	60.5
	1978	4293	821	19.3	2534	60.3
Craft	1976	10	6	60.0	7	10.0
	1977	—	—	—	—	—
	1978	—	—	—	—	—
Operatives	1976	87	8	11.9	7	10.4
	1977	150	12	8.0	14	9.3
	1978	22	10	45.5	0	0.0
Services	1976	188	27	19.8	57	41.3
	1977	363	58	19.8	141	39.9
	1978	83	37	44.8	22	28.6
TOTALS	1976	7001	814	11.8	2845	42.1
	1977	8385	1021	13.0	3302	40.5
	1978	6854	1040	14.9	2843	40.6



Robert Peters, senior administrative specialist

Employment of the Handicapped

Control Data has made significant efforts to increase both the quantity and quality of job opportunities for handicapped persons. These encompass provisions for current employees who are handicapped, help for employees who become disabled and recruiting and hiring of handicapped persons.

We have made structural adjustments and other accommodations to provide barrier-free work facilities. We also purchase special equipment, modify working conditions and adjust job tasks in consideration of the employee's handicap. If a person's handicap prevents performance of a specific job, Control Data attempts to offer an alternate position. In addition, the Employee Advisory Resource staff includes a rehabilitation counselor.

When Robert Peters became confined to a wheelchair, Control Data adapted the conditions of his engineering job at its Normandale facility, allowing his employment to continue. The company also sponsored a book that he wrote, *Easy Wheelin'*, a Minnesota access and travel guide for persons confined to wheelchairs.

Control Data maintains contact with agencies that train and rehabilitate handicapped persons. Similar contacts with other employment and service organizations publicize Control Data's affirmative position on handicapped employment.

Recently, Control Data established a Rehabilitation Committee whose members represent all levels of employment throughout the company. The committee studies the problems of handicapped persons and recommends measures that Control Data can implement to remain a leader in employment of the handicapped.



Larry Vogt counsels chemical dependency patients.

Social Service Leaves

In 1977, Control Data approved a new policy that permits employees to take leaves of absence to work for community or nonprofit organizations on social projects that would conflict with the employee's normal work hours.

Control Data grants a limited number of long-term (one month to one year) leaves during which employees are assured of receiving their normal salary. For short-term leaves, benefits continue but no salary is paid.

Larry Vogt a graduate services administrator at Minneapolis Control Data Institute received a one-year leave to provide vocational counseling to chemical dependency patients at Abbott/Northwestern Hospital. Vogt and the hospital agreed that vocational counseling is important to the recovery and rehabilitation of chemically dependent persons. The hospital did not have funds for setting up such a program, so Control Data is assisting Vogt's effort.

A six-month leave was granted to Vic Evans, senior diagnostic engineer at the Arden Hills facility. Evans is developing a volunteer fire department for Andover, Minn., (population 8700) because the village does not have the funds to hire someone to do this.



Commercial Credit's first employee van

Employee Van Pool

Commercial Credit operates a van pool project for employees who work at its headquarters in downtown Baltimore. The company started the project in May 1976 with two van routes. By mid-1978, 12 vans were in operation with all available seats occupied.

The project conserves fuel and energy, reduces traffic congestion and pollution and frees nearly 50 downtown parking spaces. Through December 1977, the vans provided almost 2 million passenger miles of transportation and are saving more than 34,000 gallons of fuel annually.

The company underwrites all major costs including purchase of the vans. Employees pay a moderate monthly fee to cover variable costs such as gasoline and parking.

As a result of its very positive experience with van pooling, Commercial Credit is now helping other businesses to set up similar projects.

Corporate Ethics

General Statement

- Control Data and its subsidiaries are committed to a high, worldwide standard of business ethics, integrity and social justice. The company will be a law abiding citizen of any country in which it operates and will not intrude into the political affairs of any country.
- The company will not cause or permit any director, officer or employee to take any action which would result in violation of any local laws or regulations.
- There will be timely and accurate accounting regarding all transactions engaged in by the company, with particular attention to gifts, gratuities, contributions and the retention of agents and consultants.
- Management, with the advice of the company's independent auditors, will maintain accounting and audit procedures necessary to assure that there are such prompt and accurate accounting and such other internal controls as are necessary to assure compliance with this policy.

Political Contributions

Even where political contributions are legal, it is the company policy generally not to make such contributions. Where it is legal and also appropriate under local custom, modest contributions may be made openly.

Conflicts of Interest

Circumstances that could produce conflicts of interest between personal business or financial interests of an employee and those of the company will not be tolerated.

Payments

The company will not directly or indirectly make or promise illegal payments or contributions, or engage in any other illegal conduct, in order to influence customers, suppliers or governmental entities, including their officials or employees, to secure or retain business, to encourage any such employees or officials to fail or to improperly perform their official functions or to influence legislation,

nor will the company submit to extortion as a condition of doing business.

Gifts and Gratuities

Gifts shall not be given or received except of nominal value. Where local custom is so strong that to refuse a gift or to not reciprocate with a gift, would be considered a damaging insult, a gift can be received or given but only upon proper approval.

Gratuities or tips to facilitate the obtaining of services that are supposed to be performed are not favored and are to be resisted. Outside of the United States, if there is a strong local custom for such gratuities, they will be tolerated but only if made in small amounts and are properly accounted for and reported.

Social Justice

Our company has for many years been the recipient of valuable services from loyal and dedicated employees. Their support, and that of the communities in which we carry on our activities, have been essential to the company's growth and success, and indeed to its survival during the difficult times most new and growing companies experience.

The company and our shareholders wish to continue receiving such loyal support. Our success and prosperity depend upon it and in that light Control Data strives to employ its people within the bonds of a mutual commitment that is just and satisfying.

This commitment is implemented through forward-looking and humanitarian policies for career growth, working conditions, compensation, assistance in solving personal and job related problems, and personal relationships. In turn, employees recognize that their career goals and the economic success of the company are truly interdependent, and as a result they contribute their full and creative effort on the job.

Our employees, the communities in which they live, and our customers all deserve management's best efforts to preserve the job environment in which each employee is encouraged to achieve his or her highest level of productivity, personal satisfaction

and quality of life. Uninvited attempts on the part of outsiders to take over control of the company may place in jeopardy these employee goals, and in turn jeopardize company and shareholder goals. The predatory practices common in such attempts may inflict on employees severe hardship and emotional injury which stifle creativity and stunt career growth. The unwanted takeover can violate the mutual commitment between employer and employee, thereby crippling productivity and eventually causing social injury and loss of economic vitality.

By articulating our abhorrence of unwanted takeovers, whether of our company or by our company, it is our belief that we can best foster and encourage stable, productive employee performance. The company, through its Board of Directors, has affirmed its recognition of this basic commitment to preserve our employees' job environment for the benefit of the company, its shareholders, its customers, and the communities in which the company operates. Uninvited takeovers will be regarded as contrary to this commitment and inconsistent with basic principles of social justice.

Any takeover attempt will be evaluated in the light of all of the circumstances to determine whether it is in the best interest of the shareholders. Consistent with our policy, however, the company will resist to the fullest extent any takeover effort that is not found to be promotive of social justice.

Should any outside parties perceive something of value in Control Data that they desire to take advantage of, we are willing to pursue this on a mutually advantageous basis and will explore the possibilities of cooperation through joint venture, joint project or other agreed mechanisms. In this manner the company, its shareholders, the employees, their communities, and the outside parties can all benefit.

Fair Competition

The company will comply with all anti-competitive laws and will compete fairly in all circumstances. The company will be truthful in its advertising and in its marketing of goods and services.



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