

FLA Audit Profile

Factory Code	690082214H
Country	United States
FLA Affiliate	Electronic Arts
Monitor	Accordia
Audit Date	September 28, 2009
Products	Video game software
Processes	Assembly, distribution
Number of Workers	337



FAIR LABOR
ASSOCIATION™

Table of Findings:

Wages, Benefits and Overtime Compensation: A. General Compliance Wages, Benefits and Overtime Compensation _____	2
Miscellaneous: A. Code Awareness _____	3
Miscellaneous: A. Code Awareness _____	3
Health and Safety: I. Evacuation Requirements and Procedure _____	4
Health and Safety: N. Material Safety Data Sheets/Worker Access and Awareness _____	5
Health and Safety: ZC. Other - Health and Safety _____	6
Working Hours/Overtime _____	7

Wages, Benefits and Overtime Compensation: A. General Compliance Wages, Benefits and Overtime Compensation

WBOT.1 Employers shall comply with all local laws, regulations and procedures concerning the payment of wages and benefits, including overtime compensation. In any case where laws and the FLA Code are contradictory, the standard that provides the greatest protection for workers shall apply. Where provisions are lacking, employers shall take measures to reasonably accommodate matters concerning the payments of wages and benefits, including overtime compensation. (S)

Audit Date	Audit Type	Audit Scope	Auditor	Score
09/28/2009	External	FLA IEM Audit Scope	Accordia Global Compliance	Noncompliance

Explanation: One of the factory's temporary employment agencies was not able to produce three out of four employee I-9 forms on the day of the audit. Agency representative explained that the I-9 forms are likely in storage and may be able to be retrieved in two days. Monitor explained that current employee records should be maintained in the local employment office to show compliance to local requirements.

Plan Of Action: The Applicable Supplier has requested that Staffing Agencies ensure records are available either on-site or at the local branch office for all currently active employees. This particular instance occurred due to an office move. While physical office space was being prepared, the records were stored in a secure off-site record storage facility. The staffing agency has requested the records and is in the process of ensuring all active employee records are located on-site or at the local branch office. The staffing agencies have assured the Applicable Supplier that this issue will be corrected. The Applicable Supplier will conduct an audit within the next 3 months to ensure this item has been corrected.

Deadline Date: 01/31/2010

Supplier CAP:

Supplier CAP Date:

Action Taken:

Plan Complete:

Plan Complete Date:

Action Verified:

Action Verified Text:

Action Verified Date:

Comments:

Confidential Comments:

Miscellaneous: A. Code Awareness

GEN.2 Ensure that all Company factories as well as contractors and suppliers inform their employees about the workplace standards orally and through the posting of standards in a prominent place (in the local languages spoken by employees and managers) and undertake other efforts to educate employees about the standards on a regular basis.

Audit Date	Audit Type	Audit Scope	Auditor	Score
09/28/2009	External	FLA IEM Audit Scope	Accordia Global Compliance	Noncompliance

Explanation: Management and workers have not received awareness training as evidenced by monitor's interviews. The Labor Standards for Electronic Arts Product Suppliers which substantially meets the FLA standard was found on site, however was not posted.

Plan Of Action: Although the Labor Standards were posted in the front office area, they were not posted in the employee break area. This has been corrected and the standards have been posted on the Employee Communications Board outside of the Employee Break-room. In addition, the Applicable Supplier is in the process of revising the Employee Handbook, which will incorporate statements about the Electronic Arts Labor Standards for Product Suppliers. Also, the HR Department of the Applicable Supplier will raise awareness to the standards during future Employee meetings.

Deadline Date: 03/31/2010

- Supplier CAP:**
- Supplier CAP Date:**
- Action Taken:**
- Plan Complete:**
- Plan Complete Date:**
- Action Verified:**
- Action Verified Text:**
- Action Verified Date:**
- Comments:**
- Confidential Comments:**

Miscellaneous: A. Code Awareness

GEN.3 Develop a secure communications channel, in a manner appropriate to the culture and situation, to enable Company employees and employees of contractors and suppliers to report to the Company on noncompliance with the workplace standards, with security that they shall not be punished or prejudiced for doing so.

Audit Date	Audit Type	Audit Scope	Auditor	Score
09/28/2009	External	FLA IEM Audit Scope	Accordia Global Compliance	Noncompliance

Explanation: The monitor conducted an interview with workers to assess the factory's compliance with Company Obligations to provide a secure means of communication for the supplier factory's workers to report instances of non-compliance to the code. There was no evidence of any posting of information on who to contact, how to contact and what to report.

Plan Of Action: The following verbiage will be added to the Labor Standards for Electronic Arts' Product Suppliers: Notice to Employees of EA's Product Suppliers: If you believe there has been a violation of EA's Labor Standards, you may confidentially report it to EA. Please direct your report in writing to Electronic Arts Inc and include all relevant details regarding the suspected violation. If you have concerns about contacting EA directly, you may contact the Fair Labor Association. As stated in a previous response, these standards will be posted on the Employee Communications Board located outside the Employee Break room.

Deadline Date: 03/31/2010

Supplier CAP:

Supplier CAP Date:

Action Taken:

Plan Complete:

Plan Complete Date:

Action Verified:

Action Verified Text:

Action Verified Date:

Comments:

Confidential Comments:

Health and Safety: I. Evacuation Requirements and Procedure

H&S.9 All applicable legally required or recommended elements of safe evacuation (such as posting of evacuation plans, the installation and maintenance of an employee alarm and emergency lighting systems, ensuring aisles/exits are not blocked and that workers are not blocked within their workstations, employee education, evacuation procedures, etc.) shall be complied with. Workers shall be trained in evacuation procedures. Alarm systems shall be regularly tested and evacuation drills shall be undertaken at least annually. (S)

Audit Date	Audit Type	Audit Scope	Auditor	Score
09/28/2009	External	FLA IEM Audit Scope	Accordia Global Compliance	Noncompliance

Explanation: Monitor interviews with workers and management did not confirm that the facility

conducted fire drills at least annually on each shift.

Plan Of Action: Because the Applicable Supplier utilizes a large temporary workforce, fire drills will only impact the group if they happen to be working the day of the drill. Moving forward, the Applicable Supplier will conduct simulated drills in conjunction with the on-site staffing management to ensure permanent employees of the Applicable Supplier and Staffing Agency management are prepared and knowledgeable in evacuation procedures in the event of a fire or other emergency.

Deadline Date: 01/31/2010

Supplier CAP:

Supplier CAP Date:

Action Taken:

Plan Complete:

Plan Complete Date:

Action Verified:

Action Verified Text:

Action Verified Date:

Comments:

Confidential Comments:

Health and Safety: N. Material Safety Data Sheets/Worker Access and Awareness

H&S.14 Material Safety Data Sheets (MSDS) for all chemicals used in the factory must be available at the usage and storage sites of the chemicals, in the local language and the language(s) spoken by workers, if different from the local language. Workers shall have free access to MSDS. (P)

Audit Date	Audit Type	Audit Scope	Auditor	Score
09/28/2009	External	FLA IEM Audit Scope	Accordia Global Compliance	Noncompliance

Explanation: Monitor selected a sample of chemicals found in use at the facility. Two items used in repair and maintenance of fork trucks (Degreaser & Cleaner and Battery Protector) were not found to have MSDS' in the right to know binder.

Plan Of Action: The chemicals in question were those being used by a contractor working on forklift equipment. These chemicals are used during the repair process and removed daily. The Applicable Supplier requested that the contractor provide MSDS sheets for any and all chemicals they bring into the building. The contractor has complied and the MSDS sheets are in the departmental "Right to Know" binder.

Deadline Date: 10/07/2009

Supplier

CAP:
Supplier CAP
Date:
Action
Taken:
Plan
Complete:
Plan
Complete
Date:
Action
Verified:
Action
Verified
Text:
Action
Verified
Date:
Comments:
Confidential
Comments:

Health and Safety: ZC. Other - Health and Safety

Other

Audit Date	Audit Type	Audit Scope	Auditor	Score
09/28/2009	External	FLA IEM Audit Scope	Accordia Global Compliance	Noncompliance

Explanation: OSHA 29CFR1910.151 (US Health and Safety Regulations) Where the eyes or body of any person may be exposed to injurious corrosive materials, suitable facilities for quick drenching or flushing of the eyes and body shall be provided within the work area for immediate emergency use. Monitor inspected the factory for presence of eyewash stations near battery charging areas.

There are battery-charging stations on the north wall near dock door. Adjacent to the dock door is a wall mounted eye wash unit with a tamper seal that has been broken. Unit appeared to be empty and in an unsanitary condition (dirt, grime).

Plan Of Action: The eyewash station has been inspected and serviced. It is now in good working order. In addition, an inspection process has been set up with the contract security company. They will inspect all eyewash stations on a daily basis and report any anomalies in their daily reports.

Deadline 10/12/2009

Date:
Supplier
CAP:
Supplier CAP
Date:
Action
Taken:
Plan
Complete:
Plan
Complete
Date:

Action
 Verified:
 Action
 Verified
 Text:
 Action
 Verified
 Date:
 Comments:
 Confidential
 Comments:

Working Hours/Overtime: B. Rest Day

HOW.2 Workers shall be entitled to at least one day off in every seven-day period. If workers must work on a rest day, an alternative day off must be provided within that same seven-day period or immediately following the seven-day period. (P)

Audit Date	Audit Type	Audit Scope	Auditor	Score
09/28/2009	External	FLA IEM Audit Scope	Accordia Global Compliance	Noncompliance

Explanation: Review of timekeeping records found that two workers in the sample of twenty had worked seven continuous days during the period of Oct 25 to Oct 31.

Plan Of Action: Although the Applicable Supplier attempts to limit the amount of time an employee can work and strives to adhere to the rest day standard, October is a month when the order volume, sometimes, creates an unexpected and extraordinary business condition. If the condition warrants, which is rare, for an individual to work 7 consecutive days, it is dealt with on a voluntary basis.
 The Applicable Supplier will always adhere to the Hours of Work Standard as stated in Electronic Arts' Labor Standards for Product Suppliers.

Deadline Date: 10/23/2009

Supplier CAP:
Supplier CAP Date:
Action Taken:
Plan Complete:
Plan Complete Date:
Action Verified:
Action Verified Text:
Action Verified Date:
Comments:
Confidential Comments:

