



OCEAN POWER TECHNOLOGIES, INC.

**CODE OF BUSINESS ETHICS AND CONDUCT FOR FEDERAL
CONTRACTS**

Updated April 9, 2024

INTRODUCTION

This Ocean Power Technologies, Inc. Code of Business Ethics and Conduct for Federal Contracts governs the institutional and individual behavior of *all* Employees supporting a U.S. Government client (including federal, state, or local) and is intended to supplement the Company's corporate policies and procedures, which include Ocean Power Technologies, Inc.'s:

- Corporate Code
- [Corporate Governance Guidelines](#)
- [Insider Trading Policy](#)
- [Diversity, Equity, and Inclusion Policy](#)
- [Share Ownership Guidelines](#)

Employees have a distinct opportunity to serve public sector entities, ranging from the Federal Government to state and local communities. With that opportunity, Employees have a heightened responsibility to comply with the special rules, laws and regulations applicable to Company engagements, to strictly comply with contract requirements, and to cooperate with certain government requests.

The Company expects Employees to perform work in accordance with the highest ethical standards and values set forth in this Code.

OCEAN POWER TECHNOLOGIES, INC.
CODE OF BUSINESS ETHICS AND CONDUCT FOR FEDERAL CONTRACTS

1 July 2024

TABLE OF CONTENTS

1.	Statement of Policy	3
2.	Definitions	4
3.	Standards of Conduct	5
3.1	Conflicts of Interest	5
3.1.1	Outside Employment	5
3.1.2	Personal Financial Interests	5
3.1.3	Prohibited Personal Actions	6
3.2	Meals, Social Activities, Gifts and Favors	6
3.2.1	Bribery and Kickbacks	7
3.2.2	Government Personnel	7
3.2.3	Non-Governmental Personnel	7
3.2.4	Meals, Social Activities, Gifts and Favors	8
3.3	Recruitment of Government Employees	8
3.4	Small Business Compliance	8
3.5	Buy American Act Compliance	8
3.6	Antitrust Policy	9
3.6.1	Price-Fixing	9
3.6.2	Bid-Rigging	9
3.6.3	Market Division	10
3.6.4	Antitrust Policy Conclusion	10
3.7	Statements & Certifications	11

OCEAN POWER TECHNOLOGIES, INC.
CODE OF BUSINESS ETHICS AND CONDUCT FOR FEDERAL CONTRACTS

3.8 Communications and Records.....11

3.9 Claims.....11

3.10 Environmental Compliance.....12

3.11 Discrimination and Harassment12

3.12 Principal Employment Screening Procedures12

4. Obligation to Report Violations and Cooperation.....13

5. Program Training and Evaluation14

6. Consequences for Violations.....15

7. Promoting Procurement Integrity15

8. Whistleblower Policy15

9. Investigation and Disclosure Policy16

10. Review and Audit Policy.....16

11. Display of Posters.....16

12. Flowdown to Subcontractors and Vendors.....16

13. Security and Protection of Government Information.....16

 13.1 Basic Safeguarding of Information Systems.....17

 13.2 Prohibition on a ByteDance Covered Application.....17

OCEAN POWER TECHNOLOGIES, INC.
CODE OF BUSINESS ETHICS AND CONDUCT FOR FEDERAL CONTRACTS

1. Statement of Policy

It is the longstanding policy of Ocean Power Technologies, Inc. and its subsidiaries (hereafter the “Company”) to maintain the highest standards of ethical conduct in all of our business endeavors and to comply with all applicable laws, rules, and regulations in every location and country where we do business. Company has always been dedicated to maintaining superior quality, enduring excellence, and unwavering integrity. The successes and growth achieved since our founding have not only been built upon our reputation for supplying superior products and elite customer service, but also our reputation for the ethical way in which we conduct our business. Company expects every employee, officer, and director to observe the highest standards of honesty, integrity, and fairness in conducting the Company’s business and to avoid any action that might expose Company to embarrassment or liability.

We believe that adherence to this policy will ensure our continued success as well as earn and maintain the confidence of our customers and the community in which we live. In order to ensure that the Company operates pursuant to this policy, we have established this Code of Business Ethics and Conduct (“Code”). The following general rules apply to the implementation of this Code:

All Employees must comply with this Code. Company Employees are the lifeblood of the organization. Any officer, director, principal, or Employee violating this Code is subject to discipline, which may include demotion or dismissal.

All Employees have a duty to report all suspected violations of the Code or other potentially unethical behavior by anyone, including Company officers, directors, Employees, agents, customers, subcontractors, suppliers, and prime contractors to the Corporate Ethics Officer.

The Corporate Ethics Officer is the General Counsel, who can be reached at tpagliara@oceanpowertech.com and by phone at 972-743-7177.

Employees are required to report any violations of this Code and other potentially unethical behavior to the Corporate Ethics Officer. Employees may also report violations of this Code via web-based form at www.fulcrum/oceanpower.htm or via email to whistle@fulcrum.com. Reports can be made anonymously at the discretion of the reporting Employee and all reports are handled confidentially. Section 4 of this Code provides additional instructions for Employees seeking to report possible violations of the Code or other potentially unethical behavior.

Employees in management positions are personally accountable for their own conduct and the conduct of those reporting to them. Each management Employee is expected to inform those reporting to him or her about this Code and take all necessary steps to ensure compliance with this Code. Employees should feel free to take full advantage of their ability to contact the Corporate Ethics Officer not only in the event of a suspected violation, but also with questions related to compliance with this Code, and in any circumstance in which an Employee believes that a violation may be about to occur, or has the potential to occur, absent intervention or proactive investigation by the Company.

OCEAN POWER TECHNOLOGIES, INC.
CODE OF BUSINESS ETHICS AND CONDUCT FOR FEDERAL CONTRACTS

No Employee has the authority to direct, participate in, approve, or tolerate any violation of this Code by anyone.

Any Employee who has questions about the application of this Code should consult with the Corporate Ethics Officer identified in Section 1.

2. Definitions

“Code of Business Ethics and Conduct” or **“Code”** means this written statement of acceptable behavior by the Company’s officers, directors, principals, managers, and Employees that ensures that the Company operates according to the highest ethical standards.

The **“OCEAN POWER TECHNOLOGIES, INC.”** means Company and its officers, directors, principals, managers, and Employees of all Company subsidiaries.

“Corporate Ethics Officer” means the Company official designated by the Chief Executive Officer to be responsible for implementing and administering the Code.

“Corporate Compliance Program” or **“Program”** means the written procedures and policies used by Company that are designed to ensure that all officers, directors, and Employees are aware of the Code and adhere to its standards and the requirements of FAR 52.203-13. The Corporate Compliance Program is implemented and administered by the Corporate Ethics Officer.

“Employee” means any person employed by Company, including employees, officers, directors, principals, managers, and persons authorized to act on behalf of the Company.

“Full cooperation” – when the terms “full cooperation” are used, it means and is intended to include the following conduct from Employees:

- (1) Disclosure to the Government of the information sufficient for law enforcement to identify the nature and extent of the offense and the individuals responsible for the conduct. It includes providing timely and complete response to Government auditors’ and investigators’ request for documents and access to Employees with information; but
- (2) Full cooperation does not foreclose any Company rights arising in law, the Federal Acquisition Regulations (“FAR”), or the terms of the contract. It does not require:
 - a. The Company or the Employees to waive attorney-client privilege or the protections afforded by the attorney work product doctrine; or
 - b. Any officer, director, owner, or Employee of the Company, including a sole proprietor, to waive his or her attorney client privilege or Fifth Amendment rights; and
 - c. Full cooperation also does not restrict the Company from:

OCEAN POWER TECHNOLOGIES, INC.
CODE OF BUSINESS ETHICS AND CONDUCT FOR FEDERAL CONTRACTS

- i. Conducting an internal investigation; or
- ii. Defending a proceeding or dispute arising under the contract or related to a potential or disclosed violation.

3. Standards of Conduct

3.1 Conflicts of Interest

Employees must avoid situations in which their personal interests could conflict with, or even appear to conflict with, the interests of the Company. Conflicts of interest arise when an individual's position or responsibilities with the Company present an opportunity for personal gain of profit separate and apart from that individual's earnings from the Company or where the Employee's interests are otherwise inconsistent with the interests of the Company. A conflict of interest may arise in any number of situations and it is impossible to describe each and every instance. As a general matter, if you think that any situation may be a potential conflict of interest, you should consult with the Corporate Ethics Officer identified in Section 1.

Most notably, the following situations have a great potential for being considered a conflicts of interest:

3.1.1 Outside Employment

Employees, including those who are on protected leave or who are paid for work performed outside of their employment with the Company must provide written notice to their direct supervisor describing their outside work and acknowledging their responsibility to follow these guidelines:

- (1) No work may be performed for anyone who is or is attempting to become a supplier, customer, or competitor of the Company.
- (2) The Company assumes no responsibility for outside employment.

3.1.2 Personal Financial Interests

Employees should avoid personal financial interests that might be or appear to be in conflict with the interests of the Company if it is clear that such conflict could materially harm the Company. Such interests may include, but are not limited to, the following: obtaining a financial or other beneficial interest in a supplier, customer, or competitor of the Company; directly or indirectly having a personal financial interest in any business transaction that may be adverse to the Company; or, engaging in any financial activity adverse to the interests of the Company. If the Employee knows, or reasonably should know, that a personal financial interest may be in conflict with the interests with the Company in a way that could materially harm the Company, then, in such event, the Employee must first consult with the Corporate Ethics Officer and obtain express written approval of a waiver from this policy before proceeding.

OCEAN POWER TECHNOLOGIES, INC.
CODE OF BUSINESS ETHICS AND CONDUCT FOR FEDERAL CONTRACTS

3.1.3 Prohibited Personal Actions

- (1) Alcohol and Drugs. Employees are prohibited from consuming or storing alcoholic beverages on Company property, unless otherwise authorized by the Corporate Ethics Officer. Employees are allowed in limited circumstances to consume and to store alcoholic beverages on Company property for entertainment, business development, or team building functions approved in advance by the Corporate Ethics Officer. The use of controlled substances, such as illegal drugs, the illegal use of alcohol, or the use or abuse of otherwise legal drugs is prohibited while employed by Company. The operation of vehicles or equipment while under the influence of alcohol or drugs is also prohibited. For further information, please refer to the Company's Alcohol and Drug Policy.
- (2) Betting and Gambling. Employees are prohibited from engaging in any betting or gambling activities that are illegal under any local, state, or federal law while performing business on behalf of the Company.
- (3) Weapons and Firearms. Employees shall not carry or store weapons or firearms of any sort on Company property, to include storing weapons or firearms in a Company vehicle or in a personal vehicle located on Company property.
- (4) Company Property. Company reserves the right to inspect any property that is used or assigned to an Employee for storage of their personal effects including, but not limited to, desks, lockers, storage areas, or vehicles owned or controlled by the Company. It is a violation of Company policy to store any contraband, illegal drugs, weapons, or unauthorized toxic material in or on Company property.

3.2 Meals, Social Activities, Gifts and Favors

The Company recognizes that it is important to the overall health of our business relationships that we make time to spend with our business partners. This might include activities such as sharing a cup of coffee, sponsoring a luncheon and /or championing a social activity. Similarly, we recognize that it is important to express holiday greetings and to show sympathy for family related losses and other tragedies.

These types of activities are generally healthy and can be considered harmless; however, as a contractor that performs public sector work or work funded with public dollars, we never want to be perceived as buying influence and/or being in violation of contracting language or public law.

To this end, Employees shall limit involvement in social activities, giving gifts and providing favors to avoid the appearance that the Employee and/or Company is attempting to influence a business relationship by such act(s).

Therefore, in general terms when considering social activities, giving gifts and /or offering

OCEAN POWER TECHNOLOGIES, INC.
CODE OF BUSINESS ETHICS AND CONDUCT FOR FEDERAL CONTRACTS

favors, Employees shall comply with the following criteria:

- (1) The giving of gifts and/or favors shall be consistent with the accepted business practices of the applicable client relationship, local business practices, and all governing regulations and laws.
- (2) The gifts and/or favors are sufficiently limited and of nominal value and in a form that does not constitute, and will not be construed as, a bribe, kickback, or any other illicit or prohibited payment.
- (3) Cash payments as a gift are strictly prohibited.

More stringent rules may apply, depending on the recipient of the gift. For instance, Federal officials may generally not accept a gift of more than \$20 on a single occasion and more than \$50 from the same recipient, in a calendar year. However, free attendance at certain widely attended gatherings may be permitted, even if the value is in excess of \$20.

To the extent that Employees interact with State, County, Municipal, or other Governmental agency officials, please check that specific governmental entity's rules regarding meals, social activities, gifts, and favors. The rules against providing gifts to Government officials can vary, and may change periodically and as a result, Employees should check with the Corporate Ethics Officer identified in Section 1 prior to giving gifts to any Government officials or inviting Government officials to attend Company events. All communications concerning related matters are confidential.

More specifically, Employees are required to comply with the following:

3.2.1 Bribery and Kickbacks

All forms of bribery and kickbacks are illegal and expressly prohibited. Any Employee caught participating in such activity will be promptly terminated. Any Employees who knows about, or reasonably should know about, any such activity is required to report the matter to the Corporate Ethics Officer. Employees who fail to report such matters will be subject to appropriate discipline.

3.2.2 Government Personnel

As noted above, providing gifts, meals, or entertainment to Government personnel is strictly regulated. No offers should be made to Government personnel without first checking with the Corporate Ethics Officer.

3.2.3 Non-Governmental Personnel

- (1) Receiving or accepting gifts or entertainment in the business context is a particularly sensitive area and can be inappropriate, or even illegal, depending on the circumstances. For this reason, it is important that all Employees be extra vigilant when it comes to giving

OCEAN POWER TECHNOLOGIES, INC.
CODE OF BUSINESS ETHICS AND CONDUCT FOR FEDERAL CONTRACTS

or receiving gifts and entertainment from non-governmental personnel (as stated above, the giving or receiving of gifts to or from government personnel is prohibited).

- (2) Money, in any form, is never given, offered, solicited, or accepted.
- (3) No gift or entertainment may be given or received if it is, or could reasonably be construed to be, intended to influence an Employee's behavior (quid pro quo).
- (4) Any gift given or received which can be construed as quid pro quo is prohibited. If in doubt of the intention of any gift given or received, check with the Corporate Ethics Officer.

3.2.4 Meals, Social Activities, Gifts and Favors

The foundations for sustainable long-term business relationships are built on healthy interpersonal relationships between Company Employees, our Clients and/or business associates. As such, the giving of greeting cards, gestures expressing care or concern (e.g., flowers to show respect for a deceased person, etc.) and other expressions that involve limited expense (time and/or money) are encouraged, **so long as are they meet the above stated criteria**. If in doubt of the intention of any gift given or received, check with the Corporate Ethics Officer identified in Section 1. All communications concerning related matters are strictly confidential.

3.3 Recruitment of Government Employees

Employees should avoid any discussions or gestures toward government employees regarding future employment with the Company. If Company decides to consider a government employee for future employment, that decision will be made by the Corporate Ethics Officer and Company principals, as appropriate and in compliance with the requirements of FAR 3.104-3.

3.4 Small Business Compliance

Due to the nature of Company's work, Company has limited opportunities to further subcontract work to other businesses. Nonetheless, where subcontracting opportunities are present, Company operates to maximize opportunities for small businesses. This is especially true for federal government contracts the Company performs.

3.5 Buy American Act Compliance

To the extent that the Company's work requires the incorporation of materials into Government construction and supply projects, the Company shall ensure that it complies with all requirements of the Buy American Act, 41 U.S.C. §10a, the Buy American requirements of the American Recovery and Reinvestment Act of 2009, P.L. 111-5, or other Buy American provisions as required by its contracts and subcontracts. Company Employees shall not permit any knowing violation of Buy American requirements to occur and shall actively work to ensure complete compliance with all Buy American requirements included in federal contracts the Company performs.

OCEAN POWER TECHNOLOGIES, INC.
CODE OF BUSINESS ETHICS AND CONDUCT FOR FEDERAL CONTRACTS

Employees who have questions or concerns about Buy American requirements in general, a specific project's Buy American restrictions, or whether an activity complies with applicable Buy American requirements should contact the Corporate Ethics Officer.

In addition, the Company will exercise vigilance and care to ensure that all of its subcontractors fully comply with applicable Buy American requirements in the performance of those subcontracts.

3.6 Antitrust Policy

The Company is fully committed to compliance with the antitrust laws, which are designed to promote free and open competition in the marketplace. Not only does the customer benefit by getting the best services and product at the lowest price, but the Company also benefits by being able to compete on a fair and level playing field with competitors. The antitrust laws are complex and must be complied with strictly. Routine business decisions involving prices, terms and conditions of sale, dealings with competitors, and many other matters present problems of great sensitivity. It is therefore essential that every Employee be generally aware of the antitrust laws and that all Employees that are actively involved in the bidding process understand these antitrust policies. Below is a general overview of the antitrust laws:

The Sherman Act is the primary federal antitrust statute. The Sherman Act prohibits any agreement among competitors to fix prices, rig bids, or engage in other anticompetitive activity. In addition, collusion among competitors may constitute violations of the mail or wire fraud statute, the false statements statute, or other federal felony statutes. Most criminal antitrust prosecutions involve price fixing, bid rigging, or market division or allocation schemes. Under the law, price-fixing and bid-rigging schemes are per se violations of the Sherman Act. This means that where such a collusive scheme has been established, it cannot be justified under the law by arguments or evidence that, for example, the agreed-upon prices were reasonable, the agreement was necessary to prevent or eliminate price-cutting or ruinous competition, or the conspirators were merely trying to make sure that each got a fair share of the market.

3.6.1 Price-Fixing

Price-fixing is an agreement among competitors to raise, fix, or otherwise maintain the price at which their goods or services are sold. It is not necessary that the competitors agree to charge exactly the same price, or that every competitor in a given industry join the conspiracy. Price-fixing can take many forms, and any agreement that restricts price competition violates the law. Other examples of price-fixing agreements include those to: establish or adhere to price discounts; hold prices firm; eliminate or reduce discounts; adopt a standard formula for computing prices; maintain certain price differentials between different types, sizes, or quantities of services and/or products; adhere to a minimum fee or price schedule; fix credit terms; and not advertise prices.

3.6.2 Bid-Rigging

Bid-rigging is the way that conspiring competitors effectively raise prices where purchasers

OCEAN POWER TECHNOLOGIES, INC.
CODE OF BUSINESS ETHICS AND CONDUCT FOR FEDERAL CONTRACTS

– often federal, state, or local governments – acquire goods or services by soliciting competing bids. Essentially, competitors agree in advance who will submit the winning bid on a contract being let through the competitive bidding process. Bid-rigging also takes many forms, but bid-rigging conspiracies usually fall into one or more of the following categories:

- (1) Bid Suppression: In bid suppression schemes, one or more competitors who otherwise would be expected to bid, or who have previously bid, agree to refrain from bidding or withdrawing a previously submitted bid so that the designated winning competitor's bid will be accepted.
- (2) Complementary Bidding: Complementary bidding (also known as “cover” or “courtesy” bidding) occurs when some competitors agree to submit bids that either are too high to be accepted or contain special terms that will not be acceptable to the potential customer. Such bids are not intended to secure the potential customer's acceptance, but are merely designed to give the appearance of genuine competitive bidding. Complementary bidding schemes are the most frequently occurring forms of bid rigging, and they defraud purchasers by creating the appearance of competition to conceal secretly inflated prices.
- (3) Bid Rotation: In bid rotation schemes, all conspirators submit bids, but take turns being the low bidder. The terms of the rotation may vary; for example, competitors may take turns on contracts according to the size of the contract, allocating equal amounts to each conspirator or allocating volumes that correspond to the size of each conspirator company. A strict bid rotation pattern defies the law of chance and suggests collusion is taking place.
- (4) Subcontracting: Subcontracting arrangements can be part of a bid-rigging scheme. Competitors who agree not to bid or to submit a losing bid frequently receive subcontracts or supply contracts in exchange from the successful low bidder. In some schemes, a low bidder will agree to withdraw its bid in favor of the next low bidder in exchange for a lucrative subcontract that divides the illegally obtained higher price between them.

3.6.3 Market Division

Market division or allocation schemes are agreements in which competitors divide markets among themselves. In such schemes, competing firms allocate specific customers or types of customers, products, or territories among themselves. For example, one competitor will be allowed to sell to, or bid on, contracts let by certain customers or types of customers. In return, he or she will not sell to, or bid on, contracts let by customers allocated to the other competitors. In other schemes, competitors agree to sell to or contract with customers in certain geographic areas and refuse to sell to or contract with, or quote intentionally high prices to, customers in geographic areas allocated to conspirator companies.

3.6.4 Antitrust Policy Conclusion

Compliance with the antitrust laws is a serious matter and, as explained above, violations could subject the Company to substantial civil and criminal liability. Accordingly, any Employee who violates antitrust laws shall be subject to termination. Additionally, any Employee who

OCEAN POWER TECHNOLOGIES, INC.
CODE OF BUSINESS ETHICS AND CONDUCT FOR FEDERAL CONTRACTS

knows, or reasonably should know, that an antitrust violation has been, or will be, committed and fails to report it to the Corporate Ethics Officer will be subject to discipline, which may include termination. The Corporate Ethics Officer is identified in Section 1. All communications concerning related matters are strictly confidential.

3.7 Statements & Certifications

All statements, representations, and certifications made on behalf of the Company, whether written or oral, shall be accurate, truthful, and timely. Under no circumstances may an Employee make a false or misleading statement, representation, or certification, **to include false certifications regarding the source or authenticity of products sold by the Company.** Any statements that are false, fictitious, or fraudulent or contain materially false, fictitious, or fraudulent statements or entries, may subject the Company, and/or the individual making the statement, to criminal liability and administrative liability through suspension and debarment.

Additionally, Employees are routinely required to certify that they and the Company are in compliance with various contractual provisions and regulatory requirements. Examples of common certifications include certifications pertaining to environmental, safety, product origin / authenticity, personnel, and health matters, product/service quality and material certifications, and quality control and quality assurance testing certifications. Employees must be aware of the requirements applicable to their jobs and ensure that all certifications are accurate and that there is neither a material omission of fact or materially misleading statements.

3.8 Communications and Records

Company's policy is to maintain documents/ records for the length of time required by law and by the contracts which Company enters into. To the extent that the law and/or relevant contract does not set forth any document/recordkeeping requirements, Company's policy is to retain documents in accordance with our internal Records Retention Policy.

All Employees are expected to be familiar with, and conform to, the Company's Records Retention Policy. Additionally, all Company and Employee communications, correspondence, and records must be accurate, complete, and timely.

3.9 Claims

All requests or demands for payment made on behalf of the Company related to any contract or business agreement shall truthfully and accurately reflect the value of the goods or services provided. Under no circumstances may an Employee make a false claim. Examples of false claims include, but are not limited to: billing extra time not spent working on a project; charging for materials not used in a project; artificially inflating a claim in order to negotiate additional compensation from the customer; and representing that a small business performs work on a contract when it truly does not.

Any Employee who knowingly makes false claims shall be subject to termination. Additionally, any Employee who knows, or reasonably should know, that another Employee has

OCEAN POWER TECHNOLOGIES, INC.
CODE OF BUSINESS ETHICS AND CONDUCT FOR FEDERAL CONTRACTS

submitted, or intends to submit, a false claim and fails to report it to the Corporate Ethics Officer will be subject to discipline, which may include termination. All communications concerning related matters are strictly confidential.

3.10 Environmental Compliance

The Company is committed to full compliance with all federal, state, and local environmental laws, standards, and guidelines. Not only is environmental compliance legally necessary, but it is also an important component of our obligation to the community and our good reputation. This constitutes Company's environmental compliance policy.

Any person who has reason to believe that there may have been violations of any aspect of Company's environmental compliance policy shall report immediately to the Company's Corporate Ethics Officer.

3.11 Discrimination and Harassment

As an Equal Opportunity Employer, the Company is committed to providing employment and advancement opportunities without regard to race, color, creed, gender (including gender identity and gender expression), religion (all aspects of religious beliefs, observance or practice, including religious dress or grooming practices), marital status, registered domestic partner status, age, national origin or ancestry, physical or mental disability, medical condition (including cancer or a record or history of cancer, and genetic characteristics), sex (including pregnancy, childbirth, breastfeeding or related medical condition), genetic information, sexual orientation, veteran status, or any other basis or status protected by federal, state, or local law or ordinance or regulation.

The Company is committed to providing a workplace for all employees that is safe, rewarding and free of harassment. The Company endeavors to treat all employees with fairness and respect. Harassment based on race, color, creed, gender (including gender identity and gender expression), religion (all aspects of religious beliefs, observance or practice, including religious dress or grooming practices) marital status, registered domestic partner status, age, national origin or ancestry, physical or mental disability, medical condition (including cancer or a record or history of cancer, and genetic characteristics), sex (including pregnancy, childbirth, breastfeeding or related medical condition), genetic information, sexual orientation, veteran status, or any other basis or status protected by federal, state, or local law or ordinance or regulation is not condoned, permitted or tolerated. The Company maintains formal policies related to these Equal Opportunity obligations. These formal policies are posted on the Company's office bulletin boards, and copies shall be furnished to each employee and applicant upon request.

3.12 Principal Employment Screening Procedures

The Company is committed to appointing as Principals (positions with significant management responsibilities within the Company) only individuals that conduct business with the highest degree of integrity and honesty. To accomplish this goal, and to comply with FAR 52.203-13(c)(2)(ii)(B), the Company will take the following steps to screen any prospective Principal of the Company:

OCEAN POWER TECHNOLOGIES, INC.
CODE OF BUSINESS ETHICS AND CONDUCT FOR FEDERAL CONTRACTS

- (1) A background check of each prospective Principal will be conducted. The results of this background check shall be reviewed by the Corporate Ethics Officer. If the background check reveals any information that the prospective Principal has engaged in conduct that is in conflict with Company's Code of Business Ethics and Conduct, the Corporate Ethics Officer and/or Company's legalcounsel shall investigate the conduct in question and determine whether an offer of employment in that capacity would be inconsistent with Company's policies and procedures, as well as applicable law, in which case no offer of employment shall be made. The results of the background check shall be retained by the Company until the position is filled by a different individual or, if the individual is appointed or voted as a Principal, until that individual no longer occupies such a position with the Company.
- (2) Before making an offer of employment, Company will search the System for Award Management (SAM.gov) for the name of each prospective Principal and, to the extent known, any current or former employers of the prospective Principal.
 - a. If the individual's name appears in SAM.gov in connection with an exclusion or allegedly improper conduct, the Corporate Ethics Officer shall research the exclusion/conduct involved and determine whether employing that individual is consistent with the Company's Code of Business Ethics and Conduct.
 - b. If a current or former employer of individual appears in the SAM.gov in connection with an exclusion or allegedly improper conduct, the Company shall:
 - i. Confirm whether the prospective Principal was employed at that firm at the time when the conduct occurred that resulted in an exclusion; and
 - ii. Determine the involvement of the prospective Principal in the conduct and determine whether the prospective principal engaged in conduct that would have violated the Company's Code of Business Ethics and Conduct.

4. Obligation to Report Violations and Cooperation

Each Employee must promptly report any known or suspected violation of this Code and all other unlawful or unethical conduct to the Corporate Ethics Officer identified in Section 1. Employees may also report any known or suspected violation of this Code by contacting the Fulcrum Hotline at 213-270-9989, via email at whistle@fulcrum.com, via the Company's web form available at www.fulcrum/oceanpower.htm, or via U.S. Mail addressed to Fulcrum Inquiry, Whistleblower Department, 888 S. Figueroa Street, Suite 2000, Los Angeles, CA 90017.

Conduct that must be reported by Employees includes, but is not limited to, known or suspected: violations of this Code; violations of applicable law or regulations; the receipt by Company or transfer by OCEAN POWER TECHNOLOGIES, INC. of non-compliant or deficient parts; inaccurate or untimely billing; the submission or receipt of inaccurate cost and pricing data; false statements made or forwarded to the Government; and other known or suspected unlawful

OCEAN POWER TECHNOLOGIES, INC.
CODE OF BUSINESS ETHICS AND CONDUCT FOR FEDERAL CONTRACTS

or unethical conduct.

All communications and reports regarding ethical matters are strictly confidential. Further, reports made via Company can be made anonymously at the discretion of the reporting Employee. Employees reporting through Company have two options when submitting a report.

First, Employees may choose to self-identify and provide their email address with the report, which will enable the Corporate Ethics Officer to follow up with the reporting Employee to the extent additional information is required for the purposes of investigation.

Second, Employees may report anonymously, which means that their identity and contact information will not be included with the report.

Regardless of the method chosen by the reporting Employee, all reports shall be treated confidentially, meaning that the information in the report will be closely-held by the Corporate Ethics Officer and only used for the purpose of investigating the report.

Upon receiving a credible report and pursuant to FAR 52.203-13(a)(3)(i), the Company will conduct an internal investigation (with the aid of legal counsel if deemed appropriate), taking all suspected violations seriously, and as a result of this investigation will make all disclosures required by law.

Employees are obligated to report such known or suspected conduct without regard to the identity or position of the suspected offender. Any report made under this section will be strictly confidential and under no circumstances will any Employee who makes a report be subject to any acts of retribution or retaliation or disciplinary action. Employees must fully cooperate in any investigation of a suspected violation of this Code and fully cooperate with any request by the Corporate Ethics Officer.

Any Employee found to have violated this Code or engaged in other unlawful or unethical behavior shall be disciplined. Depending on the severity, frequency and other factors, discipline could range from counseling to dismissal.

5. Program Training and Evaluation

As set forth in FAR 52.203-13, the following program shall be instituted and monitored to ensure compliance of the Company and its representatives with this Code, and with applicable law and regulation. All Company representatives are required to abide by the Code and the following program. In the event that a Company representative knowingly disregards these policies, s/he may face severe disciplinary action up to and including termination of employment.

(1) Initial Training. Prior to start of work, all Company representatives shall take part in an orientation session by the Corporate Ethics Officer. This shall include discussions regarding:

- a. The Company's ethics philosophy and history;

OCEAN POWER TECHNOLOGIES, INC.
CODE OF BUSINESS ETHICS AND CONDUCT FOR FEDERAL CONTRACTS

- b. Ethical treatment of subcontractors, service providers, vendors, and governmental agencies;
 - c. The rules and restrictions contained in this Code; and
 - d. The Company Representatives' obligations to immediately disclose any ethical violations.
- (2) Periodic Retraining. All Company representatives shall be retrained, at least once annually, on business ethics and conduct and the rules established by this Code. The Company shall keep a record of the annual training and a written acknowledgment from each representative that it completed the training, received, read, and understood the Code.

6. Consequences for Violations

Any violation of this Code is cause for disciplinary action that may result in any of the following consequences:

- (1) Reprimand;
- (2) Loss of compensation, seniority, or promotional opportunities;
- (3) Reduction in pay;
- (4) Demotion;
- (5) Suspension with or without pay; and
- (6) Discharge.

7. Promoting Procurement Integrity

Company believes that federal procurement must be done with the highest degree of integrity; both on the part of Company as well as the government officials involved in a particular procurement. To this end, Company commits to closely monitoring any discussions involving employment of government officials involved with Company's projects with the federal government and any potential disclosures of procurement information outside of the proper operation of applicable laws or regulations. If these circumstances arise, Company commits to thoroughly investigating the circumstances and taking appropriate action as outlined in FAR 3.104.

8. Whistleblower Policy

Because the Company is committed to investigating and remedying any conduct or behavior that may be a violation of this Code or other Company Policies and Practices listed in the Introduction section of this Code, all Company Employees have a duty to report such conduct or behavior to a supervisor or the Corporate Ethics Officer. If an Employee chooses to report conduct potentially violating the Company's Code to a member of Congress, an authorized official of a contracting agency or the Department of Justice, OCEAN POWER TECHNOLOGIES, INC. commits to a policy that the Employee will not be discharged, demoted, or otherwise discriminated

OCEAN POWER TECHNOLOGIES, INC.
CODE OF BUSINESS ETHICS AND CONDUCT FOR FEDERAL CONTRACTS

against by the Company or any of its Employees.

9. Investigation and Disclosure Policy

In order to maintain the highest level of integrity and ethics throughout the Company, Company internally investigates all allegations of violations of Federal, State or Local criminal law involving fraud, conflict of interest, bribery or gratuity violations, including violations of the civil False Claims Act in connection with all Government contracts to which Company is a party. Unless circumstances require a different individual to investigate, the investigation shall be headed by the Corporate Ethics Officer. Using sufficient time to conduct its investigation but without taking unnecessary delays, Company shall investigate the allegations and the Employees and other individuals allegedly involved. In the event that the internal investigation results in discovery of credible evidence of a violation of this Code or applicable Federal law, the Company will make a timely disclosure in writing to the Office of the Inspector General for the contracting agency and will provide a copy of its findings to the contracting officer for the affected contract.

For the purposes of Company's internal investigations, credible evidence is evidence that, based upon the circumstances of the allegation, satisfies the preponderance of the evidence standard. This means that it is more likely true than not true that a violation occurred.

10. Review and Audit Policy

To ensure that the Company maintains integrity in its business, Company's Principals and legal counsel review this Code, its Corporate Code, all of its policies contained in its Employee Manual and its internal controls no less than once a year for the purpose of making updates and changes as appropriate. If weaknesses in any of these areas are identified, Company – in conjunction with its legal counsel will determine the most effective means to remedy those weaknesses and will implement changes as quickly as is feasible. Records of these reviews will be maintained by Company and will be supplied to government auditors if necessary.

In the event of an audit by a government agency, the Company will cooperate fully and provide records and all other documentation necessary for the auditors to perform the audit.

11. Display of Posters

The Corporate Ethics Officer shall ensure that each project manager, or other individual in charge of individual projects, displays any and all Hotline Posters required under those contracts or as required by FAR 52.203-14.

12. Flowdown to Subcontractors and Vendors

The Company shall include the substance of FAR 52.203-13 in all federally-funded subcontracts and vendor agreements as required.

13. Security and Protection of Government Information

OCEAN POWER TECHNOLOGIES, INC.
CODE OF BUSINESS ETHICS AND CONDUCT FOR FEDERAL CONTRACTS

13.1 Basic Safeguarding of Information Systems

The Company commits to tracking and maintaining compliance with federal security-related requirements and protecting the security and integrity of its information systems. Pursuant to FAR 52.204-21, the Company shall ensure that it has basic safeguarding measures in place for contractor information systems on covered federal contracts.

If you are aware of or suspect security-related issues, please contact the Corporate Ethics Officer identified in Section 1. All communications concerning related matters are strictly confidential.

13.2 Prohibition on a ByteDance Covered Application

The Company maintains compliance with FAR 52.204-27 (Prohibition on a ByteDance Covered Application), which prohibits the covered federal contractor from having or using a covered application (i.e., the social networking service TikTok or any successor application or service developed or provided by ByteDance Limited or an entity owned by ByteDance Limited) on any information technology owned or managed by the government, or on any information technology used or provided by the Contractor under this contract, including equipment provided by the Contractor's employees. If you have any questions as to whether this prohibition applies to your personal phone or any other device, please contact the Corporate Ethics Officer identified in Section 1.