For reference (*)

May 8, 2020

Notice of Introduction of Restricted Stock Compensation Plan

Wacom Co., Ltd. (the “Company”) hereby announces that its Board of Directors resolved at the meeting held today to introduce a restricted stock compensation plan (hereinafter the “Plan”) as a new incentive plan for Directors and decided to submit a proposal regarding the Plan to the 37th Ordinary Shareholders’ Meeting to be held on June 26, 2020 (hereinafter the “OSM”). The details are as follows:

1. Purpose of introducing the Plan, etc.
   (1) Purpose of introducing the Plan
   The purpose of the Plan is to provide Directors of the Company (excluding outside Directors and Directors who are Audit Committee Members; hereinafter the “Eligible Directors”) with an incentive to commit to sustainable improvement of the Company’s corporate value as well as to promote further value sharing between the Eligible Directors and shareholders. To this end, the Company intends to introduce the Plan as a compensation plan to allot restricted stock to the Eligible Directors.

   (2) Conditions for introducing the Plan
   The introduction of the Plan is subject to the approval of shareholders at the OSM. With respect to the amounts of compensation and other benefits for Directors of the Company, at the 32nd Ordinary Shareholders’ Meeting held on June 26, 2015, the amount to be paid to Directors, excluding Audit Committee Members, was approved to be up to ¥300,000 thousand per year (of which up to ¥50,000 thousand is for outside Directors; not including the employee portion of salaries to be paid to Directors who concurrently serve as employees), and the amount to be paid to Directors who are Audit Committee Members was approved to be up to ¥50,000 thousand per year. At the OSM, the Company will ask for approval by the shareholders to grant monetary compensation claims for the new allotment of restricted stock to the Eligible Directors separately from the aforementioned compensation and other benefits.

2. Overview of the Plan
   Under the Plan, the Company shall grant monetary compensation claims to the Eligible Directors for the allotment of restricted stock, each fiscal year in principle, upon a resolution by the Board of Directors of the Company, and by having them make contribution in kind using all the monetary compensation claims as contributed assets, shall issue or dispose of its shares of common stock to the Eligible Directors to allow them to hold such shares.

The total amount of monetary compensation claims to be granted to the Eligible Directors under the Plan shall be up to ¥50,000 thousand per year. In addition, the total number of shares of common stock to be issued or disposed of by the Company under the Plan shall be up to 200,000 shares per year; provided, however, that the maximum total number of such shares may be reasonably adjusted in the event of a share split (including an allotment of shares of common stock of the Company without contribution), a share consolidation of shares of common stock of the Company, or any other events similar thereto requiring an adjustment of the total number of share to be allotted on or after the date of resolution of the OSM. The amount to be paid in per share shall be the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day prior to the date of each resolution by the Board of Directors (or the closing price on the immediately preceding trading day, if no trading occurred on that day). The specific timing of payments and allocation to each Eligible Director shall be determined by the Board of Directors. The issuance or disposal of shares of the Company's common stock under the Plan shall be subject to the conclusion of a restricted stock allotment agreement (hereinafter the "Allotment Agreement") between the Company and the Eligible Directors. The Allotment Agreement shall include the following:

(i) A provision that prohibits the Eligible Directors from transferring, creating a security interest on, or otherwise disposing of share of the Company's common stock allotted under the Allotment Agreement during a period of time from the date of allotment under the Allotment Agreement to the date of retirement from the office of Director.

(ii) A provision that allows the Company to acquire such shares of common stock without consideration if certain events occur.

(iii) Details of conditions for lifting the transfer restrictions and other matters predetermined by the Board of Directors of the Company.

Shares to be allotted to the Eligible Directors under the Plan will be managed in a dedicated account to be opened by the Eligible Directors at a securities company designated by the Company during the transfer restriction period in order to ensure that the Eligible Directors cannot transfer, create a security interest on or otherwise dispose of such shares during the period.

(*) This is translated to English from a Japanese announcement solely for convenience of non-Japanese readers.

For inquiries:

IR, Wacom Co., Ltd.

Telephone: +81-3-5337-6502

IR Website:

https://investors.wacom.com/en-jp/