August 19, 2026

Mr. Kevin Palkki
Chair of the Investment Committee
California Public Employees' Retirement System
400 Q Street
Sacramento, CA 95811

Re: Agenda Item 4c: Supplemental Income Plan Glide Path Implementation

Dear Mr. Palkki:

You requested Wilshire's opinion as it relates to the implementation plan for the recently approved Supplemental Income Plan (SIP) glide path. The implementation plan is designed to provide annual allocation targets that prudently transition between the SIP's 5-year Glide Path allocations approved by the Committee during its June 2026 meeting. The primary goal of the proposed plan is to maintain the risk profile of the approved allocations while reducing the potential of timing risk that might otherwise occur from abrupt shifts in portfolio positioning.

Wilshire is comfortable that the proposed implementation plan is reasonable and meets the objectives noted above. Should you require anything further or have any questions, please do not hesitate to contact us.

Regards,

Steven Foresti
CIO Emeritus, Wilshire Advisors

