

LOWER FEES
Effective July 1, 2020

Good news for your future!



The CalPERS 457 Plan is constantly reviewed to ensure that it best serves those currently participating and those who will do so in the future. As part of newly negotiated contracts with our investment manager and plan administrator, CalPERS is pleased to announce that the costs associated with investing in the 457 Plan investment fund options are going down!

Effective July 1, 2020, the costs will be reduced to a range between **0.31% - 0.44%**, depending on the investment, down from a range between 0.40% - 0.55%. This represents an **average overall reduction of more than 0.11%**. These changes will happen automatically. The cost reductions allow all 457 Plan participants to keep more of their investment dollars working in their account, accumulating more savings over time.

➤ Please see the chart on the next page for cost reductions per investment option.

Background

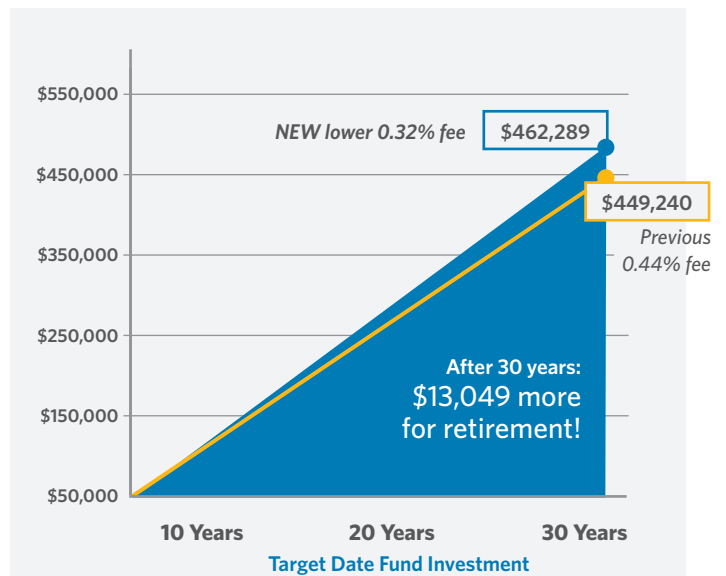
CalPERS understands that low costs are essential to successful long-term investing for retirement. But lower cost doesn't mean skimping on quality or services. The CalPERS 457 Plan's "all-in" fee structure is simple, fair and includes all administrative, recordkeeping and investment fees. CalPERS will continue to keep close tabs on the industry to assure that our fees remain competitive.

Estimating annual Plan costs

Cost is referred to as an "expense ratio." Expense ratios are expressed as a percentage, but can also be explained in terms of "basis points." 1 basis point ("bps") equals 0.01% (or 0.0001). Whether expressed as a percentage or basis point, the expense ratio represents your cost to participate in the CalPERS 457 Plan. To calculate an estimate of the total cost for a year, multiply the fee for each investment option by the average annual dollar balance in each fund. For example, \$10,000 invested in a fund with an expense ratio of 0.32% would have an estimated total cost for the year of \$32.00 (\$10,000 multiplied by 0.32% or 0.0032 = \$32.00). The annual cost is prorated from your account daily based on your account value.

See the savings at work

The reduced costs in the CalPERS 457 Plan could have a big savings impact because more of the invested dollars stay in your account. Over time, you could have more saved for your retirement.



Assumptions: \$50,000 CalPERS 457 Plan starting balance for a participant with a \$60,000 salary contributing \$100 bi-weekly (26 pay periods per year) into a Target Date Fund with a fee 0.44% and a Target Date Fund with a reduced fee of 0.32%, both earning a 6% annual rate of return.

Do you have questions?

CalPERS Participant Service Representatives are available Monday – Friday, 6:00 a.m. to 5:00 p.m. PT (except stock market holidays) at [800-260-0659](tel:800-260-0659) to assist you with questions, transactions, information about your account or any other general 457 Plan-related needs. For 457 Plan fund fees and performance information, please visit calpers457.com. You can also schedule a one-on-one personal phone appointment with your CalPERS 457 Account Manager by calling [888-713-8244](tel:888-713-8244) or visiting calpers457.timetap.com.

Investment Name	Asset Class	Current Fee	NEW Fee as of July 1, 2020
State Street Short Term Investment Fund	Cash Equivalents	0.45%	0.33%
State Street Real Asset Fund	Real Assets	0.55%	0.44%
State Street U.S. Short-Term Government/Credit Bond Index Fund	Fixed Income	0.45%	0.32%
State Street U.S. Bond Index Fund	Fixed Income	0.40%	0.31%
State Street Russell All Cap Index Fund	Global Equity	0.41%	0.31%
State Street Global All Cap Equity Ex U.S. Index Fund	Global Equity	0.46%	0.32%
CalPERS Target Retirement Income Fund	Asset Allocation	0.42%	0.32%
CalPERS Target Retirement 2015 Fund	Asset Allocation	0.42%	0.32%
CalPERS Target Retirement 2020 Fund	Asset Allocation	0.43%	0.32%
CalPERS Target Retirement 2025 Fund	Asset Allocation	0.43%	0.32%
CalPERS Target Retirement 2030 Fund	Asset Allocation	0.44%	0.32%
CalPERS Target Retirement 2035 Fund	Asset Allocation	0.44%	0.32%
CalPERS Target Retirement 2040 Fund	Asset Allocation	0.44%	0.32%
CalPERS Target Retirement 2045 Fund	Asset Allocation	0.44%	0.32%
CalPERS Target Retirement 2050 Fund	Asset Allocation	0.44%	0.32%
CalPERS Target Retirement 2055 Fund	Asset Allocation	0.44%	0.32%
CalPERS Target Retirement 2060 Fund	Asset Allocation	0.44%	0.32%
Self-Managed Account	Brokerage Option	0.38%	0.29%