## **Simulation description**

The goal of the simulation was to find optimal plasticity for different values of the environmental cue received at time 1 ( $C_1$ ). The value of  $C_1$  was varied from -4 to +4 in 100 steps of 0.08 each. Individual plasticity (P) was varied from 0 to 1.5 in 75 steps of 0.02 each. For each combination of  $C_1$  and P, environmental states at time 1, 2, and 3, and environmental cues at time 2, were generated stochastically for 10,000 individuals as described by Eq. 1-4.

The true state of the environment at time 1  $(E_1)$  was computed as

$$E_1 = r_C C_1 + X_1$$
 (Eq. 1)

where  $r_{\rm C}$  is cue reliability and  $X_1$  is a normally distributed random variable with mean = 0 and variance = 1. As a result, environmental states were also normally distributed, with mean =  $r_{\rm C}C_1$  and variance = 1.

The true environmental state at time 2  $(E_2)$  was computed as

$$E_2 = \sqrt{r_E} E_1 + (1 - r_E) X_2 \tag{Eq. 2}$$

where  $r_E$  is a parameter quantifying environmental stability and  $X_2$  is a normally distributed random variable with mean = 0 and variance = 1. This ensures that environmental states at time 2 also have variance = 1. Note that  $r_E$  is defined as the autocorrelation between environmental states at time 1 and time 3 (see Figure 2 in the main article); accordingly, the autocorrelation between  $E_1$  and  $E_2$  and that between  $E_2$  and  $E_3$  are both set to  $\sqrt{r_E}$ .

The environmental cue received at time 2 and the true environmental state at time 3 ( $E_3$ ) were computed as

$$C_2 = r_C E_2 + (1 - r_C^2) X_3$$
 (Eq. 3)

and

$$E_3 = \sqrt{r_E} E_2 + (1 - r_E) X_4 \tag{Eq. 4}$$

where  $X_3$  and  $X_4$  are normally distributed with mean = 0 and variance = 1.

For each simulated individual, the adult phenotype (A) was determined by a crossover interaction between plasticity and the cue received at time 2 ( $C_2$ ):

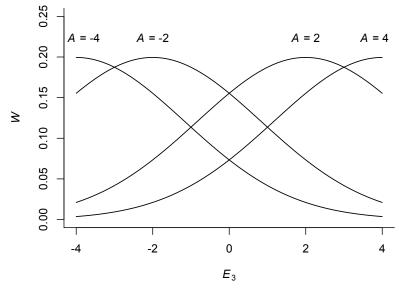
$$A = PC_2. \tag{Eq. 5}$$

The crossover point (i.e., the point at which reaction norms with different plasticity cross) corresponds to  $C_2 = 0$ .

Individual fitness (*W*) was computed with a Gaussian fitness function with mean =  $E_3$  and standard deviation = 2, as follows:

$$W = \frac{1}{2\sqrt{2\pi}} e^{-\frac{(A-E_3)^2}{16}}.$$
 (Eq. 6)

In Eq. 6, fitness is maximized when the adult phenotype matches the state of the environment at time 3 (i.e., when  $A = E_3$ ). A standard deviation of 2 for the fitness function was chosen to ensure a gradual fitness decline over the range of simulated environmental states (Figure A1). However, the qualitative results of the simulation were not affected by the exact value of this parameter.



*Figure A1*. Fitness function for different values of the adult phenotype. A = adult phenotype;  $E_3 =$  environmental state at time 3; W = fitness.

For each combination of  $C_1$  and P, expected fitness was computed as the average fitness  $(\overline{W})$  of the 10,000 simulated individuals. Finally, the optimal level of plasticity  $(P^*)$  was determined for each value of  $C_1$  as the value of P with the maximum expected fitness.

The simulation was performed in R<sup>TM</sup> 2.15 (R Core Team, 2012. *R: A language and environment for statistical computing*. R Foundation for Statistical Computing, Vienna, Austria).