

28 August 2026

Cornerstone Portfolio Service super and pension products

2026 Your Future Your Super – Performance Test outcomes

This flyer is to notify you of the 2026 annual performance test outcomes.

Annual Performance Test

The Annual Performance Test assesses the returns of selected investment options held within your super product (after your super fund deducts fees), over a period of up to 10 years¹.

It is important to note that the test is an assessment of an investment option over the full period and is based on a standard set of investment benchmarks, account balance (\$50,000) and fee parameters (generally the highest fee applicable for any member). As a consequence, it may not be a measure of your individual experience with the investment option or your overall portfolio if you have a higher account balance or hold multiple concurrent investment options.

For 2026, the following investment options held by some members of Cornerstone Portfolio Service Super and Pension products failed the performance test:

TDPs that failed the performance test		
Cornerstone Portfolio Service Super and Pension ²		
MLC0397AU	MLC MultiActive High Growth	Open to new members
MLC0449AU	MLC MultiActive Geared	Open to new members

What is the performance test?

The test started on 1 July 2021 for default investment options known as MySuper, and in 2023 was extended by the Government to include “trustee-directed products” (**TDPs**). A limited range of the investment options available to members through Cornerstone Portfolio Service Super and Pension products in the IOOF Portfolio Service Superannuation Fund (the **IPS Fund**) are classified as TDPs and have therefore been included in the 2026 test.

What is a TDP? TDPs are investment options with allocations to more than one asset class where the trustee (or a related entity) has control over the design or implementation of the investment strategy.

In the case of Cornerstone Portfolio Service Super and Pension products, TDPs are generally those investment options offered and/or managed by related entities of the trustee, being MLC Investments Limited or OnePath Funds Management Limited.

The below table outlines how the test has been applied to investment options held within Cornerstone Portfolio Service Super and Pension:

Investment options held by Cornerstone Portfolio Service Super and Pension ² members	
Total investment options held by members ³	549
TDPs included in the 2026 performance test	30
- TDPs that passed the 2026 performance test	28
- TDP that failed the 2026 performance test (refer to table above)	2

¹ The performance assessment period will be less than 10 years if the TDP hasn't been available through the super fund (or predecessor fund in the case of an SFT) for that long. If the TDP has been available for less than 7 years, it will generally not be tested.

² Only TDPs within transition to retirement (TTR) pensions are in scope. Retirement pensions are excluded.

³ Across all super and pension products, as of 30 June 2026 (excluding managed accounts, listed securities, term deposits and annuities).

If a TDP fails the performance test in one year, the trustee is required to notify members that have invested in that TDP. If the TDP fails the performance test two years in a row, in addition to notifying affected members, the trustee will not be allowed to offer the TDP to new members until a future test is passed. Members that hold a TDP that has failed for a second consecutive year or more will be allowed to continue to hold and invest future monies in the option, unless the trustee has otherwise ceased to allow new investments to be made.

In some circumstances, such as in the case of a Successor Fund Transfer (SFT), the performance of a TDP in one super fund may be combined with the performance of that TDP in the predecessor fund.

Note that this is the fourth year the performance test has applied to TDPs. The Government requires us to notify you if you have an investment in a TDP that does not pass the annual performance test. If you are invested in the failed TDP outlined below, you'll receive a letter about this by 25 September 2026.

If you joined Cornerstone Portfolio Service after APRA has issued its determination for 2026, how does the performance test affect you?

You will not receive a failure notice for the 2026 performance test if you joined after APRA issued its determination. However, if any TDP that you are invested in fails a future annual performance test, we will issue a failure notice to you at that time.

If you hold a TDP that has failed the 2026 performance test, what should you do?

This is the first occurrence of failure for these TDPs, and as a consequence they remain open to ongoing contributions, further investment and are also available to new members. The trustee will continue to review the investment options in line with its normal assessment criteria.

If you received a letter from us, it is important to consider the implications of acting on the performance test results, as the test does not generally reflect your experience with the TDP. Before acting, there are a few things to consider:

- There may be costs in moving your monies held to another investment option or super product, including tax on capital gains or transaction costs (buy/sell margins);
- Your fee arrangements may not be the same as the standard parameters used in the test, as the administration fee applicable to you may be lower if your account balance is higher than \$50,000;
- You may lose benefits that cannot be replaced if you move to another super product, such as loss of insurance or fee discounts that apply to a family group that you are part of; and
- Investments can go up and down. Past performance is not necessarily indicative of future performance.

Should these investment options noted above fail the performance test in 2027 (consecutive failure), the trustee must write to members again. If that occurs, the trustee must also close the investment option(s) to new members, although members that hold the investment option will be able to continue to retain it and add further contributions.

We recommend that if you hold either of the investment options that failed the 2026 performance test, you should talk to your financial adviser about your personal circumstances.