



IMAGE: YHA BLUE MOUNTAINS

 **yha**[™] always exploring

INTEGRATED REPORT 2025

Certified

Corporation

ACKNOWLEDGEMENT OF COUNTRY



IMAGE: YHA CAIRNS CENTRAL

YHA Australia acknowledges the Traditional Custodians of Country throughout Australia.

We pay our respects to the Elders, past and present, and the extended Aboriginal and Torres Strait Islander communities.

We recognise their custodianship of the land, sea and water for over 60,000 years.

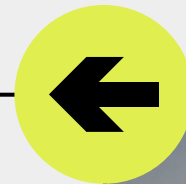


IMAGE: YHA LEGACY DESTINATION BRAND LIBRARY

ABOUT THIS REPORT



YHA Australia is a for-purpose company limited by guarantee, and owned by our members. This Integrated Report outlines our performance and progress during the year ending 31 December 2025, and how we're continuing to deliver on our purpose of creating an open and accommodating world where life flourishes.

Prepared using the International Financial Reporting Standards (IFRS) Foundation's Integrated Reporting Framework, this report communicates how YHA Australia creates value over time across six capitals (Travellers, Financial, Team, Environment, Community, and Reputation) adapted to reflect our business model, consistent with the framework's guidance that not all capitals will be equally relevant to all organisations.

From the 2028 reporting year, YHA will also report in line with the Australian Sustainability Reporting Standards.

The YHA Board acknowledges its responsibility for the integrity of this report and endorses the contents as being presented in accordance with the IFRS Foundation's Integrated Reporting Framework.

The summary financial statements have been **independently audited by Pitcher Partners**. Full financial statements for 2025 are available on our website. All other information in this report is based on YHA's internal records and has not been independently assured or formally reviewed by a third party.

CHAIR & CEO LETTER



2025 has been a year of genuine significance for YHA – one in which we strengthened the organisation financially and operationally, while deepening our commitment to the purpose that has always defined us.

Among the highlights of the year, we are proud to have achieved B Corporation certification. This milestone reflects years of careful, deliberate work across every part of our organisation, and crucially, the trust of our members, who voted to embed YHA's purpose and stakeholder commitments into our constitution. Alongside this, every property in the YHA network is now independently certified through Ecotourism Australia's certification program, reaffirming our long-standing leadership in sustainable travel.

Our investment in governance also continued to bear fruit. The Board's most recent independent governance assessment recorded continued improvement across strategic clarity, risk oversight and long-term sustainability – a reflection of the culture of accountability we are committed to maintaining. In that spirit, we acknowledge with deep appreciation the contribution of Bronwyn Dallow, who concludes nine years and three full terms on the YHA Board in 2026. Her guidance and dedication have meaningfully shaped the organisation, and we wish her every success in the chapters ahead.

Operationally, YHA continued to grow and evolve. We commenced direct management of the Hobart Town Hotel, opening a new chapter for this historic venue, and the ongoing development of the Railway Square project

Beyond our accommodation network, programs such as Travel to Learn expanded their reach – supporting young Australians to access educational and cultural experiences that would otherwise be beyond them. These outcomes sit at the very heart of why YHA exists.

None of this would be possible without the dedication of our team, the loyalty of our members, and the partnership of our suppliers and communities. We are deeply grateful.

There is much more ahead – and we look forward to pursuing it together



Paul McGrath
CEO, YHA Australia



Tammy Marshall
Chair, YHA Australia

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WHO WE ARE



IMAGE: YHA BYRON BAY

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OUR PURPOSE

**We exist to create an open and
accommodating world where life flourishes.**



OUR MISSION

To create a community in diverse spaces, by connecting the curious, inspiring personal growth and creating genuine local experiences, in a sustainable way.



OUR VALUES



WORK TOGETHER

We open doors for each other as well as for our guests.

Great teamwork builds a safe and constructive environment, where all can thrive.

GIVE OUR BEST

We bring our best selves every day we come to work.

Striving to be the best we can be; developing our skills and knowledge is positive for everyone.



PUT OUR GUESTS FIRST

We know great hosts make great holidays.

Embedding best practices & delivering the ultimate guest experience is how we create advocates for the YHA brand.

HAVE FUN

We celebrate and enjoy being together.

Enjoying our time together provides a great environment for everyone at YHA.



THINK DIFFERENTLY

We see problems as opportunities.

Encouraging innovative approaches leads to new and better outcomes.

ABOUT US

YHA Australia has shaped the way Australians travel for 86 years, and our next chapter is our most exciting one yet.

We're a for-purpose, member-based organisation with a clear mission to create an open and accommodating world where life flourishes. We bring that to life by making travel more achievable and more welcoming, for more people -through safe, affordable, community-led stays that spark connection, curiosity and personal growth.

Across our national network, every YHA is built for individual experiences. From buzzing city rooftops and laid-back coastal bases to nature and adventure stays near national parks.

From private rooms to co-living, our properties blend comfort with vibrant shared spaces, including communal kitchens, co-working areas, pools, cafes, and rooftop bars, all designed to help people feel part of something.

Our impact is powered by what happens in every property, every day. We back our teams to do their best work, creating safe, supportive workplaces, building skills, and lifting standards across every property so guests feel looked after from arrival all the way through to check out.

We believe travel should create positive change, not just good memories. That's why we're scaling practical sustainability initiatives that cut waste, reduce emissions and support our path to net zero, backed by the independent rigour of our B Corp certification, a milestone we're proud to stand behind.

We're investing in guest-first innovation, from digital wallet keys to the YHA Explorer app, making check-in and stays smoother so our teams can focus on what matters most - a warm welcome, great local knowledge, and helping travellers experience the best of each destination.

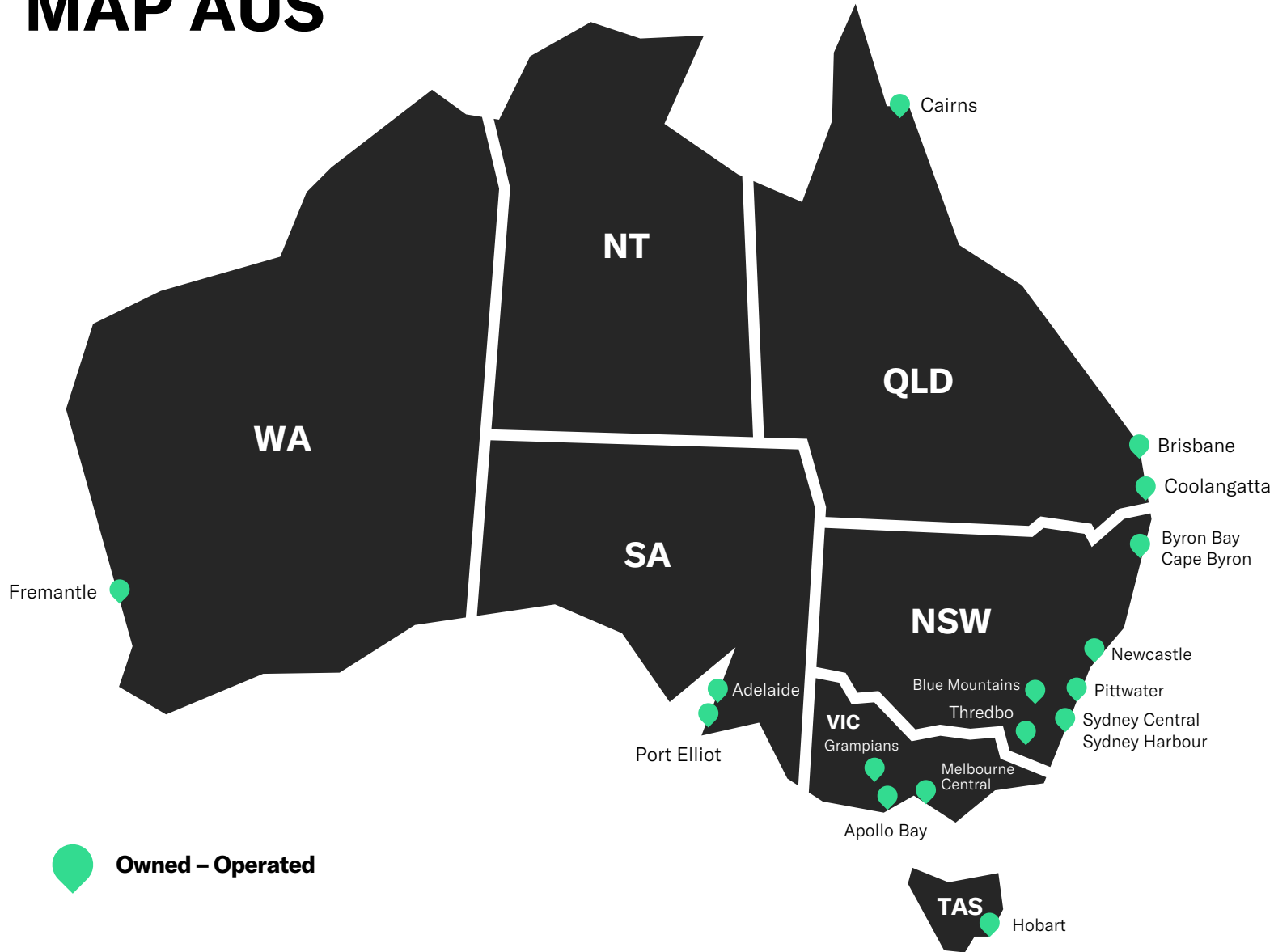
Since our doors first opened in 1939, guests have always come first. Because great hosting turns a simple booking into a stay people rave about, return to, and recommend.

As an organisation we have fun, think differently, and keep raising the bar, bringing warmth, energy and smart ideas to how we welcome people, and how we keep improving.



IMAGE: YHA THREDBO

YHA LOCATION MAP AUS



LOCATION MAP NZ

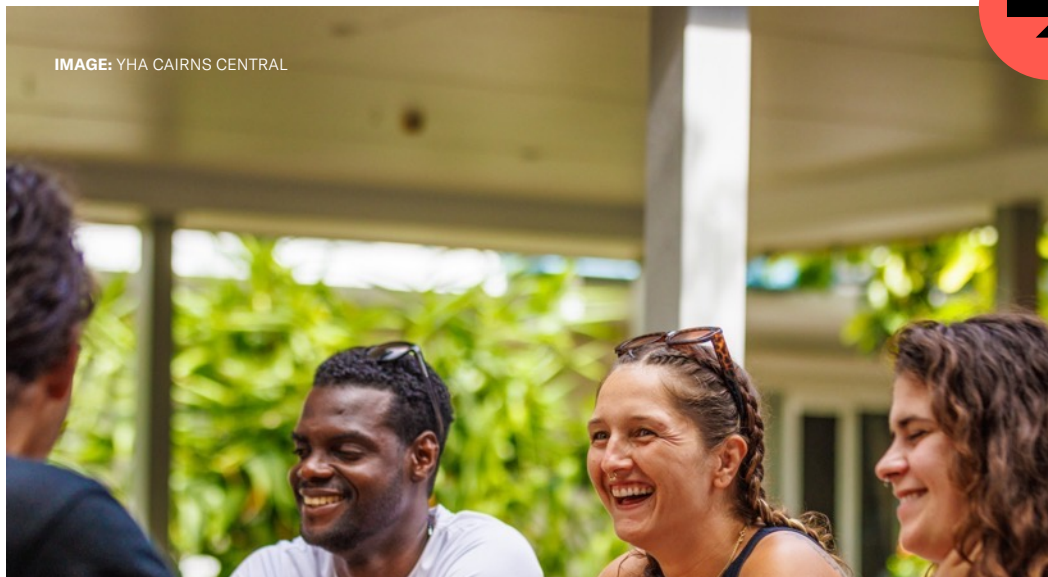
New Zealand properties are independent Hostelling International members, not YHA Australia affiliates.

When YHA New Zealand dissolved, we welcomed 1,700+ members into our network and keep them connected through a quarterly newsletter showcasing NZ properties. Good neighbours. Good HI citizens.





IMAGE: YHA CAIRNS CENTRAL



OUR HISTORY

86 years of opening doors to adventure.

Originating in Europe's youth hostel movement, the concept of affordable stays for young explorers reached Australia in 1939, with the opening of the first property in Warrandyte, Victoria.

By 1947, YHA Australia was established to represent the individual state youth hostel associations and help build a stronger national network.

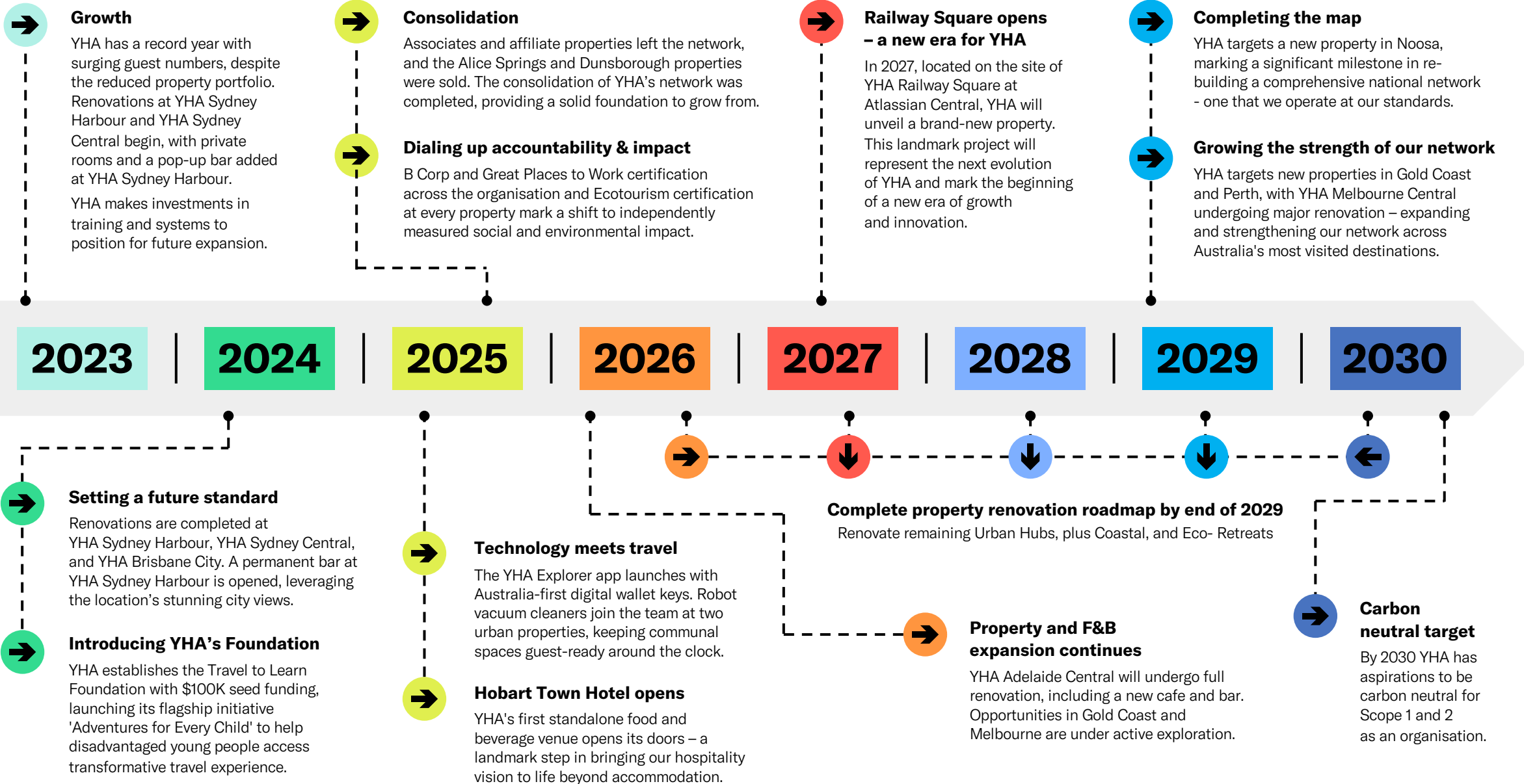
Over the decades, YHA has grown from a collection of volunteer-run stays in hand-built, borrowed or donated buildings into a professional, market-leading operator of quality, affordable accommodation across the country.

While YHA has evolved, we remain a mutual organisation, with members at the heart of what we do.



IMAGE: YHA BRISBANE CITY

OUR EVOLUTION | 2023-2030



WHAT YOU CAN EXPECT | YHA PROPERTY NETWORK

In 2025, we completed a strategic review of our brand, defining three clear accommodation categories - **Urban Hubs**, **Coastal**, and **Eco-Retreat**, with brand standards for each that ensure consistency while preserving what makes individual properties special.

Urban Hubs are built for city immersion and offer evolving food and beverage experiences.

Coastal properties lean into beach life and active leisure.

Eco-Retreats near national parks cater to nature-focused travellers seeking outdoor experiences.

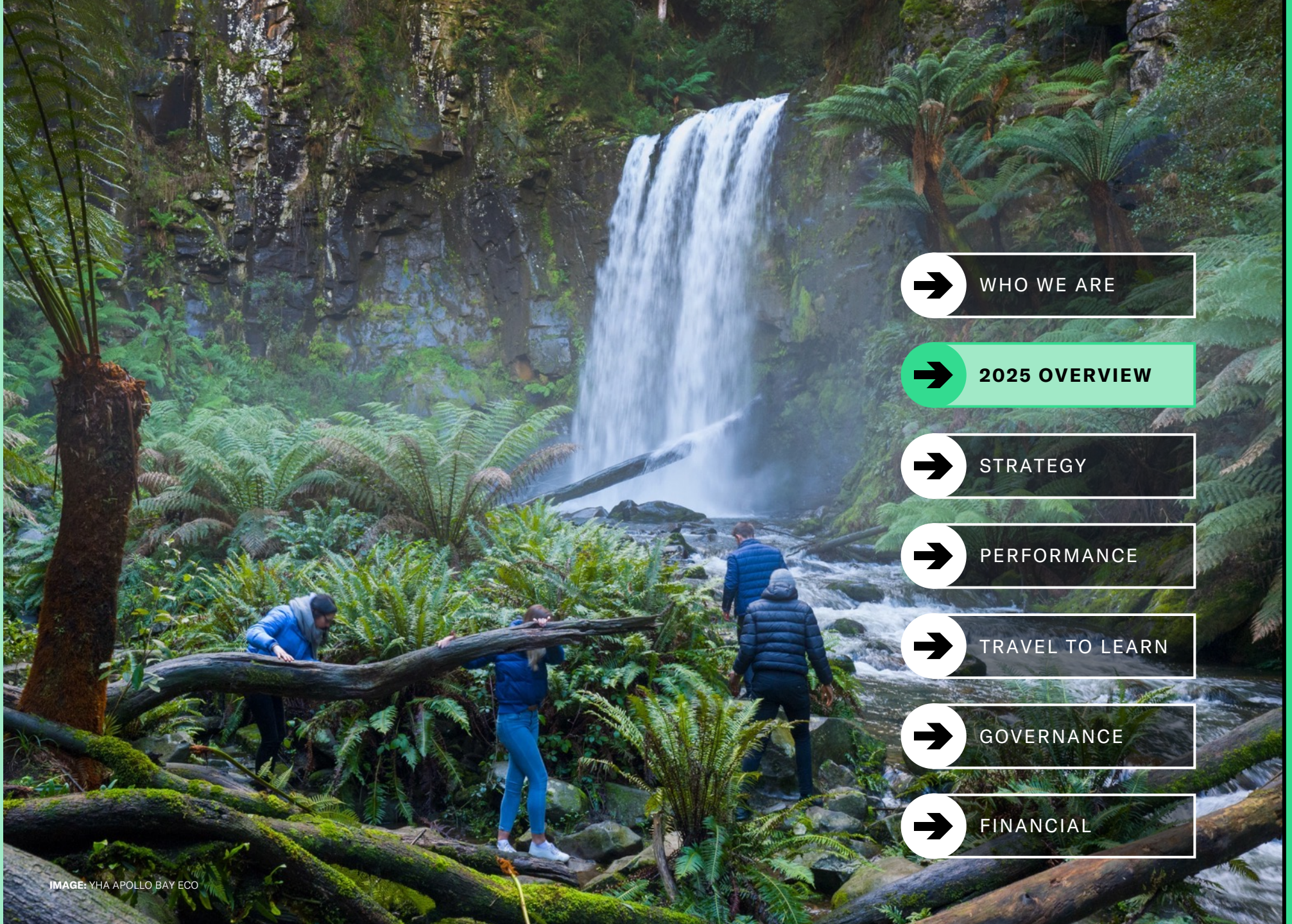
What unifies the three categories is YHA's commitment to creating community through spaces and activities designed for connection.

In 2025, our spaces expanded beyond accommodation with the opening of a heritage pub in Hobart. Hobart Town Hotel is a community gathering place first and foremost, and is distinct from our YHA Hobart Central property.

PROPERTY CATEGORY	IN-HOUSE ACTIVITIES	WELLNESS SPACES & ACTIVITIES	BIKES, SURFBOARDS, ETC.	CO-WORKING SPACES	CONTINENTAL BREAKFAST BUFFET	GRAB N' GO BREAKFAST + FROZEN MEALS	CAFÉ TRAILS + LITTLE TRAILS	LICENSED VENUE	GROUP CATERING
SYDNEY HARBOUR	●	●			●		●	●	●
SYDNEY CENTRAL	●	●		●	●			●	●
BRISBANE CITY	●	●		●	●		●	●	●
MELBOURNE CENTRAL	●				●		●	●	●
ADELAIDE CENTRAL	●	●				●		●	●
HOBART CENTRAL	●	●							
BYRON BAY	●	●	●	●	●				
CAPE BYRON	●	●	●						
CAIRNS CENTRAL	●	●	●		●		●	●	
COOLANGATTA	●	●	●			●			
NEWCASTLE BEACH	●	●	●						
FREMANTLE	●	●				●			
APOLLO BAY	●	●					●		
GRAMPIANS	●	●					●		
PITTWATER	●	●	●				●		
THREDBO	●		●		●		●		
BLUE MOUNTAINS	●	●		●	●		●		●
PORT ELLIOT	●		●				●		
HOBART TOWN HOTEL								●	

● Urban Hubs
 ● Coastal Retreats
 ● Eco Escapes
 ● Standalone F&B Venue

OVERVIEW



➔ WHO WE ARE

➔ **2025 OVERVIEW**

➔ STRATEGY

➔ PERFORMANCE

➔ TRAVEL TO LEARN

➔ GOVERNANCE

➔ FINANCIAL

IMAGE: YHA APOLLO BAY ECO

KEY ACHIEVEMENTS IN 2025



Opened Hobart Town Hotel, our first pub operation, extending YHA's food and beverage footprint beyond accommodation properties.



Expanded Byron Bay with The Deck, introducing a capital-light operating model and increasing accommodation capacity with the launch of this new property.



Completed property consolidation with strategic **sales of Alice Springs and Dunsborough**.



Welcomed **YHA New Zealand members**, supporting the NZ hostel community and preserving the YHA brand across the Tasman.



Railway Square slabs poured for all levels, revealing the future bar and restaurant's views.



Achieved 33% **YHA Explorer App adoption** across properties, enhancing the digital guest experience.

WHAT WE'VE DONE



Introduced digital wallet keys, an Australasian first, delivering seamless access with strong guest feedback.



Advanced property technology with **robot vacuums** and self-service kiosks improving efficiency and convenience.



Reached record **90% positive guest sentiment** at YHA Sydney Harbour.



Became a Certified B Corporation, verified as meeting high standards for social and environmental performance, joining a global community of purpose-driven businesses.



Achieved 100% property eco-certification from Ecotourism Australia across our entire accommodation network.



Achieved HIQ&S certification, meeting Hostelling International's quality and sustainability standards.



Certified as a Great Place to Work, recognising YHA's positive workplace culture.



Extended employee wellness benefits with paid parental and women's health leave.

OUR IMPACT



Travel to Learn Foundation's first year impact, supporting 118 disadvantaged students to access transformative school travel.

























Established for-purpose educational partnerships, providing learning opportunities for all school excursion students staying at YHA properties.



IMAGE: YHA THREDBO

2025 IN NUMBERS

	ACCOMMODATION	18  Owned properties	4  F&B venues	2,367  Guests nightly	864k  Overnight stays (Owned and Operated)	
	FINANCIAL	\$211M  Independent valuations of properties		\$59M  Revenue excluding asset sales		\$11.8M  EBITDA excluding asset sales
 	TRAVELLERS & REPUTATION	420k  Members	195  Nationalities	1,397  Groups (123.6k overnights)	84.5  Guest sentiment score	
	ENVIRONMENT & COMMUNITY	3,682 t CO2e  Carbon emission scope 1 & 2		24,486  Regenerative activity attendance (environment, wellness & connection)		
	TEAM	77% Great places to Work (New for 2025)	57%  Female	43%  Male	0%  Non-binary / prefer not to say	

STRATEGY



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OUR BUSINESS

This integrated operating model underpins the interconnectivity of all aspects of our organisation, ensuring that we create value for all our stakeholders.





In 2025 we undertook a structured process to identify the UN Sustainable Development Goals most relevant to our vision, strategy, and values.

This process considered every aspect of how YHA operates and creates value: from how we employ and develop our people, to how we manage our properties, procure goods and services, and engage our global network of partners.

We also considered the distinctive role of Travel to Learn, YHA's foundation, which works to reduce inequity and broaden access to education through the power of travel.

Through this assessment, we identified six SDGs where YHA has a direct, material, and credible contribution to make. These are not aspirational statements – they reflect where our operations, programs, and culture already create meaningful impact, and where we are committed to doing more.

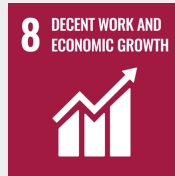
YHA Australia supports the United Nations Sustainable Development Goals (SDGs).



Through our Travel to Learn foundation and nationally recognised team training, we advance education and skills development.



We provide equal opportunity employment, paid parental leave, flexible work, and safe inclusive spaces, embedding gender equity across our workforce and guest environments.



As a profit-for-purpose employer, we create quality jobs in hospitality and regional communities, investing in fair wages, training, and team culture across our network.



Our purposeful procurement, B Corp certification, and property operations reflect a commitment to ethical sourcing, reduced waste, and sustainable resource management.



We are measuring and reducing the carbon footprint of our 18 properties, retrofitting older buildings and improving energy and water efficiency across our operations.



Our Hostelling International membership and the B Corp community connects us to global networks that amplify our impact on sustainable and accessible travel.

Source: sdgs.un.org/goals

MARKET CONTEXT & STRATEGIC RESPONSE



The accommodation landscape continued its path of rapid evolution, with consistent themes from 2024 into 2025. Travellers are seeking quality experiences at accessible price points, with increasing expectations around sustainability, digital convenience, and authentic local connections.

The rise of digital nomads, the growing "bleisure" trend (blending business and leisure travel), and heightened focus on sustainable tourism are all shaping our strategic direction.

We're responding to these trends by:

- ➔ **Walking the talk on sustainability** – 100% of our properties are now certified through Ecotourism Australia and YHA Australia as an organisation is now B Corp certified.
- ➔ **Delivering on digital** – our YHA Explorer app delivers the digital convenience modern travellers expect, with features like digital room keys, auto-connect Wi-Fi and member savings built in.
- ➔ **Investing in the experiences of tomorrow** – with the Railway Square redevelopment progressing toward a 2027 opening, we're making long-term bets on what quality travel looks like for the next generation of travellers.

As we adapt to this changing landscape, our purpose remains constant: creating an open and accommodating world where diverse communities can connect, learn, and flourish together.

2025 STRATEGY EVOLUTION

Our strategy optimises business operations, maximising profitability to provide the funds necessary to enhance our properties, guest services, and importantly to fund our positive social impact initiatives.

This period has marked a defining moment in YHA's journey as a profit-for-purpose organisation.

In July 2024, the Board and leadership team established a strategic direction that positions YHA uniquely within the accommodation sector – a value proposition no competitor can replicate because it's rooted within YHA's very DNA. It differentiates our products, drives innovation, and creates a platform for purpose-aligned partnerships.

Our 2025 strategy consolidates our previous five strategic pillars into four (Place, People, Planet, and Pledge) reflecting our evolution from operational focus to purpose-led social enterprise, built directly upon the transformation journey of previous years.

The 2020-2022 focus on financial stability provided resources for innovation. The 2023 investment in product quality created operational excellence. And the 2024 diversification initiatives demonstrated capacity to evolve while maintaining mission integrity.

Our strategy ensures financial sustainability and social impact reinforce rather than compete with each other – driving purpose-aligned innovation, values-aligned partnerships, guest loyalty built on meaningful experiences, and an enhanced reputation as a leader in purpose-driven hospitality.

FROM AD HOC TO SYSTEMATIC

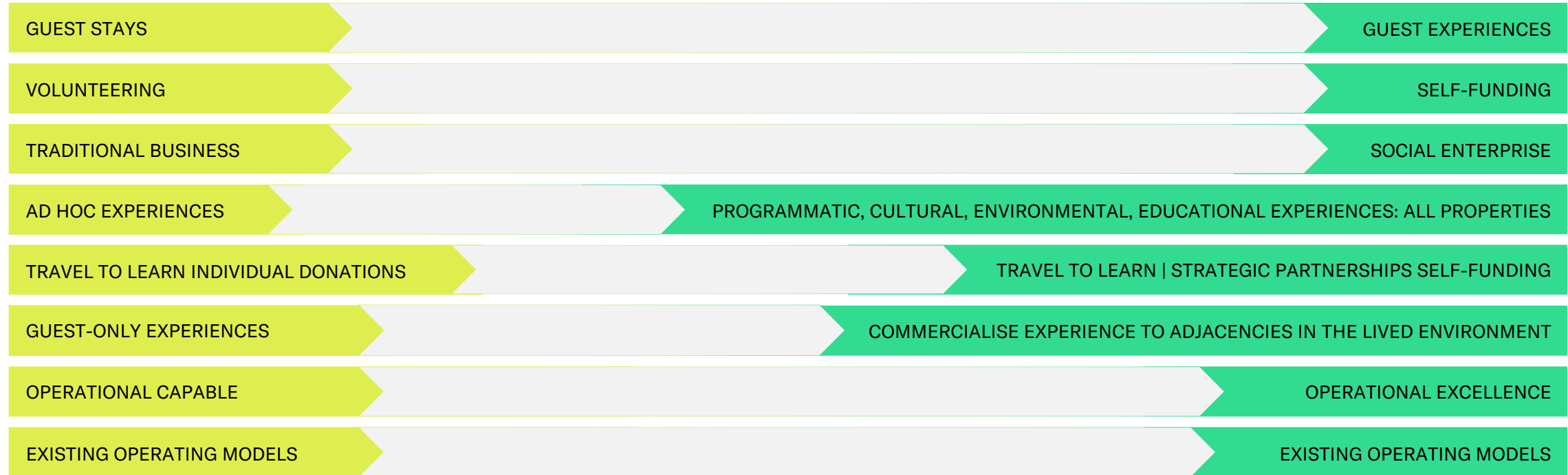
The strategy charts a path to embed a purpose-driven mindset throughout the organisation to evolve as a social enterprise:

- ➔ Guest stays will evolve into guest experiences delivering transformative connections and community engagement.
- ➔ Volunteering in the community will evolve into self-funding impact programs with sustainable revenue models.
- ➔ Traditional business operations will evolve into social enterprise principles embedded in operational systems.
- ➔ Individual property initiatives will evolve into network-wide cultural, environmental, and educational programming.
- ➔ Travel to Learn will evolve from donation dependent to strategically partnered and self-funding.



2025 TRANSITIONING STRATEGY

This strategy marks a significant shift in the organisation’s mindset. It moves us beyond providing low-cost quality traveller accommodation to developing a platform that offers socially impactful experiences for our members, guests, and stakeholders.



STRATEGY PILLARS

PLACE

We invest strategically in our properties and operations to deliver exceptional guest experiences while generating sustainable returns that fund our impact initiatives and ensure long-term financial resilience.

PEOPLE

We establish a community engagement platform that builds loyalty by inspiring, educating, and connecting members with fellow travellers, local communities, and Indigenous Australian culture. In parallel, we support the local communities we operate in and partner with social impact and Indigenous organisations to drive positive change.

PLANET

We are committed to environmental regeneration and protection at both global and local scales. We pursue our de-carbonisation targets while acting as proactive guardians of the local ecosystems where we operate, striving to leave them better than we found them and creating positive environmental outcomes through travel.

PLEDGE

We are committed to driving impact as a social enterprise. Through our foundation, Travel to Learn, we connect with communities, support young people to attend school excursions and foster personal growth. Our Foundation will now play a significant role in delivering our social impact.

THE FUTURE OF YHA

Our transformation is entering its next phase, redefining YHA as not just an accommodation provider, but a catalyst for positive change.

Our ambition is bold: to become a social enterprise that demonstrates business can be a force for good, delivering exceptional value while upholding high standards of social and environmental performance, accountability, and transparency.

Our recent B Corp certification establishes a new baseline for how we measure and report this commitment. The rigorous work ahead is substantial, and we're energised by it.

The future we're building centres on human connection, designing spaces where community and retreat coexist, where guests choose their own mode between shared discovery and personal reflection. We want every person who walks through our doors to become part of a movement: where travel becomes transformation, where strangers become friends, and where cultural exchange sparks personal evolution. This is accommodation designed for connection – a catalyst for the relationships and experiences that change us.

Our growth strategy is deliberate and ambitious. New properties in strategic locations. Ongoing capital investment transforming our existing network. A readiness to seize brand-aligned opportunities as they emerge, ensuring YHA continues leading the evolution of purposeful travel.

This is how we're building a social enterprise: one stay, one connection, one young person at a time.

Our vision takes shape in two powerful expressions.

YHA Australia's Foundation, Travel to Learn addresses a reality we're determined to change: too many children, especially those facing disadvantage, miss out on formative travel experiences. In 2025, we supported 118 students with \$56,612 in funding.

Our Railway Square development at Atlassian Central represents the physical evolution of YHA's future.

Opening in 2027, it's designed to bring together international travellers, innovators, entrepreneurs, and knowledge workers, creating unexpected connections that expand perspectives.



IMAGE: YHA SYDNEY CENTRAL

"This is accommodation reimaged – not as a place to stay, but as a catalyst for relationships and experiences that change us."

– **Paul McGrath CEO**

RAILWAY SQUARE A SOCIAL ACTIVATOR

Designed with the ambitious in mind.

Our new accommodation located in Atlassian Central will be more than just a place to stay - it will be a Social Activator designed with the ambitious in mind. A new social playground that brings the energy of its surroundings inside, transforming its unique features into catalysts for connection, innovation, and community engagement.

At the core of the property is a climbing wall, a dynamic space where ambition and social interaction intersect. This is where people come together, not just to conquer physical challenges, but to build new bonds, share new ideas, and feel part of a dynamic new community of remote workers and digital professionals, conference visitors, the Tech Central community, and experience-led travellers from around the world.

Welcome to Sydney's new social playground.

"We've spent the year finalising design and construction details. The tower itself is well underway – all our prototype rooms are complete, our façade is enclosed, and by April our floors will be complete. Practical completion for the entire tower is targeted for November 2026."

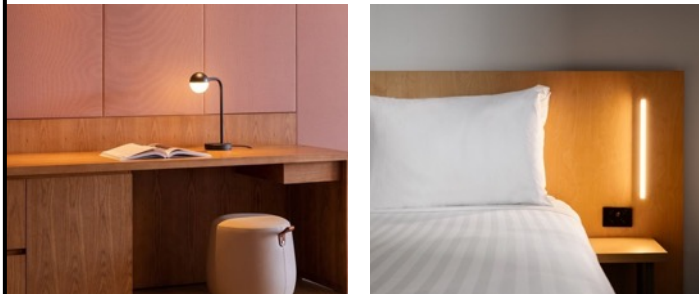
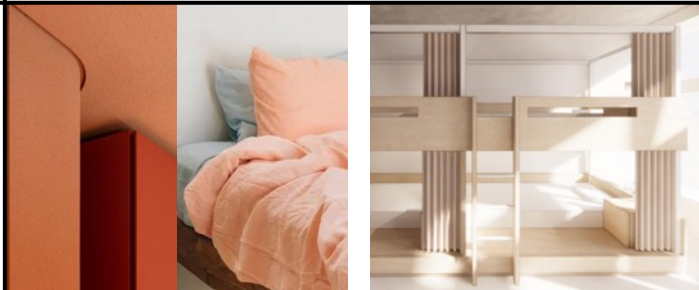
– **Sam Owen, Head of Development**

THE SOCIAL HUB

Level 1 is the social heart of YHA Railway Square, functioning as a social activator, thoughtfully designed to bring guests, YHA members, and the broader Tech Central community together.

We've curated distinct zones that flow seamlessly from one to the next – casual co-working spaces transition into dining areas, event spaces connect with playful play and wellness zones.

It's a vibrant floor with genuine variety, where each space serves a clear purpose and the flexibility to shift throughout the day creates a true community hub. Programmed events and community activities bring the space to life, fostering genuine connection and interaction.



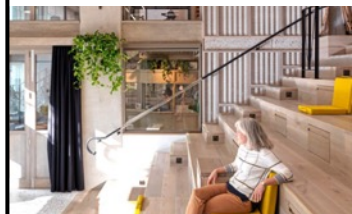
CONCEPT IMAGERY

GUEST ACCOMODATION

The property will have 137 thoughtfully designed rooms across 4 floors, all with private ensembles in King, Queen, Family and Co-Living configurations. Quality is experienced in the detail of the finishes, concrete and timber reflect the building's character, while artworks and natural greenery bring warmth and a sense of place.

Simple, elegant spaces that welcome you in, designed to help you relax, recharge, and reset.

CONCEPT IMAGERY



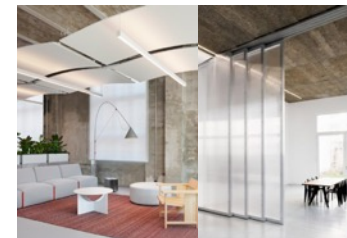
CO-WORKING & FLEXIBLE FUNCTION SPACE

Level 1 offers tech-enabled flexible workspace designed for different working modes and tempos – from focused deep work to collaborative sessions.

Rather than replicating traditional co-working, the multipurpose space shifts between uses with integrated screen-sharing functionality, dedicated productivity zones, and seamless connectivity.

Supporting everything from wellness sessions to meetings and presentations, the "work anywhere" approach across Level 1 gives guests and drop-ins genuine choice in how and where they work.

CONCEPT IMAGERY



PERFORMANCE



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→ **PERFORMANCE**

→ TRAVEL TO LEARN

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→ FINANCIAL

IMAGE: YHA SYDNEY HARBOUR



TRAVELLERS

FINANCIAL

TEAM

ENVIRONMENT

COMMUNITY

REPUTATION

As our primary value creation capital, the traveller experience is where YHA's purpose becomes tangible – in every stay, every connection, and every story told about us beyond our walls.

WHO OUR TRAVELLERS ARE



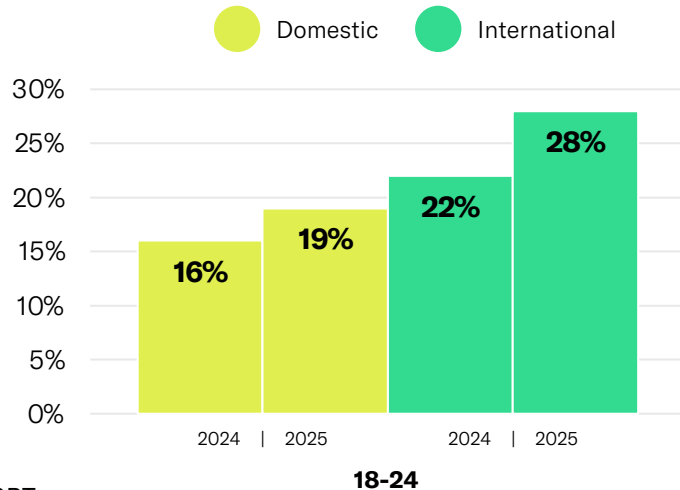
TRAVELLERS FROM
195 NATIONALITIES



AGE DEMOGRAPHIC

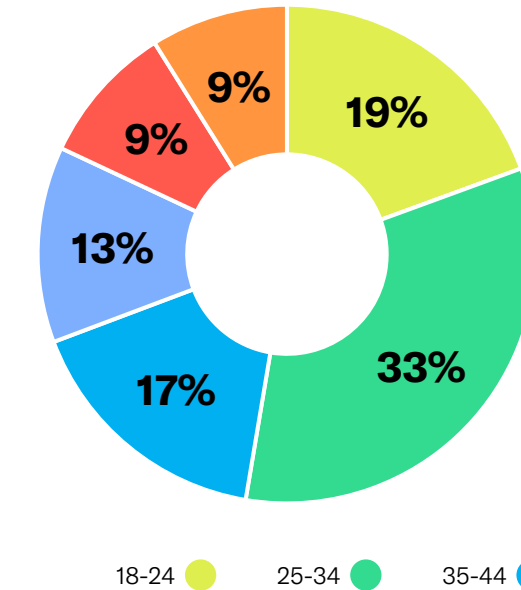
KEY MARKET SEGMENT GROWTH

The 18-24 age segment grew both domestically and internationally from 2024 to 2025, marking a rise in Gen Z engagement.

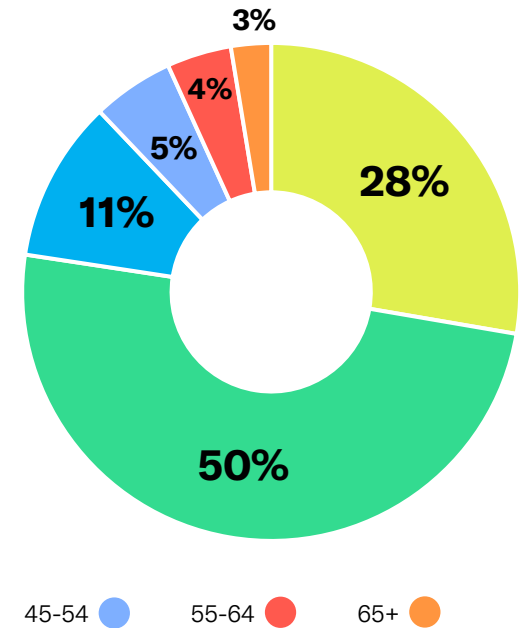


RANKING	NATIONALITY	% OF GUESTS	NUMBER OF GUESTS	GROWTH FROM 2024
1	Australia	31%	56,982	7%
2	UK	11%	20,942	27%
3	Germany	6%	12,049	15%
4	Korea South	6%	10,929	77%
5	France	5%	9,786	10%
6	China	5%	9,623	78%

DOMESTIC



INTERNATIONAL



TRAVELLERS WHO RETURN

In 2025, nearly one in four members stayed with YHA more than once – 45,230 guests in total. Of those, around three in four returned to a property they already knew, and around one in two visited more than one location across the network. For many, it was both – coming back to a favourite place while also discovering somewhere new.

Looking across years, nearly one in six Australian members who stayed in 2025 had first stayed with YHA before the year began – a reflection of loyalty that builds over time. For international members, the pattern looks different: travelling from further afield, their stays tend to be closer together within a single trip to Australia rather than returning across multiple years. Two different expressions of loyalty, both meaningful to the organisation.



YHA PITTWATER ECO

“Wonderful as always.
More travellers should know about this.”

YHA NEWCASTLE BEACH

“I’ve stayed at this hostel several times whenever I visit Newcastle, and it’s always my top choice.”

YHA SYDNEY HARBOUR

“We always stay at The Rocks YHA! We’ve recommended it to lots of people & we wouldn’t stay anywhere else.”

YHA BLUE MOUNTAINS

“I came in February for 3 nights & just did another 3 nights & am thinking to come back next time for 5 nights...”

YHA MELBOURNE CENTRAL

“Always do like the YHA. Stayed with YHA Melbourne, Adelaide and Sydney. I always know what to expect. I will always stay at the YHA”

MORE THAN A BED: WHY TRAVELLERS CHOOSE YHA

Today's travellers are defined by mindset, not age. They seek quality and value, and they want their stay to feel like part of the journey.

At YHA, we've built our properties and network around exactly that. Our locations give travellers the freedom to explore within their budget, but what keeps them coming back is something deeper: genuine connection to place, to people, and to purpose.

Social spaces designed for interaction. Property teams who are as much local guides as hosts.

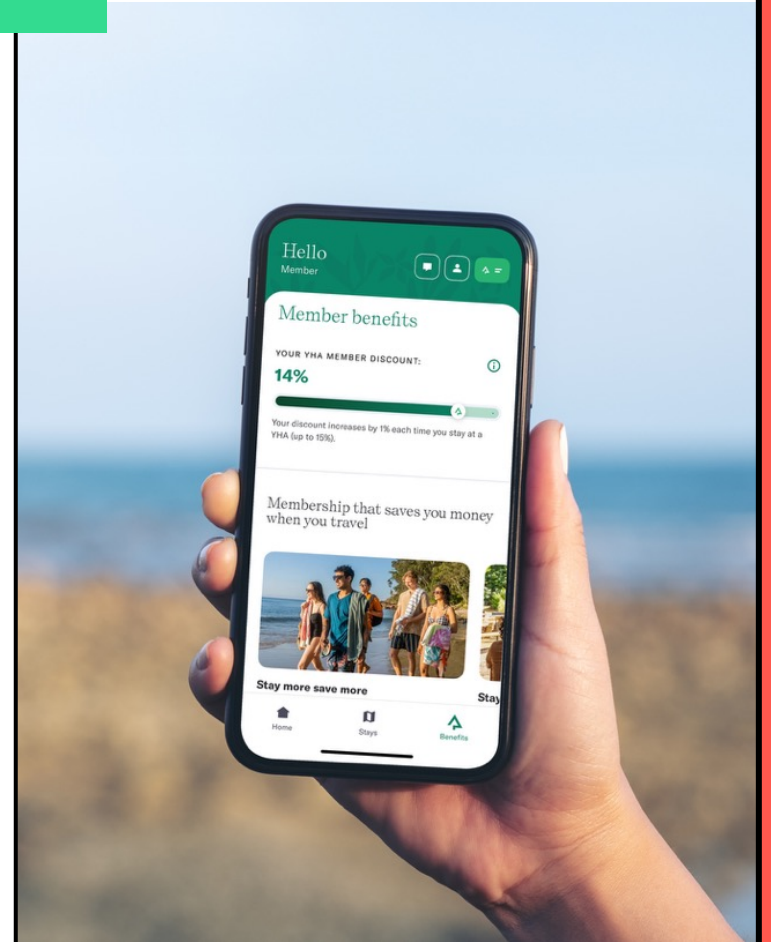
In 2025, YHA delivered 2,347 activities across our network including cultural, environmental, connection and wellness programs - reaching more than 26,000 guests. Each activity serves to connect travellers with the people, stories and places that make each destination distinct.

Our diverse locations, room mix and accessible price points mean every traveller finds their place within our network, whatever their budget or itinerary.

In 2025 we also launched the YHA Explorer App, giving members exclusive discounts across accommodation, cafes and bars, direct access to property teams, and easy booking of in-house activities. The app also introduced digital wallet keys, replacing plastic key cards with a phone-based entry system - making us the first accommodation provider in Australasia to offer this.

More than one in three guests used the app during their stay in its first year, and members can expect digital check-in to be available across the network in 2026.

For many members, YHA becomes something more personal over time. A shared set of values. A network that feels familiar. A sense of belonging that brings people back, again and again.



WELLBEING BY DESIGN

In our **Rate Your Stay** survey, **85% of travellers** told us their stay made a positive difference to their overall wellbeing.



778 Wellness activities for **5,867** guests



At YHA, we've always understood that travel itself is a form of wellness – the freedom to move, to disconnect, to sleep somewhere new and wake up curious.

Our role is to create the conditions for that to happen, and across our urban, coastal and eco-retreat properties, every part of our network does it differently.

In our urban properties, wellness is active and intentional. Our She Pilates rooftop collaboration at YHA Sydney Harbour, yoga sessions across multiple properties, and guided walks through iconic landscapes like the Bondi to Coogee coastal path give travellers ways to move with purpose.

Our renovated properties have privacy bunks designed for exactly that balance – time to connect, and space to properly rest.

At our coastal properties, it's about leaning into what's already there – surfboards, bikes and beach gear that put travellers directly into the landscape they came for.

At our eco-retreats, simply arriving is half the job. Guided alpine walks in Thredbo and the kind of quiet that only comes from being genuinely away do the rest.

What connects all three is the understanding that getting away – resting well, sharing a meal, making a new friend – is itself restorative.



“As a mountain biker, I'd never really been able to afford to go to Thredbo. But when I stayed at YHA Thredbo last December, I was blown away. The manager, Stef, was exceptional. She remembered my name straight away, knew who I was every time I came down the stairs, and made everyone feel so welcome. It felt like a five-star hotel, like being treated as a VIP.

The cleanliness far exceeded my expectations. The linen, the beds, the breakfast presentation, everything was immaculate. Even the little things, like finding a bathmat folded neatly in the shower, really made a difference. As a single mum with two kids, it's basically impossible for me to go anywhere.

But Stef's warmth and attention to detail meant I fought tooth and nail to go back for a second stay, borrowing a car and arranging to get my children minded for the weekend. I'm now booking YHA for my son's basketball tournament in Cairns, and wherever I go from here, I'm going to stay at YHA. It's fantastic.”

MONICA GUEST, YHA THREDBO



TRAVELLERS

FINANCIAL

TEAM

ENVIRONMENT

COMMUNITY

REPUTATION

Our financial capital is the foundation that makes everything else possible – sustainable returns that fund our properties, our people, and our purpose.



IMAGE: YHA FREMANTLE PRISON

YHA AUSTRALIA | FINANCIAL PERFORMANCE

2025 FULL YEAR RESULTS

The strength of our 2025 operating cash flows is a strong foundation to embark on the risks for committing to the Adelaide Central renovations, the Sydney Central café, and the completion of the fit out of Railway Square in 2027.

TOTAL REVENUE
\$59.1m
 ▲ 10.6% vs 2024

PROPERTY REVENUE
+10.9%
 ▲ Yield & demand

F&B REVENUE
+26.1%
 ▲ Cities+Hobart Town Hotel

OVERNIGHTS
863,883
 ▲ 1.6% vs 2024

OCCUPANCY
68.4%
 ▲ vs 2024 65.6%

NET LOSS AFTER TAX
(\$1.37m)
 ▲ Increased depreciation in 2025

REVENUE STREAMS

● 2024 ● 2025

Overnights Revenue

2025	\$50.9m
2024	\$45.7m

Food & Beverage

2025	\$4.1m
2024	\$3.2m

EBITDA

2025	\$11.8m
2024	\$9.9m

TOTAL REVENUE \$59.1m vs \$53.4m

EXPENSE SUMMARY

Employee Benefits Award rates, new sites operated by employees & Hobart Town Hotel	\$27.1m ▲ 15.2%
Depreciation & Amortization 2024 renovations & Explorer App – non-cash	\$6.5m ▲ 23.4%
Finance Costs Stable, in line with financing agreement	\$6.7m ▲ 1%
Other Operating R&M & COGS increase.	\$20.2m ▲ 1%
Total Expenses	\$60.5m ▲ 9.1%

BALANCE SHEET HIGHLIGHTS

Cash & Equivalents Strong operating cash inflows	\$6.0m ▲ 130%
Property, Plant & Equipment Net of depreciation; capex additions \$4.5m, 2 disposals	\$111.3m ▼ 1%
Net Assets Loss for the year, impacted by increased depreciation.	\$57.4m ▼ 2.3%
Borrowings Facility expires Dec 2026	\$92.2m Stable

POB Rate: \$59.70
(2024: \$54.38)
 Refurbished properties at Sydney Central, Sydney Harbour & Brisbane City delivering higher yield. Occupancy below budget offset by stronger per-bed revenue.

2025 Occupancy: 68.4%
(2024: 65.6%)
 2024 was lower as impacted by rooms not available for sale due to refurbishments.

NET LOSS AFTER TAX

(\$1.37m)
 ▲ Improved 32%

The net loss is primarily driven by \$6.5m in non-cash depreciation from planned 2024 investments in property renovations and the Explorer App. These are already generating strong returns and are expected to continue to positively impact future earnings.

- POB up \$5.32 at refurbished properties
- Higher ratings & direct bookings
- Explorer App reducing commission costs

2026-27 CAPITAL PROGRAMME

Strong 2025 cash position (\$6.0m, up 130%) provides foundation for strategic investment.

- Adelaide Central Renovations**
Proven urban property renovation model to lift yield & guest ratings.
- Sydney Central Café**
F&B expansion continues, following the 2025 refurbishment of Hobart Town Hotel.
- Railway Square fit out**
Final fit out targeting completion in 2026 and opening in 2027.

ACCOMMODATION PERFORMANCE



IMAGE: YHA BRISBANE CITY

2025 brought shifting source markets, weather disruptions and a blockbuster finish. Demand from the Asian market nearly doubled, major events drove record results in capital cities, and regional properties navigated ongoing headwinds from visa policy changes and rising outbound travel.

UK market headwinds

The impact of changes to the UK Working Holiday Visa in July 2024 were felt through 2025 with weaker demand from UK youth travellers. Regional accommodation was most affected due to the abandonment of the 88-day regional work requirement.

This also meant that Australia is now competing more closely with Southeast Asian markets as travellers have more freedom to dip in and out of Australia. Southern capitals Melbourne and Adelaide were also negatively impacted, normally a launching point for regional work.



IMAGE: YHA THREDBO

Asian markets on the rise

In 2025 we began to see demand from Asian markets expand, particularly from China, with most Asian markets almost doubling in volume. These guests, whilst youth travellers, are travelling on tourist visas and experiencing Australia through shorter, multiple stays.

Momentum builds

After a slow start with Cyclone Alfred affecting Queensland and Northern NSW in February-March we had a successful winter and strong end to the year, coming off the back of renovations in Sydney and Brisbane in 2024 and an increase in demand for groups over the winter months with individual travellers from Asia increasing. Major sporting and music events in July and throughout November & December drove unprecedented demand and results towards the end of the year in most capital cities.

Highlights: Byron Bay & Sydney

Strong tourism demand over summer accompanied by warm weather saw strong results for the Byron Bay market despite an influx of new competitors. The Sydney market also witnessed its biggest ever New Year's Eve achieving a market average room rate of over \$1000 for the first time.²

Outbound travel pressure on regional demand

Australians continued their hunger for international travel with 12.5 million¹ heading overseas, a 9% increase compared to the previous year with Asia being their preferred destination. This further compounded challenges in demand for regional properties.

¹ Source: Australian Bureau of Statistics, Overseas Arrivals and Departures, Australia, November 2025

² Source: Hotel Management.com.au, Co-Star STR Benchmark Report Sydney CBD December 2025

FOOD & BEVERAGE PERFORMANCE

Targeted improvements to the F&B offer have strengthened revenue performance, particularly:

- ➔ **\$842k F&B revenue growth (26%) from 2024**
- ➔ **Breakfast revenue up \$166K from 2024 to \$682k**
- ➔ **Bar revenue up \$239K from 2024 to \$1,172k**
(Hobart Town Hotel opened Sep 2025)

F&B plays two roles for YHA: it diversifies our revenue, and it extends genuine value to the travellers staying with us, as well as the communities around us. In 2025, we made meaningful progress on both fronts.

At YHA Sydney Harbour, we opened our rooftop bar to members not staying with us, giving more members the chance to enjoy one of the best views in the city. With heating solutions in development, we're working to make it a year-round destination, not just a summer highlight.

In Tasmania, the opening of Hobart Town Hotel was one of the most anticipated milestones of the year and one of our proudest.

After welcoming friends, family, media, and the team who helped bring it to life, our team has turned its focus to building a genuine presence in the local market. You can read the full story in our case study.

Looking ahead, 2026 brings more to be excited about. A breakfast refresh across our urban properties (excluding Hobart) in Q2 will elevate the guest experience from the very first meal of the day.

The implementation of our new Sage finance system will be a structural advancement that gives us a much clearer picture of Food & Beverage performance across the network – a foundation for growing it into a sustainable, standalone revenue stream.

IMAGE: YHA BRISBANE CITY





"Fantastic atmosphere with a welcoming vibe. The staff are friendly and attentive, the drinks are well-priced, and the food is good."
– Google reviewer

FOOD & BEVERAGE CASE STUDY: HOBART TOWN HOTEL

Sitting on the corner of Macquarie and Argyle Street in the heart of Hobart, this landmark red brick pub has seen pints poured and stories swapped since 1851. In September 2025, YHA became its publican – stepping into a new chapter for our Food & Beverage strategy and taking on the operation ourselves for the first time.

We'd owned the building for years but leased the operation. When the opportunity arose to run our first standalone pub, we took it. A \$1.3 million refurbishment restored the pressed tin ceilings, original timber floors, and heritage bar – plus a full kitchen and bar fit-out to bring it up to scratch.

First and foremost, it's a local's pub. Fresh Tassie produce, honest cooking, local beers and wines, live music on Saturdays, Thursday trivia, and the kind of welcome that's always been part of who we are.

We've started by creating local jobs and are looking at ways to lay down deeper community roots – whether that's sponsoring local sports teams or supporting local programs. Our intent is to contribute to the community, beyond a place to eat and drink.

Hobart Town Hotel is proof that YHA's purpose extends well beyond accommodation.





TRAVELLERS

FINANCIAL

TEAM

ENVIRONMENT

COMMUNITY

REPUTATION

Our people are the human capital at the centre of YHA's value creation model – the hosts, the capability, and the culture that turn places into experiences.



OUR PEOPLE

In 2025, YHA became an officially certified Great Place to Work. We launched Flourish, a re-imagined network-wide conference and introduced new leave entitlements that recognise the full lives our team members lead beyond their shifts. The result is a team that feels the difference and delivers it, every day, across every property.



REWARD AND RECOGNITION

Recognising team excellence is fundamental to building strong culture at YHA. When people see their work valued and contributions celebrated, it reinforces the behaviours and standards that matter most.



Our values-based program continued to grow in 2025, celebrating team members who demonstrate what great looks like in practical ways.

At Flourish, we expanded recognition with new team-based awards designed to lift standards and encourage collaboration across properties. Rather than judging on a single metric, awards considered multiple data points to reflect what teams achieve together.

These moments reinforce our values in action, strengthen connection across our network, and spotlight the behaviours that lift safety, service, and teamwork – creating shared pride both in individual properties and in being part of something bigger.

In 2026, we'll evolve the program with stronger focus on sustainability and environmental leadership.

Team engagement was strong. We received 183 nominations for 7 awards, and 4 further awards were based on data insights.



IMAGE: YHA FLOURISH 2025 TEAM CONFERENCE



“As MC, I had the honour of guiding us through two full days of connection, inspiration, and the occasional well-timed dad joke.

It was such a privilege to see our community come together. From passionate team members to visionary speakers, chaired by Tammy Marshall and led by our incredible CEO Paul McGrath, as we explored ‘Unite Today and Tomorrow’.

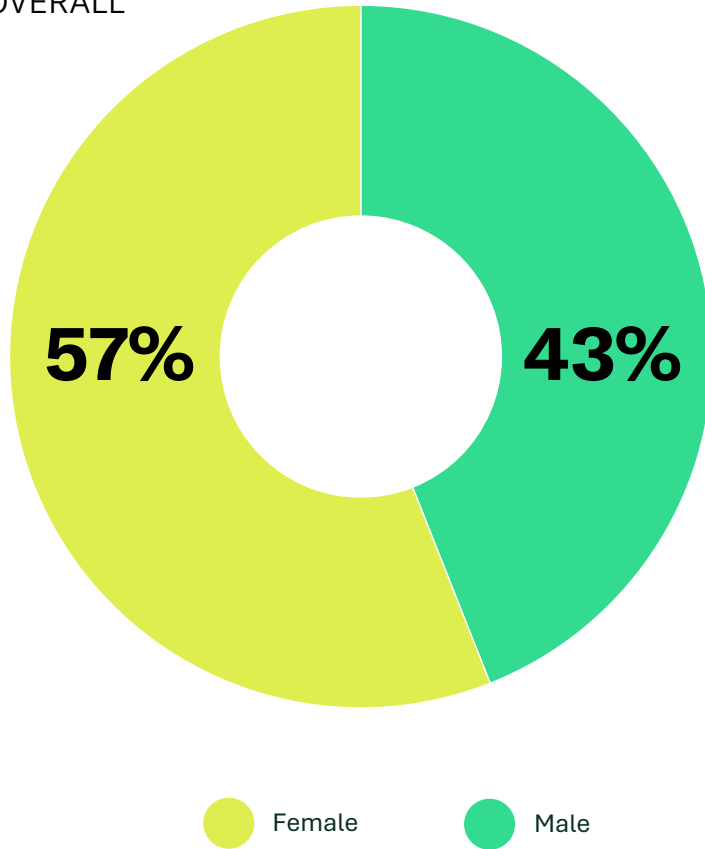
I’m especially humbled to have received the Emerging Leader Award at the inaugural YHA Awards. A wonderful acknowledgement of the mentorship, collaboration, and leadership I’ve been generously supported with across the organisation”

HARRY CLARKE
SHIFT MANAGER, YHA SYDNEY CENTRAL



TEAM DATA: GENDER

OVERALL



SUPPORTING WOMEN'S HEALTH IN THE WORKPLACE

Women's health leave has been introduced to support women's health issues in the workplace. Removing stigma and creating a more inclusive environment is essential to allow women to fully participate and continue to develop their career with confidence.



ACTION ON GENDER PAY GAPS

Continued focus on pay equity is proving effective and ongoing. Greater emphasis on transparency and fairness continues to be an organisation-wide commitment. This has resulted in an improvement of the gender pay gap which has been supported through heightened awareness of recruitment practices resulting in improved gender equity and reducing the gender pay gap.

GENDER PAY GAP COMMITMENTS

Continued focus on gender pay gap and greater awareness of gender balance throughout the talent pipeline is ongoing and contributing to a more sustainable pipeline of diverse leadership in the future whilst incrementally improving the composition of the exiting leadership group.

8.6%  **1.5%**

Average total remuneration gender pay gap (GPG)

6.6%  **0.6%**

Accommodation industry comparison group

SUPPORT OFFICE



PROPERTY LEADERSHIP



PROPERTY OPERATIONS



TEAM SPOTLIGHT



HARRY CLARKE
(He/Him)

Shift Manager | 2022

I came to YHA for a placement year. Three years later, I'm a shift manager, I've MC'd a company-wide conference, won an Emerging Leader Award, and spent three weeks working overseas with Hostelling International across Scotland. I genuinely didn't see any of that coming.

The Scotland trip was a full circle moment. I'd walk into these properties and see them implementing the same things I'd helped put in place during my own internship – hang on, I actually know what I'm doing.

When I'm interviewing candidates now, I love telling them we're B Corp certified and that we're actively trying to leave the planet better than we found it. It attracts people who really care. And people who tend to stay.

You're going to have bad days wherever you work. But YHA is really good at making those bad days not so bad. That makes all the difference.



DAMIAN PARKHOUSE
(He/Him)

Property Manager | 1997

After backpacking overseas in the late 1990s, I saw a YHA job ad and something clicked – I liked their mission and the idea of working somewhere that stood for something bigger. Newcastle became home in ways I never expected. I met my wife at the property in 2006, she was volunteering. We've raised two boys here. My brother met his wife here. Real connections happen when you're constantly meeting like-minded people from all around the world.

My relationship with YHA has evolved over the years. I started out on the reception desk at YHA Glebe, moving to Newcastle under a privately-owned associate model, then operating under a Managed Services Agreement, before returning as a fully employed team member. Almost three decades later, I'm still here.

It's a great organisation where you can have longevity. I've always felt supported and looked after.



MEL SMITH
(She/Her)

Property Manager | 2023

When the property manager role came up, I had no management experience. But YHA's response was, we can teach you. I wouldn't have put my hand up otherwise. These aren't small things. They tell you everything about what a workplace is actually made of.

I know this region inside out now. The walks and the waterfalls most people don't think to visit in winter. Guests appreciate that local knowledge.

There's moments that remind you why any of this matters. I went into the dining room one evening, and there was a Persian family cooking dinner. Two young Melbourne blokes who'd made kebabs were sharing them around. An older English couple were just happy to be there.

All these strangers were spread across every table, talking, completely mixed in together. They even invited me to join them. That's why I do this job. I still pinch myself sometimes.



CRISTINA OBREGON DIOSES
(She/Her)

Overnight Guest Services Attendant | 2024

I've worked in many places across Australia, from remote camps in Cape York to housekeeping in five-star resorts, where you clock in, do the job, and clock out. YHA was the first place that felt different.

When I was sick, they checked in. When I was stressed about my visa, my managers asked if I needed help. They also taught me that you can't take care of others if you don't look after yourself first. If I need a break, it's never an issue. These small details make a difference; it's why I love working here.

The perks are great too. Last year I went to YHA Thredbo on a team trip, my first time skiing. I also attended escalation training in Brisbane, which was fully supported by the organisation. For my birthday, I had the opportunity to stay at YHA Byron Bay, which was a special experience.

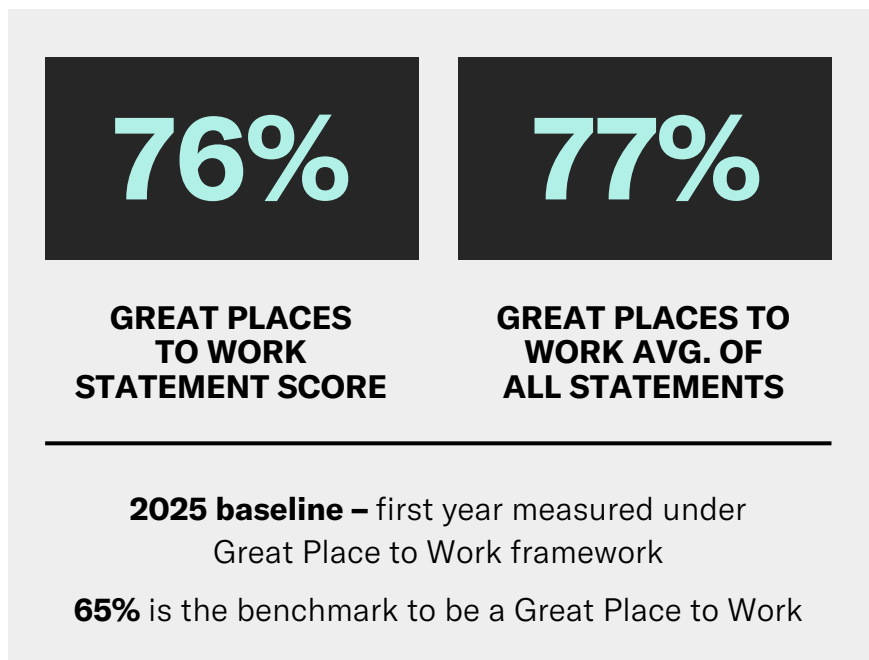
YHA opens up Australia in a way most jobs never would. The culture is consistent across every property, not just in Cairns. For anyone who loves to travel, there's honestly no better place to build a career.

YHA – OFFICIALLY A GREAT PLACE TO WORK

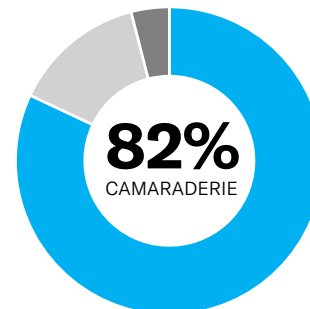
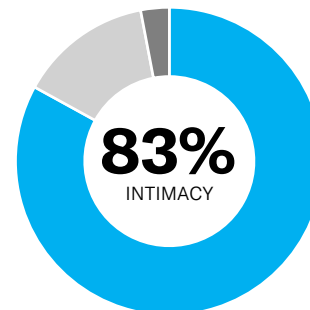
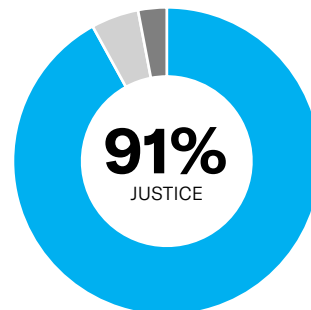
YHA moved to the Great Place to Work engagement measurement platform in 2025.

The Great Place To Work Model is a research-backed framework that defines a great workplace as one where employees trust their leaders, take pride in their work and enjoy their colleagues.

It emphasises creating a consistent and inclusive experience for all employees, regardless of role or background. 69% of our team members took part responding to the GPTW survey.



THE WINS



JUSTICE

Measures the extent to which employees perceive that management promotes inclusive behavior, avoids discrimination, and is committed to ensuring fair appeals.

CAMARADERIE

Measures employees' sense of enjoyment in the workplace by assessing the level of intimacy they experience, the freedom they feel to express themselves, the sense of hospitality in the workplace environment, and the extent to which people feel they are members of a community.

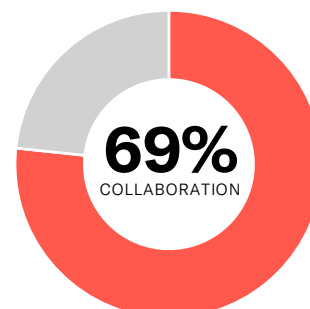
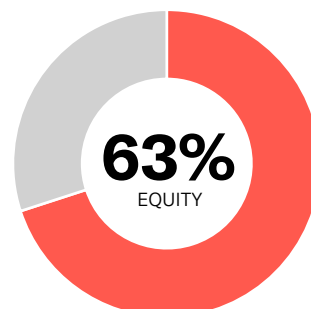
INTIMACY

Measures people's enjoyment of their colleagues, their sense that they can be themselves, and that they can count on and support each other.

HOSPITALITY

Measures the extent to which employees feel the work environment is friendly, welcoming, and a place they can have fun and enjoy each other's company.

THE AREAS TO BUILD ON



EQUITY

Measures the degree to which there is balanced treatment for all people in the distribution of intangible and tangible rewards.

COLLABORATION

Measures employee perceptions of management's willingness to engage employees in collective efforts.

WHY YHA IS A GREAT PLACE TO WORK AND HOW WE ARE MAKING IT EVEN BETTER



LEAVE FOR WHEN IT MATTERS

We continued to expand leave options that recognise team members' lives beyond work. Following the introduction of wellbeing and volunteer leave in 2024, team members put them to use throughout 2025 when they needed to reset or contribute to causes they care about. New this year: women's health leave and gender-neutral paid parental leave, acknowledging caring responsibilities and equity at home.



SHARPENING OUR EMPLOYEE VALUE OFFER

We redesigned our Employee Value Proposition this year, sharpening what we offer and what we stand for as an employer. The work brought clarity to how we support our people and why working at YHA matters, creating a stronger foundation for attracting the right talent and supporting the team already here. We will continue to evolve our unique EVP, YHA+ with additional benefits in 2026.



SIMPLIFYING THE EVERYDAY

Managing rosters, timesheets, reviews, and team updates used to mean logging into multiple systems. Now it's all in one place, supported by an easy-to-use app. For our people, especially those working across properties, this helps make life simpler and removes a layer of friction - less time wrestling with admin, more time for work that has impact.



COMING TOGETHER

Connection matters when your team is spread across the country. This year we continued our Thredbo ski trip and leader forums, but also launched something bigger – Flourish, our inaugural conference bringing property teams, support office, and leadership together. From the CEO to housekeeping team members, it was two days of genuine connection, inspiration, and creating a path forward as one organisation.



A PATHWAY TO MOVE AND GROW

Retention remains challenging in hospitality. This year we made it easier for people to stay and grow with YHA. Team members can now flag interest in opportunities at other properties, creating pathways to develop their careers, gain diverse experience, or simply move location. It's flexibility that lets talented people build longer futures with us.



GROWING LEADERS

This year we brought 43 emerging leaders together from across our property network for a forum in Sydney, creating connection and momentum through shared learning. Building on this, for 2026 we've partnered with Torrens University to enable our teams to develop their skills and gain micro-credentials, providing flexible development that fits around operational demands.



TRAVELLERS

FINANCIAL

TEAM

ENVIRONMENT

COMMUNITY

REPUTATION

Protecting the natural and social environments we operate in is central to how YHA creates and preserves value for current and future travellers. Our community capital reflects the relationships with members, local operators, Indigenous partners, and the places we call home – that give YHA's purpose its reach beyond accommodation.



ENVIRONMENT & COMMUNITY

At YHA, sustainability means more than managing our environmental impact.

We support local communities, protect the places we operate in, and work towards a world where both people and nature can thrive.

2025 was a major year of external, independent recognition of our sustainability efforts. All properties are now certified under Ecotourism Australia's Sustainable Tourism program, and we achieved B Corp certification across the organisation after a rigorous certification process – two milestones that reflect years of deliberate, purpose-driven work.

We hosted 148 cultural experiences for our guests, celebrating culture, supporting Indigenous local operators, and progressing reconciliation efforts across our network – a 32% increase from 2024. We also ran 94 environmental activities for 392 guests.

Through YHA's Foundation, Travel to Learn, we expanded our positive impact beyond our network, supporting more than 100 students from 20 regional schools to access experiences they would otherwise not have had.



ECOTOURISM AUSTRALIA CERTIFICATION

Environmental responsibility has never been a project to complete – it's the way the network operates, and Ecotourism Australia certification gave us a verifiable standard to measure against.

For two of our properties – YHA Apollo Bay Eco and YHA Grampians Eco – eco-certification is nothing new. Both have held ECO Certification for years. For a traveller waking up to the sounds of kookaburras at the Otways near Apollo Bay, or watching mist lift off the Grampians, the certification reflects what they already sense: that this place is being looked after. In 2025, both successfully recertified.

For much of the broader network, 2025 was a first. Thirteen properties achieved Sustainable Tourism Certification for the first time, a milestone that required our team across the network to document, review, and articulate practices they'd been quietly delivering for years. From city hubs to coastal stays, the work was already there. The process made it visible.

The certification assesses over 200 criteria across four pillars of sustainability, with an independent third-party audit. Rigorous rather than routine, it led us to view our relationship with Ecotourism Australia as a genuine partnership, one that holds us to a high standard and helps us keep raising it.

Certification is assessed on an ongoing basis. The standard we hold ourselves to today is the starting line, not the finish.



YHA is now the first network accommodation provider in Australia to have all properties certified under Ecotourism Australia's globally-recognised standard.



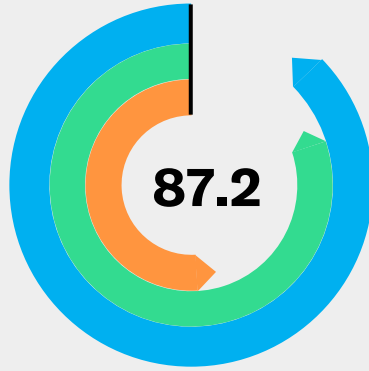
“By committing to Ecotourism Australia’s internationally recognised certification programs, YHA is aligning its operations with global best practice and showing true leadership in sustainable tourism. We thank the YHA team for trusting Ecotourism Australia as their partner in this journey, and we look forward to continuing to work together as YHA champions sustainable tourism across Australia.”

– Elissa, Ecotourism Australia

CERTIFIED B CORPORATION

OVERALL B IMPACT SCORE

Based on the B Impact assessment, YHA Ltd earned an overall score of **87.2**. The median score for ordinary businesses who complete the assessment is currently **50.9**.



- **87.2 Overall B Impact Score**
- 80 Qualifies for B Corp Certification
- 50.9 Median Score for Ordinary Businesses

IMAGE: YHA LEGACY DESTINATION BRAND LIBRARY



Becoming a Certified B Corporation didn't change who we are. It verified it.

Most travel brands discovered "purpose" recently. YHA was built for it. That belief shapes who owns us (our members), where profit goes, and how we define success. B Corp certification put that structure under the spotlight. In some areas, we were already ahead. In others, we had to step up: tightening standards, formalising commitments and measuring outputs we hadn't tracked before. This focus around accountability was embraced and actioned by YHA team across every part of the business.

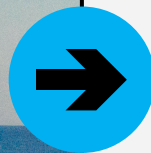
Our commitment to people, communities and the planet isn't a campaign or a policy that can be quietly softened. It's written into our constitution, voted in by our members. An ongoing structural commitment.

B Corp certification requires the entire business to be independently assessed across governance, workers, community, environment and customers. Standards evolve, scores are public - anyone can look up our score, and businesses are reassessed every three years.

It isn't a badge to hang on the wall. Certification is a platform, a framework that holds us accountable and raises the bar for what we do next. More than 10,000 companies globally have chosen to be measured this way.



We weren't retrofitted for this movement. We were built for it and we're still pushing ourselves to do better.



DECARBONISATION JOURNEY

Getting serious about decarbonisation meant tightening data systems, transitioning more energy contracts to renewable sources, upgrading equipment that reduces consumption over time, and progressing plans for onsite renewable generation at properties.











Our approach is guided by a multi-year roadmap across five focus areas: data and policy, energy, waste and circularity, low carbon supply, and residuals management. Continuous improvement systems help us track progress, ensure our reporting is transparent and credible, and lift our standards year on year.

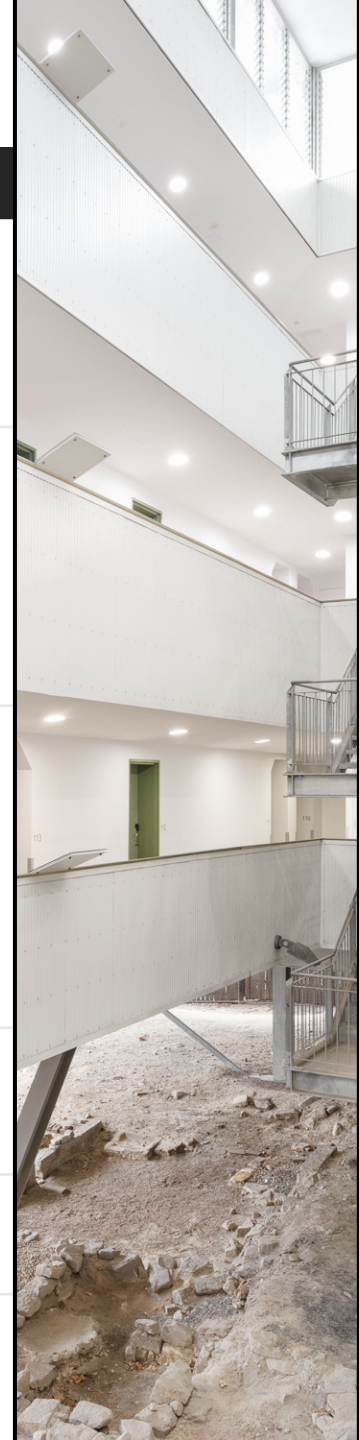
This work requires sustained investment and disciplined planning alongside our broader property commitments – and we enter 2026 with clearer data and a more connected approach across the network.

Caring for the ecosystems where we operate includes taking responsibility for our climate impact. In 2025, we strengthened the foundations beneath our long-term decarbonisation work.

IMAGE: YHA GRAMPIANS ECO

YHA'S NET ZERO PROGRESS TOWARDS OUR 2030 AMBITION

INITIATIVES		2030 AMBITION	% COMPLETED	UPDATE
	DATA & POLICY	<ul style="list-style-type: none"> – Emissions quantified – Data processes established – Full equipment inventory – Prepare to report to ASRS in 2028 		<p>Emissions calculated across Scope 1, 2 and 3 since 2022. Data collection is improving, with automation and waste data identified as the next priorities. Equipment inventory and lifecycle analysis are under way. Preparations are progressing to meet ASRS reporting requirements by 2028.</p>
	ENERGY	<ul style="list-style-type: none"> – 100% renewables Scope 2 – 90% reduction Scope 1 – Electrification 		<p>24% of power is currently renewable. Scope 1 reduction is focused on replacing gas-powered equipment – primarily hot water services and kitchen cooktops. 16 of 18 properties are using gas for water heating and/or cooking. Competing capital priorities, including HVAC upgrades to improve energy efficiency, have slowed progress on electrification. We are actively working to accelerate this through our forward capital plan.</p>
	WASTE & CIRCULARITY	<ul style="list-style-type: none"> – Waste recycling – Food waste reduction plan – End of life plans for plant & equipment – Circular principles for building design & refits 		<p>Waste reduction plans are in place at every location, with waste audits completed across all sites and new waste stream collection initiated where possible. Refurbishment contracts include waste clauses that prioritise repurposing and recycling. In regional locations, limited waste infrastructure makes diverting multiple waste streams a challenge, and supporting guests to make sustainable disposal choices remains an important area of focus. Improving data quality in this area is a priority.</p>
	LOW CARBON SUPPLY	<ul style="list-style-type: none"> – Procurement consolidated – Supplier engagement commenced – Identify low carbon suppliers 		<p>Supplier engagement has commenced with major suppliers and procurement consolidation under way, with measurable improvement in the consistency of our supply chain reporting.</p>
	RESIDUALS	<ul style="list-style-type: none"> – Commence residuals offset 		<p>Residuals offsetting will commence in 2030, in line with our net zero trajectory. No further action is required in this area until that time.</p>



CARBON EMISSIONS PERFORMANCE

EarthCheck has calculated our Scope 1, 2 & 3 emissions since our baseline year of 2022 using data we provided. Scope 3 results have been highly variable due to the renovation program.

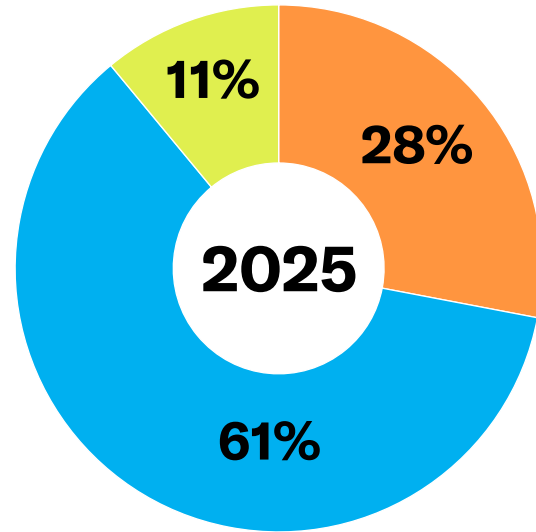
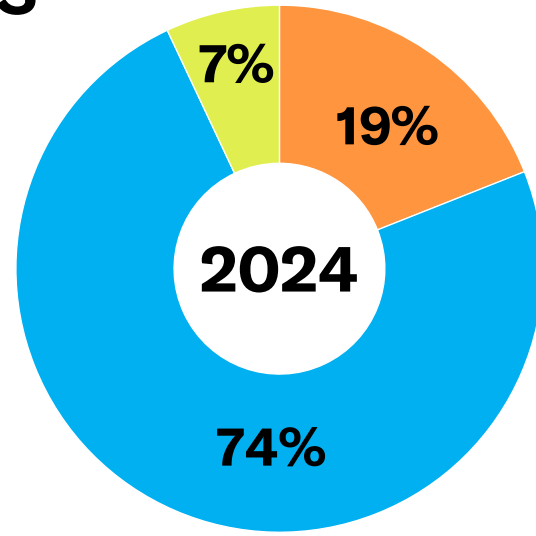
Scope 1 emissions increased by 6%, primarily due to higher gas usage at several properties and a full year of air-conditioning operations at YHA Thredbo.

Scope 2 emissions decreased by 7%, driven by an increase in GreenPower purchases, which reached 24% of total electricity consumption.

Since July 2025, YHA Grampians has operated on 100% GreenPower electricity and is our first property to achieve zero Scope 1 emissions, demonstrating the potential of targeted decarbonisation initiatives at property level.

Continued electrification and renewable energy initiatives position YHA to further reduce operational emissions in future reporting periods.

Scope 3 emissions fell significantly by 47%, largely due to a **77% reduction** on Capital Goods emissions and a **26% reduction** in waste-related emissions.



● Scope 1 ● Scope 2 ● Scope 3

Scope 1 emissions increased by **6%**

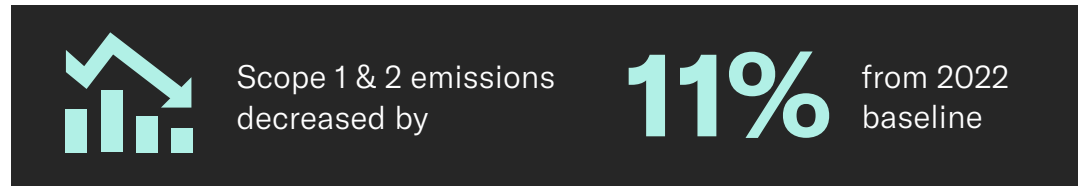
Scope 2 emissions decreased by **7%**

33% Waste diversion from landfill

300kg textiles diverted from landfill with Upparel

Scope 3 emissions decreased by **47%**

Hobart Town Hotel the only major renovation project leading to a decrease in emissions from capital projects and waste



	TONNES OF CO ₂ e		
	2024	2025	YEAR ON YEAR CHANGE
SCOPE 1	983.3	1,043.5	6%
SCOPE 2	2,831.6	2,638.3	-7%
SCOPE 3	10,736.3	5,644.9	-47%
TOTAL	14,551.2	9,326.7	-36%

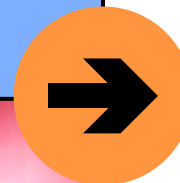
EarthCheck's platform is compliant with the GHG Protocol, IPCC methodologies and is CDP approved. Emissions were calculated from documentation collected and provided by the YHA team. Emissions were calculated in accordance with the Australian NGERs, using factors appropriate for location and product, with spend-based emissions adjusted for currency and inflation. The information used in this report is based on the best available operational data at the time of collection and collation. While every effort has been made to ensure accuracy and reliability, inherent limitations in data sources, reporting processes, and external factors may impact completeness and correctness.



Tiarna Herczeg is a proud First Nations and Hungarian artist living on Gadigal lands, identifying as Kuku Yalanji/Kuku Nyungkul Warra. For Herczeg, painting is a ritual – a way of listening, remembering and finding grounding when living off Country.

Loose, gestural brushstrokes and vibrant colour channel cultural intuition, creating work that pulses with the familiarity, richness and vitality of Country.

In 2025, Tiarna brought this energy to YHA Sydney Central, four murals that now form a permanent part of this urban property.



RECONCILIATION ACTION PLAN

YHA remains committed to reconciliation through our Reconciliation Action Plans (RAPs).

We are pleased to report that there has been meaningful progress on our Innovate RAP throughout 2025. Our focus remains on embedding numerous actions into business as usual across YHA, while also continuing to review and explore additional opportunities. Along the way, we have experienced some challenges, especially regarding increasing employment of Aboriginal and Torres Strait Islander people. In response we are actively working on pivoting our strategies to ensure they are more suitable and operationally fit for YHA.

We remain fully committed to working through our Innovate RAP, which centres on strengthening relationships with Aboriginal and Torres Strait Islander communities through meaningful consultation and empowering strategies.

This includes our partnership with First Nations operators, delivering 148 in-house cultural experiences across our network, and our ongoing membership of the Tourism RING, where we continue to share and learn best practice in reconciliation within the tourism sector.



ENVIRONMENTAL PARTNERSHIPS

We proudly work with the following organisations to improve sustainability in the communities we operate in.

SUSTAINABLE
DESTINATION
PARTNERSHIP

Sustainable Destination Partnership

The Sustainable Destination Partnership is a collaboration of hotels, hostels, serviced apartments, cultural institutions, entertainment venues and industry influencers, working together to make Sydney a sustainable destination. YHA has been a member of the partnership since its inception in 2018, when it was formed by the City of Sydney as one of many initiatives to help deliver its vision for a green, global and connected city.



Ecotourism Australia

Ecotourism Australia is a non-government, not-for-profit organisation that supports ecotourism through its globally recognised ECO Certification program. YHA's goal of all YHA properties being certified by Ecotourism Australia was achieved in 2025.



Pittwater Eco Adventures

YHA Pittwater Eco operates in tandem with Pittwater Eco Adventures – a profit-for-purpose eco-tourism company. Their mission is to preserve wild places through tours, workshops, retreats and multi-day experiences.

We support the following sustainability programs by providing discounted accommodation at our properties:



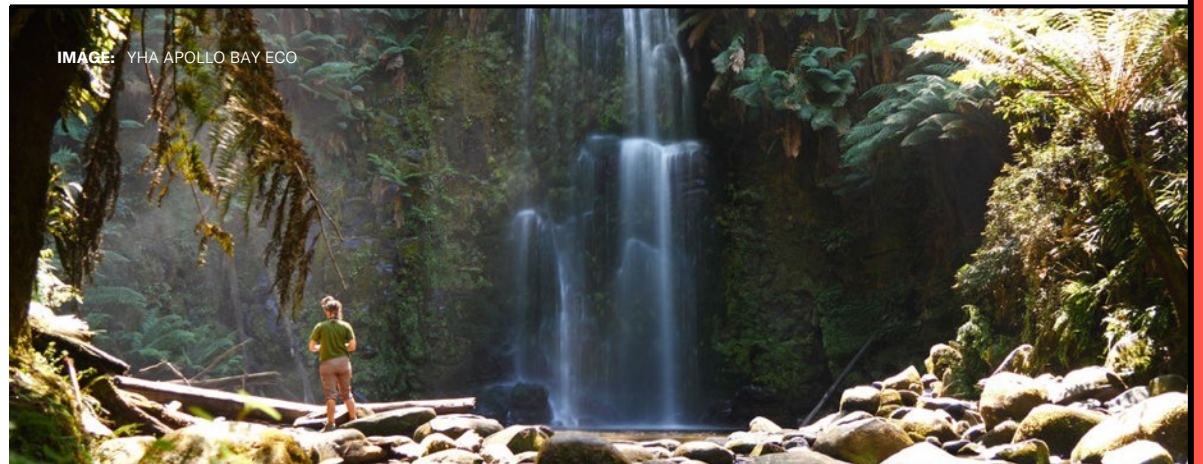
Get Lost Travel Group

Get Lost Travel Group operates tours with a focus on responsible travel, sustainability and wildlife protection. They began offsetting carbon emissions in 2016, eliminated single-use plastics from operations in 2018, and continue to champion ethical tourism practices. Their guests stay at YHA Grampians Eco on various tours.



Rainforestation Nature Park

Rainforestation Nature Park, a wildlife park north of Cairns owned by the CaPTA Group, offers four, six, and eight-week volunteer wildlife programs. Participants work alongside conservationists, contributing to the protection and preservation of the region's unique flora and fauna. During their program, guests stay at YHA Cairns Central.



EDUCATIONAL IMPACT

To support our educational purpose we work closely with:



Sydney Learning Adventures

The Big Dig Archaeology Education Centre at YHA Sydney Harbour hosts programs run by our partner Sydney Learning Adventures. Since 2010, this partnership has provided primary and high school students with a unique educational experience focused on archaeology and history, bringing Sydney's past to life through immersive, curriculum-linked learning.

We support educational programs by providing discounted accommodation at our properties to:



Athena Inc.

Athena Inc. is a Japan-based company that provides ESL programs for a wide range of ages, from children to adults. The organisation coordinates study tours to Sydney for college students including the IBUNKA groups who have been staying at YHA Sydney Central since 2012 and YHA Sydney Harbour since 2024.



The Urban Challenge

The Urban Challenge provides real-world programs for school-aged children taking them on a fast-paced, unfolding adventure through Sydney with a teacher and Urban Challenge guide. Participants complete a range of fun and engaging activities while staying at either YHA Sydney Harbour or YHA Sydney Central.

We establish partnerships with like minded for-purpose organisations to provide educational opportunities for all students staying at YHA on a school excursion, including those supported through Travel to Learn.



Consent Labs

Consent Labs provides quality assured programs designed to promote positive behaviour, respectful relationships, and consent education among students.



Banish

Banish provides the knowledge, tools, and resources to make more sustainable choices - at home, at school, or in their communities. The excursions provide hands-on learning. These interactive sessions help students connect classroom learning to real-world impact.



Batyr

Batyr is an organisation that opens the mental health conversation and supports young people and their communities to live mentally healthy and fulfilling lives.



Ecstra Foundation

Ecstra Foundation work with schools and to map, design, deliver and measure financial education initiatives that help build individual financial literacy, capability and confidence.



TRAVELLERS

FINANCIAL

TEAM

ENVIRONMENT

COMMUNITY

REPUTATION

Reputation is how YHA's value creation is perceived externally – the trust we've built over 86 years, and the work required to ensure the world's perception catches up with the organisation we've become.

IMAGE: YHA BYRON BAY



BUILDING OUR REPUTATION

YHA has spent 86 years building something that can't be bought - a brand that travellers trust, return to, and tell their friends about. But trust isn't static. It has to be earned again, every stay, every review, every story told about us in the world beyond our walls.

Across 2023, 2024 and now 2025, we've invested in our properties, in our food and beverage offer, the experience we provide to our members, our social and environmental impact, the stories we help share and then, at the end of the year, we did something equally important.

We stopped and asked: is it landing?

The short answer is yes. The longer answer is what follows.

"The staff were lovely, always happy to help and ready to recommend activities. The breakfast bar is cozy; the girls there are very friendly and make great coffee. I truly loved my stay. I'll definitely be back."

- YHA Brisbane City guest

"Exceptional kitchen facilities. Liked the access card, downloadable onto a phone. Staff were friendly and knew their area, tracks and everything."

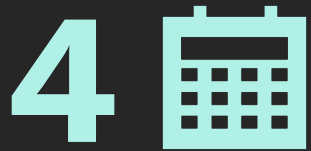
- YHA Blue Mountains guest



IMAGE: YHA BLUE MOUNTAINS

TRAVELLERS ARE TELLING US WHAT THEY THINK

Our guest sentiment scores are moving in the right direction, and there's more to do.



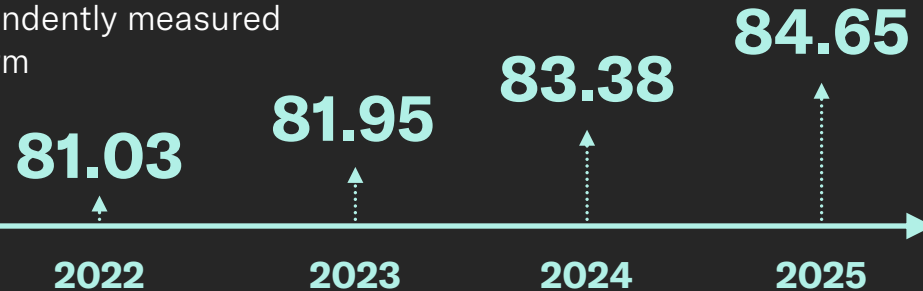
4 Consecutive years of **improvement**



Net promotor score (NPS)
Would our guest recommend us?

57.1, up 2.3 from 54.8 in 2024

Guest Sentiment Independently measured via TrustYou review platform



We've got more work to do...

WiFi satisfaction dropped 18 points; our app delivers fast connectivity and we are working to make that clearer to travellers across the network.

Comfort-related categories including room temperature, air conditioning and showers.

Consistency across the network remains a priority.



We're doing well in...

Sustainability (89), Wellness (82) & Technology (80), and these are also where we saw the biggest improvement. Technology Solutions up 13 points, Wellness up 9 and Sustainability up 10, reflecting sustained investment in the areas that matter most to today's traveller.



We're getting it right at...

Grampians, Sydney Harbour and Thredbo.

And showing service can really move the satisfaction dial - our strongest improvers were

Hobart, Melbourne Central & Blue Mountains, where a focus on service and operations made a big impact without major capital investment.

OUT IN THE WORLD

You can say a lot about yourself. What others choose to say about you means something more.

In 2025, YHA was written about, reviewed, profiled and shared – across mastheads, industry platforms and the feeds of people who just wanted to tell their followers about a stay they loved.



The Sun Herald and Sunday Age ran a cover story on the evolution of the global hostel, placing YHA Sydney Harbour alongside the world's best social hotels – properties where travellers value **"community and good design just as much as affordability."**



The Sydney Morning Herald and The Age named YHA Sydney Harbour among Australia's budget stays **"setting a new standard."** Escape magazine sent a writer to Byron Bay and filed a review headlined: **"YHA Byron Bay isn't just for backpackers."**



The Australian Financial Review profiled our CEO Paul McGrath, who put it plainly: **"You can go to a five-star hotel and engage with nobody. But if you come and stay with us, everybody's in the same space – sharing knowledge, sharing experiences."**



Global youth travel body WYSE recognised YHA as the **first accommodation network in Australasia to roll out digital wallet key technology nationally** – a signal to the industry that innovation and accessibility go hand in hand.



The Adventure & Tourism Awards awarded YHA Australia GOLD for Best Cultural Experience - acknowledging our expanding Indigenous-led programming and ongoing investment in community partnerships.



On TikTok, a growing number of creators – among them Loren Grace, Ali Going Abroad and @rashi_choudhary – shared their stays at Newcastle Beach, Byron Bay and Sydney Central. **First-person storytelling that reaches audiences no masthead can.**





UNDERSTANDING PERCEPTION OF OUR BRAND

Our guests tell us the experience is strong. Independent research tells us the broader perception hasn't caught up yet.

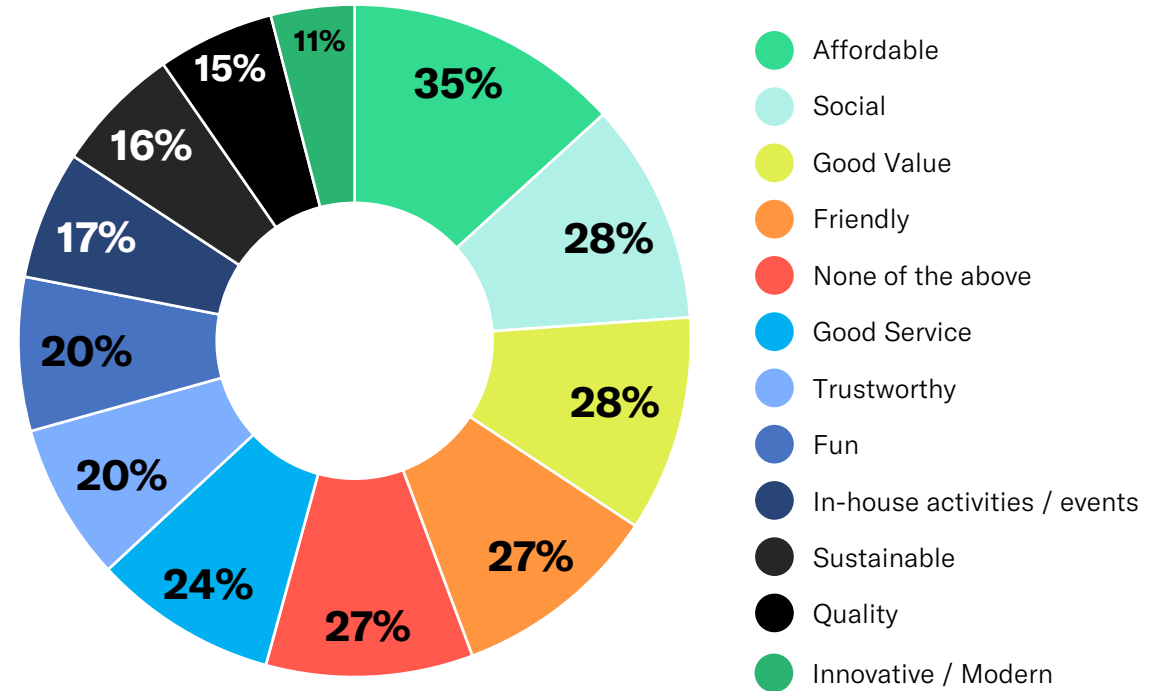
Our satisfaction surveys capture the guest experience. Independent research tells us how the broader world sees us. In November 2025, we asked 444 travellers aged 22 – 44 what they thought of YHA.

Just under half had heard of or stayed at a YHA. Among those who had, affordability, social experience and good value led the way.

Experience lifts perception and those who have stayed rated good service 20 points higher than those who hadn't, with friendliness and fun also scoring notably higher.

Sustainability and innovation scored lower across the board – not because the work isn't there, but because the story hasn't landed yet. Our B Corp certification, Ecotourism Australia credentials and the evolving Explorer App are key foundations changing that.

BRAND CHARACTERISTIC ATTRIBUTION



ARE YOU AWARE OF YHA?



- Aware of and stayed at a YHA
- Aware of but not stayed at a YHA
- Not aware of YHA

TRAVEL TO LEARN FOUNDATION



IMAGE CREDIT: YHA TRAVEL TO LEARN BRAND LIBRARY



- WHO WE ARE
- 2025 OVERVIEW
- STRATEGY
- PERFORMANCE
- TRAVEL TO LEARN
- GOVERNANCE
- FINANCIAL

TRAVEL, LEARN, GROW

DONATE NOW



Thank you to the James N. Kirby Foundation (\$15,000) and the Marian and E. H. Flack Trust (\$10,000) – your generosity helps more students discover the world through travel.

In 2024, we launched Travel to Learn, a foundation addressing a gap we'd observed for years: schools from affluent areas were well-represented in our properties during term time, while many others were absent.

The reason was straightforward - some parents couldn't fund the school trip, which meant entire classes or schools missed out on experiences that mark important milestones for young people.

The Foundation's Travel, Learn, Grow Program exists to break down the financial and geographic barriers that prevent regional students from joining their classmates on educational excursions. The model is deliberately simple.

When a teacher plans a city trip and a student can't participate, the school applies for a grant that covers the full cost – accommodation, transport, meals, and activities – so no one is left behind.

A YEAR IN NUMBERS

Schools Supported	26	Students Supported	118	Education Partners	4
Total cohort	695	% of total cohort	17%	Education partner sessions	7
Grant amount	\$56,612	Philanthropic support	\$25K	Subscription from YHA LTD	\$100K

IMAGE CREDIT: YHA TRAVEL TO LEARN BRAND LIBRARY



“I've been coming to the YHA with school groups for 20 years and Travel to Learn has completely transformed what's possible for my students. In our area, many parents say educational travel experiences like school excursions are simply unaffordable. The kids that don't normally participate, due to the associated financial costs, are actually the ones who benefit from them the most. Without Travel to Learn, they'd miss out, and that's heartbreaking.

Six months ago, we took a group down to Sydney to see MJ the Musical and a symphony at the Opera House, and the benefits were immediate. Some of these kids didn't even know what a cello was. One student, a dancer who'd never seen a live theatre show, is now at Brent Street Performing Arts Academy.

Another, who'd never been more than two hours from home, is now working in Brisbane. His worldview completely changed. These are experiences I simply cannot replicate in a classroom. For any teacher considering it, please apply. The benefits are extraordinary.”

ALI
MUSIC & DRAMA TEACHER, NORTHERN RIVERS NSW
(BUNDJALUNG COUNTRY)

GOVERNANCE

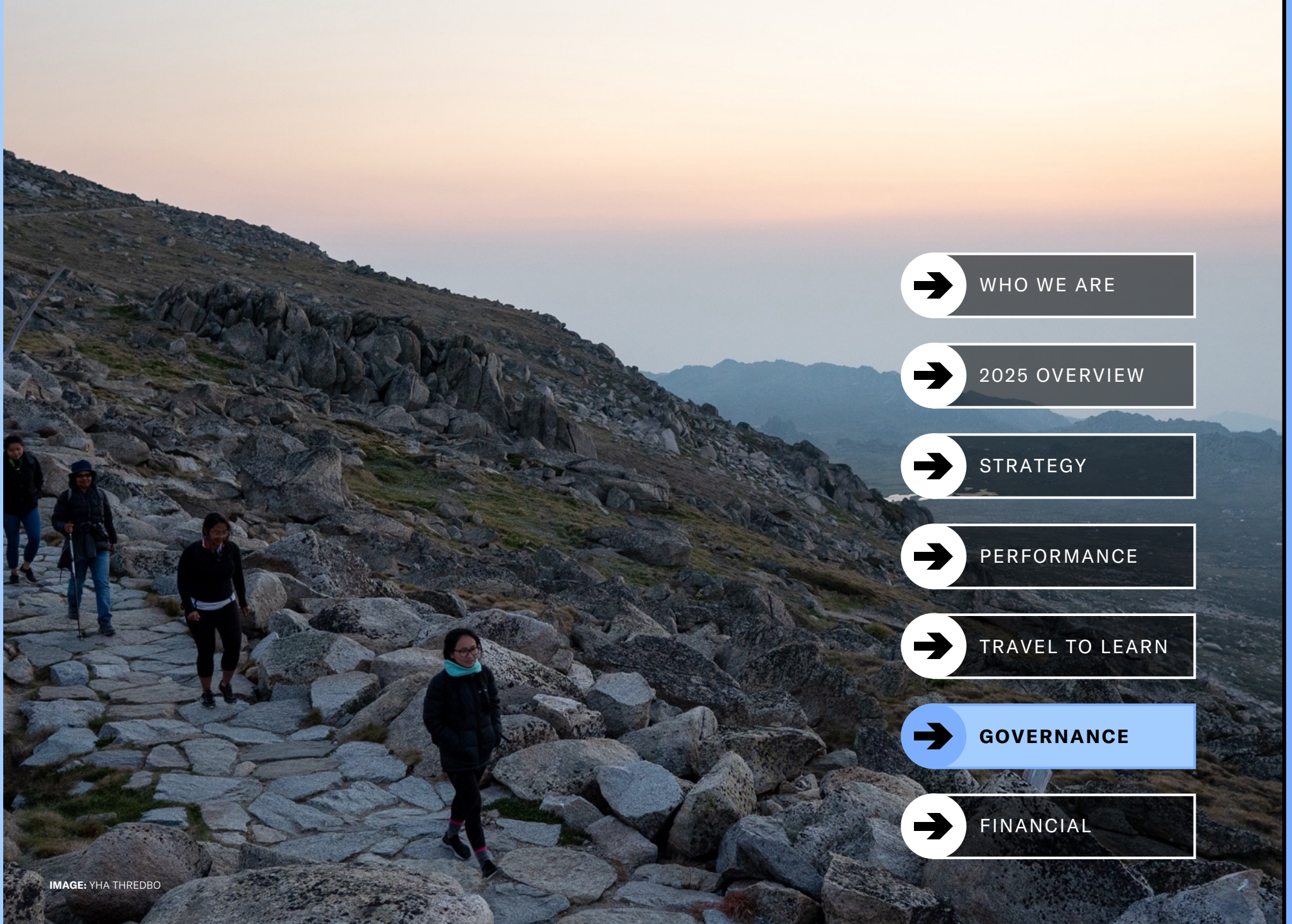


IMAGE: YHA THREDBO

- WHO WE ARE
- 2025 OVERVIEW
- STRATEGY
- PERFORMANCE
- TRAVEL TO LEARN
- **GOVERNANCE**
- FINANCIAL

GOVERNANCE DIRECTORY



PRESIDENT

James Tomkins OAM

VICE PRESIDENTS

Leonie Clark

Cameron Quinten

Rob McGuirk

Alex Zilkens

Matthew McNeil

Michael McPhail

Dr Tasha Prabhakar

Tracey Powell

THE BOARD



TAMMY MARSHALL

**Chair | Joined June 2018
Elected to April 2027**

Tammy Marshall is an experienced non-executive director with over 30 years in tourism, hospitality, and group travel. Appointed to the YHA Australia Board in 2018, she now serves as Chair. She also chairs YouLi, holds board roles with Railbookers Group and Fine Tours Group, and sits on the advisory board of the Blue Mountains International Hotel Management School. Her executive career includes CEO and senior leadership roles at Carnival Corporation, Contiki Holidays, and TFE Hotels. Tammy is a passionate advocate for for-purpose enterprises and believes travel is a powerful tool for connection and positive change.



BRONWYN DALLOW

Vice Chair, Chair Election Committee | Joined April 2017

Elected to April 2026

Bronwyn is an experienced non-executive director and committee Chair with extensive experience in hospitality / tourism, membership, not-for-profit and commercial organisations. She has AICD governance training and a Master of International Management and chairs the Election Committee. She is committed to YHA staying relevant to its members in a fast-changing market whilst building a successful environmentally friendly and Social Sustainable organisation. Bronwyn is passionate about supporting YHA's Travel to Learn Foundation, which helps young people unlock their potential through travel.



SIMON SPICER

Chair Audit & Risk Committee | Joined September 2018

Elected to April 2028

An experienced non-executive director, Chartered Accountant and AICD graduate, with significant international senior executive experience, Simon brings a broad financial, commercial and strategic perspective to the YHA Board. He also has specific expertise across property, business and digital transformation, governance and risk management, including in for-purpose membership organisations, such as YHA.



REID JOHNSON

**Joined October 2022
Elected to April 2027**

Reid graduated from the AICD in 2016 and has worked on boards since 2017. His career in technology spans over 30 years, and his experience ranges from hands on application development, IT project management of significant transformation programs and several years of ICT executive leadership. His executive experience includes IT service delivery, strategy development and execution, business development, commercial management and corporate governance.



JENNIFER TANG

**Chair NR&HR Committee |
Joined January 2022**

Elected to April 2026

Jennifer is a company director and general counsel with global experience and qualifications in law and marketing. With more than 25 years in investing, property financing, funds management, and mergers and acquisitions, she brings deep expertise in corporate governance, risk management, financing and strategic analysis. Her career has spanned multiple industries, including property and hotels, and technology. An avid traveller, Jennifer believes travel broadens perspectives, fosters independence, and inspires lifelong learning. She is deeply committed to supporting YHA Australia's sustainable growth, strategic direction and social impact.



BELINDA VON BIBRA

**Joined April 2025
Elected to April 2028**

An experienced executive, Belinda is recognised for transforming businesses through research-driven innovation and inclusive, values-led leadership. Currently illuminating aged and community care through major sector reforms, she has worked across health, human services, hospitality, and agribusiness to translate ideas into impact, lead organisational change and foster high-performing teams. A passionate traveller, Belinda has explored six continents and five oceans, favouring off-the-beaten-track, adventurous journeys guided by a light-footprint philosophy and deep respect for local Indigenous cultures.

THE BOARD



**TODD
ATKINSON**

**Chair SIWG Working Group |
Joined April 2024**

Appointed to April 2026

Todd is a passionate traveller and believes in the power of exploration as a means of creating connections and building perspective – he’s inspired by YHA’s ambitions to enable travel and exploration for all. He is an experienced commercial leader with a demonstrated track record of building teams, brands and businesses internationally. Todd has experience in leading B Corp accredited businesses that balance profit with purpose and building partnerships in the social and environmental impact space.



**VARUN
NAIR**

Joined April 2025

Appointed to April 2027

Varun Nair is a senior executive at Scentre Group (owner of Westfield) and joined the YHA board in 2025 after serving as an observer for two years. He brings expertise across the property asset lifecycle, leveraging his diverse background in engineering, design and construction, operations and asset management. His career has focused on customer-centric design and sustainable operations, aligning with his belief in the long-term positive impact properties can have on local communities. Varun is a keen advocate for YHA’s mission, grounded in his passion for travel as an enabler of broader perspectives and cultural awareness.



**DAVID
YOUNG**

**Chair ESG Committee |
Joined January 2022**

Appointed to April 2027

David is passionate about the real impact YHA can have on the environment in which we operate and to do so with socially and commercially positive outcomes. After an extensive senior career in the travel and hospitality industries with companies including EY, Qantas and Air New Zealand, David is currently the Director of Sustainability for Accor the largest hotel operator in the Pacific with over 400 hotels. A Fellow of Chartered Accountants ANZ and a AICD graduate his governance experience includes NED and Executive Director roles with Eco Tourism Australia, Oneworld Alliance and Journey Group Plc.



**CHRIS GAWAN
TAYLOR**

**Elected April 2024
to April 2025**

YHA gratefully acknowledges Chris’s contribution to the Board and wishes him well in his future endeavours.



**CRAIG
BERGER**

**Appointed May 2023
to April 2025**

YHA gratefully acknowledges Craig’s contribution to the Board and wishes him well in his future endeavours.



**COURTNEY
PRIZEMAN**

Board Observer 2025

YHA partnered with the Observership Program to place a younger executive as a Board Observer for 12 months, enabling them to gain practical experience with how boards and board committees are governed. The Program has been a success with one former Observer now an appointed Director. In 2025, we welcomed Courtney to join us for Board and Committee activities from January 2025.

EXECUTIVE LEADERSHIP TEAM



The Executive Leadership Team, led by CEO Paul McGrath, is responsible for delivering the strategy set by the Board of Directors and ensuring we stay true to our purpose and values.

The Executive Leadership Team combines specialised expertise with deep operational knowledge across the business. Together, they lead the work that ensures YHA delivers exceptional guest experiences while building a sustainable, mission-driven organisation.



STEPHEN LYNCH

Chief Financial Officer
& Company Secretary



POPY BERNARDO

Chief Information Officer



NAOMI MYERS

Head of People & Culture



STUART BRIGGS

Financial Controller



HELEN VINE

Head of Sustainability



SAM OWEN

Head of Development



ABRAHAM DOW

General Manager,
National Operations



JOHN WILSON

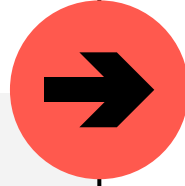
Head of Revenue,
Sales & Distribution



AMANDA HEARD

Head of Customer

BOARD ACTIVITIES



The Board of Directors is YHA's governing body and is made up of ordinary adult or Life Members. The Board's primary focus is the long-term health and prosperity of YHA, which is achieved by:

Setting strategic direction

Overseeing the development of the network

Ensuring appropriate risk and people management systems are in place

Enshrining YHA's mission and core values into all aspects of the organisation's operations and decision-making

The Board approves and delegates the implementation of strategic objectives, plans and budgets to the CEO, who is appointed by, and accountable to, the Board.

Responsible for the day-to-day management of the business, the CEO operates within policies and procedures set by the Board and is supported by an experienced leadership team.

IMAGE: YHA BOARD MEMBERS 2025 | YHA SYDNEY CENTRAL



BOARD ACTIVITIES

DIRECTORS' REMUNERATION

Director remuneration is fixed at an aggregate amount of \$310,000 annually, increased from \$150,000 following member approval at the 2025 AGM.

This first increase in eight years recognises expanded Director workloads while supporting YHA's ability to attract and retain experienced Directors for effective governance and strategic direction. A policy governs distribution of the remuneration pool and reimbursement of meeting-related expenses.

STRATEGY DAY

An annual planning day giving the Board dedicated time with the Executive Leadership Team to shape strategy & long-term priorities.

MEETINGS

The Board, committees, and working groups met throughout the year through a mix of in person and virtual meetings.

COMMITTEES & WORKING GROUPS

The Board is supported by four governance committees and two project working groups, each assisting with specific duties and responsibilities. Each committee operates under a charter, while the working groups follow terms of reference that define their role and composition. **All groups provide regular reports to the Board. These include:**



Audit & Risk Committee (A&R): Assists the Board in fulfilling its responsibilities regarding financial reporting, risk management legal compliance, and ensuring the external auditor's independence.



Nominations, Remuneration & Human Resources Committee (NR&HR): Responsible for the nomination of directors, human resources and remuneration strategies, policies and practices.



Environmental, Social & Governance (ESG) Committee: Formed in 2023 to enhance oversight of ESG and broader sustainability issues. The Committee assists the Board in fulfilling its reporting and strategic responsibilities related to YHA's ESG strategies, policies, and practices.



Election Committee: Responsible for managing the recruitment and onboarding of Directors, ensuring that candidates add to the diverse, skills-based composition of the Board.



Strategy & Innovation Working Group: Ensures innovation is at the forefront of YHA strategy and engages the organisation in bold thinking to reimagine itself and transition to a new future.



YHA Railway Square Development Working Group: Oversees the Railway Square redevelopment, ensuring alignment with the project brief and guiding principles while providing advisory oversight and acting as a consultation group for the project team.

MEETINGS

6

Board

5

A&R

5

NR&HR

3

ESG

8

Working Groups

GOVERNANCE EVALUATION

This year, the Board again participated in a Board Governance Review exercise in partnership with GovernWith to assess the organisation's effectiveness scores.

The 2025 results of the GovernWith Board Assessment outline the YHA Board's overall effectiveness and demonstrates year on year improvements.

This evaluation provides valuable insights into YHAs governance practices and performance. The survey was undertaken in January 2026 by the nine Directors and the Company Secretary. Improvements were made in most categories and reflected our focus on Sustainable Social Governance and stakeholder engagement in 2025.

The challenges for further improvement are to address investment for sustainable environmental governance as well as the reporting compliance commencing in 2028. These are areas of focus for 2026 to meet the 90% target benchmark in each category. Overall, the Board achieved a 91% rating or "Mature", the highest level.

IMAGE: YHA BRISBANE CITY

91% OVERALL GOVERNANCE RATING

YEAR ON YEAR PERFORMANCE

	2024		2025
Strategic Direction	95%	1% ▲	96%
Risk Management & Compliance	91%	2% ▲	93%
Sustainable Environmental	84%	2% ▼	82%
Sustainable Social	74%	5% ▲	79%
Sub-Committee Function	91%	4% ▲	95%
Finance	96%	3% ▲	99%
Service Quality	93%	3% ▲	96%
Governance Harmony / Board Composition	96%	2% ▲	98%
Governance Capabilities / Board Processes	86%	4% ▲	90%
Effectiveness / Continuous Review	96%	–	96%
Stakeholder Engagement	73%	9% ▲	82%

● Improvement ● Decrease ● No Change

IMAGE: YHA GRAMPIANS ECO



RISK MANAGEMENT

The Risk Management group continues to develop enterprise-wide risk management strategies to ensure that risk is assessed in a holistic manner.



Risk Management meetings involve department leads from Operations, Customer, IT (Cyber), Finance as well as subject matter experts so that we can embrace the risk-based decision-making methodology to evaluate risks and opportunities.

This approach, along with the introduction of a dedicated Safety and Compliance role established in 2023, has driven an uplift in YHA's organisational risk management maturity.

Development risk is managed via an expanded team and the Railway Square Development Working Group which includes Directors. The ELT also have special purpose project teams to manage development, operational, and systems change risks and opportunities.



IMAGE: YHA BRISBANE CITY

RISKS AND MITIGANTS



CYBERSECURITY & DATA PRIVACY

The hospitality industry is a target for cyber threats due to its reliance on technology and handling of sensitive customer data. YHA Australia prioritises cybersecurity, implementing strong measures to protect against threats.

How we mitigate this risk:

- Cyber Resilience Strategy: Prioritising capability to prevent, detect and respond to cyber incidents
- Governance best practice: Aligned to the Essential Eight (Maturity Level 2) and progressing toward CyberCert SMB 1001 Gold accreditation
- Cyber awareness and training: Modules refreshed, monthly phishing simulations (maintain risk exposure below 5%)
- Privacy compliance and transparent data handling: Adhering to Australian Privacy Principles (APPs) and General Data Protection Regulation.



GUEST

Operating a large accommodation network presents risks such as guest injuries, emergencies, unauthorised visitors, and illegal conduct, all of which can have health, safety, legal, and reputational implications.

How we mitigate this risk:

- Prioritise safety of minors
- Emergency planning
- Diversity, equity, and inclusion initiatives
- Strict enforcement of House Rules and the Discrimination & Harassment Policy
- Collaborative partnerships with local police
- Compliance with privacy legislation.



TEAM

With staff working across a variety of roles and conditions, risks include injury, illness, and workplace conduct issues such as discrimination or harassment, which may impact health, safety, legal standing, and reputation.

How we mitigate this risk:

- Team access to Employee Assistance Program
- Ongoing improvements to Work, Health & Safety (WHS) policies
- Incident trend analysis to inform WHS committee decisions
- Inclusion and Equity Policy
- Whistleblower service (also available to guests and contractors)
- Commitment to procedural fairness to uphold employee rights.



CLIMATE CHANGE

Climate change increases the risk of business disruptions due to extreme weather events such as floods, excessive rain, droughts, and bushfires. It also affects energy costs and traveller behaviour.

How we mitigate this risk:

- Emergency Planning Committee
- Disaster preparedness: Robust safety plans, recovery strategies, and business continuity measures
- Infrastructure resilience: Flood mitigation, backup power, and energy-efficient upgrades
- Energy transition: Shifting to renewable contracts and phasing out gas appliances
- Water conservation: Water-saving technology upgrades and staff/guest education
- Mould risk management: Reporting and remediation systems to address humidity-related risks.



FINANCIAL / DEVELOPMENT

YHA has the Railway Square development to complete in 2026. Additional funding will be required for this completion. As well as the need to refinance its borrowing facilities. The return of a bigger better YHA at this location is also YHA's greatest opportunity.

How we mitigate this risk:

- Development risk has been managed with dedicated project management and executive leaders given strong accountabilities in oversight of this risk along with the CEO and a Board working group.
- Refinance is front of mind with the CFO and the A&R Committee. Plans for the 2026 refinance have been made and relationships with lenders strengthened via regular updates and test of lending appetite.
- Operational risk mitigation for Railway Square will be underway early 2026 with dedicated resources and project teams preparing for the practical completion of the property and commencement of operations.

FINANCIAL

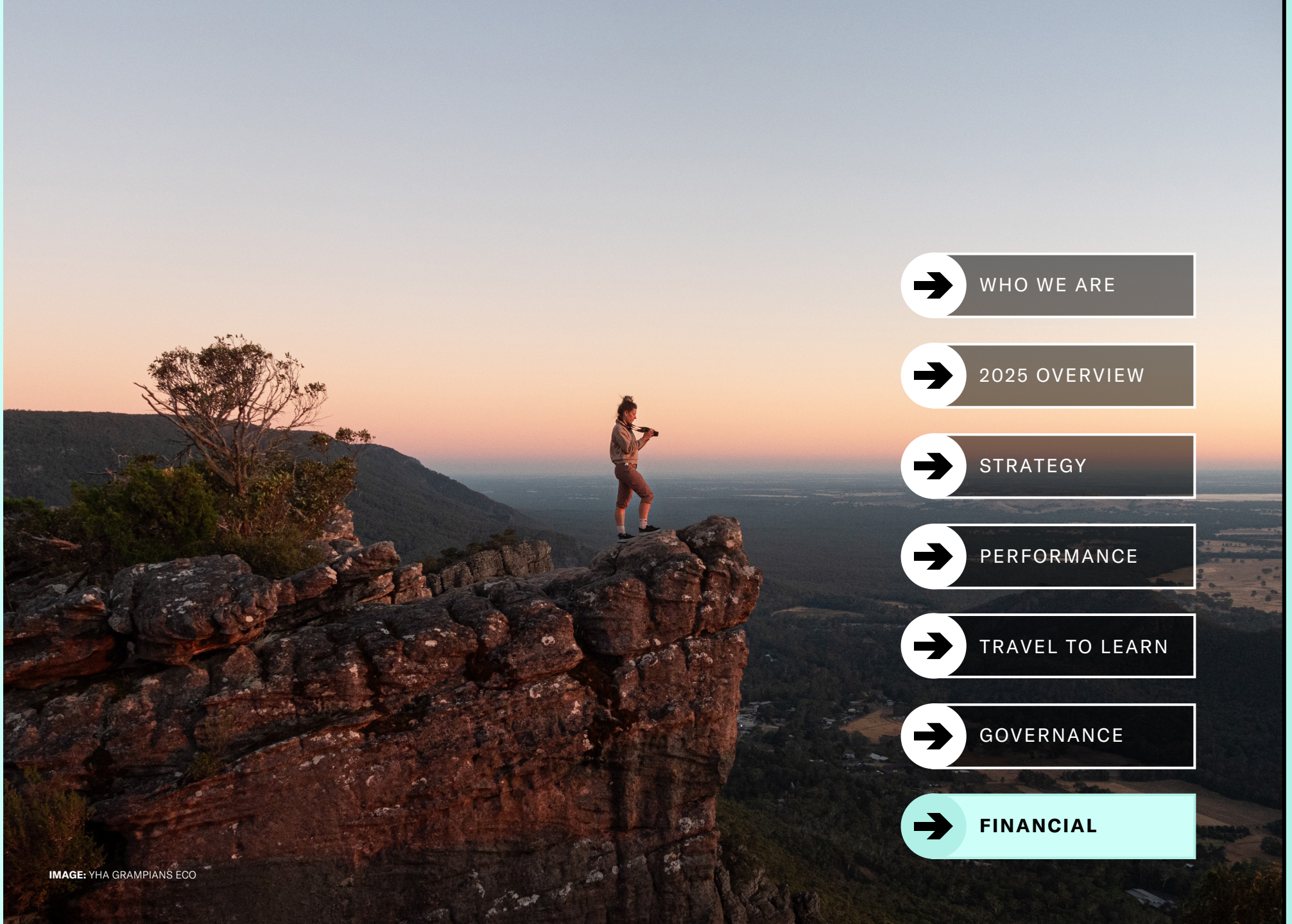


IMAGE: YHA GRAMPIANS ECO

- WHO WE ARE
- 2025 OVERVIEW
- STRATEGY
- PERFORMANCE
- TRAVEL TO LEARN
- GOVERNANCE
- **FINANCIAL**

SUMMARY OF FINANCIAL STATEMENTS

The summarised consolidated financial statements are included in the following pages.

These comprise a summarised consolidated statement of profit or loss and other comprehensive income, summarised consolidated statement of financial position, summarised consolidated statement of cash flows, note to the summarised financial statements and the Directors' declaration. These have been derived from the audited financial statements of YHA Ltd.

BASIS OF PREPARATION

The summarised statements of profit or loss and other comprehensive income and the summarised statements of financial position and the summarised statement of cash flows (together, 'summarised financial statements') have been prepared to assist YHA Ltd with their integrated reporting.

The summarised financial information does not and cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of YHA Ltd as the full financial reports. A full description of the accounting policies adopted by YHA Ltd may be found in the respective entity's full financial reports. The summarised financial information is presented in Australian dollars.

SUMMARISED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2025

	2025 \$	2024 \$
REVENUE		
Revenue from contracts with customers and other revenue	57,430,344	51,452,376
Interest revenue	1,664,739	1,962,869
	59,095,083	53,415,245
EXPENSES		
Employee benefits expense	(27,069,578)	(23,504,354)
Depreciation & amortisation expense	(6,453,582)	(5,228,014)
Finance costs	(6,705,425)	(6,671,800)
Other expenses	(20,235,338)	(20,031,060)
	(60,463,923)	(55,435,228)
INCOME		
(Deficit) before income tax	(1,368,840)	(2,019,983)
Income tax (expense)	-	-
(Deficit) after income tax	(1,368,840)	(2,019,983)
Other comprehensive income	-	-
TOTAL COMPREHENSIVE INCOME	(1,368,840)	(2,019,983)

SUMMARISED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2025

ASSETS	2025 \$	2024 \$
CURRENT ASSETS		
Cash and cash equivalents	6,046,402	2,628,303
Trade and other receivables	262,608	202,988
Financial assets	35,022,429	1,333,490
Inventories	111,753	64,538
Other current assets	1,434,466	1,284,899
Non-current assets classified as held for sale	-	2,659,497
Total Current Assets	42,877,658	8,173,715
NON-CURRENT ASSETS		
Financial assets	-	33,578,756
Property, plant & equipment	111,332,523	112,876,691
Lease assets	2,492,828	1,997,972
Intangible assets	3,007,264	3,287,353
Total Non-current Assets	116,832,615	151,740,772
TOTAL ASSETS	159,710,273	159,914,487

LIABILITIES	2025 \$	2024 \$
CURRENT LIABILITIES		
Trade and other payables	3,166,838	3,357,891
Lease liabilities	185,273	94,738
Borrowings	92,228,360	561,620
Provisions	1,563,326	1,538,623
Contract liabilities	2,394,096	2,087,715
Total Current Liabilities	99,537,893	7,640,587
NON-CURRENT LIABILITIES		
Trade and other payables	8,775	14,349
Lease liabilities	2,610,976	2,166,353
Borrowings	-	91,224,836
Provisions	170,490	117,383
Total Non-current Liabilities	2,790,241	93,522,921
TOTAL LIABILITIES	102,328,134	101,163,508
NET ASSETS	57,382,139	58,750,979
EQUITY		
Accumulated surplus	53,624,430	54,993,270
Revaluation reserve	3,757,709	3,757,709
TOTAL EQUITY	57,382,139	58,750,979

NOTE TO THE SUMMARISED FINANCIAL STATEMENTS

GOING CONCERN

At 31 December 2025, the Group had a net current asset deficiency of \$56,660,235 (31 December 2024: net current assets of \$533,128) and net assets of \$57,382,139 (31 December 2024: net assets of \$58,750,979).

The Group entered into a five-year Financing Facility Agreement ('the Agreement') from 22 December 2021. The Group's net deficiency of current assets position is due to this facility expiring in December 2026. The Group will seek to refinance/extend the facility beyond December 2026. The Directors are confident they can negotiate an extension or refinancing of the existing debt position.

The Group has complied with applicable covenants throughout the facility agreement throughout the period of the financing and has maintained serviceability. The Group has generated positive operating cash flows and is forecast to continue to do so in FY26 and beyond. The Group's current LVR as at December 2025 is 35%.

Based on the above, the summarised financial statements have been prepared on a going concern basis. This contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

Should the directors be unable to obtain an extension or refinance debt as described above, there is a material uncertainty which may cast significant doubt about the Group's ability to continue operating as a going concern.

Should the Group be unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different to those stated in the summarised financial statements.

The summarised financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or to the amount and classification of liabilities that might result should the Group be unable to continue as a going concern and meet its debts as and when they fall due.

SUMMARISED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2025

	2025 \$	2024 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from members and customers	63,444,816	56,001,154
Payments to employees	(27,065,046)	(23,240,977)
Payments to suppliers	(26,260,651)	(26,479,004)
Interest received	138,556	441,401
Finance costs paid	(6,317,837)	(6,284,212)
Net cash provided by operating activities	3,939,838	438,362
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of plant, equipment & software	(3,989,477)	(13,710,309)
Receipt of financial asset	1,333,490	1,276,445
Development of property	(503,044)	(287,956)
Receipt of interest from financial assets	82,510	139,554
Proceeds from sale of property, plant & equipment	2,615,700	-
Net cash (used in) investing activities	(460,821)	(12,582,266)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	985,405	834,267
(Repayment) of borrowings	(931,089)	(272,647)
Payments for the principal portion of lease liabilities	(115,234)	(88,803)
Net cash (used in) / provided by financing activities	(60,918)	472,817
Net increase / (decrease) in cash and cash equivalents	3,418,099	(11,671,087)
Cash & cash equivalents at the beginning of the year	2,628,303	14,299,390
Cash & cash equivalents at the end of the year	6,046,402	2,628,303

DIRECTORS DECLARATION



In the opinion of the Directors of YHA Ltd:

1. There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable;
2. The summarised consolidated financial statements have been derived from and are consistent with the full audited financial report for the financial period ended 31 December 2025;

This declaration is made in accordance with a resolution of the Board of Directors.

On behalf of the Directors.

A handwritten signature in black ink that reads "Tammy Marshall".

Tammy Marshall
Chair, YHA Australia

AUDITORS REPORT



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**Independent Auditor's Report
To the Members of YHA Ltd
ABN 94 008 387 791**

Report of the Independent Auditor on the Summary Financial Statements

Opinion

In our opinion the summarised consolidated financial statements are consistent, in all material respects, with the audited financial report of YHA Limited, in accordance with the basis of preparation described in the summarised consolidated financial statements.

What we have audited

The summarised consolidated financial statements are derived from the audited financial report of YHA Limited for the year ended 31 December 2025. The summarised consolidated financial statements comprise:

- the summarised consolidated statement of financial position as at 31 December 2025;
- the summarised consolidated statement of comprehensive income for the year then ended;
- the summarised consolidated statement of cash flows for the year then ended;
- related notes; and
- the directors' declaration.

Emphasis of Matter - Basis of Accounting and Restriction on Distribution and Use

We draw attention to the basis of preparation of the summarised financial statements, which describes the basis of accounting. The summarised financial statements have been prepared for inclusion in the YHA Limited 2025 Integrated Report. As a result, the summarised consolidated financial statements may not be suitable for another purpose. Our report is intended solely for YHA Limited and its members and should not be distributed to or used by parties other than YHA Limited and its members. Our opinion is not modified in respect of this matter.

Summarised Consolidated Financial Statements

The summarised consolidated financial statements do not contain all the disclosures required by Australian Accounting Standards applied in preparation of the audited financial report of YHA Limited. Reading the summarised consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial report of YHA Limited and the auditor's report thereon. The summarised financial statements and the audited financial report do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial report.

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**Independent Auditor's Report
To the Members of YHA Ltd
ABN 94 008 387 791**

The Audited Financial Report and Our Report Thereon

We expressed an unmodified audit opinion on the audited financial report in our report dated 21 February 2026. Our report also includes:

A *Material Uncertainty Related to Going Concern* section that draws attention to Note 1 in the audited financial report. Note 1 of the audited financial report indicates that the Group has a net current asset deficiency of \$56,660,235 as at 31 December 2025 and is reliant on the refinancing or extension of its existing facility agreement, which expires in December 2026. As stated in Note 1, these conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion was not modified in respect of this matter. These matters addressed in the Going Concern Note of the summary financial statements.

Responsibilities of Management for the Summarised Consolidated Financial Statements

Management is responsible for the preparation of the summarised consolidated financial statements in accordance with the basis of preparation of the summarised consolidated financial statements.

Auditor's Responsibility

Our responsibility is to express an opinion whether the summarised financial statements are consistent, in all material respects, with the audited financial report based on our procedures, which were conducted in accordance with Auditing Standard ASA 810 *Engagements to Report on Summary Financial Statements*.

Melissa Alexander
Partner

27 March 2026

Pitcher Partners
Partner
Sydney

Pitcher Partners Sydney

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IMAGE: YHA PITTWATER ECO

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