



3 OUR EXTERNAL CONTEXT

Understanding the realities that shape the risks we face

The operating environment affects our ability to create and preserve value, while posing risks to our organisation. At the same time, the changing landscape presents opportunities to achieve greater impact. Within this context, we must balance effective risk management with delivery against our strategy to ensure our resilience.

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Our external operating environment



The NSRI operates in a dynamic external environment shaped by South Africa’s extensive coastline and inland waterways, changing weather and sea conditions, growing public participation in water-based activities, and evolving safety and regulatory requirements.

As an emergency response organisation serving the public interest, the NSRI is also influenced by broader economic conditions, community needs and the level of public awareness around water safety.

 Read [our performance](#) and [risks and opportunities](#) for information on how we respond to external factors.

External factors

Political environment

International conflicts and disrupted shipping routes are shifting global maritime patterns, increasing traffic along South Africa’s coastline and elevating the risk profile for emergency medevacs and rescue operations. At the same time, global market volatility, fuel price fluctuations and exchange rate movements are increasing the cost of critical assets and operations while also affecting the value of the NSRI’s Endowment Trust.

South Africa’s relatively stable political environment supports efforts to restore confidence in the maritime economy through improved infrastructure and port performance. At provincial and municipal levels, capacity varies, and the lead-up to the 2026 local government elections may bring both short-term disruption and new opportunities to strengthen partnerships focused on community safety and saving lives.

How this affects the NSRI	How we respond	Related risks
These conditions place increasing pressure on the NSRI to do more with less. Demand for services continues to grow, while infrastructure constraints, variable municipal capacity, policy uncertainty and global instability affect operational planning, costs and long-term sustainability.	We respond by maintaining neutrality, transparent governance and strong partnerships, ensuring continuity through political and economic change while contributing to South Africa’s broader safety and resilience agenda. Our investment strategy is regularly reviewed to support resilience and alignment with long-term financial sustainability objectives.	- Geopolitical instability. - Increased maritime traffic around South African coastline.

Economic environment

Donor confidence and long-term investment are affected by competing social priorities and pressure on disposable income, driven by macro-economic instability, regulatory uncertainty and currency volatility.

How this affects the NSRI	How we respond	Related risks
Slow economic growth and high levels of inequality continue to constrain fundraising and influence workforce and operational dynamics. Sustained donor support and strong partnerships remain critical to ensuring our volunteers have the resources they need to save lives.	We continue to achieve year-on-year income growth by diversifying and expanding our donor base, improving operational efficiency and ensuring our activities contribute positively to local economies.	- Volunteer recruitment and retention.

Social environment

Even with limited epidemiological data, drowning remains a significant but under-recognised public health challenge in South Africa, competing with multiple national health priorities and requiring sustained advocacy to maintain visibility and public attention.

Socio-economic inequality continues to influence exposure to risk, with limited access to swimming skills, water safety education and emergency services, particularly among children in under-resourced communities.

How this affects the NSRI	How we respond	Related risks
Social and economic pressures are affecting patterns of volunteerism, making long-term participation more challenging and reinforcing the need to strengthen trust and inclusion within under-represented communities. Migration from small coastal communities to urban centres and internationally further affects volunteer recruitment and retention at some stations.	We expand community water safety programmes and partnerships with schools and municipalities, prioritising high-risk and underserved areas as part of our long-term prevention strategy. We invest in volunteer support and retention, while strengthening inclusion and community engagement. Through partnerships with research institutions, we contribute to generating and applying evidence to improve drowning prevention and advocacy.	- Volunteer recruitment and retention. - Limited or disrupted operational communications. - Psychological impact on volunteers and employees. - Volunteer and employee safety and injury.

Our external operating environment continued

Technological environment

Emerging technologies, particularly artificial intelligence (AI) and advanced analytics, are becoming essential to maintaining competitiveness, improving efficiency and future-proofing operations.

At the same time, rapid technological change introduces new challenges including cybersecurity risks, data protection obligations and the need to build new digital capabilities.

How this affects the NSRI	How we respond	Related risks
AI and innovation remain among the strongest short-term opportunities for the NSRI. Enhanced data use enables us to identify trends, allocate resources more effectively and measure impact with greater accuracy.	We recognise the importance of becoming a fully data-driven organisation. Investing in integrated systems and digital infrastructure is critical to strengthen decision-making across fundraising, operations, training and volunteer management. It also enables us to remain adaptable, efficient and competitive.	- Equipment, vehicle and vessel maintenance failure. - Cyberattack and loss of ICT capacity.



Legal and regulatory environment

Compliance requirements span maritime law, occupational health and safety, labour law, tax and non-profit legislation, B-BBEE, POPIA, municipal procurement and contracting frameworks.

Transformation priorities continue to influence how organisations work together and account for their impact.

How this affects the NSRI	How we respond	Related risks
Compliance with transformation legislation, including B-BBEE and the Employment Equity Act remains a key organisational priority. Recent developments in the interpretation of POPIA have introduced uncertainty around the use of personal information in telephone and call centre models. As a key donor engagement channel, this may impact revenue generation and communication practices.	We continue to monitor regulatory developments closely and prioritise full compliance with POPIA. This includes ongoing review of data protection policies, consent mechanisms and staff training to ensure personal information is processed lawfully, transparently and securely.	- Confidentiality and data breach. - Brand reputation and public perception.

Natural environment

South African society, in line with global trends, is increasingly focused on environmental sustainability and the impacts of climate change. Issues such as coastal erosion, extreme weather events and ecosystem degradation are receiving heightened public, government and media attention. These shifts are shaping expectations for organisations to operate responsibly, integrate environmental considerations into their activities and contribute meaningfully to broader sustainability efforts. The increasing frequency and severity of extreme weather events are also impacting water safety conditions and operational demands.

How this affects the NSRI	How we respond	Related risks
These conditions require ongoing adaptation of operational capability, training and infrastructure to maintain resilience, while reinforcing the NSRI's role as a trusted national advocate for environmental stewardship.	By visibly demonstrating environmental leadership, we strengthen public trust, enhance our legitimacy and align our brand with one of society's most pressing priorities.	- Brand reputation and public perception.

Risks and opportunities

Every decision we make, every programme we deliver and every partnership we build not only shapes our immediate impact, but also the communities, systems and lives beyond them. Alongside the positive impact we strive to deliver, we are mindful of the risks that can disrupt or dilute that impact if left unmanaged. By understanding the challenges we face and the opportunities before us, we can respond with foresight and responsibility. This balanced approach allows the NSRI to protect trust, strengthen resilience and maximise the lifesaving impact of every donor contribution.

The NSRI's risk management approach is structured and transparent, in line with best practice, including King IV principles, and is supported by the ARCC to achieve our strategic objectives.

Our top 10 risks

	Risk and ranking	Risk movement compared to 2024	Impact on the NSRI
1	Equipment, vehicle and vessel maintenance failure	Unchanged	Reduced operational capacity, inability to fulfil rescue missions and increased risk of compromised volunteer safety and injuries.
2	Geopolitical instability	Unchanged	Market volatility affecting investment returns, increased competition in the non-profit sector for limited funding against the volatility of foreign exchange rates and commodity prices.
3	Volunteer recruitment and retention	Increased	Inability to meet operational requirements in certain locations.
4	Cyberattack and loss of ICT capacity	Increased	Loss of ICT capacity due to malicious cyberattacks impacting operations and fundraising activities.
5	Increased maritime traffic around South African coastline	Increased	Increase in medevacs and rescue complexity with heightened risk of mass casualty events.
6	Limited or disrupted operational communications	New	Limited maritime radio coverage and reliance on cellular communication may affect operational coordination during emergencies and safety.
7	Confidentiality and data breach	Increased	Unauthorised access to donor or volunteer information resulting in reputational damage and regulatory non-compliance.
8	Volunteer and employee safety and injury	Decreased	Risk of injury or fatality among volunteers and employees.
9	Psychological impact on volunteers and employees	New	Emotional trauma, fatigue and burnout arising from exposure to critical incidents.
10	Brand reputation and public perception	Decreased	Reputational damage arising from negative publicity, misinformation or ineffective crisis response with potential impact on donor confidence and funding.

Risk treatment	Related material matters
- Investing in quality assets and equipment, supported by regular maintenance and pre-launch and post-launch checks.	- Rising operational costs and high continuous capital demands. - Capacity to meet growing and evolving demand for services nationally. - Supporting a geographically dispersed and operationally complex footprint. - Maintaining reliable infrastructure, vessels, vehicles, resources and equipment.
- Strengthening financial resilience through diversified investments, local fundraising growth, strong donor relationships and active monitoring of market, currency and commodity risks.	- Financial resilience in an uncertain economic environment. - Challenges of national policy and infrastructure framework.
- Implementing proactive and location-specific recruitment strategies. - Building structured training pipelines. - Providing robust volunteer support and engagement initiatives. - Reinforcing our culture.	- Volunteer and employee recruitment, retention and well-being. - Accommodating cultural and socio-economic diversity across our volunteer base. - Skills availability, training and leadership pipeline. - Expansion of community programme volunteers. - Capacity to meet growing and evolving demand for services nationally. - Low swimming ability among South Africans. - Unemployment and poverty place pressure on our volunteer model.
- Implementing multi-layered cybersecurity frameworks. - Incorporating endpoint protection, identity and access management, network security and monitoring. - Conducting regular staff awareness training, business continuity and disaster recovery plan testing. - Enhancing our incident and change management process.	- Managing cybersecurity risks and protecting sensitive information. - Complexity of fundraising model and dependency on ICT.
- Enhancing capacity for Class 1 stations to improve maritime safety coordination and training. - Implementing our mass casualty preparedness plan.	- Capacity to meet growing and evolving demand for services nationally. - Supporting a geographically dispersed and operationally complex footprint. - Maintaining reliable infrastructure, vessels, vehicles, resources and equipment. - Safety, security and risk exposure of volunteers.
- Strengthening connectivity through fibre links to stations, with a limited number of satellite phones in place and satellite communication options under evaluation.	- Leveraging technology, including AI, to enhance rescue capability, organisational efficiency and stakeholder engagement. - Ensuring reliable communication across remote and offshore operations. - Supporting a geographically dispersed and operationally complex footprint. - Maintaining reliable infrastructure, vessels, vehicles, resources and equipment. - Increasing frequency and severity of extreme weather events, together with environmental degradation, impacts water safety and operational conditions and requires adaptive and resilient operations.
- Implementing Payment Card Industry Data Security Standards with regular staff training. - Strengthening access controls and data segregation. - Conducting regular penetration testing and vulnerability assessments using breach detection, escalation and response protocols. - Improving our reporting and oversight through ICT governance structures.	- Managing cybersecurity risks and protecting sensitive information. - Strengthening stakeholder relationships and partnerships through transparency and accountability to maintain public trust. - Maintaining robust governance, compliance and ethical standards. - Effective risk identification, management and oversight. - Complexity of fundraising model and dependency on ICT.
- Upholding our safety culture and strict adherence to safety protocols. - Conducting debriefs after critical or near-miss incidents. - Publishing safety bulletins. - Providing training and comprehensive personal accident insurance.	- Safety, security and risk exposure of volunteers. - Increasing frequency and severity of extreme weather events, together with environmental degradation, impacts water safety and operational conditions and requires adaptive and resilient operations.
- Providing volunteer training, trauma debriefing and psychological support (including employee assistance programme) and emphasising mental well-being in operational readiness plans.	- Volunteer and employee recruitment, retention and well-being. - Increasing frequency and severity of extreme weather events, together with environmental degradation, impacts water safety and operational conditions and requires adaptive and resilient operations.
- Providing brand and reputation management training for employees and volunteers. - Implementing clear crisis communication and escalation protocols. - Conducting proactive stakeholder engagement. - Monitoring our social media presence and aligning messaging with NSRI values and public expectations.	- Enhancing brand relevance and visibility. - Strengthening stakeholder relationships and partnerships through transparency and accountability to maintain public trust. - Maintaining robust governance, compliance and ethical standards.

Risks and opportunities continued

Value creation opportunities

Opportunities	Related strategic pillars
Developing sustainable funding solutions 	- Deepening partnerships with government and public sector stakeholders to strengthen legitimacy, support joint public safety initiatives and unlock sustainable funding opportunities. - Leveraging offshore philanthropies, expatriate networks and global maritime safety organisations to access new international donor markets and diversify revenue streams.
Preparing for the future 	- Expanding our national footprint into underserved coastal, inland and flood-prone areas, strengthening South Africa's disaster response capability and resilience. - Extending lifeguarding by building on and extending our existing services to more municipalities, promoting public safety and deepening engagement with youth and vulnerable people.
Building trust, collaboration and community resilience 	- Scaling public safety education by expanding drowning prevention, water safety and survival swimming programmes into schools, youth camps, industries operating near water and vulnerable communities. - Growing volunteer involvement in drowning prevention by recruiting and training volunteers for community-based education and support roles, strengthening local resilience.

We continuously identify and evaluate opportunities against our strategic pillars to ensure we create value and extend our stakeholder impact.

Opportunities

Related strategic pillars

Strengthening our organisational capability and sustainability



- Leveraging data, digital platforms and emerging technologies to enhance operational effectiveness, enable informed decision-making and improve stakeholder engagement.
- Advancing transformation, diversity and inclusion to strengthen organisational relevance, capability and long-term sustainability.

Reinforcing national leadership and stakeholder engagement



- Positioning the NSRI as a national leader in water safety, through strategic partnerships, advocacy and thought leadership.
- Communicating the NSRI's reputation as a trusted brand by leading national conversations on water safety through rescue and survivor stories with meaningful impact.

Promoting environmental stewardship and resilience



- Strengthening operational readiness and resilience in response to increasing climate-related risks, including extreme weather and changing coastal and inland water conditions.
- Embedding environmental sustainability across operations and leveraging the NSRI's platform as a trusted national advocate to promote responsible water use and environmental awareness.

Our material matters

Material matters are issues with the greatest influence on our work. We identify and address these matters by listening to our stakeholders, reflecting on external factors that affect our operations and acting accordingly.



Determining materiality

The process we followed this year included:



We grouped identified material matters under the following nine themes this year:

1

Financial sustainability and diversification

Material matters	Why it matters	How we manage these matters	Related risks
- Diversification of funding. - Complexity of fundraising model and dependency on ICT. - Financial resilience in an uncertain economic environment. - Rising operational costs and high continuous capital demands.	Financial sustainability is crucial in a constrained economic environment, where we must balance rising operational costs with available funding. Long-term financial sustainability requires protection and growth of our diversified and complex funding model, prudent cost management and efficient allocation of resources.	We invest our income in physical assets, employees and volunteers; in innovations that enhance our operational effectiveness; and in relationships with stakeholders who contribute to and benefit from our activities. We sustain our income from donors, partners and fundraising initiatives through ongoing stakeholder engagements, strict financial oversight and careful cost management.	- Equipment, vehicle and vessel maintenance failure. - Geopolitical instability. - Cyberattack and loss of ICT capacity. - Confidentiality and data breach. - Brand reputation and public perception.

Related strategic pillar

Capitals impacted



Our material matters continued

2 Volunteer and workforce sustainability			
Material matters	Why it matters	How we manage these matters	Related risks
- Volunteer and employee recruitment, retention and well-being. - Accommodating cultural and socio-economic diversity across our volunteer base. - Safety, security and risk exposure of volunteers. - Skills availability, training and leadership pipeline. - Expansion of community programme volunteers.	Our ability to deliver impact depends on committed and skilled volunteers and employees. A strong volunteer and workforce base supports operational effectiveness and ensures the sustainability of our rescue services.	We aim to position the NSRI as an employer of choice and a reputable brand. We actively promote an inclusive and purpose-driven culture while ensuring our employees and volunteers have the skills, experience, motivation and well-being needed to deliver far-reaching services by providing structured recruitment, training and holistic support systems.	- Volunteer recruitment and retention. - Increased maritime traffic around South African coastline. - Volunteer and employee safety and injury. - Psychological impact on volunteers and employees.
Related strategic pillar 		Capitals impacted  	



3 Societal impact of drowning

Material matters

- Low swimming ability among South Africans.
- Drowning as an under-recognised but highly preventable public health issue.
- Driving behaviour change through advocacy, water safety education and survival swimming.
- Leveraging water safety to create livelihoods and impact around water (a water-based economy).

Why it matters

Drowning remains a significant but under-recognised public health challenge in South Africa, driven in part by low swimming ability.

How we manage these matters

Promoting behaviour change is key to enhancing water safety and contributes to building a water-based economy that supports livelihoods, industry and recreation. We invest in the people, innovations and educational initiatives that enable the NSRI to deliver lifesaving services and create a water-safe nation.

Maintaining strategic stakeholder relationships enables us to continuously expand our reach and strengthen water safety and rescue efforts while building the socio-economic infrastructure needed by the communities we serve.

Related risks

- Volunteer recruitment and retention.

Related strategic pillars



Capitals impacted



Our material matters continued

4 Scale and complexity of national footprint			
Material matters	Why it matters	How we manage these matters	Related risks
- Capacity to meet growing and evolving demand for services nationally. - Supporting a geographically dispersed and operationally complex footprint. - Maintaining reliable infrastructure, vessels, vehicles, resources and equipment.	To respond effectively to emergencies across South Africa, we must meet growing and evolving demand within a geographically dispersed and complex operational footprint, enabled by well-maintained assets.	NSRI's national footprint is supported by a decentralised leadership model, with station commanders carrying operational responsibility for their areas. National training, assessment and governance structures ensure consistent standards, readiness and safety across all stations. We apply advanced knowledge and technology in ongoing fleet and rescue station renewal, maintenance and upgrades, including energy-efficient installations and other sustainability-focused interventions, to enhance operational effectiveness.	- Equipment, vehicle and vessel maintenance failure. - Increased maritime traffic around South African coastline. - Limited or disrupted operational communications. - Volunteer recruitment and retention.
Related strategic pillars  		Capitals impacted   	



5 Technological developments

Material matters

- Leveraging technology, including AI, to enhance rescue capability, organisational efficiency and stakeholder engagement.
- Ensuring reliable communication across remote and offshore operations.
- Managing cybersecurity risks and protecting sensitive information.

Why it matters

The pace of new technologies, including AI, provides operational efficiencies and opportunities to enhance and protect our capabilities while also introducing challenges and risks that must be carefully managed.

How we manage these matters

Our ICT capacity enables the NSRI to address unique operational needs and reliably serve the communities that rely on our lifesaving services.

We invest in fit-for-purpose IT systems and infrastructure that provide the capabilities needed to deliver technologically advanced, data-driven solutions and exemplary governance without compromising our valuable stakeholder relationships.

Related risks

- Cyberattack and loss of ICT capacity.
- Confidentiality and data breach.
- Limited or disrupted operational communications.

Related strategic pillars



Capitals impacted



Our material matters continued

6

Governance, ethics and risk oversight

Material matters	Why it matters	How we manage these matters	Related risks
- Maintaining robust governance, compliance and ethical standards. - Effective risk identification, management and oversight.	Strong governance, ethical leadership and effective risk management are fundamental to maintaining donor confidence and public trust, ensuring transparency, accountability and responsible stewardship.	Our Board and subcommittees provide strategic oversight and ethical leadership, aligned with international governance best practice, by applying their skills, experience and continuous professional development in strategic decision-making.	- Confidentiality and data breach. - Brand reputation and public perception.

Related strategic pillars

Capitals impacted



7

Brand integrity and stakeholder trust

Material matters

- Enhancing brand relevance and visibility.
- Strengthening stakeholder relationships and partnerships through transparency and accountability to maintain public trust.

Why it matters

Continued investment in our brand and reputation is critical to ensure strong stakeholder relationships and public trust.

How we manage these matters

We invest in marketing and communication activities through multiple channels and formats to continuously reach a wide range of constituents. We position the relevance of our work and brand through transparent reporting and storytelling to share our impact and success. IT enablement allows us to build engagement and strengthen experience with our brand.

Related risks

- Confidentiality and data breach.
- Brand reputation and public perception.

Related strategic pillars



Capital impacted



Our material matters continued

8

Environmental stewardship and climate resilience

Material matters	Why it matters	How we manage these matters	Related risks
- Increasing frequency and severity of extreme weather events, together with environmental degradation, impacts water safety and operational conditions and requires adaptive and resilient operations. - Strengthening our role as environmental stewards, taking action and promoting awareness of water safety and broader sustainability risks.	Climate change and environmental degradation are increasing public water safety and operational risks, requiring adaptive and resilient operations, while also reinforcing our environmental stewardship responsibility.	The NSRI invests in flood and swiftwater rescue crew training and response preparedness infrastructure, including weather monitoring systems, while promoting public awareness through visible ecosystem conservation and collaborative interventions with global organisations. Additionally, our buildings include installations that conserve energy and water, and our fleet includes low-emission equipment.	- Brand reputation and public perception. - Volunteer and employee safety and injury. - Psychological impact on volunteers and employees. - Limited or disrupted operational communications.

Related strategic pillars



Capitals impacted





9 Constrained socio-economic and operating environment

Material matters

- Unemployment and poverty place pressure on our volunteer model.
- Challenges of national policy and infrastructure framework.
- Variable levels of engagement with government and state-owned entities.

Why it matters

Multiple socio-economic challenges affect our ability to create impact and reinforce the importance of our stakeholders' support.

How we manage these matters

Strong governance and partnerships keep the NSRI well positioned to navigate political, socio-economic and operational challenges.

Related risks

- Geopolitical instability.
- Volunteer recruitment and retention.

Related strategic pillar



Capitals impacted



Contributing to the United Nations Sustainable Development Goals

The NSRI's activities align with the following United Nations Sustainable Development Goals, aiming for meaningful and lasting impact by 2030.

How the NSRI contributes

- Building strong partnerships with government, emergency services, private sector partners and communities to extend reach and operational impact.
- Collaborating nationally and internationally with rescue organisations to share knowledge, strengthen training, align standards and advance water safety and rescue capability.
- Providing critical operational capability for marine animal rescue, including whale disentanglement through the South African Whale Disentanglement Network, supporting the protection of marine ecosystems.
- Adapting operational capability and preparedness to respond to increasing extreme weather events, including floods and storms.
- Collaborating with local and national emergency management agencies and disaster response organisations to strengthen coordinated disaster response.
- Reducing environmental impact through cleaner rescue vessel technologies and responsible operational practices.
- Integrating sustainability considerations into asset management and day-to-day operations.
- Strengthening community resilience and supporting disaster risk reduction through community programmes and emergency response capabilities, including readiness for extreme weather events and flooding.
- Enhancing public safety through the deployment of beach safety cameras and PRBs.

Strengthening and revitalising global partnerships supporting sustainable development



Increasing the economic benefits of sustainable management of marine resources, fisheries, aquaculture and tourism for least developed countries



Strengthening resilience and adaptive capacity to all countries' climate-related hazards and natural disasters

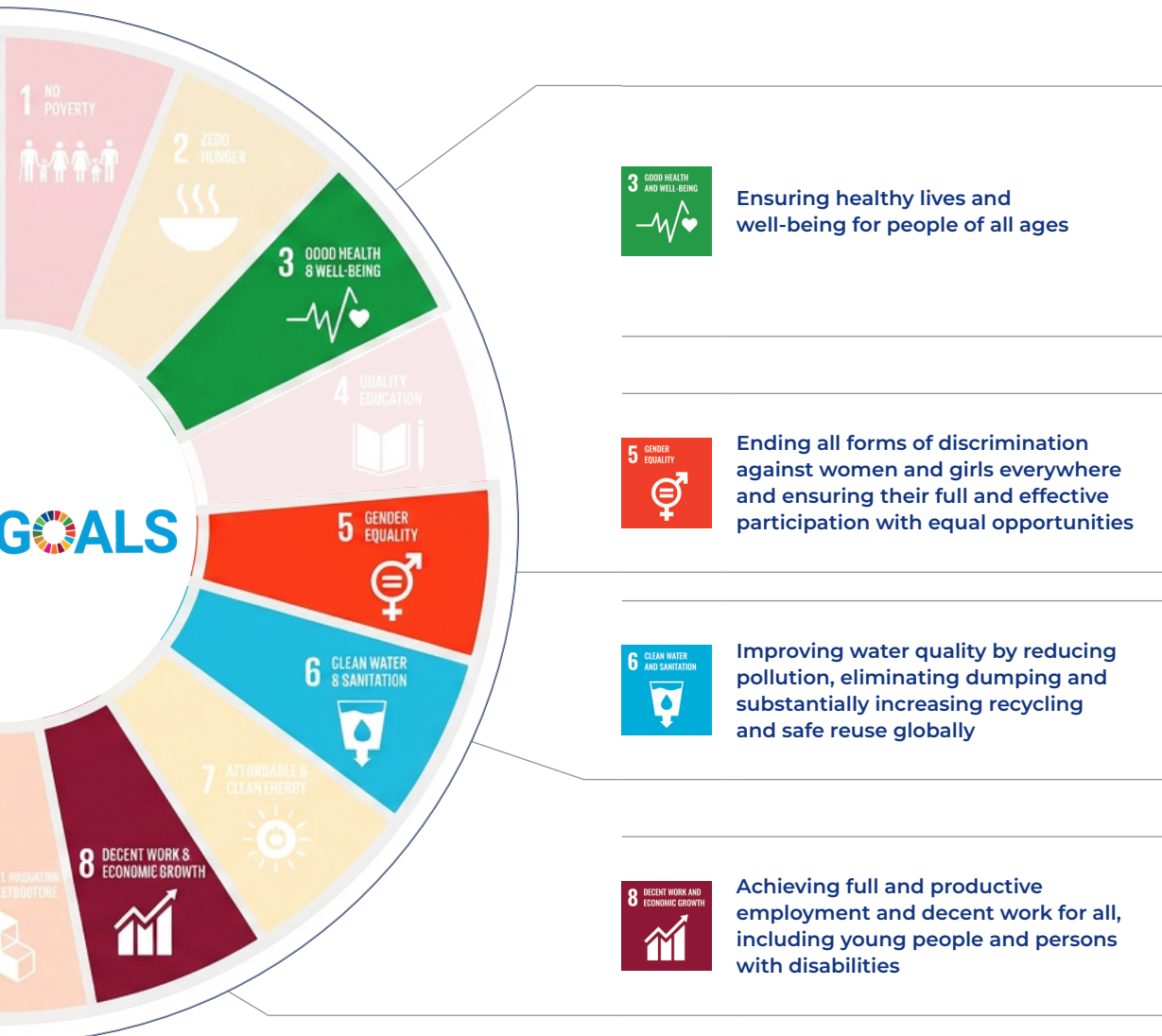


Achieving sustainable management and efficient use of natural resources



Making cities and human settlements inclusive, safe, resilient and sustainable





How the NSRI contributes

- Delivering community programmes focused on drowning prevention and water safety awareness across diverse communities to reduce the number of water-related fatalities.
- Promoting swimming as a vital life skill that enables people to protect themselves and others in water-related emergencies.
- Collaborating with schools, community centres and local authorities to include water safety education in curricula and community outreach programmes.

- Promoting equitable access and participation across all areas of the organisation, including volunteers, employees and training programmes.
- Increasing female representation within a traditionally male-dominated maritime environment.

- Supporting awareness of water-related risks through community education and engagement.
- Promoting responsible environmental practices and highlighting the impact of pollution and unsafe waterways on community safety.

- Enabling safer participation in water-based activities such as tourism, fishing and recreation through rescue readiness and water safety initiatives.
- Supporting local economies through partnerships and service delivery in coastal and inland communities.



NSRI Training Officer and
Station 16 Strandfontein volunteer
Simphiwe Rorwana maps out
coordinates.

