THE GLOBAL STANDARD:
A TOOLKIT FOR INVESTOR RELATIONS OFFICERS

Sell-Side Relationships

Presented By
Breakwater Capital Markets

Overview

This guide reframes sell-side relationships as a disciplined market-education and distribution function, designed to improve accuracy, investor access, and fairness rather than to manage sentiment or consensus. It emphasizes clear boundaries, consistent public frameworks, and a focus on analysts who rigorously translate business mechanics and KPIs into decision-useful market understanding.

By grounding engagement in governance, repeatable language, and public-first disclosure, the guide shows how effective sell-side management reduces misinformation and narrative risk while preserving credibility. When run to global standards, these relationships become a force multiplier—extending reach, sharpening interpretation, and supporting durable shareholder quality over time.

1 What is the strategic purpose of sell-side relationships?

Sell-side relationships should improve market understanding and investor access while protecting fairness and credibility. The relationship is not about "keeping analysts happy," it is about improving accuracy and reducing misinformation.

Prioritize firms and analysts who produce rigorous work, reach your target owners, and respect disclosure discipline so the ecosystem compounds trust over time.

The global standard
Treat the sell-side as a distribution and translation layer: they amplify your public framework, connect you to priority investors, and provide perception intelligence.

2 What principles should govern all sell-side engagement?

You should use public materials, stable definitions, and repeat lines so the market receives one coherent story, and you should never create an "incremental color" channel that implies selective disclosure.

Investors punish perceived favoritism and punish narrative drift even more. Codify engagement rules, train all executives who interact with analysts, and document interactions so your posture remains defensible and consistent across cycles.

The global standard
Fairness, consistency, and disciplined boundaries.

3 How should we talk about models and estimates without creating Reg FD risk?

Discuss drivers, assumptions, and sensitivities, not outputs. Investors want a credible framework, not whisper management.

Anchor every estimate discussion to public guidance and disclosed drivers, use consistent safe language, and avoid intra-quarter trend color that would imply your view has shifted beyond what is publicly communicated.

The global standard
Help analysts improve model mechanics—seasonality, mix, pricing, cost levers—without validating EPS or guiding them privately to a number.

4 How do we handle the pressure to “help analysts get to the right number?”

Resist it by reframing the goal as accuracy of assumptions, not alignment of outputs. Analysts will differ, and that is healthy; your job is to ensure facts and mechanics are clear.

Provide a driver-based "model translation" reference in public materials and use that framework consistently so analysts converge through understanding rather than through private signaling.

The global standard
Improve the market's ability to model the business without becoming a consensus manager.

5 What does best practice look like for pre-earnings interactions?

Pre-earnings should be tightly controlled and often minimal. Investors discount companies that appear to steer expectations privately.

Establish a pre-earnings policy, use approved talk tracks, and if there is nothing to add beyond public disclosures, keep engagement limited and consistent rather than creating artificial touchpoints.

The global standard

Pre-earnings interactions do not become unofficial guidance updates; they should reinforce the public framework, clarify stable mechanics, and avoid incremental performance color.

6 How do we correct inaccurate analyst interpretations effectively?

Correct facts quickly, calmly, and with public references. Investors value companies that keep the information environment clean.

Point analysts to the correct disclosed data, clarify mechanics in neutral language, and if a misunderstanding becomes widespread, consider a broad-access public clarification through an FAQ or disclosure update so fairness is preserved and confusion does not compound.

The global standard
Protect market integrity without debating opinions or appearing controlling.

7

How do we allocate management access across sell-side firms?

Allocate access based on investor impact and market understanding, not as a reward system. Access should never be tied to banking dynamics.

Formalize access criteria, rotate fairly where appropriate, and maintain documentation so allocation decisions are defensible, consistent, and aligned to long-term shareholder outcomes rather than short-term relationship pressure.

The global standard
CEO/CFO time goes where it reduces uncertainty among the investors who matter most to your shareholder base strategy.

8 How do we prevent “pay-to-play” perceptions around access and banking?

Separation and documentation are essential. Investors watch governance signals closely, especially around fairness.

Involve compliance in policy design, document access rationale, and ensure the same public materials are used with all parties so relationships are built on integrity and usefulness, not on implied preferential disclosure.

The global standard
Maintain clear policies that decouple access decisions from banking relationships and apply those policies consistently.

9 How should we use sell-side conferences as part of the relationship strategy?

Conferences are useful when they efficiently connect you to priority investors and reinforce narrative consistency. Investors value repetition of truth more than incremental color.

Publish the deck before the event, maintain disciplined talk tracks, and use conference interactions to address recurring misconceptions and improve understanding among holders and targets without creating disclosure risk.

The global standard
Treat conferences as distribution of your public framework, not as places to introduce novelty.

10 How do we handle “off the record” or informal requests?

Decline clearly and consistently. Investors trust firms that enforce fairness.

Train executives to use firm but professional language that redirects to public disclosures and frameworks, and ensure IR is present or briefed for sensitive conversations so the company does not drift into selective disclosure through informality.

The global standard
Act as if every interaction can become public, because reputational and regulatory risk compounds fast when boundaries are ambiguous.

11 How do we manage analysts who are persistently hostile or sensational?

Maintain professionalism and focus on facts and frameworks. Investors observe tone and interpret it as governance maturity.

Provide accurate public references, avoid emotional engagement, and allocate more time to analysts who improve understanding and reach your target owners, while keeping hostile interactions disciplined and minimal.

The global standard

Serve market integrity, not relationship comfort; you do not need to win every analyst, but you must avoid fueling conflict narratives.

12 How do we ensure consistency when multiple executives speak with analysts?

Consistency requires a shared language system. Inconsistency is interpreted as hidden information.

Run briefings before major engagement periods, maintain a language library and FAQ, and debrief after interactions to detect drift early, correcting it through training and updated talk tracks.

The global standard
Repeat lines, stable definitions, and approved answers for sensitive topics so investors hear one coherent view regardless of speaker.

13 How should we handle valuation or “rate the stock” discussions?

Avoid price targets and ratings commentary; focus on value drivers. Investors distrust companies that seem to lobby for ratings.

Use consistent bridges from valuation questions back to fundamentals and monitoring, reinforcing that the company's role is execution and transparency, not market price management.

The global standard
Discuss the value creation algorithm, milestones, and what reduces risk premium, because those factors influence valuation without appearing to influence recommendations.

14 How do we manage sell-side relationships during transformations or restructurings?

Transformations create uncertainty, so your job is to convert uncertainty into governed milestones. Analysts will fill gaps if you do not.

Publish a transformation KPI set, update it consistently, and keep interactions anchored to disclosed progress and next milestones so the narrative remains evidence-based rather than speculative.

The global standard
Provide clear public progress measures, define what success looks like operationally, and link milestones to financial outcomes over time.

15 How do we manage the risk of selective dissemination in analyst conversations?

Use only public information and ensure broad access when anything material changes. Selective dissemination creates legal risk and destroys trust.

Keep meetings anchored to published decks, avoid intra-quarter trend color, document interactions, and if a potentially material point is raised, escalate internally and consider whether public clarification is needed to restore fairness.

The global standard
Public-first fairness: the market should never believe some parties receive better information.

16 How do we make sell-side education more effective and less repetitive?

Build durable public resources that analysts can reuse. This reduces recurring confusion and improves coverage quality.

Keep these materials updated and accessible on the IR site, and use analyst interactions to reinforce the same framework rather than re-teaching from scratch each time.

The global standard
A structured education kit: business model explainer, KPI definitions and history, segment economics, accounting nuances, and messaging framework.

17 How do we measure the ROI of sell-side relationships?

Measure outcomes tied to market understanding and investor access, not activity volume. Relationships that amplify noise are negative ROI.

Track which analysts drive meaningful investor access and accurate narrative repetition, then allocate management time accordingly to strengthen the highest-impact ecosystem.

The global standard
Indicators include accuracy of notes, reduced misconceptions, improved investor question quality, better targeting conversion outcomes facilitated by the sell-side, and reduced model dispersion.

18 How do we manage global sell-side dynamics across regions?

Global consistency must be maintained while respecting regional context. Divergent regional narratives create arbitrage and confusion.

Centralize messaging, ensure regional analysts have the same public materials, and train regional spokespeople so the market experiences one coherent story across time zones and investor cultures.

The global standard
One framework, one set of definitions, and one KPI system globally, with region-specific context layered on top without changing substance.

19 What governance infrastructure should sit behind sell-side engagement?

Governance should treat sell-side engagement as disclosure-sensitive activity. Governance protects fairness and credibility while enabling high-quality engagement.

Assign clear ownership across IR, finance, and legal, use version control for materials, and run routine reviews to ensure engagement remains aligned to shareholder base objectives and risk controls.

The global standard
A documented policy, disclosure committee oversight for changes in metrics or language, interaction logging, and periodic ecosystem reviews.

20 What does "global standard" sell-side relationship management look like?

It is disciplined, fair, and strategically focused on improving market understanding. The global standard creates an ecosystem where analysts translate your business mechanics accurately, investors receive consistent public frameworks, and management time is allocated by impact and integrity. Over time, this reduces misinformation, tightens model dispersion, and supports shareholder quality, strengthening valuation resilience.

Operationally, it is a governed program with stable language, controlled disclosures, and continuous improvement based on market feedback and outcomes.

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