1 Data Processing

Peak calling on DNase1-seq data from DEEP and ENCODE was performed using JAMM (Ibrahim et al., 2015) version 1.0.7.2 using default parameters. All peaks that passed the JAMM filtering step are considered for further usage.

We used bedtools (Quinlan and Hall,2010) version 2.25.0 to generate input bed files for JAMM.

RNA-Seq reads of DEEP data were processed with TopHat 2.0.11 (Trapnell et al., 2009), and aligned with Bowtie 2.2.1 (Langmead and Salzberg, 2012) to NCBI build \$37.1\$ in *--library-type fr-firststrand* and *--b2-very-sensitive* setting.

Gene expression of DEEP data was quantified with Cufflinks version 2.0.2 (Trapnell et al., 2010), and the hg19 reference genome using the options *frag-bias-correct, multi-read-correct*, and *compatible-hits-norm*.

2 Supplementary Tables

Supplementary Table 1: IDs of ENCODE and DEEP data used in this study.

Supplementary Table 2: IDs of TFs used in a gold standard comparison for regulation in primary human hepatocytes

3 Details on TRAP

Extensive details on the mathematical background of TRAP can be found in Roider et al. (Bioinformatics, 2007). Here, we only provide a brief summary of Section 2.3 of the aforementioned paper.

In TRAP, one assumes that the fraction of TFs bound to a certain genomic location S is at an equilibrium such that the fraction of bound sites *p(S)* can be denoted as

$$
p(S) = \frac{K(S) * [TF]}{1 + K(S) * [TF]}.
$$

Here *K* denotes a site-specific equilibrium constant, which depends on the site with highest affinity (*S0*), a TF specific mismatch energy $E(S)$ and the Boltzmann constant k_B :

$$
K(S) = K(S_0)e^{-\beta E(S)}
$$

Thus, we can denote p(s) as:

$$
p(S) = \frac{K(S_0) * [TF] * e^{-\beta E(S)}}{1 + K(S_0) * [TF] * e^{-\beta E(S)}} = \frac{R_0 * e^{-\beta E(S)}}{1 + R_0 * e^{-\beta E(S)}}.
$$

The mismatch energy *E(S)* is computed using a TF motif matrix according to:

$$
\beta E(S) = \frac{1}{\lambda} \sum_{i=1}^{W} \sum_{\alpha = A, C, G, T} S_i^{\alpha} \log(\frac{m_{i,max}}{m_{i,\alpha}} b_{i,\alpha}).
$$

Here S_i^{α} , is an indicator function evaluating to 1 if the considered sequence S has letter α at position *i*. The most frequent element in the motif matrix is denoted by $m_{i,max}$. λ is a parameter used to scale the mismatch energy.

Thus, there are only two sequence and TF-independent parameters R_0 and λ . For details on how these parameters are determined, please consult Sections 2.3 and 3.1 of Roider et al. (Bioinformatics, 2007).

Overall, TRAP computes the expected number *N* of TFs bound to sequence *s* with length *l* by summing up the binding score for each individual binding site in *s*:

$$
N = p(S) = \sum_{l=1}^{L-W} p_l = \sum_{l=1}^{L-W} \frac{R_0 * e^{-\beta E_l(\lambda)}}{1 + R_0 * e^{-\beta E_l(\lambda)}}.
$$

Here, W denotes the length of the motif for the TF of interest.

4 Schematics of feature matrices

In the following, we sketch the content of the feature matrices used for the linear regression setups depending on the used annotation version. Note that the gene expression used as response is not contained in the feature matrix.

4.1 ChIP-seq TF features (C)

4.2 ChIP-seq TF features normalized (CN)

4.3 ChIP-seq peak features (CPF)

4.4 DNase-Decay (D) and DNase-Decay-Scaled (DS)

4.5 DNase-Decay normalized (DN)

4.6 DNase peak-features (DPF)

4.7 DNase peak-features and signal (DPFS)

4.8 DNase-Decay-Scaled normalized (DSN)

5 Example for the permutation of the feature matrix

In this article we follow the permutation strategy suggested by Bessiere et al. (PLoS Comput. Biol., 2018). They suggested to randomize the feature matrix independently for each row, i.e. per gene. Thereby TF specific signal would be lost, but confounders that affect all scores for one gene would be preserved. In the following example, the color code visualizes the effect of the permutation.

6 Precision (Pr) and Recall (Rec) Computation

Precision (PR) and Recall (Rec) are computed from True Positives (TP), False Positives (FP) and False Negatives (FN) as:

$$
Pr = \frac{TP}{TP + FP}
$$

$$
Rec = \frac{TP}{TP + FN}
$$

7 Scaling feature matrices per row (i.e. per gene)

In addition to the feature matrices discussed in the main paper, which are listed in Sup. Section 4, we tested the performance of feature matrices that are scaled according to the maximum value per row (i.e. per gene). In the DNase1 case the scaled score $\tilde{a}_{g,t}^D$ for gene g and TF t is computed according to

$$
\tilde{a}_{g,t}^D = \frac{a_{g,t}^D}{\max_{t \in T} (a_{g,t}^D)}.
$$

We refer to $\tilde{a}_{g,t}^D$ as *maximized D* scores.

Comparably, scaled DS scores are computed as

$$
\tilde{a}_{g,t}^{DS} = \frac{a_{g,t}^{DS}}{\max_{t \in T} (a_{g,t}^{DS})},
$$

which we refer to as *maximized DS* scores.

The corresponding feature matrices are:

In the ChIP-seq case, we compute scaled ChIP-seq scores, abbreviated with *CM*, as

$$
\tilde{a}_{g,t}^C = \frac{a_{g,t}^C}{\max_{t \in T} (a_{g,t}^C)}.
$$

Here, the corresponding feature matrix can be sketched as:

Note that we do not additionally consider scaling per column (i.e. per TF), because the feature matrices are already scaled per column in our regression setup. Results based on these scores are shown in Sup. Figures. 18 and 19.

8 Supplementary Figures

Supplementary Figure 1: This Figure depicts the regression coefficients of *Peak count* and *Peak length* in models using only peak features derived from TF-ChIP-seq data of GM12878, H1-hESC, HepG2, and K562.

Supplementary Figure 2: (a), the computation of the TF-gene scores $a_{g,t}^C$ from ChIP-seq data is shown for two genes g_1 and g_2 as well as for several TFs. In (b), we show how the normalization factor c_g^C is computed. Part (c) illustrates how the normalized TFgene scores are computed. As one can see, the scores for g_2 are increasing, as there are only very few peaks in the vicinity of that gene. Simultaneously all scores of g_1 are shrinked.

Supplementary Figure 3: Here, we show mean squared error (MSE), Spearman and Pearson correlation for all considered ChIPseq based models and all available cell-lines.

Supplementary Figure 4: (a) shows the changed correlation between TAF1 and CTCF comparing C and CN scores. (b) Indicates the changes in the distribution of peak scores due to the normalization.

Supplementary Figure 5: Figure 5a contrasts model performance, measured with Spearman correlation, using DS scores on original and permuted data. Figure 5b compares the original DS feature space against the extended feature space with features for *Peak count, Peak length* and *Peak signal,* also in terms of Spearman correlation. Figure 5c shows all pairwise correlations of TF affinities on both original and permuted data. Figure 5d depicts the pairwise correlation of TF affinities against *Peak length, Peak count*, and *Peak signal*. All Figures are based on elastic net regularization.

Supplementary Figure 6: Model performance is contrasted for original D and permuted D scores in terms of MSE (a), Pearson correlation (b) and Spearman correlation (c). A comparison of the original D models against models using only peak features (DPF) is shown in (d) using MSE, in (e) using Pearson correlation and in (f) using Spearman correlation. All models use elastic net regression.

Supplementary Figure 7: Here, the fraction of ChIP-seq peaks that overlap a DNase peak is shown for all ChIP-seq peaks (grey) and for all ChIP-seq peaks in a 50kb window around the 5' TSS of protein coding genes.

Supplementary Figure 8: In Figure 8a, boxplots show the performance of models using the D, DN, DS, and DSN setup on not permuted data using elastic net. Figure 8b illustrates the effect of different regularization methods. Model performance on permuted and not permuted data is shown for all the D, DN, DS, and DSN scoring schemes using elastic net or lasso regularization.

Supplementary Figure 9: Here, the mean squared error for elastic net models based on predicted TFBS sites is shown for original and permuted data using the D, DS, DN and DSN setups, compared using MSE in (a), Pearson correlation in (b) and Spearman correlation in (c).

Supplementary Figure 10: (a), we show the pairwise spearman correlation of TF affinities using the DS and DSN scores against *Peak length, Peak count* and *Peak signal*. (b) shows the correlation of TF affinities for HOXA3 using the D setup against *Peak length*. (c) shows the correlation of TF affinities for HOXA3 using the D setup against *Peak count*. (d) shows the correlation of TF affinities for HOXA3 using the DS setup against *Peak length*. (e), the correlation of HOAX3 against *Peak length* is shown using the DSN setup. As Peak length is identical for D and DS, (b) and (d) look alike.

Supplementary Figure 11: (a) Shows the performance of length normalized scores (DN) compared to an additional count normalization (dividing DN scores by the number of considered peaks). (b) Shows the same comparison on permuted data. Model performance is assessed in terms of Spearman correlation. Here, elastic net regularization is used. Error bars are omitted due to a neglectable error.

Supplementary Figure 12: The bar plots show the number of selected features (i.e. features with a regression coefficients unequal to zero) per sample using the D, DN, DS, DSN setup with either elastic net or lasso regularization.

Supplementary Figure 13: Violin plots show the range of regression coefficients per sample inferred on permuted and not permuted data for TF gene scores computed using the D, DN, DS, and DSN setup and elastic net regularization.

Full data set

Outer 10-fold Monte Carlo cross validation (CV)

Supplementary Figure 14: Overview of the learning paradigm. We randomly split the original data into Test (20%) and Training (80%) data in a 10-fold outer cross-validation. On the training data, model parameters are learned using a 6-fold inner crossvalidation. Model performance is reported as the average performance on the test data across the 10 outer folds.

Supplementary Figure 15: Model performance using the DN setup on permuted and not permuted data using either elastic net or lasso regularization is shown per sample.

Supplementary Figure 16: (a) shows the number of selected features across the three samples (LiHe1, LiHe2, LiHe3) for the D, DS, DN, and DSN setup using both elastic net and lasso regularization. (b) Shows Precision Recall curves computed using the *PRROC* package distinguishing between samples, annotation setups, and regularization methods.

Supplementary Figure 17: Comparison of expression models using elastic net regularization between C, CN, and CM scores using permuted and not permuted data. CM scores refer to a feature matrix which is normalized according to the maximum entry per row. On original data, CM scoring performs worse than both C and CN scores. At the same time, it achieves a worse prediction performance on permuted data than both C and CN scores.

Supplementary Figure 18: Comparison of expression models using elastic net regularization and Spearman correlation for various predicted TF-gene scores. (a) Compares original D scores against Maximized D scores, (b) compares original DS scores against maximized DS scores, (c) contrasts original DN scores against maximized D scores, and (d) reflects the difference between original DSN and maximized DS scoring. In (e) and (f), we compare DN versus maximized D and DSN versus maximized DS on permute data respectively. Error bars are omitted due to a neglectable error.