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Annual Review of Corporate Network Maps

Vishal Kapadia ▶ WikiRate e.V. ▶ 3/1/2017

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Abstract

This document explores the consultation process to cultivate useful relationship metric data across ChainReact in consultation with corporations and other organizational partners. This report covers the work done up until M12 including the progress towards important WP6 SMART targets outlined to maximize overall impact of ChainReact.

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1. Overview

This report explores the main strategies and progress in terms of how ChainReact aims to cultivate buy-in from corporations and other relevant organisations around representing corporate network maps on WikiRate.org.

The early part of this report describes progress made in **T6.1** in articulating and refining strategy for corporate engagement. This strategy benfits from consultation with external partners (WP6) around technical developments on WikiRate.org (WP5) and leads to the articulation of **SMART targets** (WP7) for evaluation of progress towards **T6.2** and **T6.3**. Stakeholder communications (T8.4) alongside maintenance and activation of the WikiRate.org community (T8.3) support the potential to scale reach, engagement and impact of results obtained within WP6.

The pages that follow will first introduce ChainReact's refined strategy for soliciting and generating corporate network data. They will then provide an update on progress towards those strategic goals, both through research of existing data and explorations of partnerships for generating and releasing new data.

Relationship metrics, the building blocks of the new corporate network representation on WikiRate.org, are discussed alongside other WP5 technical considerations in D5.3 Corporate Network Mapping – Annual Development Review I.

WP6 is focused on how ChainReact partners can bring meaning to those technical features by reaching out to companies and organizations to facilitate a rich, sustained, robust flow of corporate network data. This data ranges in type from information about ownership, influence, trading relationships, and other types of relationships including whether an entity is a subsidiary or even associated with a particular brand.

Our efforts within WP6 will enrich existing and new data on WikiRate.org around corporate performance on environmental and social metrics by adding context that tracks relationships and helps to disambiguate issues of responsibility, accountability - and that reflect the real world concerns of organisations that track and research such data.

2. Introduction - Grounding our approach

ChainReact works to change corporate behaviour by providing a platform that incentivises companies to be more transparent about their supply chain and other network sensitive data, encouraging them to to ask their own supply chain to self-report sustainability-related data on WikiRate.org. WP6 is a central driver for consultation around metrics based on the work in WP5; with its objectives focusing on building strategic relationships with corporations, civil society organisations and other players engaged in corporate supply chain and sustainability issues.

2.1 Revisiting objectives

The initial work of WP6 correlates most highly with ChainReact's **second objective** and specifically the second subgoal as described in the grant agreement:

- **Subgoal B: Deepen and improve corporate network maps by engaging corporations and their stakeholders via disclosure outreach**.

Within Subgoal B of Objective 2 there are relevant technical developments which are referred to in D5.3 submitted in parallel with this report, particularly around the development of relationship metrics for Wikirate.org which can handle the different types of relationships between corporate entities in terms of influence, and or legal/trading connections.

3. Developing Strategy for corporate engagement (T6.1)

The work carried out in WP6 benefits from the existing relationships that WikiRate e.V. has with International NGOs and also existing data on http://wikirate.org which starts to track metrics[1] that represent relevant social and environmental performance data. WikiRate defines companies loosely as "reporting entities". Much of the available information about corporate Environmental, Social and Governance (ESG, which will be used as short-hand for non-financial performance broadly) performance comes from the companies themselves, chiefly through their annual reports. One of the first lessons learned through WP5 and WP6 is that the legal entities of which corporations are composed are multitudinous and connected in complex and opaque ways. While most of the ESG performance information available comes from or references a monolithic corporate entity (e.g. The Coca Cola Company), it is rare for the scope that this information covers to be clearly explained (e.g. the operations of which of hundreds of legal entities owned by or otherwise associated with The Coca Cola Company are covered).

WikiRate's definition of a company can be considered as a "folksonomy", it aims to capture information reported by or about the company - as people understand it and as it represents itself (through its non-financial reporting). One of the aims of corporate network mapping in ChainReact is to better understand how the entities that report, or are reported on, relate to the legal entities of which the company is composed. Collecting available information on corporate structure and legal entities, and presenting this in an understandable way, is an important foundation for the rest of the project. To understand certain aspects of ESG performance, such as how the company's tax obligations are calculated across various jurisdictions, an understanding of this network and how nodes are connected is absolutely vital. For many other aspects of ESG performance, an understanding of how the legal entities relate to the reported information will help to contextualize the available data and form a basis for assessing its plausibility.

Supply chains and supplier relationships have been identified as the aspect of corporate networks where data is least available and most sought. WP6, with the aim of promoting disclosure, has a natural tendancy to focus on this aspect of corporate networks. As with non-financial reporting, supply chain disclosures such as supplier/facility lists tend to come from the "general" or "branded" company, and offer relatively little detail on the nature of those relationships (e.g. particular goods/materials or volume supplied). Underpinning these supply relationships are contracts and payments between legal entities, and so the most comprehensive and

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[1] http://wikirate.org/metrics

transparent account of supply networks would ultimately be possible only by operating at this level of granularity.

At the core of WP5 and WP6 is this **implicit link between disclosure and representation**. In some respects, a significant volume of data is already available (e.g. ownership relations between legal entities), and the challenge is more around representing this complex data in a way which makes it accessible, understandable and impactful. In other respects (e.g. supply chains, especially beyond tier 1 suppliers) data is scarce and low-resolution, so the challenge is more around incentivizing and promoting disclosures. Both of these aspects are however relevant to every type of corporate network relationship: 1) making good use of available data, and 2) getting access to more/better data.

Initial work in Y1 across the consortium scoped the relative contributions and focal points of each work package's activities using the SMART targets framework. The objective of this exercise was to hone in the finer points of what's required for each of the three struts of ChainReact (see Diagram 1 – produced in Y1) to be most robust and effective as stand alone units; but also to be well integrated later in the project too. Alongside this the SMART targets helped the consortium and Work Package leaders articulate actionable and complementary goals across work packages and project quarters. These targets provide both a productive and agile framework for integration and steady progress towards the overall project goals.

ChainReact

consortium roles and data flows

Cambridge, DELAB, and WalkFree

The Whistle

[NGO interface]

Whistle-integrated publication tool

Citizen Reporters

NGOs

Public

Identify Companies not on WikiRate

Metrics, Values, Notes (Tagged and Anonymized)

Mapping: Company Group to Company

Open Corporates

Metrics and Values (Industries, Relationships, etc.)

Links to Low-Level Data

WikiRate

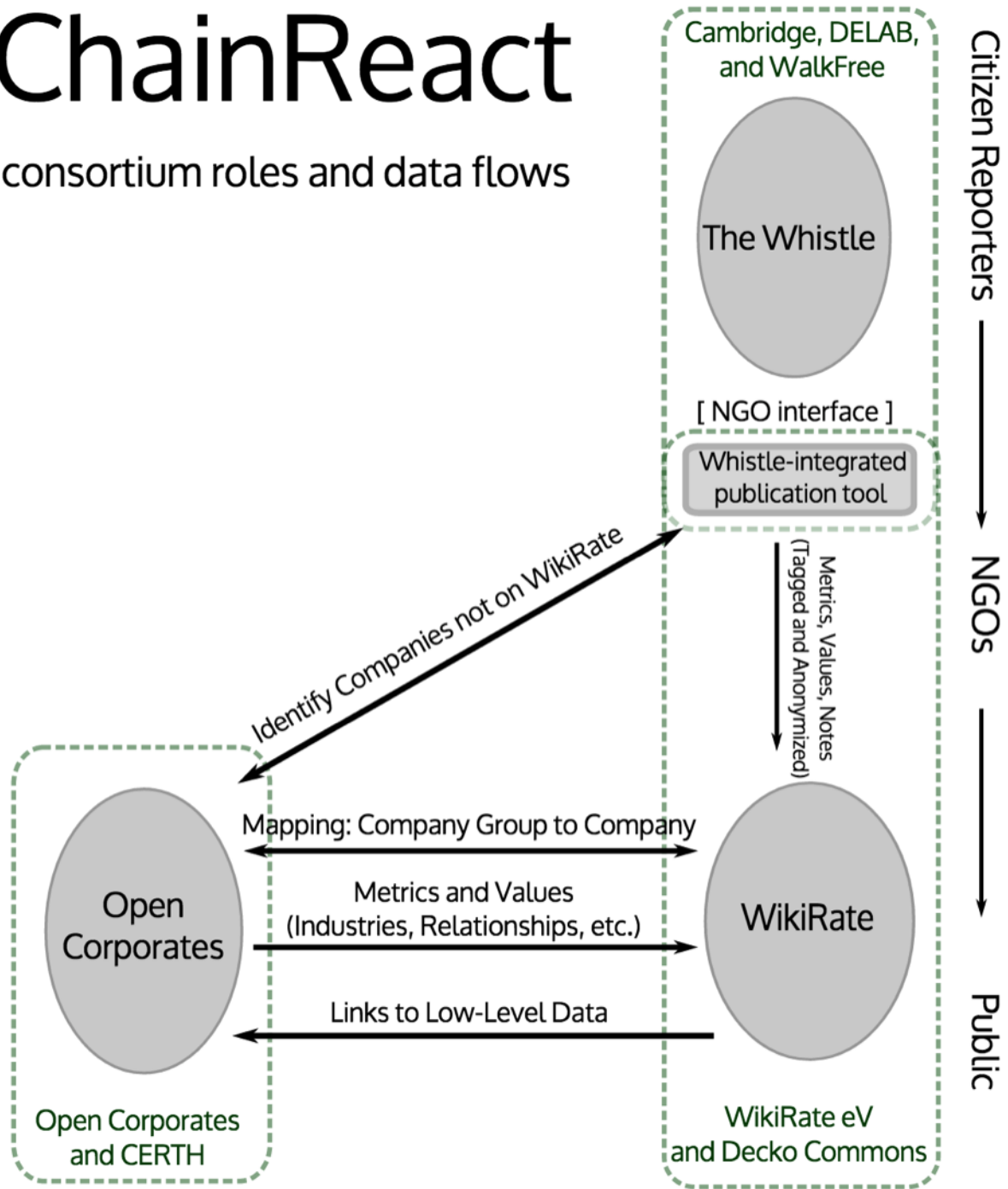Open Corporates and CERTH

WikiRate eV and Decko Commons

Diagram I: Consortium roles and data flows across ChainReact (as of Y1)

3.1 Defining clear context for WP6: T6.1, 6.2 and 6.3

As described in the Grant Agreement - WP6 aims only for top down corporate disclosures. However, initial work for WP6 suggested that reaching out directly to corporations as a starting point would not be the most effective approach. Direct contact with multiple corporations was made during the Business for Social Responsibility conference in November 2016. The Executive Director of WikiRate sat on a panel discussing the future of reporting alongside representatives from NASDAQ, Bloomberg, HP and BSR themselves. Whilst the discussions focused on the value of corporate reporting more generally – supply chain/relationships was discussed at length both within this panel and in other sessions across the conference. WikiRate had direct conversations with the CSO of Paypal, H&M and also maintained dialogue with BSR about the best routes to engage its member network. What was most apparent – was that direct corporate engagement is very tricky. Corporations work within the networks and frameworks which are thrust upon them, or of which they are a voluntary member. These networks include the reporting frameworks (e.g. Global Reporting Initiative Sustainability Reporting Framework, United Nations Global Compact 10 Principles, Carbon Disclosure Project) and the member networks or industry associations (e.g. Business for Social Responsibility, B-Corps, Sustainable Apparel Coalition). These groups have significant leverage and influence over corporate behavior – mainly as they include participants from various companies who are looking to align their approach. Direct disclosure will best be mediated through such action groups or industry initiatives as they understand the sensitivity of concerns and issues which need to be managed across the stakeholder mix around relationships data. In general, WikiRate has aimed at the more open source/ open engagement side of this network such as GRI and UNGC. Increasingly though WikiRate will hope within WP6 and WP8 to aim for the more private side too to see what is open to be disclosed in the realm of available information. WikiRate already started this with conversations with the former CEO of Sedex – a leading supply chain due diligence tool that works with major global corporations to help them conduct due diligence on their supply chain. Whilst such private sector initiatives are viable targets for data at some stage – the initial cost and revenue threat, not to mention privacy concerns on the vendor side, mean that this is a conversation to be picked up in more detail later in the project when there is more to show around the capabilities and value proposition of engaging directly with ChainReact.

Some problems with direct outreach to companies are, firstly, that often companies know relatively little about their supply chain beyond their direct tier 1 suppliers. Secondly, when a company is willing to disclose information about their supply chain, they will typically already have done so directly through their own mechanisms. In the early part of the project, it is unrealistic to think that WikiRate can exert enough influence on a company to persuade them to disclose details of their suppliers where they would not otherwise have done so.

It is vital that the project's initial steps be grounded in an understanding of which, what, how and where companies are already disclosing information about their supply chains – and these are the first steps that have been taken in WP6. Understanding the answers to these questions allows us to approach companies from a more informed position about whether/what they and their competitors are already disclosing, how that data can be used and where the gaps are.

To promote fresh disclosures, the proposition to companies should be one of collaboration, where participation offers an opportunity for them to learn more about their own supply chain. ChainReact has at

present little to offer in a collaboration with individual companies - WikiRate is better placed to maximise the value and interpretability of available data, rather than producing new data that does not come from existing public sources.

Research and communications conducted as part of Task 6.1 ("Preparing the reach-out to companies") indicate that it is NGOs and industry bodies/initiatives which are on the cutting edge in terms of understanding and mapping supply chains. These NGOs and Industry Initiatives are already looking at important relationships and how they should be tracked from a compliance, research or advocacy perspective. WikiRate can be more easily positioned as an important contributor to a collaboration between a set of companies and an NGO or industry body. WikiRate's role in this scenario is to maximise the utility of the new information which is gathered, with companies and industry bodies or NGOs being better placed to drive the disclosure of this data.

Where data collection is driven by an industry body, or by an NGO in collaboration with key actors in an industry, it is also more likely that (more of) this data can be published transparently, than if WikiRate were to work directly with individual companies. For an individual company, there are risks associated with pushing supply chain disclosure much further than competitors (both through making this information available to competitors, and through potential reputational damage resulting from its disclosure). A wider collaboration within an industry, spearheaded by an industry body or NGO and with a commitment from key companies, can mitigate these risks by levelling the playing field - with any disadvantages to an individual company also being experienced by their competitors. Industry bodies and NGOs involved in such initiatives are also perceived as seeing more value in the transparent publication of new data on a platform like WikiRate. In a broader collaboration, these are more natural allies that will push for greater transparency of the information where they perceive transparency as being an important lever for pursuing their own goals.

To most effectively design useful relationship metrics, **it is important to engage with NGOs and industry initiatives alongside corporations themselves**. Combining consultation with such institutions alongside direct corporate engagement sets a much more robust framework for metric design and development especially when considering the longer term research and advocacy perspectives: the reason being, that when metrics are broadly applicable the types of data and the comparability of data are strengthened and also touch on more common (e.g. industry wide) trends. There is a more natural synergy between ChainReact and certain NGOs and industry bodies working on supply chains. These organisations have in-depth knowledge of the issues which span industries, and have developed their own approach to tackling these issues. ChainReact is pursuing purposeful transparency with a similar aim of seeking improvements in performance. Organisations that have already thought deeply about how to drive improvements within supply chains are therefore ideal advisors in designing the structures that will be used to represent and analyse corporate networks. ChainReact's best prospects for success lie in facilitating the work of these organisations, especially where they perceive transparency as being part of the means of addressing an issue.

For these reasons **the SMART targets outlined for WP6 focus on wider engagement with actors** to consult with and define more applicable and useful metrics which can capture more data and also context which is deemed important by institutions with expertise. Similarly, where WP6 tasks reference "companies", we are now defining this more broadly as not only companies but industry groups and relevant NGOs (who can act as a conduit to companies).

In the original project proposal, Walk Free were to play an important role in facilitating engagement with companies that they already had relationships with. Following Walk Free's exclusion from the project, the plan adapted to find a new way for them to participate through a European entity, but this proved difficult to arrange as Walk Free were also undergoing a major internal restructuring. Input from Walk Free is now entirely on a voluntary basis, and has focused on company research around the UK's Modern Slavery Act. In this time, WikiRate has also been developing strong relationships with a number of additional NGOs, and it is this network that is being developed as a pathway to corporate engagement and disclosure. The result is that WP6 strategy **relies on more generalisable, broader dialogue taking place with multiple NGOs**, and multiple corporations over the project term - in order to build to more carefully cultivated interactions in designing and utilisation of relationship metrics on WikiRate building to engagement, scale and impact (as described in D8.1 - Dissemination plan).

3.2 Further considerations and context for scaling

WP6 builds on the technical architecture of the relationship metrics (WP5) and overall frame of the WikiRate website at WikiRate.org. The work in WP6 focusses on consultation with major stakeholders of these relationship metrics who understand the challenges and context required to specify the right questions (e.g. around influence, supplier relationships, or trading relationships). The work that takes place in WP6 is highly relevant for cultivation of good data, and more importantly relevant data on WikiRate.org in consultation with primary stakeholders from various industries. This work however does not exist in isolation - and specifically is necessary to achieve the objectives outlined in D8.1 (Dissemination Plan) around building towards eventual scale and of course impact.

WikiRate.org is the primary engagement interface for the data cultivated through ongoing work within WP5 and WP6. Indeed, the relationship data fits in alongside the existing WikiRate.org metric data - which looks at social and environmental indicators applied to corporations. ChainReact is developing this approach so that it incorporates representations of corporate networks and associates performance with specific legal entities. One of the factors that impedes the use of ESG performance data for company analysis and comparison is a lack of standardization of the scope and methods underpinning this data. As an example, consider **scope 1**[2] and **2**[3] Greenhouse Gas Emissions, now widely reported. In 2014 Apple reported 56k tonnes carbon-equivalent Scope 1 GHG emissions, and 306k Scope 2 emissions, whereas Samsung reported 2.2 million tonnes Scope 1 and 6.7 million tonnes scope 2 greenhouse gas emissions, while the companies have broadly similar revenues. If one were to make a direct comparison it would appear that Samsung emits around 25 times as much carbon-equivalent as Apple. Underlying such a major disparity are likely factors relating to the scope of Apple and Samsung's operations which are covered in their sustainability reporting. To interpret these figures accurately requires an understanding of which legal entities in which jurisdictions are included in the report, and also where production happens and where raw materials come from. The "network awareness" that ChainReact aims to add to this picture is vital to understanding what reported aspects of ESG performance actually mean.

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[2] http://wikirate.org/Global_Reporting_Initiative+Direct_greenhouse_gas_GHG_emissions_Scope_1_G4_EN15_a
[3] http://wikirate.org/Global_Reporting_Initiative+Indirect_greenhouse_gas_GHG_emissions_Scope_2_G4_EN16_a

For ChainReact to achieve its aims, there are two closely interconnected strands that should be pursued in parallel. **Mapping and understanding corporate networks is of little value unless we have information about the nodes in these networks.** From a dissemination perspective knowing that goods for Gap Inc. are produced in a factory owned by Brandix Casualwear Bangladesh Limited in Comilla EPZ means very little unless this is represented alongside data about the performance of Gap Inc. and Brandix Casualwear. ChainReact aims to take this a step further with "network aware" metrics that allow the performance of connected companies to be factored into the analysis of each node in flexible ways - this rests on the assumption that the platform will have relevant data about these entities.

The project envisions three ways of collecting this data.

1) Disclosures by companies themselves, brokered by NGOs and industry bodies in collaboration with WikiRate, and in the case of suppliers coming through the larger more recognisable companies they supply. Additionally, direct contact between WikiRate community members and companies adds another mechanism through which disclosures can be sought and catalogued.
2) The Whistle reporting campaigns which will gather relevant information about companies, these have potential to fill gaps in knowledge about small-scale suppliers about which very little is known - and also to help making links between these smaller suppliers and the companies they supply.
3) Collection of information from public sources following WikiRate's peer production model.

Of these three approaches, the third can be thought of as the "low-hanging fruit". Where information is already publicly available, it is much easier to bring that information into the ChainReact eco-system than it is to persuade companies to disclose additional information, or to collect new information from civilian witnesses. This is also the most developed of the three approaches at our disposal, WikiRate has been making good progress on this front for the last few years and the approach is gaining momentum. There is still significant room for refining and advancing this approach, and developing this mechanism should not be neglected by ChainReact as it constitutes an important way of advancing the project's objectives.

To consider the aim of this work package, "Soliciting Disclosures for Corporate Network Maps", the nature of this challenge has been changing in the two years since the project was proposed. Within certain industries (particularly Apparel and Electronics), it is now much more common for companies to publicly disclose information about their suppliers. It is imperative for ChainReact that WikiRate embraces this trend and capitalises on the increased availability of this data. WikiRate can play an important role here, one of demonstrating the utility (or otherwise) of these disclosures by establishing a common standard for representing these relationships, and presenting them in an accessible way alongside metrics of performance. Where data is relatively abundant, making it useful and demonstrating that use can strengthen the case for similar levels of disclosure from additional industries, and for additional disclosures from industries and companies that are leading the way.

This task of gathering and analysing available supplier data falls somewhere between WP5 and WP6. Although assessing the availability of corporate network data falls under the scope of WP5, the envisioned approach in that work package is one of identifying comprehensive sources and mining those sources with the aid of scripts and bots. What WP6 is showing is that relationships with companies, industry bodies and

NGOs often produce leads about disclosures available directly from specific companies. These follow bespoke formats (pdf files and maps are common) and so are not appropriate for scraping in bulk. Building a central repository for this data, using a mix of human and machine agents as appropriate, is however closely aligned with WikiRate's approach to ESG performance data, and a similar approach can be fruitfully deployed to cultivating a public repository of supplier relationship data.

As an example, discussions so far with the Fair Labor Association[4] have yielded a number of insights which have advanced our strategy for WP6 and WP5. These insights concern the way that FLA itself operates, and constraints on transparency. For instance, FLA works with independent assessors to visit and report on facilities which supply their affiliates – these reports are themselves openly published[5], along with the identity of the FLA affiliate they supply – but the identity of the facility and the company which operates it is not revealed. This poses a problem for the fully transparent approach described for network mapping, which relies on knowing about the relationships between entities and about the performance of those entities. The public availability of facility reports that are associated with branded companies is however very positive, these contain a level of detail about the performance of and conditions within suppliers which exceeds our prior expectations of data availability. In terms of design implications for WP5, this suggests that it may be necessary to allow for placeholder entities within corporate network maps – in cases where the relationship is known and data on the supplier are available but the identity of the supplier is unknown. Discussions with FLA supported our assessment that one of the most difficult obstacles to overcome will be transparently presenting data on the ESG performance of suppliers.

FLA have additionally pointed us towards supplier list disclosures from their affiliates where these are available, and to public information about how specific complaints about factories submitted to FLA are handled and what the outcomes are (another potentially rich source of data for ChainReact).Initiatives like the Fair Labor Association, Sustainable Apparel Coalition, Electronic Industry Citizenship Coalition, the Conflict Free Smelters Initiative and numerous others, play such an important role in driving progress on supply chain issues that they are themselves worthy of representation as part of the corporate network maps that ChainReact will build. Information about which initiatives a company participates in is often publicly available, and the initiatives themselves are usually quite open about the work that they do and what corporate members commit to as part of their membership.

This suggests a further possibility for developing useful mappings of corporate supplier relationships. While it is often difficult to gain information about the ESG performance of specific named suppliers, a company's membership of industry initiatives, and inspection of their own supply chain policy documents, can yield a set of "rules" or "expectations" about how that company is interacting with their suppliers. It is more common now for the identify of suppliers to be disclosed, and where information about these specific suppliers is lacking (which to start with will often be the case), this gap could be filled with information about how the branded companies are selecting, auditing and interacting with their supplers. This information could be used to infer things about the performance or standing of suppliers within a company's network, where little is known about the suppliers directly.

[4] http://www.fairlabor.org
[5] http://www.fairlabor.org/transparency/workplace-monitoring-reports

3.3 Connections with WP8 – further context for scaling

WikiRate e.V. is the work package leader for WP6 and WP8. Within WP8, there are various strands of major importance to reach scale and impact following successful consultations within WP6. Within WP8 the following tasks are especially important in terms of cultivating the background work to reach relevance and eventual scale which correlates with the project's overall impact.

T8.4 Stakeholder Communications is critical in terms of maintaining and developing the relationships with WikiRate.org's growing community of NGOs and Academics and the volunteers that emerge from these pipelines to bring added awareness and engagement with the research going on around important WikiRate topics. This includes e.g. ongoing work where Amnesty International is using WikiRate.org to facilitate crowd-research of corporate conflict minerals reports by engaging its volunteers. A similar project which recently started with the Walk Free Foundation around Corporate Modern Slavery statements is additionally attracting research interest from students at multiple institutions.

Both of these projects link directly to the broad WP6 goal of mapping corporate networks and supply chains. In both cases the legislation they are based on requires companies to take steps in relation to their supply chain and report on these steps. Analysis of these reports yields insights into how a company is interacting with their supply chain, and the reports themselves sometimes contain details of specific supplier relationships, or link to sources of this information. In addition to these direct benefits for the corporate network mapping and analysis effort of ChainReact, promoting engagement with outputs related to this legislation also contributes indirectly to the push for greater supply chain transparency. Legal mandates are one mechanism for increasing supply chain transparency and improving responsibility. Helping to facilitate an understanding of the reports/statements it results in, on the part of NGOs who campaigned for it, allows these NGOs to continue their advocacy for further legislation and improvements to existing legislation on a more informed basis.

In addition to these two important projects, WikiRate.org works with UN PRME (Principles for Responsible Management Education Initiative) which connects to 650 Universities worldwide. As the project progresses WikiRate will look to strengthen its relationship with global bodies such as the United Nations Global Compact (UNGC) and the Global Reporting Initiative (GRI) to help cultivate a pipeline and reasonable interface with corporations not included in initial reachout. Finally, WikiRate aims to bring more attention to the ongoing research projects on WikiRate.org via social media.

T8.3 Community Maintenance is critical also to maintain and grow engagement of the communities of individual students, volunteers and researchers mentioned above to make sure they have positive site experiences and can benefit from the suite of research and engagement tools that WikiRate.org can offer.

It's important to draw attention to these two tasks within WP8 - as they plant the seeds for further engagement which will help ChainReact generate interest and also strengthen the credibility of the work of ChainReact to corporate and other institutional stakeholders.

3.4 Routes to scale Corporate Engagement: T6.2 and T6.3

Whilst initial strategy will be to work with broader consultation with a few select corporate targets, towards the end of Y2 and as we progress to Y3 we will want to scale the ChainReact outreach especially to corporations. WikiRate's membership of the Multistakeholder Advisory Council (MAC) to the United Nations Global Compact (UNGC) and Global Reporting Initiative (GRI) Corporate Action Group (CAG) on the Sustainable Development Goals (SDGs) helps ground its relationship with corporations and start to test the waters around possible disclosures. A reachout campaign in Y2/3 alongside these and other external engagement channels (e.g. OpenCorporates contacts, Business for Social Reponsibility Member network, Reporting 3.0 community) will serve to facilitate dialogue around utilization of relationship metrics and the possibility to also bring data.

As WikiRate moves to form working groups for ChainReact, in parallel a reachout campign will be built upon dialogue with broader stakeholders. This already started with initial conversations with Corporate Sustainability leads at PayPal, H&M, Disney and Starbucks' Ethical Sourcing Manager at the BSR conference in November 2016, in New York. Where possible OpenCorporates may be inclined to join such working groups where it helps them facilitate their work in WP5 (automatic relationship data generation), or WP8 (crowdsourcing events).

With WalkFree not in the consortium their leverage to corporations will be replaced by the more consultative approach outlined above. Indeed, working with a broader spectrum of NGOs through working groups is thought by the consortium to be a more powerful means of achieving dialogue with corporations and eventual scalable buy in around disclosure.

There is also a role for the WikiRate community to play in corporate engagement. WikiRate plans to develop (WP5) features to facilitate dialogue between users and company representatives, provisionally titled "Company Enquiries". The rationale for this feature is that when information sought by the community about a company is not available, users could initiate contact with this company to ask them to disclose it, or to explain why it has not been disclosed. The primary goal of "company enquiries" is to record interactions between the WikiRate community and a company in a structured and useful way, so that users can see whether a company has been contacted to request particular data, whether/how the company responded and if they provided the data.

The main decision to be taken in designing company enquiries is how much of the interaction should be mediated by WikiRate. One possibility is that from a user perspective, enquiring about data happens largely on WikiRate. Where data is not available for a metric or set of metrics, a user would have options to initiate an enquiry – they would select the metrics for which data is sought, the WikiRate platform would generate a template email and once this is edited/approved by the user it would be sent directly to a company email address, from a special WikiRate email address (e.g. **companyenquiries@wikirate.org**). This would open an enquiry on WikiRate that shows the detail of the request made. The email would explain which member(s) of the WikiRate community had initiated the request, and any response would be automatically added to the enquiry space (with users following the enquiry being notified).

A second, lighter touch, possibility, would be more manually user-driven. A user would contact the company directly to make a request and manually create an "enquiry" on WikiRate to record this, they would then update this enquiry if and when they receive a response from the company.

Some WikiRate users have, following their participation in a research project, already contacted companies directly to enquire about disclosures, without any prompting or integration on WikiRate, so this seems like a natural next step for users to take after researching a company. Some of these enquiries coming directly from users received responses from the companies in question. The question of the degree to which company enquiries should happen through WikiRate will be answered on the basis of which approach produces the best outcomes - will companies respond more positively to an enquiry from a WikiRate user, mediated by the site, or to an enquiry from an individual who happens to be a WikiRate user (and may or may not communicate that in their enquiry)?

This company enquiry mechanism will work with relationship metrics, in addition to standard research metrics, once they have been deployed (see D5.2 for timeframe). ChainReact's strategy for corporate engagement around disclosures therefore has two parallel and complementary streams. The first is carried out by the project team directly, the second is to structure and promote direct engagement as a community activity.

Finally, and in the slightly longer-term, ChainReact aims to gamify disclosure for companies. WikiRate will have a prominent metric (the only metric officially operated by the WikiRate platform directly) which gives companies a score based on whether the answers to relevant metric questions (weighted by how heavily they are used within the system) are available. This is provisionally titled the WikiRate Index of Transparency (WRIT) score. As this score will be based on the availability of answers to metric questions (not on the specifics of those answers), any additional disclosures by a company can only improve their score and perceived transparency. When reviewing a company's WRIT score, the system will describe how this has been calculated based on existing data, and, crucially, **the degree to which providing missing data would increase the score**. For a company, WRIT will show them an ordered list of the metric questions that they should answer if they want to improve their score, and the number of additional points they would gain for each answer. The weighting of metrics in WRIT will be determined by collective user behavior, specifically the importance users place on metrics. This is an ambitious attempt to create a new form of dialogue between a company and a community, in which the disclosure wishes of the community are automatically distilled from their research and analysis and presented to companies in a way which incentivizes them to respond to these wishes.

3.5 Explaining Metrics in the context of ChainReact

To clearly understand the value of relationship metrics on WikiRate.org - it's important to understand the different types of metric on WikiRate - and also how they can combine to create more evolved and sophisticated indicators.

There are multiple types of metrics on WikiRate:

1. **Research Metrics** that ask standardised questions and generate comparable answers (data points) of companies on WikiRate.org. Research metrics can have:
   a. **Numerical** value types (e.g. What are the scope 1 carbon dioxide emissions of Company A in tonnes[6]?)
   b. **Categorical** value types e.g. does the company file a conflict minerals report Y/N[7]
   c. **Free text** value types (capturing more general qualitative information, which may not be covered by existing metrics)
   d. **Currency** value types (similar to Numerical but handling currency values and units e.g. annual turnover)
2. **Scoring metrics** that allow users to normalise Research metric values on a 1-10 scale[8] (so they may be used for Calculations or Ratings)
3. **WikiRatings** that combine scores with simple weighted averages of a few metrics, which can be used to make a value judgement across a few indicators on a range of companies[9]
4. **Formula metrics** that allow a user to generate new values from existing data using any mathematical formula[10]
5. **Relationship Metrics** - a new type of metric developed for ChainReact - to track important supply chain, and corporate network based relationships
6. **Index of Transparency (WRIT)** – a special metric implemented and managed by WikiRate directly which summarises the level of disclosure for companies in relation to Research Metrics – weighted by the importance of those metrics as judged by community members' votes and usage.

The work carried out in WP6 which helps to shape the design of the metrics system is largely around consultation on **relationship metric** design, and the utility of these metrics to capture the data which is available. Relationship metrics capture essential information around influence, supplier relationships and other network relationships between corporate entities. Making relationship metrics easy to understand and valuable in concert with other metric data on WikiRate (e.g. social and environmental metrics on

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[6] http://wikirate.org/CDP+Scope_1_Emissions

[7] http://wikirate.org/Amnesty_International+Conflict_Minerals_Report

[8] A simple scoring metric: http://wikirate.org/CDP+Disclosure_Score+Richard_Mills

[9] A simple WikiRating: http://wikirate.org/Richard_Mills+Example_WikiRating_CDP_scores

[10] A simple Formula metric

WikiRate.org) are where the power of the ChainReact approach can emerge. Such combination allows for the eventual population of **Network Aware Metrics:** metrics which combine both research information with relationship contexts. Relationship metrics designed in concert with working groups as described below will then be populated on WikiRate.org through automated population (WP5), crowd research through WikiRate.org's project interface (WP8)[11], or through mass data upload from a source provider such as an NGO, industry body or corporation looking to directly disclose information (WP6, WP8).

The project's initial conception of how to analyse a company's behavior by taking into account their network ties to other entities using Network Aware Metrics, was that the system would know about 1) the ESG performance of each node in the network, and 2) how a node is linked to others (through relationship metrics). Research conducted for WP6 has allowed us to develop a more nuanced view of how this can work in practice. We anticipate data scarcity on the ESG performance of many lesser-known nodes within the network. A major driver of ESG reporting is stakeholder demand, with companies having the greatest reason to respond to demand from investors and consumers (depending on their industry). This demand is most salient for companies that are publicly traded and/or consumer-facing.

If we consider a relatively small privately owned company whose business is to supply goods or materials to larger companies, their reasons (and resources) to report on their ESG performance publicly are significantly lower. From a small supplier's perspective, the requirements to report and improve ESG performance are framed in terms of their clients' demands. It is important to note that supply chain disclosures from major companies rarely report more than the names, facility addresses, and some descriptive statistics (e.g. number of employees) for these suppliers. Research to discover how much we can learn about a small supplier based on public sources is ongoing, but in general this tends to be not a great deal.

WP6 research has however suggested an alternative approach. Through the documents large branded companies publish (e.g. supply chain code of conduct, modern slavery and human trafficking policy), and in some cases the industry initiatives they participate in, information which characterizes the nature of their relationships and interactions with their suppliers can be found. These documents include information about aspects like the requirements the company places on their suppliers in relation to treatment of workers, whether one of these requirements is that tier 1 suppliers in turn impose certain requirements on their suppliers, how the company conducts its due diligence to ensure that new and existing suppliers meet their requirements, and what the procedure is when a requirement is not being met by a supplier. This information could be used as a starting point to understand the nature of the interaction between a company and its suppliers, and what that company knows about its direct and indirect suppliers. For example, where a company gives details of the questions it asks of new suppliers, this implies that they have the answers to those questions for all of the suppliers they list; where a company has a policy of visiting existing suppliers on a periodic basis, this implies that they have witnessed the working conditions within those suppliers. If this information could be structured appropriately, it could be cross-referenced with any available information on suppliers' performance and relationships with branded companies (with The Whistle being positioned to gather this kind of information), or this could be used to plan effective research on the ground with limited resources.

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[11] http://wikirate.org/project

With each passing year leading companies provide more information on their suppliers and how they interact with those suppliers, but to our knowledge these sources are not yet being combined at scale. ChainReact has an opportunity to make these associations, and to start to probe the relations between stated policy and observed practice.

4. Setting SMART Targets

Based on the strategic articulation above, and benefitting from feedback and dialogue with multiple stakeholders of supply chain, relationship and other ESG performance data: In q3 the following SMART targets were identified for WP6. These targets were articulated to be specific, measurable, appropriate, realistic and timebound – with the ambition of gradually scaling the ambition of targets to reach the overall ChainReact project objectives. The Consortium feels that these targets effectively position WP6 to progress at a rate which will help deliver overall impact of the project. Check ins on these targets will occur periodically driven by the Work Package leader. These more granular targets helps the consortium position more clearly around the tasks based on the strategy articulation above – helping to ground the logic and approach at each stage, whilst keeping clear achievable targets in mind that need to be reached.

Target #	Action / Objective	Work Package	Specific	Measurable	Appropriate	Realistic	Time
ST17	Identify supply network metric partners	WP6	Initial candidates for supply network metric designers	2-3 organisations including: · Industry bodies, initiatives · CSOs · Corporations themselves	Partnerships needed for designing appropriate supply chain metrics	Leveraging existing relationships and building contacts; initially warm.	Q4 end dec
ST18	Supply-chain-related relationship metric design	WP6	Trial metrics conceptually designed in collaboration with organisational partners	5 total WikiRate-ready metrics designed	Good metric design necessary for pilot campaign	Task within expertise and capability of WikiRate and partners	Q5 end march
ST19	Supply network pilot campaign design	WP6, WP8	Identified partners and established SMART	Present 5 campaign-specific SMART targets at review	Needed for successful generation of supply chain data for	Metrics will be designed for realism	Q6 end june

			targets		ChainReact		
ST20	Building supply chain research partnerships	WP6	Initial candidates for supply chain research partnerships	5-6 organisations including: · Industry bodies, initiatives · CSOs · Corporations themselves	Building research around supply chain metric data and understanding capacity around network aware metrics	In line with reachout plan	Q6 end june

Table II: WP6 SMART Targets

5. Progress to SMART Targets

In Y1 – a minimal amount of PMs were spent on WP6 – about half of the expected time spend. This is because most of the work required in Y1 was around grounding strategy (T6.1) and setting the stage correctly so that in Y2 and Y3 more resources can be expended to beging to scale outreach on a more stable and informed foundation. Y1 brought the start of consultations with NGOs and corporations around relationship metrics – their utility, their application and how they fit with corporations' internal definitons of purpose and impact.

5.1 Q1 & Q2

Q1 and Q2 were quiet in terms of outreach and progress towards targets. Progress in these quarters centred around research and continuing to build relationships which could yield value to ChainReact. As described above - the first half of the year focussed on formulation of clear and complementary objectives of partners as well as developing the technical interface between OpenCorporates and WikiRate. The WikiRate team in Berlin helped to process the Ground Truth Data set which will be used towards (corporate) entity matching between the two websites. Additionally OpenCorporate's work in WP5 was critical in scoping the data availability to help WikiRate e.V. to understand the types of data available and the scope upon which WikiRate could build to cultivate and co-develop appropriate relationship metrics with external stakeholders.

Fundamentally the integration work in Q1 and Q2 helped to formulate the most appropriate SMART targets (Table II) in Q3, such that work could progress in a complementary manner across Work Packages and also in an effective way alongside objectives and tasks (Table I)

5.2 Q3 - research and exploring data availability

In Q3 of 2016 WikiRate e.V. started to mine its stakeholder network and develop beyond its existing network to look at which industries would make the most sense to consult with around relationship metrics - building towards ST17.

WikiRate and Cambridge also conducted research on direct disclosures of relationship data (with a focus on supply chain data), building a picture of what data tends to be available directly from companies, and where/how this can be found.

Through analysis of data availability, the NGO, corporate mix and also issues which catch the attention of eventual consumers - it was established that there were four reasonable industry candidates for focus and building critical mass around research. These industries were:

- Apparel (clothing manufacture)
- Consumer Electronics
- Fast moving consumer goods (Food, Beverages, cosmetics)
- Internet and Telecommunications companies

Within these industries multiple relevant areas of research were apparent including but not limited to:

- Supply chain issues
  - Conflict minerals in supply chain
  - Modern Slavery
  - Pollution, toxics, environmental impact of production
  - Land Rights

- Consumer issues
  - Digital rights (Privacy, data security)

5.3 Q4 - Reachout and consultation with potential partners

WikiRate reached out to a number of potential partners in Q4 of 2016 to enquire about interest in participating in initial consultation within these four industry areas. This began work towards **T6.2** – building relationships with corporations; however as articulated in the strategy above (T6.1) this dialogue began not only with corporations, but also with other stakeholders of corporate supply chain and relationship metric data.

This progress was achieved primarily with attendance of major industry conferences and dialogues - (these are covered in more detail within D8.1):

- Participation in the International Corporate Accountability Roundtable in Washington DC (September 8-9, 2016)

- Attendance of the Office of High Commission of Human Rights Business and Human Rights (OHCHR) conference[12] in Geneva (14-16 November 2016)
- Attendance of the Business for Social Responsibility (BSR) conference[13] in New York,, where WikiRate's Executive Director took part as a panelist in a discussion about the future of sustainability reporting. (Nov 1-3, 2016)
- Attendance and presentation of WikiRate at a dialogue hosted by Accenture in Germany on Traceability, Trust and Transparency[14] (Nov 30th, 2016)

Through the above events - WikiRate was able to interact with many institutions on the Civil Society Organisation (CSO) side as well as corporations and corporate representatives interested in supply chain transparency. Whilst many leads and contacts came out of these meetings, the most promising leads came in the apparel sector, which convinced WikiRate e.V. to concentrate on this area for dialogue around initial relationship metrics, and possible campaigns. Within the apparel sector supply chain transparency is a familiar issue - with several civil society organisations with active campaigns and initial indications of initiative within corporations to make their supply chains more transparent.

The most viable target for corporate collaboration appears to be with Zalando - a large European Fashion and technology company which is very aware of the supply chain issues it faces on its own label brands, but also has access to many vendors who are hosted on their e-commerce platform. Where Zalando differs from single brand corporations is that they deal with their own (label) supply chain and network issues but also have leverage on corporations who's brands are supplied through their platform and to their network. As they compete with Amazon in Europe there is a push currently towards traceability and accountability in Supply Chains. There is quite some activity in the Apparel space especially with the formation of the Sustainable Apparel Coalition[15] in 2009, which led to the formation of the Higg Index - a standard used by Apparel companies to report internally on their supply chain activities. Zalando expressed interest in pursuing a supply chain tracking tool that promotes transparency. ChainReact could be a match, but also Zalando's network would make for apt candidates for supply chain relationship metric design.

The Clean Clothes Campaign (CCC), additionally expressed interest in working with WikiRate alongside their own supply chain transparency campaign. Their work with Nike and other large Apparel corporations can help with design and development of relevant metrics for representation on WikiRate which track both relationships (Tier 1 supplier, Tier 2 supplier) as well as other contextual data such as the address of factories/suppliers. These metrics would be quite useful to start to capture information which companies are already starting to open up; as well as data which companies may be encouraged to open up.

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[12] http://www.ohchr.org/EN/Issues/Business/Forum/Pages/ForumonBusinessandHumanRights.aspx

[13] https://www.bsr.org/events/view/bsr-conference-2016

[14] Info about the initiative: https://www.accenture.com/us-en/service-trust-transparency-traceability

[15] http://apparelcoalition.org/the-coalition/

Additional interest has been shown by the Fair Labor association and dialogue has commenced around what data could be shared on (and by) its participating companies and participating suppliers[16]. Whilst this is in early stages – WikiRate already hosts 1 Fair Labor association metric around participation – it would not be a giant leap to integrate more metrics into the platform which captured relationship data.

These initial targets fit the criteria for ST17 – and start the conversation well as we cultivate proof of concept relationship metrics on WikiRate.org. Progressing to ST18 will require further buy in from each of the above candidates.

ST19 and ST20 in Y2 considers the scaling of approach to build campaign specific targets – which can be acted upon facilitating data drives and engagement around that data (T8.2, T8.3).

6. Progressing to Y2 and Y3

There are three main lessons learned in Year 1 which have shaped the strategy for Years 2 and 3.

1. Companies are not the only entities to which WikiRate should be reaching out – NGOs and Industry Initiatives that work with companies offer an alternative entry-point that has significant advantages.

2. "Disclosures for Corporate Network Maps" is too narrow a definition for the type of engagement and disclosure that the project should seek – the nature of disclosures to be sought should be more fluid, emerging from the perspectives and expertise of the WikiRate community (with the focus on more expert and respected members, but also a role for individuals to play). Disclosure of network/relationship ties has little value in isolation, but is rather a critical component for a more rounded and contextualized view of a company's ESG performance.

3. Collecting, understanding and making use of data which is already publicly available is an important starting point – this approach is aligned with the project's strengths, and demonstrating the value-add of ChainReact in relation to existing data is an effective means of presenting the project's utility to stakeholders.

WP6 has two roles in relation to the ChainReact data eco-system.

1) Inform the design of the structures that will be used to represent corporate networks, by providing input on data availability and how to make this data understandable and impactful. WikiRate E.v. and Cambridge are contributing to WP5 in this way through providing input on data that can't be easily found/scraped, and what is required to make this data impactful.

2) Drive the population of data for these structures on WikiRate. This encompasses outreach through NGOs and industry initiatives and to companies directly with the aim of promoting fresh disclosures, direct communications between the WikiRate community and companies about disclosure of missing data, and the collection and standardization of data which is already available publicly in some form.

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[16] http://fairlabor.org/accreditation

6.1 Developing relationships with Partners

Task 6.2, "Building relationships with companies to share information on their supply chain network" will be approached in Year 2 as follows.

The key relationships for WikiRate to develop in Y2 are with NGOs and industry initiatives who are already working on supply chain issues, and this outreach will focus on supply chain networks specifically, complementing existing relationships that WikiRate has with NGOs working on ESG performance issues more generally.

Corporate engagement will also feature heavily in this task, but in Year 2 this will not necessarily focus on supply chain disclosures. As noted above, data on supply chains and other aspects of ESG performance is regarded as complementary, both are required to deliver on ChainReact's objectives. In relation to ESG performance data, WikiRate has certain relationships which are maturing to the point where they can be instrumental in engaging companies at scale. Of these, the relationships with the Global Reporting Initiative (GRI) and the United Nations Global Compact (UNGC) are key. Both GRI and UNGC have been cultivating relationships with companies for some time and with good success. GRI's reporting standard is widely adopted by large companies, and many large companies are signatories to the UNGC, communicating their progress on an annual basis. Both GRI[17] and UNGC[18] maintain repositories of reports which follow their standard (GRI) or are submitted to them as Communications On Progress (COPs), and provide some meta-data about the reports. What is missing from both of these repositories is a granular breakdown of the contents of reports that offers access to specific data-points contained within them.

To take Scope 1 Greenhouse Gas Emissions as an example, GRI's G4 standard has an indicator for this (G4-EN15), and so the expectation is that many reports compiled in accordance with the G4 standard will contain details of Scope 1 emissions (where this is deemed material by the company). The UNGC now asks companies to self-report whether they have provided information which is relevant to each of the UN Sustainable Development Goals (SDGs) – SDG 13 concerns Climate Action, and so where a company self-reports that their COP addresses SDG 13 one would expect it to contain details of their greenhouse gas emissions. However, neither the GRI or UNGC repositories offer detail on what specific metric/indicator data are contained within the reports in the repository.

GRI and UNGC both perceive value in WikiRate as a platform for extracting and presenting more granular data (i.e. metric answers) from the reports they receive. WikiRate and Cambridge have been working with GRI to establish WikiRate metrics that faithfully transpose G4 indicators into WikiRate metrics (which tend to be slightly more granular, such that one GRI indicator might lend itself to 3-4 WikiRate metrics). WikiRate and Cambridge have also been working with the UNGC and the Principles of Responsible Management Education (PRME) initiative to set up and run 10 pilot projects with PRME signatories (management schools) in which students extract metric data from COPs (among other tasks).

These relationships offer an opportunity to kick-start corporate engagement with WikiRate. Where companies report **in accordance with GRI**, and **to UNGC**, with endorsement from these partners they can

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[17] http://database.globalreporting.org/
[18] https://www.unglobalcompact.org/participation/report/cop/create-and-submit/advanced

be encouraged to report **through WikiRate**. Both GRI and UNGC perceive value in granular data from reports being publicly available, and in WikiRate as a platform that is well positioned to serve that need. Endorsement from these initiatives that already have strong links to companies offers the most promise for large-scale company engagement on WikiRate, and so developing and deepening these relationships is of paramount importance. WikiRate's membership of the UNGC Multi-Stakeholder advisory council to their Corporate Action Group on SDGs is an example of how close partnership with organisations like UNGC and GRI can help to facilitate qualified access to companies themselves.

WikiRate has been designed with mechanisms for incentivising and directing company disclosures of metric answers – Ratings, Community Enquiries, and ultimatelty the WikiRate Index of Transparency. A key obstacle for the project is persuading companies to buy in to the WikiRate approach and start participating on the platform by providing data directly. Assuming this obstacle can be overcome, the same mechanisms which incentivize disclosure of ESG performance data will operate on Supply Chain data/metrics also.

Answering metric questions about ESG performance is hypothesized to be an easier entry-point for companies – some of this data may already be published in some form and so the company might merely be "pointing to" existing disclosures; there may also be aspects of performance which are tracked internally, where expressed demand can give the nudge required to make this public.

One strategy for company engagement is therefore to target initial disclosures of ESG performance data, facilitated through our relationships with organisations like GRI and UNGC. Once WikiRate is on a company's radar and deemed worthy of attention and resources, this is the point at which the engagement can more easily be extended to disclosures on their supply chain (which follow very similar structures to, and are integretaed with, ESG performance data).

6.2 Working groups

In early Year 2 outreach efforts with industry groups, NGOs, standards and companies that place a particular emphasis on supply chains will be a major focus. The purpose of this outreach will be to fully understand what is happening in this space, where possible identifying working groups that are tackling these issues which perceive a role for transparency. The most productive way for ChainReact to participate in tackling these issues is to work alongside organisations that have expertise and respect in relation to the issues. Where such groups exist, we will try to join them, where they don't exist we will set them up.

The next step is a broad reach-out to a large number of NGOs and industry initiatives that have been identified as possible partners. This will take the form of an "engagement enquiry" that can be used with many initiatives, and which is currently in development. This will be delivered as an email which explains the purpose of the project and the broad approach being taken (representing corporate networks transparently, alongside information about ESG performance of each node). The outcome sought from initial contact is a meeting or call to discuss the project in more depth, the purpose being to sense-check the approach and solicit relevant information (about existing data sources or initiatives, or those which have been tried in the past) from the contact. From there, an assessment will be made of whether there is potential (and enthusiasm) for further collaboration as part of a working group. This engagement enquiry will be used, in modified form, with the list of relevant NGOs and Industry Groups (with a different version being developed for companies

subsequently). As such, it is important that it gives an accurate account of the project's approach, and one which persuades the reader of its chances of success. The lessons learned in year 1 of WP6, described in this document, have been necessary to prepare us for this reach-out at scale.

Alongside this, steps are already being taken to set up a first working group in collaboration with Zalando.

Working Group 1:

Topic / Challenge: Improving transparency regarding overlap in supply chain monitoring / improvement efforts.

This working group will be about finding aspects of supply chain relationships around which disclosure can benefit companies. The basis for this working group is that some companies already take pro-active steps with their suppliers in terms of offering help to improve specific aspects of performance. Companies in the industry do not necessarily know what the others are offering to which suppliers, making a public record of these interactions can help companies in the industry to avoid duplicating each others' efforts (better coordination) and gain insights into best practices within the industry. This working group is also quite "company-friendly", in that the disclosures it is oriented towards relate to positive steps that companies have taken – limiting the prospect of reputational damage is a tactic for easing recruitment to the working group.

Scope: (Fashion) Supply Chains

Examples:

- Companies offering help programs to suppliers
- Audits for factories/suppliers
- Certifications for factories/suppliers

Stakeholder targets:

- Companies: Zalando and others from Fashion industry
- Suppliers: companies' tier 1 and 2
- Industry initiatives: (GOTS / SAC, Higg Index / Bangladesh Accord)
- NGOs: Clean Clothes Campaign (WikiRate already in discussions)

The topic and stakeholders for other working groups will be determined after the broad reach-out to NGOs and Industry Initiatives has been completed. As ChainReact applies broad definitions of both companies and the improvements to performance which are sought, there are many possibile issues that these working groups might address. More important than choosing a specific issue is finding a group to work with that already has a sense of how to improve ESG performance down supply chains, and which sees a role for transparency in that approach.

Having said that, the project already has connections around conflict minerals reports and modern slavery and so these are being considered as possible themes for working groups. While we are aware of significant barriers to using the relationship metrics approach in relation to conflict minerals supply chains (the task of understanding a supply chain becomes significantly more difficult at the level of raw materials), modern

slavery and human trafficking seems like a viable theme because it is an area where many companies are aiming to improve their practices in response to legislation like the UK's Modern Slavery Act 2015. The prospect of linking analysis of public modern slavery statements/policies to supply chain disclosures is an attractive one, and if a suitable partner could be found for a Whistle reporting campaign this could prove to be a good demonstration of the power of the "Chain reaction" that the project ultimately aims for.

6.3 Further collection and analysis of publicly available information

The relationship metrics that are under development facilitate three different types of corporate mapping; 1) supply chains, 2) ownership structures, and 3) investor relations. For the last two categories, the initial research has pinpointed a few databases that gather information that could feature into these ownership and investor relationship metrics. Over the next two quarters (Q5 and Q6) the aim is to get access to and ultimately integrate these platforms with WikiRate. The databases on the target list include, but are not limited to:

- OpenCorporates
- Proxy Democracy
- Fund Votes

In relation to supply chains, the nature of the work is quite different as large-scale public repositories of data do not exist. Supply chain relationship disclosures tend to come directly from companies in their own bespoke formats, stored on their own servers. Work to understand the scale of supply chain data available, where it can be found and what attributes it covers is already well underway. In Year 2 this work will progress towards the manual or semi-automated collection of this data, with a view to producing the kind of centralized repository that does not yet exist. We are presently working on a data model for storing this data based on analysis of how it tends to be presented, the next step will be to develop scripts that can be customized to pull data from documents with svarying structures.

Following this, we will proceed to follow a structured approach to data collection on an industry by industry basis. For each industry, the full set of companies represented on WikiRate will be taken as a starting point and a search will be made for supplier disclosures. This search will be used to populate a "supply chain disclosure" research metric on WikiRate, that records the nature of any supply chain disclosure made by the company and cites the document(s) that contain this disclosure as source(s). The supplier relationships described in these doucments will then be extracted and stored according to the supplier relationship data model. At this point two streams will proceed in parallel: 1) data that conforms to existing relationship metrics will be imported on WikiRate.org, 2) the data will be analysed offline to determine which kinds of insights it can be used to generate. Understanding how the data can be used productively will feed back into the work of designing new relationship metrics – the goal is to not only generate insights based on the data, but to create data and analysis structures and methods that will allow others to glean such insights at scale on the live wikirate.org site.

For each industry that is covered in this way, WikiRate will have a simple record of which companies are disclosing information about suppliers (and a categorization of what has been disclosed), plus detailed records depicting all of the disclosed relationships (the relationships themselves). Insights derived from this data (offline at first, then represented as live analyses on WikiRate) will be used in dissemination to demonstrate the value of the ChainReact approach.

6.4 Working with organisations who prioritise understanding their supply chain

If the approach with working groups that incorporate industry initiatives, NGOs and companies encounters difficulties, our fallback plan is to work closely with organisations that WikiRate is currently already in contact with who put great efforts into understanding their supply chains. These organisations tend to not be branded for-profit companies, but are often themselves NGOs, for example:

- Oxfam (their own supply chain monitoring/reporting department)
- Unicef (their own supply chain monitoring/reporting department)
- NUS (their own supply chain monitoring/reporting department)

These are organisations which are concerned about issues within company supply chains generally, and are investigating their own supply chains deeply in an effort to understand how this kind of investigation can or should be conducted. While their supply chains are likely to be relatively low-impact, and so not of great interest in and of themselves, the principles of investigating and representing data on these supply chains should be largely transferrable to more impactful supply chains. The attraction of working with these organisations is that they perceive very little risk in publicly disclosing information about their supply chain – they are not concerned about "competitors" gaining an advantage from this information, and they have a sufficiently robust reputation that it is unlikely to be damaged by revelations about their suppliers. Rather these organisations would tend to perceive a benefit in discovering something untoward among their suppliers, as the method of discovery could be replicated and the problem addressed.

6.5 Further developing the company engagement strategy

Finally in Y2, WikiRate will continue to develop its corporate engagement strategy. This strategy will leverage the data generation and stakeholder driven metric cultivation (described above) and refine the approach to soliciting more direct data disclosures from companies. The aspect of WP6 strategy that requires greatest development is Task 6.3 "Building relationships with companies seeking public disclosure by related companies" – this is a key component of ChainReact's overall approach, to have recognizable branded companies actively pushing for increased disclosures from their suppliers, so that our understanding of supply chains can progress beyond tiers 1 and 2 much deeper into these chains.

Year 1 has left us with ideas about how this ambitious goal can be approached, but testing and developing these ideas will likely only be possible once direct engagement with companies is underway and these are disclosing the information which they already have at their disposal.

In Year 2 of the project, as more data on supplier relationships is collected, analysed, and represented on WikiRate.org – suppliers themselves will become more of a focus of research (both by the project team and the WikiRate community). Once this process is underway, it is likely that some of the same mechanisms being employed to promote disclosures by large branded companies can be adapted for use with their suppliers – in the process extending our knowledge a further link down the supply chains.