

GLOSSARY OF TECHNICAL TERMS

This section contains definitions of certain terms used in this document in connection with our Company and our business. Such terminology and meanings may not correspond to standard industry meanings or usages of those terms.

“AI”	artificial intelligence
“API”	application programming interface, a defined set of rules, protocols, and tools that enable different software applications, websites, or systems to communicate with each other, allowing them to exchange data and invoke functionalities in a standardized and secure manner
“architecture”	the structure under which an information system’s hardware, software, data and communication capabilities are put together
“annual recurring revenue” or “ARR”	recurring revenue from our products in December of a given year multiplied by 12
“CBAM”	carbon border adjustment mechanism, an European Union policy instrument that imposes a carbon cost on certain imported goods based on their embedded greenhouse gas emissions, aiming to prevent carbon leakage and ensure fair competition between EU and non-EU producers
“CDP”	carbon disclosure project, a global non-profit organization that runs an international environmental disclosure system, enabling companies, cities, states, and regions to measure, manage, disclose, and reduce their greenhouse gas emissions and other environmental impacts
“CMA”	China Inspection Body and Laboratory Mandatory Approval, an accreditation regime for inspection bodies and testing laboratories in the PRC
“CNAS”	China National Accreditation Service for Conformity Assessment, the national accreditation body in the PRC for conformity assessment activities
“CPF”	climate pledge friendly, a sustainability labeling program, primarily used on e-commerce platforms, that highlights products with recognized sustainability features (via trusted third-party certifications and/or Amazon’s own certifications) to help customers discover more sustainable products
“EPD”	environmental product declaration, a standardized life cycle assessment-based disclosure document prepared under applicable product category rules and typically independently verified and published by an EPD program operator, providing quantified, transparent environmental impact information across the life cycle

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“EPR”	extended producer responsibility, an environmental policy framework under which producers are legally responsible for the environmental impact of their products throughout the product lifecycle, particularly for take-back, recycling, and final disposal at the post-consumer stage
“EU CPNP notification”	a notification submitted through the EU Cosmetic Products Notification Portal for a cosmetic product placed or made available on the EU market
“GFA”	gross floor area
“GMV”	gross merchandise value, a business metric that represents the total monetary value of goods sold through a platform or marketplace over a specific period, before deducting returns, discounts, commissions, or other fees
“GPSR”	general product safety regulation, refers to EU Regulation (EU) 2023/988, which sets out the overarching safety requirements for consumer products placed or made available on the EU market, requiring that products be safe, traceable, accompanied by appropriate warnings and instructions, and subject to effective corrective measures
“IP”	intellectual property
“IT”	information technology
“LLM”	large language model, a type of AI model that is trained on a massive amount of text data to capture the statistical patterns and structures of language. These models typically have billions or more parameters and are designed to handle complex natural language processing tasks
“net dollar retention rate” or “NDR”	revenue from existing users in the current year divided by revenue from the same cohort in the prior year
“online marketplace”	a digital platform that enables third-party sellers to offer goods or services to customers, while the platform operator facilitates transactions by providing listing, payment, and order-processing infrastructure
“natural language processing”	a branch of artificial intelligence that helps computers understand, interpret and manipulate human language
“R&D”	research and development

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“RPA”	robotic process automation, a technology that uses software robots to automate rule-based, repetitive business processes by mimicking human interactions with digital systems, thereby improving efficiency, accuracy, and scalability while reducing manual effort and operational costs
“RsP”	responsible person, or authorized representative, the designated legal entity responsible for product compliance
“SCM”	supplier chain management system
“SKU”	stock keeping unit, a unique alphanumeric identifier assigned by a company to a specific product or product variant for inventory management and tracking purposes, enabling businesses to monitor stock levels, sales, pricing, and logistics at a granular level
“TIC”	testing, inspection and certification
“UK SCPN notification”	a notification submitted through the UK Submit Cosmetic Product Notifications service for a cosmetic product made available to consumers in Great Britain
“VAT”	value-added tax, an indirect tax imposed on the incremental value added to goods and services at each stage of the supply chain
“WEEE”	waste electrical and electronic equipment