Taming Temu: why the fast-growing online marketplace fails to comply with the EU Digital Services Act

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NB: webpages, links to products, traders' URLs and associated screenshots were last accessed/taken on 2 May 2024.

(1) Temu Digital Services Act (DSA) Help Page¹

Available at: www.temu.com/digital-services-act-help.html

Temu Digital Services Act (DSA) Help Page

The DSA regulates online intermediaries and platforms such as marketplaces, social networks, content-sharing platforms, app stores, and online travel and accommodation platforms in the EU. Its main goals are to prevent illegal and harmful activities online, ensure user safety, protect fundamental rights and create a fair and open online environment.

Temu has a commitment to creating a safe and positive online environment for its users. We continually invest in our policies and procedures to support the safety and wellbeing of our users. In accordance with the DSA, we set out below information around our approach to content moderation, misuse of Temu, our appeal system and how we recommend content to users. Further information can be found in the Temu Terms of Use, including Temu's Intellectual Property Policy and its Community Guidelines.

CONTENT MODERATION

The Temu Terms of Use prohibit the provision by users of certain content, including illegal content, to Temu (see, in particular, Temu's Intellectual Property Policy and its Community Guidelines) ("Prohibited Content"). Temu acts in a diligent, objective and proportionate manner in applying and enforcing those prohibitions.

Temu detects Prohibited Content on Temu in two main ways:

- As a result of voluntary own-initiative monitoring; or
- As a result of reports.

¹ TEMU's Term and Conditions, as defined in Article 3(u) DSA encompass the TEMU Digital Services Act (DSA Help Page) which is reproduced in this annex as well as other documents available over the following hyperlinks: TEMU's Terms of Use, Intellectual Property Policy, Community Guidelines, Privacy & Cookie Policy and Guidelines for Record Request.

Own-initiative monitoring

Own-initiative detection and moderation of Prohibited Content on Temu may be carried out through automated and/or human means. Our first level of moderation is performed automatically by a system that detects Prohibited Content. Where Prohibited Content is detected, it may be automatically deleted or disabled. Temu may also take other actions with respect to the content, the user's account or use of the Services (see the Temu Terms of Use information on the sanctions that may be imposed in relation to Prohibited Content).

Reports

You may report specific pieces of content (i.e. reviews and product listing) on Temu that you consider to be Prohibited Content by clicking on the three dots ("...") next to the review in question or by clicking on "Report this item" below a product listing.

Your report should include the following:

- (a) a sufficiently substantiated explanation of the reasons why you allege the information in question to be Prohibited Content;
- (b) a clear indication of the exact electronic location of that information (such as the exact URL or URLs, and, where necessary, additional information enabling the identification of the content);
- (c) your name and email address, except in the case of information considered to involve one of the offences referred to in Articles 3 to 7 of Directive 2011/93/EU (sexual abuse and sexual exploitation of children and child pornography);
- (d) confirmation of your bona fide belief that the information and allegations contained in your report are accurate and complete.

Where the report contains your electronic contact information, Temu will send you a confirmation of receipt of the report. After reviewing your report, Temu will notify you of its decision in respect of the content to which the report relates and, where Temu has decided not to act upon the report, provide you with information on the possibilities for redress, including the option to appeal internally.

For reports relating to infringement of intellectual property rights, please go to our online intellectual property infringement report <u>portal</u> (see also our <u>Intellectual Property Policy</u>).

Statement of Reasons

Temu will provide you with a Statement of Reasons (SOR) if it imposes any of the following restrictions on the ground that the content provided by you is Prohibited Content:

- (a) restrictions of the visibility of specific items of information provided by you, including removal of content, disabling access to content or demoting content;
- (b) suspension, termination or other restriction of monetary payments;
- (c) suspension or termination of the provision of the service in whole or in part;
- (d) suspension or termination of your account.

provided it has your electronic contact details and you are located in the European Economic Area. The SOR will provide you with information on the possibilities for redress, including the option to appeal internally.

Appeals

If you have submitted a report and received a decision that Temu has decided not to act upon the report, or you have received a SOR, you may submit an appeal within 6 months after receiving that decision or SOR. You may submit your appeal free of charge, using the link provided within the decision / SOR. The form will allow you to submit a sufficiently precise and adequately substantiated appeal. Temu will reverse its decision / the SOR where a complaint contains:

- sufficient grounds for Temu to consider that its decision not to act upon a notice is unfounded;
- sufficient grounds for Temu to consider that the information to which the complaint relates is not Prohibited Content; or
- information indicating that the complainant's conduct does not warrant the measure taken,

Temu will inform you of its decision in respect of your appeal and, as appropriate, of the possibility of out-of-court dispute settlement provided for in Article 21 DSA and other available possibilities for redress.

Note: If a user frequently submit reports or appeals that are manifestly unfounded (i.e. submitting more than 10 (ten) reports or appeals that have been deemed manifestly unfounded within 7 (seven) days), Temu may suspend, after issuing a prior warning, the processing of their notices and appeals for a reasonable period (i.e. 30 (thirty) days). For information on our approach to requests from law enforcement and governmental entities, please see our **Guidelines for Record Request.**

HOW TEMU RECOMMENDS CONTENT?

We use various criteria for recommending content and products to you. The importance or weighting of a factor may change over time. Some factors are generally considered more significant than others in determining which content will be of most interest to you:

- Your browsing, searching and purchasing history on Temu;
- Ratings you have given to products on Temu; and
- Time you spend viewing specific product listings on Temu.

The following factors can also influence how content is recommended on Temu:

- Your account profile (such as your country and gender if recorded in your account profile) and preferences you have expressed on Temu such as saving a product to your wish list;
- Your approximate location based on your technical information (e.g. IP address)
- The popularity of products on Temu;
- · Current sales campaigns; and
- Product prices.

Modifying/influencing the content recommended to you

You can change the content recommended to you by refreshing the page. The content that we recommend changes over time in accordance with the above criteria. For example, the content we recommend will change based on your purchase of different products, browsing for new products and similar activities by other users.

You can also change the layout of product listings by sorting them in accordance with:

- Relevance
- Top Sales
- Most Recent
- Price low to high
- Price high to low

For specific product searches, you can also filter the results by features of the products, for example by colour, by review ratings, by price and by specific product details.

AVERAGE MONTHLY ACTIVE RECIPIENTS

For details of the average monthly active recipients of Temu's services in the European Union published pursuant to Article 24(2) of the DSA, please click here.

(1 bis) TEMU'"Digital Services Act" (additional webpage)

Available at: www.temu.com/digital-services-act.html

Digital Services Act

Temu entered into the European Union ("EU") market in April 2023. Pursuant to Article 24(2) of the Digital Services Act (the "DSA"), we estimate that the average monthly active recipients of Temu's services in the EU was approximately 75 million, for the six months ended March 31, 2024.

We have produced this calculation for the purpose of complying with our DSA requirements and it should not be relied on for other purposes. Where we shared user metrics in other contexts, the methodology and scope may have differed. In addition, our approach to producing this calculation may evolve and may require altering over time, for example, because of new technologies.

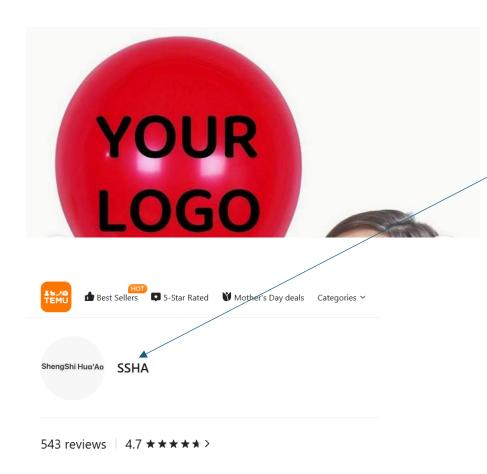
We will continue to monitor the number of average monthly active recipients of Temu's services in the EU and will publish updated information at least every six months in accordance with Article 24(2) of the DSA.

Temu Digital Services Act (DSA) Help Page

For details of our content moderation and content recommendation policies pursuant to the DSA, please click here.

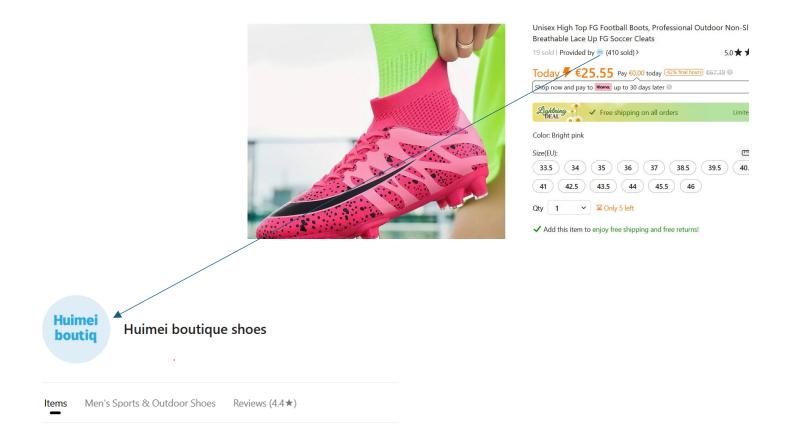
(2) Traders' traceability

Example 2.1: product URL (here) and traders' profile here). When clicking on the logo of the trader, no additional information about the trader is displayed.

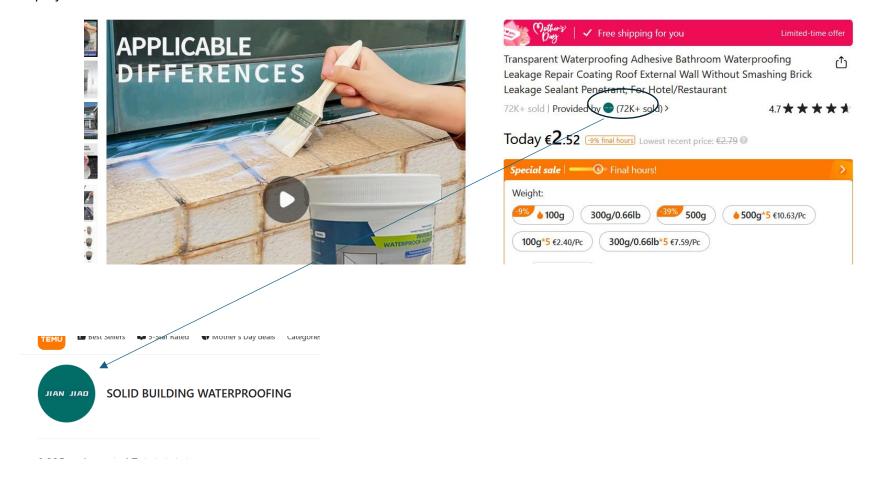




Example 2.2: product sold by Huimei (traders' profile <u>here</u>). When clicking on the logo of the trader, no additional information about the trader is displayed.

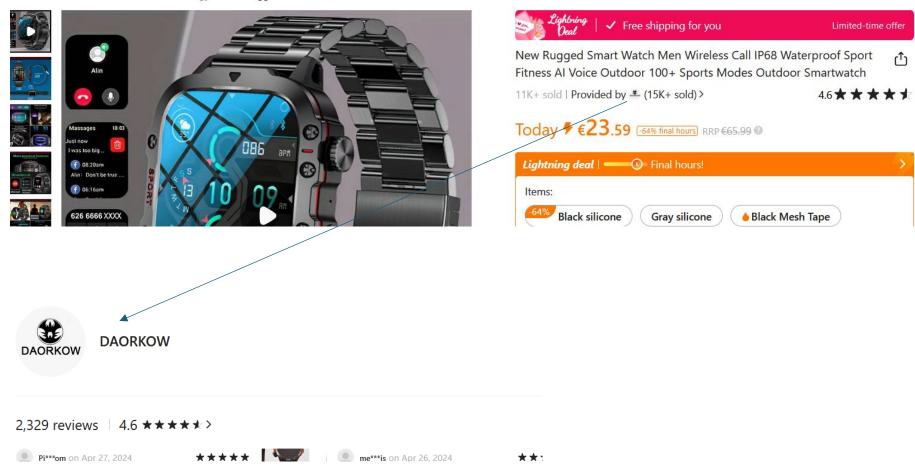


Example 2.3: Product link <u>here</u> and trader's URS <u>here</u>. When clicking on the logo of the trader, no additional information about the trader is displayed.

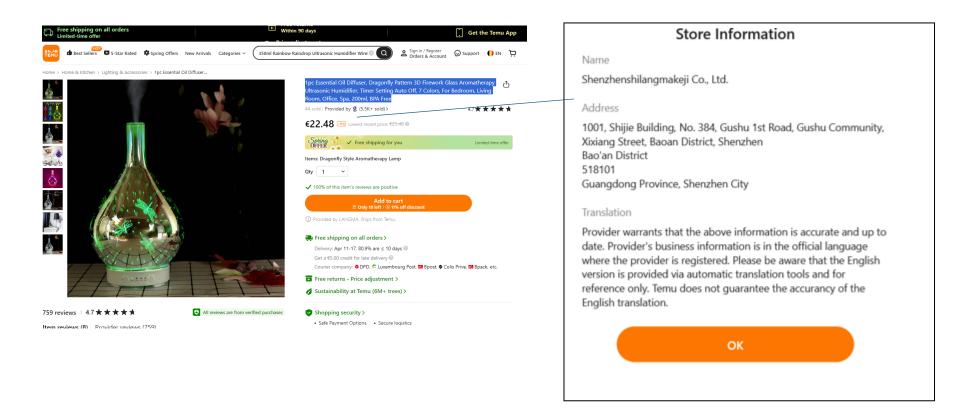


Example 2.4: Product link <u>here</u> and traders' URL <u>here</u>. When clicking on the logo of the trader, no additional information about the trader is displayed.

Home > Smart Home > Wearable Technology > New Rugged Smart Watch Men...



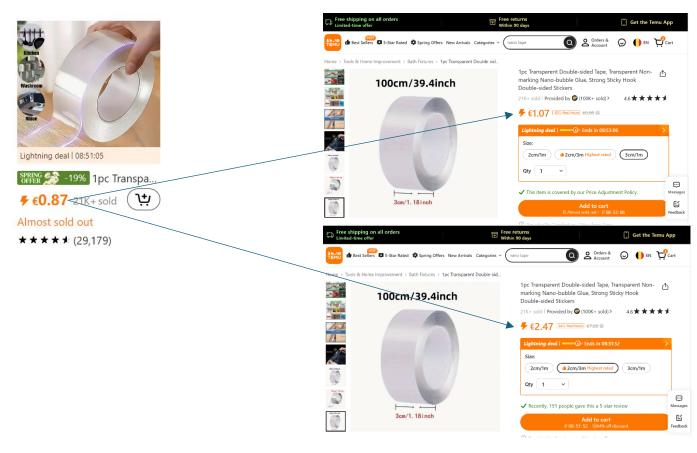
Example 2.5: Product link (here) and trader's url (here)



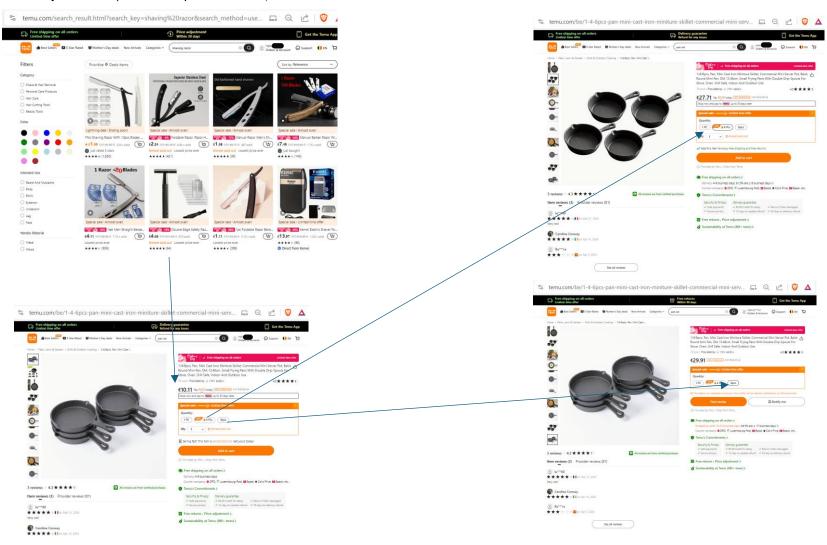
(3) Manipulative practices

3.1. Manner in which prices and products are displayed

Example 3.1.1.

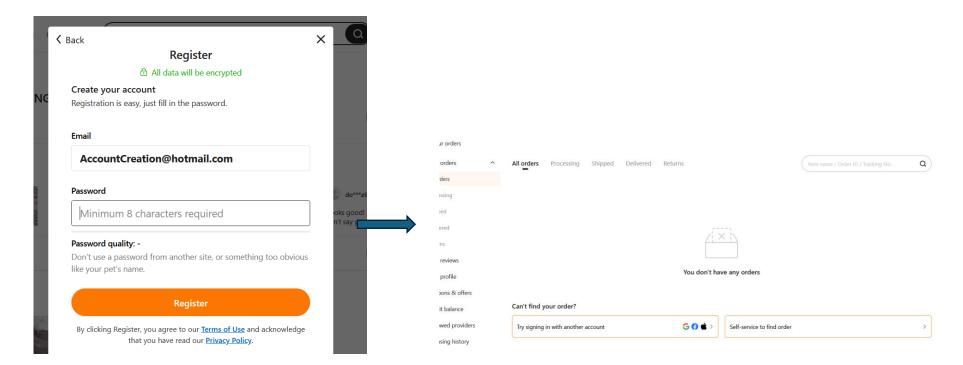


Example 3.1.2. (link to the product here)



3.2 Manipulation of consumers when registering/deleting accounts

Steps for registering on Temu (no age-gating, no email verification)



Steps to delete accounts:

