When is a boat required to retire? Where is this covered in the rules?

Rule 44.1(b) states, "if the boat caused injury or serious damage or, despite taking a penalty, gained a significant advantage in the race or series by her breach her penalty shall be to retire."

There is no definition of "damage" in the rules. World Sailing Case 19 suggests that if a boat's market value or functionality is reduced, this would be an indication of damage.