

**Supplement No. 1 dated September 8, 2021  
to the Prospectus dated May 12, 2021**

# DAIMLER

Daimler AG  
Stuttgart, Federal Republic of Germany

Mercedes-Benz Australia/Pacific Pty Ltd  
(ABN 23 004 411 410)  
Mulgrave, Victoria, Australia

Daimler International Finance B.V.  
Nieuwegein, the Netherlands

Daimler Canada Finance Inc.  
Montréal, Quebec, Canada

Daimler Finance North America LLC  
Delaware, USA

Mercedes-Benz Finance Co., Ltd.  
Tokyo, Japan

EUR 70,000,000,000  
Euro Medium Term Note Programme (the "**Programme**")

unconditionally and irrevocably guaranteed by

Daimler AG  
Stuttgart, Federal Republic of Germany

This supplement No. 1 (the "**Supplement**") constitutes a supplement for the purposes of (i) Article 23 (1) of Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as amended (the "**Prospectus Regulation**") and (ii) Article 30 of the Luxembourg Law on Prospectuses for Securities (*loi du 16 juillet 2019 relative aux prospectus pour valeurs mobilières*; the "**Luxembourg Prospectus Act**") to the prospectus (which constitutes six base prospectuses for the purposes of Article 8 of the Prospectus Regulation and six alleviated base prospectuses for the purposes of Article 22 of the Luxembourg Prospectus Act) of Daimler AG ("**DAG**" or the "**Guarantor**"), Mercedes-Benz Australia/Pacific Pty Ltd (ABN 23 004 411 410) ("**MBAP**"), Daimler International Finance B.V. ("**DIF**"), Daimler Canada Finance Inc. ("**DCFI**"), Daimler Finance North America LLC ("**DFNA**") and Mercedes-Benz Finance Co., Ltd. ("**MBFJ**") dated May 12, 2021 (together, the "**Prospectus**"), which has been prepared in connection with the Programme established by DAG, MBAP, DIF, DCFI, DFNA and MBFJ (each, an "**Issuer**" and, together, the "**Issuers**"). Terms defined in the Prospectus have the same meaning when used in this Supplement.

The purpose of this Supplement is to amend the risk factors and the disclosure relating to the Issuers and the Guarantor and set out in the Prospectus, in particular following the publication (i) on July 21, 2021 of the Interim Report Q2 2021 of Daimler, and (ii) on August 6, 2021 of (a) the spin-off and hive-down agreement dated August 6, 2021 and concluded between DAG and Daimler Truck Holding AG, and (b) the joint spin-

off and hive-down report of the board of management of DAG and the board of management of Daimler Truck Holding AG.

This Supplement is supplemental to, and should be read in conjunction with, the Prospectus and all documents incorporated by reference in the Prospectus.

Copies of the Prospectus, any document incorporated by reference in the Prospectus and this Supplement will be published in electronic form on the website of the Luxembourg Stock Exchange ([www.bourse.lu/programme/Programme-Daimler/2370](http://www.bourse.lu/programme/Programme-Daimler/2370)) and will be viewable on, and obtainable free of charge from, such website.

To the extent that there is any inconsistency between (i) any statements in this Supplement or any statements incorporated by reference in the Prospectus by this Supplement, and (ii) any other statement in or incorporated by reference in the Prospectus, the statements in (i) above will prevail.

DAG and each of the other Issuers accept responsibility for the information contained in this Supplement (including any information incorporated by reference in the Prospectus by this Supplement) except that each Issuer other than DAG accepts responsibility only for information which exclusively refers to it. Each Issuer declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Supplement (including any information incorporated by reference in the Prospectus by this Supplement) for which it is responsible is, to the best of its knowledge, in accordance with the facts and does not omit anything likely to affect the import of such information.

**A. Amendments to the section commencing on page 11 of the Prospectus which is entitled "*Risk Factors*"**

**1. Amendments to the subsection commencing on page 12 of the Prospectus which is entitled "*Risk Factors Relating to DAG, MBAP, DIF, DCFI, DFNA and MBFJ – 1. Risks Relating to the Economy and the Daimler Group's Markets*"**

**a. The third paragraph of the subsection commencing on page 12 of the Prospectus which is entitled "*Risks Resulting from the Economic Situation in Specific Daimler Group's Markets and the COVID-19 Pandemic*" shall be replaced in its entirety as follows:**

If the restrictions resulting from the continuation of the COVID-19 pandemic last significantly longer than expected, this could place an excessive burden on households, companies and governments. Among other things, this could lead to a noticeable rise in unemployment, which in turn could have significant adverse effects on private consumption and could also have a lasting negative impact on the recovery. The already strained situation of many companies could worsen as a result. A possible wave of insolvencies resulting from this could jeopardize the stability of the banking sector and lead to distortions in the financial markets. For the Daimler Group, the risks arising from the further course of the COVID-19 pandemic could on the one hand adversely affect both unit sales and sales processes, and on the other hand could lead to significant negative effects on production and supply chains.

**b. The following paragraphs shall be added to the end of the subsection on page 15 of the Prospectus which is entitled "*Procurement Market Risks*":**

Daimler assumes that the worldwide shortage of supply of semiconductor components will affect its business also in the second half of the year 2021.

Due to the semiconductor situation, an adverse impact on Daimler's unit sales is likely also as the year 2021 progresses.

2. **Amendments to the subsection commencing on page 17 of the Prospectus which is entitled "Risk Factors Relating to DAG, MBAP, DIF, DCFI, DFNA and MBFJ – 2. Risks Related to the Daimler Group and its Business"**

**The subsection commencing on page 19 of the Prospectus which is entitled "Risks Resulting from the Proposed Spin-off" shall be replaced in its entirety as follows:**

*Risks Resulting from the Proposed Spin-off*

On February 3, 2021, Daimler's Supervisory Board and Board of Management decided to evaluate the spin-off of the truck and bus business and to start preparations for an initial public offering of shares in Daimler Trucks & Buses including significant parts (but less than a majority) of the assets and liabilities of the Daimler Mobility division (together, "**Daimler Truck**").

On August 17, 2021, DAG published the convocation (invitation) for the extraordinary general meeting, to be held on October 1, 2021 (the "**Extraordinary General Meeting**") which is supposed to approve the spin-off and hive-down of Daimler Truck. This transaction includes: (i) the spin-off of a majority interest of 65.00 % in the (increased) share capital of Daimler Truck AG as well as of the control and profit and loss transfer agreement existing between DAG and Daimler Truck AG to Daimler Truck Holding AG, as a result of which the shareholders of DAG will receive shares of Daimler Truck Holding AG in addition to their DAG shares; (ii) the hive-down by DAG of shares in Daimler Truck AG to Daimler Truck Holding AG against the issuance of new shares in Daimler Truck Holding AG to DAG; and (iii) the contribution by Daimler Verwaltungsgesellschaft für Grundbesitz mbH ("**Daimler Grund**") of its shares in Daimler Truck AG (received as consideration for contributing several real estate management partnerships which are attributable to the Trucks & Buses division into Daimler Truck Holding AG), immediately in connection with the spin-off and hive-down.

Upon the implementation of the three aforementioned steps, DAG will hold 35.00 % in the share capital of Daimler Truck Holding AG, thereof 28.43 % directly (as a consequence of the spin-off as per step (i)) and 6.57 % indirectly, via Daimler Grund (as a consequence of the contribution in kind as per step (iii)), with the remaining 65.00 % being held by the existing shareholders of DAG in addition to their unchanged shareholding in DAG. Out of its shareholding, DAG intends to transfer a shareholding in Daimler Truck Holding AG in the amount of 5 % to Daimler Pension Trust e.V. Both the spin-off and the hive-down will become effective upon registration in the commercial register of DAG. Upon entry in the commercial register of DAG, the assets covered by the spin-off and hive-down will be transferred to Daimler Truck Holding AG in their entirety.

The basis of the spin-off and hive-down is the spin-off and hive-down agreement dated August 6, 2021 and concluded between DAG and Daimler Truck Holding AG, which is subject to approval by the aforementioned Extraordinary General Meeting of DAG (the "**Demerger Agreement**").

In preparation for the spin-off, the financial liabilities existing towards DAG and companies of the future Daimler Group (the Daimler Group without the companies of the Future Daimler Truck Group (as defined below) hereinafter referred to as the "**Future Daimler Group**") will be settled by Daimler Truck AG and the companies of the future Daimler Truck Group (Daimler Truck Holding AG with its direct and indirect subsidiaries existing after the spin-off hereinafter referred to as the "**Future Daimler Truck Group**") and, if necessary, replaced by external financing or financing within the Future Daimler Truck Group.

For the separation of the commercial vehicles business, Daimler Group's suretyships, guarantees, letters of comfort and other declarations of indemnity (hereinafter collectively referred to as "**Guarantees**") are to be replaced by new and essentially equivalent guarantees issued by the companies of the Future Daimler Truck Group. With respect to the financial guarantees, DAG's global Guarantees and the individual financial Guarantees of DAG will be replaced by corresponding global guarantees or individual guarantees of Daimler Truck AG and Daimler Truck Holding AG, who will be jointly and severally liable thereunder. As of the spin-off taking effect, no new financial guarantees and operational guarantees will be issued by DAG or the companies of the Future Daimler Group to secure obligations of the companies of the Future Daimler Truck

Group. However, if the existing Guarantees issued by the Daimler Group cannot be successfully replaced by the future Daimler Truck Group, there is a risk that the Future Daimler Group will continue to be liable for obligations of the commercial vehicles business until the relevant Guarantees issued by the Daimler Group expire, which could adversely impact Daimler's financial results or financial condition.

In addition, in specific circumstances, the German Transformation Act (*Umwandlungsgesetz*) further entitles creditors of Daimler Truck Holding AG to request DAG to provide a collateral security. According to section 133 (1) and (3) of the German Transformation Act, DAG may be held liable by creditors of Daimler Truck Holding AG who may be able to enforce certain claims that were constituted prior to the effectiveness of the spin-off and the hive-down, respectively, against DAG. Pursuant to such provisions, DAG will be jointly and severally liable with Daimler Truck Holding AG for any liabilities of Daimler Truck Holding AG that were constituted prior to the effectiveness of the spin-off and the hive-down, respectively, if such liabilities fall due within five years, or in case of retirement benefit obligations under the German Company Pension Act (*Betriebsrentengesetz*) ten years, from publication of the spin-off and the hive-down, respectively, in the commercial register of DAG.

The separation of the commercial vehicles business (combined with a focusing on the premium passenger car segment) reduces the degree of diversification within the Future Daimler Group, with the result that individual risk positions become proportionately more significant. While the risk profiles of the passenger car and commercial vehicles businesses differ, thus reducing the overall risk through diversification, the risk profiles of the two independent groups are to be considered separately in the future. The risk profile of the Future Daimler Group may develop negatively, in particular, if both the passenger car market and the overall capital market come under pressure at the same time. The Future Daimler Group's business model, which will be focused after the spin-off takes effect, may thus be more susceptible to negative developments in the passenger car market in the perception of the capital markets, since it can no longer be offset by the commercial vehicles business.

As a result of the proposed spin-off of the commercial vehicles business, the current synergies and economies of scale could be reduced or lost altogether. In addition, the separation will also lead to increased internal and external costs. With respect to the IT environment, including its infrastructure, systems, applications and related support and development functions, as well as in the areas of After Sales/Logistics, additional costs will also be incurred.

After the separation, DAG will no longer be able to influence the structure of the compliance organisation in the Future Daimler Truck Group to the same extent as before. Since the Future Daimler Group and the Future Daimler Truck Group will continue in part to use common brands this will create a certain reputational risk for the Future Daimler Group.

The risks involved in the spin-off and hive-down include missed financial or performance targets, unscheduled impairment losses to be recognized in DAG's profit and loss account, reduced customer and investor confidence and reduced size of DAG post-separation. The execution of the spin-off and hive-down will likely continue to require significant time and attention of Daimler's management, which could impact other strategic initiatives. Daimler's employees may also be uncertain about their future roles within the separated companies, which could lead to a decrease in employee productivity or significant personnel departures.

The revenue and assets which will be transferred from Daimler to Daimler Truck will not be available to support interest and redemption payments of any Notes to be issued under the Programme as a result of the spin-off and hive-down.

It cannot be excluded that the proposed separation of DAG into two separate listed companies may ultimately turn out to be less successful than currently expected, may involve costs exceeding even the substantial costs currently envisaged, may not yield the benefits that are sufficient to justify those costs and associated risks, or may not occur in the expected timeframe, if at all. In particular, the necessary referral to the Extraordinary General Meeting is also associated with a risk of actions for avoidance, as the resolution of the Extraordinary General Meeting on the implementation of the spin-off and hive-down could be challenged

in court, with the consequence that the entry in the commercial register necessary for the spin-off and hive-down to take effect cannot (initially) take place (so-called register blocking).

Should any of the aforementioned risks materialize this could have an adverse effect on Daimler's business, net assets, financial condition or results of operations, which could impair its ability to repay or to fulfil its obligations under the Notes or the Guarantee or any other indebtedness.

**3. Amendments to the subsection commencing on page 23 of the Prospectus which is entitled "*Risk Factors Relating to DAG, MBAP, DIF, DCFI, DFNA and MBFJ – 4. Legal and Tax Risks*"**

**a. The subsection commencing on page 23 of the Prospectus which is entitled "*Risks from Legal Proceedings in Connection with Diesel Exhaust Gas Emissions – Governmental Proceedings*" shall be replaced in its entirety as follows:**

*Risks from Legal Proceedings in Connection with Diesel Exhaust Gas Emissions – Governmental Proceedings*

Daimler is continuously subject to governmental information requests, inquiries, investigations, administrative orders and proceedings relating to environmental, criminal, antitrust and other laws and regulations in connection with diesel exhaust emissions.

Several authorities and institutions worldwide were, and still are, active in the form of inquiries, investigations, procedures and/or orders. These activities particularly relate to test results, the emission control systems used in Mercedes-Benz diesel vehicles and/or Daimler's interaction with the relevant authorities as well as related legal issues and implications, including, but not limited to, under applicable environmental, criminal, consumer protection and antitrust laws.

In the United States, DAG and Mercedes-Benz USA, LLC ("**MBUSA**") reached agreements in the third quarter of 2020 with various authorities to settle civil and environmental claims regarding the emission control systems of certain diesel vehicles, which have become final and effective.

The authorities take the position that Daimler failed to disclose Auxiliary Emission Control Devices ("**AECDs**") in certain of its US diesel vehicles and that several of these AECDS are illegal defeat devices. As part of these settlements, Daimler denies the allegations by the authorities and does not admit liability, but has agreed to, among other things, pay civil penalties, conduct an emission modification programme for affected vehicles, and take certain other measures. The failure to meet certain of those obligations may trigger additional stipulated penalties.

The estimated cost of the US consumer class action described in the subsection set out below and entitled "*Risks from Legal Proceedings in Connection with Diesel Exhaust Gas Emissions – Civil Court Proceedings*" amounts to around USD 700 million. In addition, Daimler estimates further expenses of a mid three-digit-million euro amount to fulfill requirements of these settlements. Daimler paid the civil penalties.

In April 2016, the U.S. Department of Justice ("**DOJ**") requested that Daimler conduct an internal investigation. While Daimler conducted such internal investigation as part of the DOJ's investigation, the DOJ's investigation remains open. In addition, further US state authorities have recently opened investigations pursuant to both state environmental and consumer protection laws and have requested documents and information. In Canada, the Canadian environmental regulator Environment and Climate Change Canada ("**ECCC**") is conducting an investigation in connection with Diesel exhaust emissions based on the suspicion of potential violations of the Canadian Environmental Protection Act as well as potential undisclosed AECDS and defeat devices. Daimler continues to cooperate with the investigating authorities.

In Germany, the Stuttgart public prosecutor's office issued a fine notice against Daimler in September 2019 based on a negligent violation of supervisory duties which has become legally binding, thereby concluding the related administrative offense proceedings against Daimler. The Stuttgart public prosecutor's office is still conducting criminal investigation proceedings against Daimler employees on the suspicion of fraud and criminal advertising.

Since 2018, the German Federal Motor Transport Authority ("**KBA**") has repeatedly issued subsequent auxiliary provisions for the EC type approvals of certain Mercedes-Benz diesel vehicles, and has ordered mandatory recalls as well as, in some cases, stops of the first registration. In each of those cases, it held that certain calibrations of specified functionalities in certain Mercedes-Benz diesel vehicles are to be qualified as impermissible defeat devices. Daimler has a contrary legal opinion on this question. Since 2018, however, Daimler has (in view of the KBA's interpretation of the law as a precautionary measure) implemented a temporary delivery and registration stop with respect to certain models, also covering the used car, leasing and financing businesses, and is constantly reviewing whether it can lift this delivery and registration stop in whole or in part. Daimler has filed timely objections against the KBA's administrative orders mentioned above. In early 2021, the KBA issued objection orders ("*Widerspruchsbescheide*") in these proceedings, thereby not following the arguments brought forward by Daimler. Since Daimler still does have a different understanding of the relevant legal provisions, it filed lawsuits with the competent administrative court to have the controversial questions at issue clarified in a court of law. Irrespective of such objections and the lawsuits that are now pending, Daimler continues to cooperate fully with the KBA. The new calibrations requested by the KBA are being processed, and for the majority of the vehicles, the relevant software has already been approved by the KBA; the related recalls have insofar been initiated. It cannot be ruled out that under certain circumstances, software updates may have to be reworked, or further delivery and registration stops may be ordered or resolved by Daimler as a precautionary measure, also with regard to the used car, leasing and financing businesses. In the course of its regular market supervision, the KBA is routinely conducting further reviews of Mercedes-Benz vehicles and is asking questions about technical elements of the vehicles. In addition, Daimler continues to be in a dialogue with the German Ministry for Transport and Digital Infrastructure (BMVI) to conclude the analysis of the diesel-related emissions matter and to further the update of affected customer vehicles. In light of the aforementioned administrative orders issued by the KBA and continued discussions with the KBA and the BMVI, it cannot be ruled out completely that additional administrative orders may be issued in the course of the ongoing and/or further investigations. Since September 1, 2020, this also applies to other responsible authorities of other Member States and the European Commission which conduct market surveillance under the new European Type Approval Regulation and can take measures upon assumed non-compliance, irrespective of the place of the original type approval.

In the course of its formal investigation into possible collusion on clean emission technology, the European Commission sent a statement of objections to Daimler and other automobile manufacturers in April 2019. In this context, DAG filed an application for immunity from fines (leniency application) with the European Commission some time ago. On July 8, 2021, the proceedings were closed by way of a settlement with the European Commission. During the entire proceedings, DAG cooperated closely with the European Commission, and the European Commission has granted DAG complete immunity from fines.

In addition to the above-mentioned authorities, national cartel authorities and other authorities of various foreign States, the South Korean Ministry of Environment, the South Korean competition authority (Korea Fair Trade Commission) and the Seoul public prosecutor's office (South Korea) are conducting various investigations and/or procedures in connection with Diesel exhaust emissions.

Daimler continues to fully cooperate with the responsible authorities and institutions. Irrespective of such cooperation and in light of the past developments, it is possible that further regulatory, criminal and administrative investigative and enforcement actions and measures relating to Daimler and/or its employees will be taken or administrative orders will be issued. Additionally, further delays in obtaining regulatory approvals necessary to introduce new or recertify existing vehicle models could occur.

In light of the legal positions taken by U.S. regulatory authorities and the KBA, among others it is not unlikely that, besides these authorities one or more regulatory and/or investigative authorities worldwide will reach the conclusion that other passenger cars and/or commercial vehicles with the brand name Mercedes-Benz or other brand names of the Group are equipped with impermissible defeat devices. Likewise, such authorities could take the view that certain functionalities and/or calibrations are not proper and/or were not properly disclosed. Furthermore, the authorities have increased scrutiny of Daimler's processes regarding running change, field-fix and defect reporting as well as other compliance issues. Daimler cannot predict the outcome of the ongoing inquiries, investigations, legal actions and proceedings. Particularly due to the

outcome of the administrative offense proceedings by the Stuttgart district attorney's office against Daimler and the civil settlements with the US authorities but also due to any ongoing and potential other information requests, inquiries, investigations, administrative or criminal orders and proceedings, it is possible that Daimler will become subject to, as the case may be, significant additional monetary penalties, fines, disgorgements of profits, remediation requirements, further vehicle recalls, further registration and delivery stops, process and compliance improvements, mitigation measures and the early termination of promotional loans, and/or other sanctions, measures and actions (such as the exclusion from public tenders), including further governmental investigations and/or administrative orders and additional proceedings. The occurrence of the aforementioned events in whole or in part could cause significant collateral damage including reputational harm. Further, due to negative allegations, determinations or findings with respect to technical or legal issues by one of the various governmental agencies, other agencies – or also plaintiffs – could also adopt such allegations, determinations or findings, even if such allegations, determinations or findings are not within the scope of such authority's responsibility or jurisdiction. Thus, a negative allegation, determination or finding in one proceeding, such as the fine notice issued by the Stuttgart district attorney's office or the allegations underlying the civil settlements with the US authorities, carries the risk of being able to have an adverse effect on other proceedings, also potentially leading to new or expanded investigations or proceedings, including lawsuits.

In addition, Daimler's ability to defend itself in proceedings could be impaired by the fine notice issued by the Stuttgart district attorney's office, the civil settlements with the US authorities and by the underlying allegations and other unfavorable allegations, as well as by findings, results or developments in any of the information requests, inquiries, investigations, administrative or criminal orders, legal actions and/or proceedings discussed above.

**b. The subsection commencing on page 26 of the Prospectus entitled "*Risks from Legal Proceedings in Connection with Diesel Exhaust Gas Emissions – Civil Court Proceedings*" shall be replaced in its entirety as follows:**

*Risks from Legal Proceedings in Connection with Diesel Exhaust Gas Emissions – Civil Court Proceedings*

In a consolidated class action against DAG and MBUSA before the US District Court for New Jersey, plaintiffs alleged that DAG and MBUSA used devices that impermissibly impair the effectiveness of emission control systems in reducing nitrogen-oxide (NO<sub>x</sub>) emissions and which cause excessive emissions from vehicles with diesel engines. In addition, plaintiffs alleged that consumers were deliberately deceived in connection with the advertising of Mercedes-Benz diesel vehicles.

In the third quarter of 2020, DAG and MBUSA reached a settlement with plaintiffs' counsel of this consumer class action. As part of the settlement, DAG and MBUSA deny the material factual allegations and legal claims asserted by the class action plaintiffs, but have agreed to provide payments to certain current and former diesel vehicle owners and lessees. On July 12, 2021, the final approval order for the settlement was issued. Objections to the order can still be raised.

The estimated cost of the class action settlement is approximately USD 700 million. In addition, Daimler estimates further expenses of a mid three-digit-million Euro amount to fulfil requirements of this settlement and the aforementioned settlements with the US authorities.

A consumer class action making similar allegations and seeking similar remedies as to vehicles sold or leased in Canada was filed against DAG and other Group companies in Ontario in April 2016. In June 2017, the court granted a procedural motion to certify certain issues for class treatment. Litigation is still ongoing.

In a separate lawsuit filed by the State of Arizona in January 2019, the plaintiff claims that, among others, DAG and MBUSA deliberately deceived consumers in connection with advertising Mercedes-Benz diesel vehicles. Consumer class actions containing similar allegations were filed against DAG and further Group companies in the United Kingdom since May 2020, in the Netherlands in June and December 2020 as well as against DAG in Israel in February 2019. In a separate lawsuit filed by the Environmental Protection Commission of Hillsborough County, Florida in September 2020, the plaintiff claims that, among others,

DAG and MBUSA violated municipal regulations prohibiting vehicle tampering and other conduct by using alleged devices claimed to impair the effectiveness of emissions control systems.

In Germany, a large number of customers of diesel vehicles have filed lawsuits for damages or rescission of sales contracts. They assert that the vehicles contained illegal defeat devices and/or showed impermissibly high levels of emissions or fuel consumption. They refer to, in particular, the KBA's recall orders mentioned in the subsection set out above and entitled "*Risks from Legal Proceedings in Connection with Diesel Exhaust Gas Emissions – Governmental Proceedings*". Given the current development of case numbers, Daimler expects a continued high number of lawsuits being filed in this respect. In this context, the Federation of German Consumer Organisations (*Verbraucherzentrale Bundesverband e.V.*) filed a model declaratory action (*Musterfeststellungsklage*) against DAG with the Stuttgart Higher Regional Court on July 7, 2021. Such action seeks a ruling that certain preconditions of alleged consumer claims are met. Daimler has not yet received the statement of claim.

Furthermore, class actions have been filed in the United States and Canada alleging anticompetitive behaviour relating to vehicle technology, costs, suppliers, markets, and other competitive attributes, including diesel emissions control technology.

In addition, investors have filed lawsuits in Germany alleging the violation of disclosure requirements. In January 2021, the Stuttgart Regional Court (*Landgericht*) issued in this context an order for reference (*Vorlagebeschluss*) to commence a model case before the Stuttgart Higher Regional Court (*Oberlandesgericht*).

If court proceedings have an unfavorable outcome for Daimler, this could result in significant damages and punitive damages payments, remedial works or other cost-intensive measures. Court proceedings can in part also have an adverse effect on the reputation of the Group.

Furthermore, Daimler's ability to defend itself in the court proceedings could be impaired by the US consumer class action settlement as well as unfavorable allegations, findings, results or developments in any of the governmental or other court proceedings discussed above, in particular by the fine notice issued by the Stuttgart district attorney's office and by the civil settlements with the US authorities.

**c. The third paragraph of the subsection on page 27 of the Prospectus which is entitled "*Accounting Estimates and Management Judgments Relating to All Legal Proceedings*" shall be replaced in its entirety as follows:**

Further information on legal proceedings is provided in Note 23 (*Provisions for other risks*), Note 30 (*Legal proceedings*) and Note 31 (*Contingent liabilities and other financial obligations*) of the Notes to the Annual Consolidated Financial Statements 2020 of DAG and in Note 19 (*Legal proceedings*) of the Unaudited Interim Consolidated Financial Statements Q2 2021 incorporated by reference in this Prospectus.

**B. Amendments to the section commencing on page 171 of the Prospectus which is entitled "*Description of DAG*"**

**1. Amendments to the subsection commencing on page 171 of the Prospectus which is entitled "*2. Financial Information*"**

**a. The following subsection entitled "*(ii) Financial Information Relating to the First Half Year of the Financial Year 2021 of DAG*" shall be added to the end of the subsection commencing on page 174 of the Prospectus which is entitled "*b. Group Interim Financial Information*":**

**(ii) Financial Information Relating to the First Half Year of the Financial Year 2021 of DAG**

The Group interim financial information set out below has been extracted from the unaudited but reviewed interim consolidated financial statements of DAG as of and for the first half year ended June 30, 2021 (consisting of consolidated statement of income/loss Q2, consolidated statement of income/loss Q1-2, consolidated statement of comprehensive income/loss Q2, consolidated statement of comprehensive



income/loss Q1-2, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of changes in equity and the notes to the interim consolidated financial statements as set out in the interim report (*Zwischenbericht*) in relation to the first half year ended June 30, 2021 (the "**Interim Report Q2 2021**") (the "**Unaudited Interim Consolidated Financial Statements Q2 2021**").

Such Unaudited Interim Consolidated Financial Statements Q2 2021 are incorporated by reference into this Prospectus.

The Group interim financial information set out below should be read and analyzed together with the section entitled "*Notes to the Interim Consolidated Financial Statements*" as set out in the Interim Report Q2 2021. The accompanying notes are an integral part of the Unaudited Interim Consolidated Financial Statements Q2 2021.

### **Selected Financial Information**

#### **Consolidated**

**January 1, 2021  
to June 30, 2021**      **January 1, 2020  
to June 30, 2020**

(in millions of €)

<b>Profit/loss before income taxes</b>	<b>10,771</b>	<b>-1,202</b>
<b>Net profit/loss</b>	<b>8,077</b>	<b>-1,738</b>

#### **Consolidated**

**Q1-2 2021**      **Q1-2 2020**

(in millions of €)

<b>Cash provided by operating activities</b>	<b>11,922</b>	<b>8,401</b>
<b>Cash used for investing activities</b>	<b>-2,094</b>	<b>-2,769</b>
<b>Cash used for financing activities</b>	<b>-7,087</b>	<b>-2,381</b>

#### **Consolidated**

**As of June  
30, 2021**      **As of December  
31, 2020**

(in millions of €)

<b>Equity attributable to shareholders of Daimler AG</b>	<b>70,659</b>	<b>60,691</b>
Non-controlling interests	1,482	1,557
<b>Total non-current liabilities</b>	<b>116,416</b>	<b>123,680</b>
<b>Total current liabilities</b>	<b>104,175</b>	<b>99,809</b>
<b>Total equity and liabilities</b>	<b>292,732</b>	<b>285,737</b>

As of June 30, 2021	As of December 31, 2020
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(in millions of €)

**Additional Information on the Consolidated Financial Position**

Net financial debt (i.e. total non-current and current financing liabilities plus market valuation and currency hedges for financing liabilities, minus cash and cash equivalents and marketable debt securities and similar investments, each as shown in the Unaudited Interim Consolidated Financial Statements Q2 2021)

109,972	115,173
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The accompanying notes are an integral part of the Unaudited Interim Consolidated Financial Statements Q2 2021.

**b. The subsection commencing on page 177 of the Prospectus which is entitled "*c. Information Relating to Group Annual Financial Information and Group Interim Financial Information*" shall be replaced in its entirety as follows:**

**c. Information Relating to Group Annual Financial Information and Group Interim Financial Information**

**Accounting Policies**

The Annual Consolidated Financial Statements 2020 of DAG and the Annual Consolidated Financial Statements 2019 of DAG have been prepared in accordance with Section 315e of the German Commercial Code (*Handelsgesetzbuch*) and comply with the International Financial Reporting Standards ("**IFRS**") as adopted by the European Union.

The Unaudited Interim Consolidated Financial Statements Q1 2021 of DAG and the Unaudited Interim Consolidated Financial Statements Q2 2021 of DAG have been prepared in accordance with Section 115 of the German Securities Trading Act (*Wertpapierhandelsgesetz*; "**WpHG**") and International Accounting Standard ("**IAS**") 34 ("Interim Financial Reporting").

**Auditing of Historical Annual Financial Information**

The Annual Consolidated Financial Statements 2020 of DAG and the Annual Consolidated Financial Statements 2019 of DAG have been audited by KPMG in accordance with German Generally Accepted Accounting Standards, and in each case KPMG issued an unqualified auditor's report (*uneingeschränkter Bestätigungsvermerk*) on each of the Annual Consolidated Financial Statements 2020 of DAG and the Annual Consolidated Financial Statements 2019 of DAG. The auditors have not performed any audit on any financial statements of DAG as of any date or for any period subsequent to December 31, 2020.

The Unaudited Interim Consolidated Financial Statements Q1 2021 of DAG and the Unaudited Interim Consolidated Financial Statements Q2 2021 of DAG have not been audited but have been reviewed by KPMG.

2. **The subsection on page 183 of the Prospectus which is entitled "5. Trend Information and Significant Change in Daimler's Financial Performance and Financial Position" shall be replaced in its entirety as follows:**

**5. Trend Information and Significant Change in Daimler's Financial Performance and Financial Position**

There has been no material adverse change in the prospects of DAG since the date of its last published audited financial statements as of December 31, 2020, and there has been no significant change in the financial performance and in the financial position of the Group since June 30, 2021, being the end of the last financial period for which financial information has been published by DAG.

3. **Amendments to the subsection commencing on page 190 of the Prospectus which is entitled "9. Financial Information Concerning DAG's Assets and Liabilities, Financial Position and Profit and Losses"**

a. **The subsection on page 190 of the Prospectus which is entitled "Historical Financial Information" shall be replaced in its entirety as follows:**

**Historical Financial Information**

The Annual Consolidated Financial Statements 2020 of DAG as set out in the DAG Annual Report 2020, the Annual Consolidated Financial Statements 2019 of DAG as set out in the DAG Annual Report 2019, the Unaudited Interim Consolidated Financial Statements Q1 2021 of DAG as set out in the Interim Report Q1 2021 and the Unaudited Interim Consolidated Financial Statements Q2 2021 of DAG as set out in the Interim Report Q2 2021 are incorporated by reference in this Prospectus.

b. **The subsection commencing on page 190 of the Prospectus which is entitled "Legal and Arbitration Proceedings" shall be replaced in its entirety as follows:**

**Legal and Arbitration Proceedings**

DAG and its subsidiaries are confronted with various court proceedings and claims as well as governmental investigations and orders (legal proceedings) on a large number of topics., including vehicle safety, emissions, fuel economy, financial services, dealer, supplier and other contractual relationships, intellectual property rights (including but not limited to patent infringement actions), warranty claims, environmental matters, antitrust matters (including actions for damages) as well as investor litigation. Product-related litigation involves claims alleging faults in vehicles. Some of these claims are asserted by way of class actions. If the outcome of such legal proceedings is detrimental to Daimler or such legal proceedings are settled, the Group may be required to pay substantial compensatory and punitive damages or to undertake service actions, recall campaigns, monetary penalties or other costly actions. Legal proceedings and related settlements may have an impact on the Group's reputation.

*Diesel emission behaviour: governmental proceedings*

Several authorities and institutions worldwide were, and still are, active in the form of inquiries, investigations, procedures and/or orders. These activities particularly relate to test results, the emission control systems used in Mercedes-Benz diesel vehicles and/or Daimler's interaction with the relevant authorities as well as related legal issues and implications, including, but not limited to, under applicable environmental, criminal, consumer protection and antitrust laws.

In the United States, DAG and Mercedes-Benz USA, LLC ("**MBUSA**") reached agreements in the third quarter of 2020 with various authorities to settle civil and environmental claims regarding the emission control systems of certain diesel vehicles which have become final and effective. The authorities take the position that Daimler failed to disclose Auxiliary Emission Control Devices ("**AECDs**") in certain of its US diesel vehicles and that several of these AECDS are illegal defeat devices. As part of these settlements, Daimler denies the allegations by the authorities and does not admit liability, but has agreed to, among other

things, pay civil penalties, conduct an emission modification programme for affected vehicles, and take other compliance measures. The failure to meet certain of those obligations may trigger additional stipulated penalties. Daimler paid the civil penalties, provisions have been recognized for the emission modification programme and other measures.

In April 2016, the U.S. Department of Justice ("**DOJ**") requested that Daimler conduct an internal investigation. While Daimler has conducted such internal investigation as part of the DOJ's investigation, the DOJ's investigation remains open. In addition, further US state authorities have recently opened investigations pursuant to both state environmental and consumer protection laws and have requested documents and information. In Canada, the Canadian environmental regulator Environment and Climate Change Canada ("**ECCC**") is conducting an investigation in connection with Diesel exhaust emissions based on the suspicion of potential violations of the Canadian Environmental Protection Act, as well as undisclosed AECDS and defeat devices. Daimler continues to cooperate with the investigating authorities.

In Germany, the Stuttgart public prosecutor's office issued a fine notice against Daimler in September 2019 based on a negligent violation of supervisory duties which has become legally binding, thereby concluding the related administrative offense proceedings against Daimler. The Stuttgart public prosecutor's office is still conducting criminal investigation proceedings against Daimler employees on the suspicion of fraud and criminal advertising.

Since 2018, the German Federal Motor Transport Authority ("**KBA**") has repeatedly issued subsequent auxiliary provisions for the EC type approvals of certain Mercedes-Benz diesel vehicles, and has ordered mandatory recalls as well as, in some cases, stops of the first registration. In each of those cases, it held that certain calibrations of specified functionalities in certain Mercedes-Benz diesel vehicles are to be qualified as impermissible defeat devices. Daimler has a contrary legal opinion on this question. Since 2018, however, Daimler has (in view of the KBA's interpretation of the law as a precautionary measure) implemented a temporary delivery and registration stop with respect to certain models, also covering the used car, leasing and financing businesses, and is constantly reviewing whether it can lift this delivery and registration stop in whole or in part. Daimler has filed timely objections against the KBA's administrative orders mentioned above. In early 2021, the KBA issued objection orders ("*Widerspruchsbescheide*") in these proceedings, thereby not following the arguments brought forward by Daimler. Since Daimler still does have a different understanding of the relevant legal provisions, it filed lawsuits with the competent administrative court to have the controversial questions at issue clarified in a court of law. Irrespective of such objections and the lawsuits that are now pending, Daimler continues to cooperate fully with the KBA. The new calibrations requested by the KBA are being processed, and for the majority of the vehicles, the relevant software has already been approved by the KBA; the related recalls have insofar been initiated. It cannot be ruled out that under certain circumstances, software updates may have to be reworked, or further delivery and registration stops may be ordered or resolved by Daimler as a precautionary measure, also with regard to the used car, leasing and financing businesses. In the course of its regular market supervision, the KBA is routinely conducting further reviews of Mercedes-Benz vehicles and is asking questions about technical elements of the vehicles. In addition, Daimler continues to be in a dialogue with the German Ministry for Transport and Digital Infrastructure (BMVI) to conclude the analysis of the diesel-related emissions matter and to further the update of affected customer vehicles. In light of the aforementioned administrative orders issued by the KBA and continued discussions with the KBA and the BMVI, it cannot be ruled out completely that additional administrative orders may be issued in the course of the ongoing and/or further investigations. Since September 1, 2020, this also applies to other responsible authorities of other Member States and the European Commission which conduct market surveillance under the new European Type Approval Regulation and can take measures upon assumed non-compliance, irrespective of the place of the original type approval.

In the course of its formal investigation into possible collusion on clean emission technology, the European Commission sent a statement of objections to Daimler and other automobile manufacturers in April 2019. In this context, DAG filed an application for immunity from fines (leniency application) with the European Commission some time ago. On July 8, 2021, the proceedings were closed by way of a settlement with the European Commission. During the entire proceedings, DAG cooperated closely with the European Commission, and the European Commission has granted DAG complete immunity from fines.

In addition to the above-mentioned authorities, national cartel authorities and other authorities of various foreign States, the South Korean Ministry of Environment, the South Korean competition authority (Korea Fair Trade Commission) and the Seoul public prosecutor's office (South Korea) are conducting various investigations and/or procedures in connection with Diesel exhaust emissions.

Daimler continues to fully cooperate with the authorities and institutions.

*Diesel emission behaviour: consumer actions and other lawsuits in the United States, Canada, Germany and other states*

In a consolidated class action against DAG and MBUSA before the US District Court for New Jersey, plaintiffs alleged that DAG and MBUSA used devices that impermissibly impair the effectiveness of emission control systems in reducing nitrogen-oxide (NO<sub>x</sub>) emissions and which cause excessive emissions from vehicles with diesel engines. In addition, plaintiffs alleged that consumers were deliberately deceived in connection with the advertising of Mercedes-Benz diesel vehicles.

In the third quarter of 2020, DAG and MBUSA reached a settlement with plaintiffs' counsel of this consumer class action. As part of the settlement, DAG and MBUSA deny the material factual allegations and legal claims asserted by the class action plaintiffs, but have agreed to provide payments to certain current and former diesel vehicle owners and lessees. On July 12, 2021, the final approval order for the settlement was issued. Objections to the order can still be raised.

The estimated cost of the class action settlement is approximately USD 700 million. In addition, Daimler estimates further expenses of a mid three-digit-million euro amount to fulfill requirements of this settlement and the aforementioned settlements with the US authorities. Provisions have been recognized accordingly.

A consumer class action making similar allegations and seeking similar remedies as to vehicles sold or leased in Canada was filed against DAG and other Group companies in Ontario in April 2016. In June 2017, the court granted a procedural motion to certify certain issues for class treatment. Litigation is still ongoing.

In a separate lawsuit filed by the State of Arizona in January 2019, the plaintiff claims that, among others, DAG and MBUSA deliberately deceived consumers in connection with advertising Mercedes-Benz diesel vehicles. Consumer class actions containing similar allegations were filed against DAG and further Group companies in the United Kingdom since May 2020 as well as against DAG in Israel in February 2019. In a separate lawsuit filed by the Environmental Protection Commission of Hillsborough County, Florida in September 2020, the plaintiff claims that, among others, DAG and MBUSA violated municipal regulations prohibiting vehicle tampering and other conduct by using alleged devices claimed to impair the effectiveness of emissions control systems.

In Germany, a large number of customers of diesel vehicles have filed lawsuits for damages or rescission of sales contracts. They assert that the vehicles contained illegal defeat devices and/or showed impermissibly high emission or consumption values. They refer to, in particular, the KBA's recall orders mentioned in the subsection set out above and entitled "*Diesel emission behavior: governmental proceedings*". Given the current development of case numbers, Daimler expects a continued high number of lawsuits being filed in this respect. In this context, the Federation of German Consumer Organisations (*Verbraucherzentrale Bundesverband e.V.*) filed a model declaratory action (*Musterfeststellungsklage*) against DAG with the Stuttgart Higher Regional Court on July 7, 2021. Such action seeks a ruling that certain preconditions of alleged consumer claims are met. Daimler has not yet received the statement of claim.

Furthermore, a class action against DAG and other Group companies was filed in the Netherlands on June 23, 2020. The class action makes allegations comparable to the aforementioned US and Canadian class actions relating to all Euro 5 and 6 diesel vehicles sold in the EU between 2009 and 2019. The plaintiff, a foundation under the laws of the Netherlands, is representing Dutch claimants and seeks certification of an opt-out Netherlands class (Dutch claimants are participating in the class action by law). In the course of the proceedings, other claimants who bought such vehicles in the EU market have the option to declare participation in the class action (opt-in). Furthermore, the plaintiff is seeking declarations of law concerning

the customers' entitlement to nullify or rescind their vehicle purchase contracts, to demand replacement of their vehicles and/or to demand damages.

After the extension of the deadline granted by court, two further foundations filed statements of claim in court on December 30, 2020. The court has now to determine the lead plaintiff.

In Germany, a multitude of lawsuits by investors alleging the violation of disclosure requirements is pending against Daimler. In addition, some investors have raised out-of-court claims for damages. The investors contend that DAG did not immediately disclose inside information in connection with the emission behaviour of its diesel vehicles and that it had made false and misleading public statements. They further claim that the purchase price of the financial instruments acquired by them (in particular DAG shares) would have been lower if DAG had correctly complied with its disclosure duties. In January 2021, the Stuttgart Regional Court (*Landgericht*) issued in this context an order for reference (*Vorlagebeschluss*) to initiate model proceedings in accordance with the Act on Model Proceedings in Capital Markets Disputes (KapMuG) before the Stuttgart Higher Regional Court (*Oberlandesgericht*).

#### *Accounting assessment of the legal proceedings in connection with diesel emission behaviour*

With respect to the legal proceedings described in the two preceding chapters, in accordance with IAS 37.92 no further information is disclosed with respect to whether, or to what extent, provisions have been recognized and/or contingent liabilities have been disclosed, so as not to prejudice Daimler's position. For recognized provisions, this does not apply to the extent any settlement has been reached or any proceeding has been concluded. A contingent liability from the class actions in the Netherlands cannot currently be measured.

#### *Antitrust law proceedings (including actions for damages)*

Starting in July 2017, a number of class actions were filed in the United States and Canada against DAG and other manufacturers of automobiles as well as various of their North American subsidiaries. Plaintiffs allege to have suffered damages because defendants engaged in anticompetitive behaviour relating to vehicle technology, costs, suppliers, markets, and other competitive attributes, including diesel emissions control technology, since the 1990s. All pending US class actions were centralized in one proceeding by the Judicial Panel on multidistrict litigation and transferred to the US District Court for the Northern District of California. In 2018, plaintiffs in the US antitrust class action amended and consolidated their complaints into two pleadings, one on behalf of consumers and the other on behalf of dealers.

On October 23, 2020, the court granted motions to dismiss the complaints in their entirety, with prejudice, ending the litigation in the US district court. Plaintiffs have appealed the dismissal.

In the course of its formal investigation into possible collusion on clean emission technology the European Commission sent a statement of objections to Daimler and other automobile manufacturers in April 2019. In this context, DAG filed an application for immunity from fines (leniency application) with the European Commission some time ago. On July 8, 2021, the proceedings were closed by way of a settlement with the European Commission. During the entire proceedings, DAG cooperated closely with the European Commission, and the European Commission has granted DAG complete immunity from fines.

Following the settlement decision by the European Commission adopted on July 19, 2016, concluding the trucks antitrust proceedings, DAG and Daimler Truck AG are facing customers' claims for damages to a considerable degree. Respective legal actions, class actions and other forms of legal redress have been initiated in various states in and outside of Europe and should further be expected. Daimler is taking appropriate legal remedies to defend itself. In accordance with IAS 37.92, no further information is disclosed with respect to whether, or to what extent, provisions have been recognized and/or contingent liabilities have been disclosed, so as not to prejudice DAG's position.

### *Class-action lawsuits Takata airbag inflators*

Class actions in connection with Takata airbags are pending in Canada, the United States, Israel and Argentina. The lawsuits are based on the allegation that, along with Takata entities and many other companies that sold vehicles equipped with Takata airbag inflators, Daimler entities and others were allegedly negligent in selling such vehicles, purportedly not recalling them quickly enough, and failing to warn consumers about a potential defect and/or to provide an adequate replacement airbag inflator. One of the complaints in the United States also asserts claims by automotive recyclers who allege injury because they are not able to re-sell salvaged airbag inflators that are subject to the Takata recall. Contingent liabilities were disclosed to a low extent for this topic.

### *Accounting estimates and management judgments relating to all legal proceedings*

The Group recognizes provisions in connection with pending or threatened proceedings to the extent a loss is probable and can be reasonably estimated. Such provisions are recognized in the Group's consolidated financial statements and are based on estimates. If quantifiable, contingent liabilities in connection with legal proceedings are disclosed in the Group's consolidated financial statements. Risks resulting from legal proceedings sometimes cannot be assessed reliably or only to a limited extent. Consequently, provisions recognized for some legal proceedings may turn out to be insufficient once such proceedings have ended. The Group may also become liable for payments in legal proceedings for which no provisions were recognized and/or contingent liabilities were disclosed. Uncertainty exists with regard to the amounts or due dates of possible cash outflows.

### *Further information on legal proceedings*

Further information on legal proceedings is provided in Note 23 (*Provisions for other risks*), Note 30 (*Legal proceedings*) and Note 31 (*Contingent liabilities and other financial obligations*) of the Notes to the Annual Consolidated Financial Statements 2020 of DAG and in Note 19 (*Legal proceedings*) of the Unaudited Interim Consolidated Financial Statements Q2 2021 incorporated by reference in this Prospectus.

#### **4. The subsection commencing on page 195 of the Prospectus which is entitled "12. Ratings" shall be replaced in its entirety as follows:**

##### **12. Ratings**

DAG has received the following short-term and long-term ratings from DBRS Ratings GmbH ("**DBRS**"), Fitch Ratings Ireland Limited ("**Fitch**"), Moody's Deutschland GmbH ("**Moody's**"), Scope Ratings GmbH ("**Scope**") and S&P Global Ratings Europe Limited ("**Standard & Poor's**").

##### **Short-term ratings:**

DBRS: R-2 (high)

Fitch: F-1

Moody's: P-2

Scope: S-1

Standard & Poor's: A-2

**Long-term ratings:**

DBRS: BBB (high); outlook stable

Fitch: BBB+; outlook positive

Moody's: A3; outlook stable

Scope: A; outlook stable

Standard & Poor's: A-; outlook stable

For the purposes of DBRS ratings, an R-2 (high) rating means upper end of adequate credit quality. The capacity for the payment of short-term financial obligations as they fall due is acceptable. May be vulnerable to future events. A BBB (high) rating means adequate credit quality. The capacity for the payment of financial obligations is considered acceptable. May be vulnerable to future events. All long-term rating categories other than AAA and D also contain subcategories "(high)" and "(low)". The absence of either a "(high)" or "(low)" designation indicates the rating is in the middle of the category. Rating trends provide guidance in respect of DBRS's opinion regarding the outlook for the rating in question, with rating trends falling into one of three categories - "Positive", "Stable" or "Negative". The rating trend indicates the direction in which DBRS considers the rating is headed should present tendencies continue, or in some cases, unless challenges are addressed. In general, the DBRS view is based primarily on an evaluation of the entity itself, but may also include consideration of the outlook for the industry or industries in which the entity operates.

For the purposes of Fitch ratings, an F-1 rating means the strongest intrinsic capacity for timely payment of financial commitments. A BBB' rating indicates that expectations of default risk are currently low. The capacity for payment of financial commitments is considered adequate, but adverse business or economic conditions are more likely to impair this capacity. The modifiers "+" or "-" may be appended to a rating to denote relative status within major rating categories. Rating outlooks indicate the direction a rating is likely to move over a one- to two-year period. They reflect financial or other trends that have not yet reached the level that would trigger a rating action, but which may do so if such trends continue.

For the purposes of Moody's ratings, a P-2 rating means that an issuer has a strong ability to repay short-term debt obligations. An A rating means that an obligation is judged to be upper-medium grade and is subject to low credit risk. Moody's appends numerical modifiers 1, 2 and 3 to each generic rating classification from Aa through Caa. The modifier 3 indicates a ranking in the lower range of that generic rating category. A Moody's rating outlook is an opinion regarding the likely direction of an issuer's rating over the medium term. Where assigned, rating outlooks fall into the following four categories: Positive, Negative, Stable, and Developing. A stable outlook indicates a low likelihood of a rating change over the medium term. A negative, positive or developing outlook indicates a higher likelihood of a rating change over the medium term. A rating committee that assigns an outlook of stable, negative, positive, or developing to an issuer's rating is also indicating its belief that the issuer's credit profile is consistent with the relevant rating level at that point in time. Moody's uses the watchlist to indicate that a rating is under review for possible change in the short-term. A rating can be placed on review for possible upgrade, on review for possible downgrade, or more rarely with direction uncertain. A credit is removed from the watchlist when the rating is upgraded, downgraded or confirmed.

For the purposes of Scope ratings, an S-1 rating reflects an opinion of very low credit risk with high capacity to repay short-term obligations. An A rating reflects an opinion of strong credit quality. Scope's long-term ratings are expressed with symbols from 'AAA to D', with '+' and '-' as additional sub-categories for each category from 'AA' to 'B' (inclusive), that is, 20 levels in total. A rating can be accompanied by a rating outlook, which can be 'Stable', 'Positive' or 'Negative'. The 'Positive' and 'Negative' outlooks normally refer to a time period of 12-18 months. These outlooks do not necessarily signal that rating upgrades or downgrades, respectively, will automatically follow.



For the purposes of Standard & Poor's ratings, an A-2 rating means that an obligor has satisfactory capacity to meet its financial commitments but is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligors in the higher-rated categories. An A rating means that an obligor has strong capacity to meet its financial commitments but is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligors in higher-rated categories. The ratings from "AA" to "CCC" may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories. A Standard & Poor's rating outlook assesses the potential direction of a long-term credit rating over the intermediate term (typically six months to two years). In determining a rating outlook, consideration is given to any changes in the economic and/or fundamental business conditions. An outlook is not necessarily a precursor of a rating change or future CreditWatch action. Stable means that a rating is not likely to change.

In case Notes to be issued by DAG under the Programme will be rated such ratings and any explanations of the meanings of such ratings published by the rating agencies will be set out in the relevant Final Terms.

DBRS has been registered (pursuant to the list of registered and certified credit rating agencies published on the website of the European Securities and Markets Authority ([www.esma.europa.eu](http://www.esma.europa.eu))) pursuant to Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of September 16, 2009, as amended.

Fitch has been established in the European Union and has been registered (pursuant to the list of registered and certified credit rating agencies, published on the website of the European Securities and Markets Authority ([www.esma.europa.eu](http://www.esma.europa.eu))) pursuant to Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of September 16, 2009, as amended.

Moody's has been established in the European Union and has been registered (pursuant to the list of registered and certified credit rating agencies published on the website of the European Securities and Markets Authority ([www.esma.europa.eu](http://www.esma.europa.eu))) pursuant to Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of September 16, 2009, as amended.

Scope has been established in the European Union and has been registered (pursuant to the list of registered and certified credit rating agencies published on the website of the European Securities and Markets Authority ([www.esma.europa.eu](http://www.esma.europa.eu))) pursuant to Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of September 16, 2009, as amended.

Standard & Poor's has been established in the European Union and has been registered (pursuant to the list of registered and certified credit rating agencies published on the website of the European Securities and Markets Authority ([www.esma.europa.eu](http://www.esma.europa.eu))) pursuant to Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of September 16, 2009, as amended.

**5. The subsection commencing on page 197 of the Prospectus which is entitled "*13. Recent Developments*" shall be replaced in its entirety as follows:**

### **13. Recent Developments**

#### **Recent Developments – General**

On February 23, 2021, Daimler Truck AG and the US engine manufacturer Cummins Inc. announced the signing of a memorandum of understanding concerning a global strategic partnership for medium-duty engines. As part of the planned strategic partnership, Cummins will invest in the further development of the medium-duty engine platform and its global production and supply for Daimler Trucks & Buses as of the second half of this decade.

On March 1, 2021, Daimler Truck AG and Volvo Group established their previously announced joint venture for fuel cells. To this end, Volvo Group acquired a 50% interest in the existing company Daimler Truck Fuel Cell GmbH & Co. KG for approximately €0.6 billion. The two partners aim for the joint venture to become one of the world's leading fuel-cell producers, thus helping to achieve climate-neutral and

sustainable transport by the year 2050. Daimler Truck AG and Volvo Group have agreed to rename the company as cellcentric GmbH & Co. KG.

Mercedes-Benz is consistently preparing its Mercedes-Benz Drive Systems business unit and the Stuttgart-Untertürkheim plant in order to implement the project/programme "Electric First" in the context of "Ambition 2039" – DAG's path to CO<sub>2</sub> neutrality. Mercedes-Benz is thus underpinning the new strategy it presented in October 2020. After intensive negotiations, the management and works council of the Mercedes-Benz plant in Untertürkheim agreed to invest a Euro three-digit-million amount in the transformation of Untertürkheim into the future Mercedes-Benz Drive Systems Campus. The largest plant in the global powertrain production network will focus on drive-system research, development and start of production. A new factory for the small-series production of future lithium-ion battery cells and a dedicated battery safety lab will complement Mercedes-Benz's existing research and development activities in the field of battery technology.

BMW Group and Daimler Mobility AG announced on March 9, 2021 that they plan to sell their PARK NOW Group joint venture to EasyPark Group. The transaction is subject to the approval of the responsible authorities. PARK NOW is the provider of digital parking services within the two companies' YOUR NOW joint-venture group, which includes services for car sharing (SHARE NOW), ride hailing and route planning (FREE NOW & REACH NOW) and electric vehicle battery charging (CHARGE NOW) in Europe and the Americas. The internationally active company EasyPark, which has twenty years of experience in the parking business, has announced its intention to take over PARK NOW and further expand its activities as part of its global growth strategy.

On April 26, 2021, in preparation for its planned spin-off from DAG, Daimler Truck AG announced the composition of its new Board of Management and a series of significant organisational changes which took effect on July 1, 2021. To accelerate the pace of technological development and better serve the needs of its customers in each region, Daimler Truck AG has decided to realign its business structure. This means that its operating units and brands, which are globally active in the most important sales regions of North America (Freightliner, Western Star and Thomas Built Buses), Europe, Latin America (Mercedes-Benz Trucks) and Asia (FUSO and BharatBenz), will be given more entrepreneurial freedom and scope for independent action. In view of the acceleration towards CO<sub>2</sub>-neutral transportation and the rapid development of software and connectivity, Daimler Truck AG is bringing together all of its major technology and powertrain activities into one division, the Truck Technology Group.

On April 29, 2021, Daimler Truck AG and Volvo Group presented the strategy for cellcentric, their new fuel-cell joint venture. The companies have emphasised their commitment to the use of hydrogenbased fuel cells in long-haul trucks and other applications. Cellcentric plans to build one of the largest factories for series-produced fuel-cell systems in Europe. The start of production is planned for 2025.

As announced on May 24, 2021, Mercedes-Benz is the first car manufacturer to acquire an equity interest in the Swedish start-up H2 Green Steel ("**H2GS**"), in order to use CO<sub>2</sub>-free steel in series production. Together with its steel suppliers, Mercedes-Benz is pursuing the goal of a green supply chain for steel and is focusing on avoiding and reducing CO<sub>2</sub> emissions rather than making use of CO<sub>2</sub> compensation. The partnership with H2GS is a further consistent step towards CO<sub>2</sub> neutrality. With its Ambition 2039 strategy, Mercedes-Benz aims to achieve a fully connected and CO<sub>2</sub>-neutral fleet of vehicles by 2039.

On July 21, 2021, Daimler announced that Wilfried Porth will step down from his position as member of the Board of Management for Human Resources and Director of Labor Relations of DAG in December 2021. In connection with Wilfried Porth's departure, the Supervisory Board of DAG appointed Sabine Kohleisen as his successor as member of the Board of Management for Human Resources and Director of Labor Relations of DAG.

On July 22, 2021, Mercedes-Benz updated its strategy and announced that it is getting ready to go all electric by the end of the decade, where market conditions allow. Mercedes-Benz will have battery electric vehicles (BEV) in all segments Mercedes-Benz serves by 2022. From 2025 onwards, all newly launched vehicle architectures will be electric-only. To facilitate this shift, Mercedes-Benz is unveiling a comprehensive plan,

which includes significantly accelerating research and development, including significant investments into battery electric vehicles between 2022 and 2030.

### **Recent Developments – Spin-Off of Daimler Truck**

On February 3, 2021, Daimler's Supervisory Board and Board of Management decided to evaluate the spin-off of the truck and bus business and to start preparations for an initial public offering of shares in Daimler Trucks & Buses including significant parts (but less than a majority) of the assets and liabilities of the Daimler Mobility division (together, "**Daimler Truck**").

On August 17, 2021, DAG published the convocation (invitation) for the extraordinary general meeting, to be held on October 1, 2021 (the "**Extraordinary General Meeting**") which is supposed to approve the spin-off and hive-down of Daimler Truck. This transaction includes: (i) the spin-off of a majority interest of 65.00 % in the (increased) share capital of Daimler Truck AG as well as of the control and profit and loss transfer agreement existing between DAG and Daimler Truck AG to Daimler Truck Holding AG, as a result of which the shareholders of DAG will receive shares of Daimler Truck Holding AG in addition to their DAG shares; (ii) the hive-down by DAG of shares in Daimler Truck AG to Daimler Truck Holding AG against the issuance of new shares in Daimler Truck Holding AG to DAG; and (iii) the contribution by Daimler Verwaltungsgesellschaft für Grundbesitz mbH ("**Daimler Grund**") of its shares in Daimler Truck AG (received as consideration for contributing several real estate management partnerships which are attributable to the Trucks & Buses division into Daimler Truck Holding AG), immediately in connection with the spin-off and hive-down.

Upon the implementation of the three aforementioned steps, DAG will hold 35.00 % in the share capital of Daimler Truck Holding AG, thereof 28.43 % directly (as a consequence of the spin-off as per step (i)) and 6.57 % indirectly, via Daimler Grund (as a consequence of the contribution in kind as per step (iii)), with the remaining 65.00 % being held by the existing shareholders of DAG in addition to their unchanged shareholding in DAG. Out of its shareholding, DAG intends to transfer a shareholding in Daimler Truck Holding AG in the amount of 5 % to Daimler Pension Trust e.V. Both the spin-off and the hive-down will become effective upon registration in the commercial register of DAG. Upon entry in the commercial register of DAG, the assets covered by the spin-off and hive-down will be transferred to Daimler Truck Holding AG in their entirety.

As agreed between DAG and Daimler Truck Holding AG in the Demerger Agreement (as defined below), the transfer of the assets to be spun off and hived down is made with effect as of January 1, 2021, 0:00 a.m. CET, which date may be, however, subject to postponement.

The basis of the spin-off and hive-down is the spin-off and hive-down agreement dated August 6, 2021 and concluded between DAG and Daimler Truck Holding AG, which is subject to approval by the aforementioned Extraordinary General Meeting of DAG (the "**Demerger Agreement**"). In connection with the Extraordinary General Meeting, DAG published the joint spin-off and hive-down report of the board of management of DAG and the board of management of Daimler Truck Holding AG (the "**Demerger Report**") as well as the Demerger Agreement.

Immediately upon the consummation of the Demerger Agreement, all shares of Daimler Truck Holding AG are to be admitted for trading on the regulated market of the Frankfurt Stock Exchange and additionally on the sub-segment of the regulated market of the Frankfurt Stock Exchange with additional post-admission obligations (Prime Standard).

The Demerger Report contains, *inter alia*, the following sections:

#### *Financing*

In preparation for the spin-off, the financial liabilities existing towards DAG and companies of the future Daimler Group (the Daimler Group without the companies of the Future Daimler Truck Group (as defined below) hereinafter referred to as the "**Future Daimler Group**") will be settled by Daimler Truck AG and the companies of the future Daimler Truck Group (Daimler Truck Holding AG with its direct and indirect

subsidiaries existing after the spin-off hereinafter referred to as the "**Future Daimler Truck Group**") and, if necessary, replaced by external financing or financing within the Future Daimler Truck Group. The financial claims of Daimler Truck AG and the companies of the Future Daimler Truck Group against DAG and the companies of the Future Daimler Group are also to be settled, expectedly, until the spin-off takes effect.

#### *Separation of Group-Wide Securities and Guarantees*

For the separation of the commercial vehicles business, Daimler Group's suretyships, guarantees, letters of comfort and other declarations of indemnity (hereinafter collectively referred to as "**Guarantees**") are to be replaced by new and essentially equivalent guarantees issued by the companies of the Future Daimler Truck Group. With respect to the financial guarantees, DAG's global Guarantees and the individual financial Guarantees of DAG will be replaced by corresponding global guarantees or individual guarantees of Daimler Truck AG and Daimler Truck Holding AG, who will be jointly and severally liable thereunder. As of the spin-off taking effect, no new financial guarantees and operational guarantees will be issued by DAG or the companies of the Future Daimler Group to secure obligations of the companies of the Future Daimler Truck Group.

#### *Deconsolidation*

Due to the (direct and indirect) minority shareholding of DAG in Daimler Truck Holding AG of 35.00 %, it cannot be excluded that DAG (directly and indirectly) will have a majority presence in the shareholders' meeting of Daimler Truck Holding AG. In order to ensure the independence of Daimler Truck Holding AG, DAG and Daimler Grund, on the one hand, and Daimler Truck Holding AG, on the other hand, have entered into a deconsolidation agreement on August 6, 2021. This ensures that Daimler Truck Holding AG can operate in the market as an independent company and also be perceived as such.

#### *Mercedes Brand*

It is planned to rename Daimler AG to "Mercedes-Benz Group AG". The approval of the necessary amendment to the Articles of Incorporation of DAG is also to be obtained at the Extraordinary General Meeting. The renaming of DAG to "Mercedes-Benz Group AG" is to take effect as of February 1, 2022, provided that the spin-off has taken effect until then.

#### **C. Amendments to the section commencing on page 199 of the Prospectus which is entitled "*Description of MBAP*"**

**The subsection on page 204 of the Prospectus which is entitled "*5. Trend Information and Significant Change in MBAP's Financial Performance and Financial Position*" shall be replaced in its entirety as follows:**

##### **5. Trend Information and Significant Change in MBAP's Financial Performance and Financial Position**

There has been no material adverse change in the prospects of MBAP since the date of its last published audited financial statements as of December 31, 2020 and there has been no significant change in the financial performance and in the financial position of MBAP since December 31, 2020, being the end of the last financial period for which financial information has been published by MBAP.

#### **D. Amendments to the section commencing on page 207 of the Prospectus which is entitled "*Description of DIF*"**

**The subsection on page 210 of the Prospectus which is entitled "*5. Trend Information and Significant Change in DIF's Financial Performance and Financial Position*" shall be replaced in its entirety as follows:**

**5. Trend Information and Significant Change in DIF's Financial Performance and Financial Position**

There has been no material adverse change in the prospects of DIF since the date of its last published audited financial statements as of December 31, 2020, and there has been no significant change in the financial performance and in the financial position of DIF since December 31, 2020, being the end of the last financial period for which financial information has been published by DIF.

**E. Amendments to the section commencing on page 214 of the Prospectus which is entitled "*Description of DCFI*"**

**The subsection commencing on page 217 of the Prospectus which is entitled "*5. Trend Information and Significant Change in DCFI's Financial Performance and Financial Position*" shall be replaced in its entirety as follows:**

**5. Trend Information and Significant Change in DCFI's Financial Performance and Financial Position**

There has been no material adverse change in the prospects of DCFI since the date of its last published audited financial statements as of December 31, 2020, and there has been no significant change in the financial performance and in the financial position of DCFI since December 31, 2020, being the end of the last financial period for which financial information has been published by DCFI.

**F. Amendments to the section commencing on page 222 of the Prospectus which is entitled "*Description of DFNA*"**

**1. The fourth paragraph of the subsection commencing on page 222 of the Prospectus which is entitled "*2. Financial Information*" shall be replaced in its entirety as follows:**

Copies of each of the Amended DFNA Annual Report 2020 and the Amended DFNA Annual Report 2019 will be available at and will be obtainable, free of charge, from DFNA (35555 W. 12 Mile Road, Suite 100, Farmington Hills, Michigan 48331, USA).

**2. The subsection commencing on page 225 of the Prospectus which is entitled "*5. Trend Information and Significant Change in DFNA's Financial Performance and Financial Position*" shall be replaced in its entirety as follows:**

**5. Trend Information and Significant Change in DFNA's Financial Performance and Financial Position**

There has been no material adverse change in the prospects of DFNA since the date of its last published audited financial statements as of December 31, 2020, and there has been no significant change in the financial performance and in the financial position of DFNA since December 31, 2020, being the end of the last financial period for which financial information has been published by DFNA.

**G. Amendments to the section commencing on page 230 of the Prospectus which is entitled "*Description of MBFJ*"**

**The subsection on page 233 of the Prospectus which is entitled "*5. Trend Information and Significant Change in MBFJ's Financial Performance and Financial Position*" shall be replaced in its entirety as follows:**

## 5. Trend Information and Significant Change in MBFJ's Financial Performance and Financial Position

There has been no material adverse change in the prospects of MBFJ since the date of its last published audited financial statements as of December 31, 2020, and there has been no significant change in the financial performance and in the financial position of MBFJ since December 31, 2020, being the end of the last financial period for which financial information has been published by MBFJ.

### H. Amendments to the section commencing on page 249 of the Prospectus which is entitled "*Documents Incorporated by Reference*"

On July 21, 2021, DAG published its "*Interim Report Q2 2021*", containing, *inter alia*, the unaudited but reviewed interim consolidated financial statements of DAG as of and for the first half year of the financial year 2021 of DAG ended on June 30, 2021 (the "**Interim Report Q2 2021**"). A copy of the Interim Report Q2 2021 has been filed with the *Commission de Surveillance du Secteur Financier*.

By virtue of this Supplement, the Interim Report Q2 2021 shall be incorporated by reference in, and form part of, the Prospectus to the extent set out below, provided that any information not specifically set out below, but included in the Interim Report Q2 2021 is either not relevant for an investor or is covered elsewhere in the Prospectus and shall therefore not be deemed to be included in the Prospectus. In this context, the following amendments shall be made to the section commencing on page 249 of the Prospectus which is entitled "*Documents Incorporated by Reference*".

**The following subsection "B.2" shall be added to the table commencing on page 249 of the Prospectus which is entitled "*Table of Documents Incorporated by Reference*" as follows:**

B.2 Interim Report Q2 2021 of DAG (containing the unaudited but reviewed interim consolidated financial statements in relation to the first half of the financial year 2021 of DAG ended on June 30, 2021 prepared in accordance with Section 115 of the WpHG and IAS 34 ("*Interim Financial Reporting*")), including

- Consolidated Statement of Income/Loss Q2	Page 32
- Consolidated Statement of Income/Loss Q1-Q2	Page 33
- Consolidated Statement of Comprehensive Income/Loss Q2	Page 34
- Consolidated Statement of Comprehensive Income/Loss Q1-Q2	Page 35
- Consolidated Statement of Financial Position	Page 36
- Consolidated Statement of Cash Flows	Page 37
- Consolidated Statement of Changes in Equity	Pages 38 – 39
- Notes to the Interim Consolidated Financial Statements	Pages 40 – 58
- Auditor's Review Report	Page 60

<http://dl.bourse.lu/dlp/10ec754d75f7904fe6aff9fda26baeab9>

**I. Amendments to the section commencing on page 256 of the Prospectus which is entitled "*General Information*"**

**Amendments to the subsection commencing on page 256 of the Prospectus which is entitled "*Documents Available for Inspection*"**

**Paragraph (v) on page 257 of the Prospectus shall be replaced in its entirety as follows:**

- (v) the constitutional documents of DFNA (including the articles of incorporation) will be available for inspection during normal business hours at DFNA (Daimler Finance North America LLC, 35555 W. 12 Mile Road, Suite 100, Farmington Hills, Michigan 48331, USA) and will be viewable on, and available from, the following website: [www.daimler.com/investors/refinancing/bonds/issuers-reports/north-america/](http://www.daimler.com/investors/refinancing/bonds/issuers-reports/north-america/); and

**J. Withdrawal Right**

Any investor who had already agreed to purchase or subscribe for any notes (the "**Notes**") to be issued by any of the Issuers before this Supplement was published may, if the Notes have not yet been delivered to the investor at the time when the significant new factor, material mistake or material inaccuracy arose or was noted, exercise any withdrawal right arising pursuant to Article 23 (2a) of the Prospectus Regulation or Article 30.2 of the Luxembourg Prospectus Act, respectively, as a result of the publication of this Supplement, on or before September 13, 2021. Such withdrawal, if any, does not have to be justified or substantiated. Any investor who wishes to exercise its right of withdrawal may contact

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Telephone: +49 711 17 96497  
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and in the case of Notes issued by Mercedes-Benz Finance Co., Ltd.

Mercedes-Benz Finance Co. Ltd.  
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In order to comply with the time limit set out above, punctual dispatch of the withdrawal is sufficient.