

**Supplement No. 2 dated December 22, 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. 2 (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 (i) the publication of the Interim Report Q3 2021 of Daimler on October 29, 2021, and (ii) the spin-off and hive-down of the truck and bus business

(including significant parts (but less than a majority) of the assets and liabilities of the Daimler Mobility division (together, "**Daimler Truck**") from Daimler's commercial vehicle business on December 9, 2021.

This Supplement is supplemental to, and should be read in conjunction with, the Prospectus (as supplemented by supplement no. 1 to the Prospectus dated September 8, 2021 (the "**Supplement No. 1**")) and all documents incorporated by reference in the Prospectus.

Copies of the Prospectus, any document incorporated by reference in the Prospectus, Supplement No. 1 and this Supplement will be published in electronic form on the website of the Luxembourg Stock Exchange (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. In 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*" (as amended by Supplement No. 1) the seventh paragraph shall be replaced in its entirety as follows:

In China, support measures to combat the consequences of the COVID-19 pandemic could exacerbate structural imbalances such as overcapacity, indebtedness and low productivity. From an economic perspective, above all the high indebtedness of Chinese companies, especially state-owned enterprises, also represents a considerable risk. If the government's expected efforts to scale back fiscal and monetary support measures lead to a more significant growth slowdown than expected, this could result in a significant increase in credit defaults, which would then lead to turbulences in the banking sector and the financial markets. The economic risks in China from the ongoing consolidation of the real-estate sector have also increased. If the current situation develops into a severe crisis for the real-estate sector and a subsequent financial crisis, this could have significant negative consequences for the economic growth and Chinese demand for cars and commercial vehicles. In particular, at the Mercedes-Benz Cars & Vans division, for which China is now one of the biggest sales markets, the aforementioned risks could result in significant negative effects on unit sales.

b. The subsection on page 15 of the Prospectus which is entitled "*Procurement Market Risks*" (as amended by Supplement No. 1) shall be replaced in its entirety as follows:

Procurement market risks arise for the automotive divisions in particular from fluctuations in prices of raw materials and energy. There are also risks of financial bottlenecks of suppliers, and of capacity bottlenecks caused by supplier delivery failures or by insufficient utilization of production capacities at suppliers.

Potential claims from suppliers due to the premature termination of development and production agreements by the Daimler Group may also lead to decreased earnings.

The automotive segments of the Daimler Group require certain raw materials for the manufacture of vehicle components and vehicles, which are purchased on the world market. The level of costs depends on the price development of raw materials. Due to largely unchanged macroeconomic conditions, price fluctuations are expected with uncertain and inconsistent trends. For example, raw-material markets can be impacted by political crises and uncertainties – combined with possible supply bottlenecks – as well as volatile demand for specific raw materials. Potential tariff increases for certain raw materials as a result of increasing protectionist tendencies worldwide can have a negative impact on price developments. In general, the ability to pass on the higher costs of commodities and other materials in form of higher prices for manufactured vehicles is limited because of strong competitive pressure in the international automotive markets. Rising raw-material prices may therefore have a negative impact on the margins on the vehicles sold and thus lead to lower earnings in the respective segment. Furthermore, there are increasing risks from inflationary tendencies, especially the sharp rise in energy prices. This development could affect private households' consumption behaviour as well as companies' investment activities, thus reducing demand for cars and commercial vehicles. Increased pressure on the cost side could be another consequence for Daimler.

The financial situation of some suppliers remains tense due to the downcast market environment. The resulting possible production losses at suppliers may cause an interruption in the supply chain of the Daimler Group's automotive segments and prevent vehicles from being completed and delivered to customers on time.

Due to the planned electrification of new model series and the better-than-expected recovery of demand for vehicles, Mercedes-Benz Cars & Vans in particular is faced with the risk that Daimler will require changed volumes of components from suppliers. This could result in over- or under-utilization of production capacities for certain suppliers, and thus lead to supply chain disruption. Uncertainties related to the COVID-19 pandemic may also lead to supply bottlenecks and thus production interruptions. If suppliers cannot cover their fixed costs, there is the risk that they may demand compensation payments. Necessary capacity expansion at suppliers' plants could also require cost-effective participation.

Risks for Daimler resulting from the disruption of global supply chains and in particular from the supply bottlenecks for electronic components and for other key components have increased in the fourth quarter of the year 2021 and will continue to have a considerable adverse impact on worldwide vehicle production and will thus reduce Daimler's unit sales.

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 and Separate Listing of Daimler Truck*" (as renamed and replaced by Supplement No. 1) shall be replaced in its entirety as follows:

Risks Resulting from the Proposed 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 an extraordinary general meeting of its shareholders, to be held on October 1, 2021 (the "**Extraordinary General Meeting**"). In this Extraordinary General Meeting, the shareholders of DAG approved the spin-off and hive-down of Daimler Truck from Daimler's commercial vehicle business and the subsequent listing of Daimler Truck Holding AG as an independent company on the Frankfurt Stock Exchange with 99.90 % of the capital stock represented for the

resolution, and the renaming of DAG as Mercedes-Benz Group AG effective as of February 1, 2022 with 99.89 % of the capital stock represented for the resolution. This transaction included: (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 received 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.

Following the implementation of the three aforementioned steps on December 9, 2021, DAG holds 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) above) and 6.57 % indirectly, via Daimler Grund (as a consequence of the contribution in kind as per step (iii) above), 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 of 5 % to Daimler Pension Trust e.V. Both the spin-off and the hive-down have become effective upon registration in the commercial register of DAG on December 9, 2021. Upon entry in the commercial register of DAG, the assets covered by the spin-off and hive-down have been or 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 was approved by the aforementioned Extraordinary General Meeting of DAG (the "**Demerger Agreement**").

As a consequence of the spin-off, the financial liabilities existing towards DAG and companies of the new Daimler Group (the Daimler Group without the companies of the New Daimler Truck Group (as defined below) hereinafter referred to as the "**New Daimler Group**") will be settled by Daimler Truck AG and the companies of the new Daimler Truck Group (Daimler Truck Holding AG with its direct and indirect subsidiaries existing after the spin-off hereinafter referred to as the "**New Daimler Truck Group**") and, if necessary, have been or will be replaced by external financing or financing within the New 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**") have been or will be replaced by new and essentially equivalent guarantees issued by the companies of the New Daimler Truck Group. With respect to the financial guarantees, DAG's global Guarantees and the individual financial Guarantees of DAG have been or 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 have been or will be issued by DAG or the companies of the New Daimler Group to secure obligations of the companies of the New Daimler Truck Group. However, to the extent that the existing Guarantees issued by the Daimler Group cannot be successfully replaced by the New Daimler Truck Group, there is a risk that the New 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 the New Daimler Group'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 New 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 should be considered separately in the future. The risk profile of the New 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 New Daimler Group's business model, which is more focused now that the spin-off has taken 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 spin-off of the commercial vehicles business, the synergies and economies of scale which existed pre-spin-off 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.

Following the separation, DAG will no longer be able to influence the structure of the compliance organisation in the New Daimler Truck Group to the same extent as before. Since the New Daimler Group and the New Daimler Truck Group will continue in part to use common brands this will create a certain reputational risk for the New 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 revenue and assets which have been or 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 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 or may not yield the benefits that are sufficient to justify those costs and associated risks.

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 21 of the Prospectus which is entitled "*Risk Factors Relating to DAG, MBAP, DIF, DCFI, DFNA and MBFJ – 3. Financial Risks*"

a. The second paragraph under the heading "*3. Financial Risks*" on page 21 of the Prospectus shall be replaced in its entirety as follows:

Further information on financial risks is provided in Note 33 (*Management of financial risks*) of the Notes to the Annual Consolidated Financial Statements 2020 of DAG, incorporated by reference in this Prospectus. Information on the Group's financial instruments is provided in Note 32 (*Financial instruments*) of the Notes to the Annual Consolidated Financial Statements 2020 of DAG and in Note 21 (*Financial instruments*) of the Notes to the Unaudited Interim Consolidated Financial Statements Q3 2021 of DAG, each incorporated by reference in this Prospectus.

- b. The second paragraph of the subsection commencing on page 22 of the Prospectus which is entitled "*Risks Relating to Pension Plans*" shall be replaced in its entirety as follows:**

Further information on the pension plans and their risks is provided in Note 22 (*Pensions and similar obligations*) of the Notes to the Annual Consolidated Financial Statements 2020 of DAG and in Note 17 (*Pensions and similar obligations*) of the Notes to the Unaudited Interim Consolidated Financial Statements Q3 2021 of DAG, each incorporated by reference in this Prospectus.

- c. The subsection on page 23 of the Prospectus which is entitled "*Risks from Changes in Credit Ratings*" shall be replaced in its entirety as follows:**

Daimler's creditworthiness is assessed by the rating agencies DBRS Ratings GmbH, Moody's Deutschland GmbH, Scope Ratings GmbH and S&P Global Ratings Europe Limited. Risks exist in connection with potential downgrades to credit ratings by the rating agencies, and thus to Daimler's creditworthiness. Downgrades could have a negative impact on the Group's financing if such a downgrade leads to an increase in the costs for external financing or restricts the Group's ability to obtain financing. A credit rating downgrade could also discourage investors from investing in DAG or notes to be issued by DAG or another Group company. A risk to the credit rating of the Daimler Group can also arise if the earnings and cash flows from the anticipated Group's growth cannot be realized.

- 4. 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*" (as replaced by Supplement No. 1) 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 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. Daimler conducted such internal investigation in cooperation with DOJ's investigation; the DOJ's investigation remains open. In addition, further US state authorities have 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, among others, the Canadian Environmental Protection Act as well as potential undisclosed AECs 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, among others, fraud. In June 2021, the Stuttgart public prosecutor's office applied for penal orders against three Daimler employees with the local court (*Amtsgericht*) of Böblingen based on, among others, fraud, which the court issued and which have become final.

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 continues to have a different understanding of the relevant legal provisions, it has 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 have meanwhile been developed, assessed and approved by the KBA; the related recalls have 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, and also to the British market surveillance authority DVSA (Driver and Vehicle Standards Agency).

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 in light of the fine notice issued by the Stuttgart public prosecutor's office against Daimler, the penal orders against Daimler employees and the civil settlements with the US authorities, as well as any ongoing and potential other information requests, inquiries, investigations, administrative or criminal orders and proceedings, it cannot be ruled out 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 public prosecutor's office, the penal orders against Daimler employees 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 public prosecutor's office, the penal orders against Daimler employees, 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*" (as replaced by Supplement No. 1) 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_x) 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. The relevant court has granted final approval of the settlement and issued a final judgment in the case. Appeals against the final judgment have not been submitted at this time.

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 the 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. In the fourth quarter of 2021, DAG and the other Group companies reached a settlement with plaintiffs' counsel of the consumer class action. As part of the settlement, DAG and the other Group companies 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. The settlement is subject to judicial approval.

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 to be 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 (*Oberlandesgericht*) on July 7, 2021. Such action seeks a ruling that certain preconditions of alleged consumer claims are met.

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 by 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 public prosecutor's office, the penal orders against Daimler employees and the civil settlements with the US authorities.

- c. **The following paragraph shall be added to the end of the subsection on page 27 of the Prospectus which is entitled "Risks from Other Legal Proceedings":**

On September 21, 2021, individual persons associated with the Environmental Action Germany (*Deutsche Umwelthilfe e.V.* ("DUH")) filed a lawsuit before the Stuttgart Regional Court (*Landgericht*) against Mercedes-Benz AG. According to public statements by DUH, these individuals claim injunctive relief, demanding that Mercedes-Benz AG refrains from distributing passenger cars with combustion engines after November 2030 and reduces its respective sales prior to this point in time. Mercedes-Benz AG has not yet been served with the lawsuit.

- d. **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" (as replaced by Supplement No. 1) 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 20 (*Legal proceedings*) of the Unaudited Interim Consolidated Financial Statements Q3 2021, each 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 which is entitled "(iii) Financial Information Relating to the First Nine Months 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":**

(iii) Financial Information Relating to the First Nine Months 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 nine months ended September 30, 2021 (consisting of consolidated statement of income Q3, consolidated statement of income Q1-3, consolidated statement of comprehensive income Q3, consolidated statement of comprehensive income/loss Q1-3, 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 nine months ended September 30, 2021 (the "**Interim Report Q3 2021**") (the "**Unaudited Interim Consolidated Financial Statements Q3 2021**").

Such Unaudited Interim Consolidated Financial Statements Q3 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 Q3 2021. The accompanying notes are an integral part of the Unaudited Interim Consolidated Financial Statements Q3 2021.

Selected Financial Information

Consolidated

January 1, 2021 to September 30, 2021 January 1, 2020 to September 30, 2020

(in millions of €)

Profit before income taxes of continuing and discontinued operations	14,312	1,830
Net profit	10,650	420

Consolidated

Q1-3 2021 Q1-3 2020

(in millions of €)

Cash provided by operating activities	20,472	17,268
Cash used for investing activities	-4,181	-5,320
Cash used for financing activities	-14,616	-5,703

Consolidated

As of September 30, 2021 As of December 31, 2020

(in millions of €)

Equity attributable to shareholders of Daimler AG	73,680	60,691
Non-controlling interests	1,590	1,557
Total non-current liabilities	103,480	123,680
Total current liabilities	110,865	99,809
Total equity and liabilities	289,615	285,737

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 Q3 2021)

104,173 115,173

The accompanying notes are an integral part of the Unaudited Interim Consolidated Financial Statements Q3 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*" (as replaced by Supplement No. 1) 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, the Unaudited Interim Consolidated Financial Statements Q2 2021 and the Unaudited Interim Consolidated Financial Statements Q3 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, the Unaudited Interim Consolidated Financial Statements Q2 2021 of DAG and the Unaudited Interim Consolidated Financial Statements Q3 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*" (as replaced by Supplement No. 1) 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 September 30, 2021, being the end of the last financial period for which financial information has been published by DAG.

3. The subsection commencing on page 183 of the Prospectus which is entitled "*6. Administrative, Management and Supervisory Bodies, Names, Business Addresses and Functions*" shall be replaced in its entirety as follows:

6. **Administrative, Management and Supervisory Bodies, Names, Business Addresses and Functions**

The Supervisory Board

The principal function of the supervisory board of DAG (the "**Supervisory Board**") is to supervise the board of management of DAG (the "**Board of Management**"). The Supervisory Board is also responsible for appointing and removing members of the Board of Management. The Supervisory Board may not make

management decisions. However, in accordance with the German Stock Corporation Act (*Aktiengesetz*; the "Stock Corporation Act"), DAG's Supervisory Board has determined that several matters which do not belong to the ordinary course of business and which are of fundamental importance require the approval of the Supervisory Board.

The members of the Supervisory Board are:

- **Dr. Ing. e.h. Dipl.-Ing. Bernd Pischetsrieder***, Munich, Chairman of the Supervisory Board of DAG, elected until 2024
- **Michael Brecht***, Gaggenau, Deputy Chairman of the Supervisory Board of Daimler AG, Chairman of the General Works Council in the Daimler Group, Chairman of the Works Council of Mercedes-Benz Gaggenau Plant, elected until 2023
- **Bader M. Al Saad**, Kuwait, Chairman of the Board of Directors and Director General of the Arab Fund for Economic & Social Development, elected until 2022
- **Sari Baldauf**, Helsinki, Chair of the Board of Directors of Nokia Oyj, elected until 2023
- **Michael Bettag***, Nuremberg, Chairman of the Works Council of the Mercedes-Benz Nürnberg Own Retail Branch, elected until 2023
- **Ben van Beurden**, The Hague, Chief Executive Officer of Royal Dutch Shell plc, elected until 2025
- **Nadine Boguslawski***, Stuttgart, First Authorized Representative of IG Metall Stuttgart, appointed until 2023
- **Dr. Clemens Börsig**, Frankfurt am Main, Former Chairman of the Supervisory Board of Deutsche Bank AG, elected until 2022
- **Dr. Martin Bruder Müller**, Mannheim, Chairman of the Board of Executive Directors of BASF SE, elected until 2025
- **Elizabeth Centoni***, Palo Alto, Chief Strategy Officer and GM, Applications Cisco, Inc., elected until 2025
- **Michael Häberle***, Remseck, Deputy Chairman of the General Works Council of Daimler AG, Chairman of the Works Council Mercedes-Benz Untertürkheim Plant, DAG, elected until 2023
- **Timotheus Höttges**, Bonn, Chairman of the Board of Management of Deutsche Telekom AG, elected until 2025
- **Olaf Koch**, Berlin, Partner and Managing Director Zintinus GmbH, elected until 2025
- **Ergun Lümali***, Sindelfingen, Deputy Chairman of the General Works Council of Daimler Group, Chairman of the General Works Council of Daimler AG, Chairman of the Works Council of Mercedes-Benz Sindelfingen Plant, elected until 2023
- **Roman Romanowski***, Frankfurt am Main, Head of the Executive Legal Department at the Board of Management of IG Metall, appointed until 2023
- **Professor Dr. Helene Svahn**, Stockholm, Professor in Nanobiotechnology at the Royal Institute of Technology, Sweden, elected until 2025

- **Monika Tielsch***, Sindelfingen, Member of the Works Council of Mercedes-Benz Sindelfingen Plant, appointed until 2023
- **Elke Tönjes-Werner***, Bremen, Deputy Chairwoman of the Works Council Mercedes-Benz Bremen Plant, DAG, elected until 2023
- **Dr. Frank Weber***, Sindelfingen, Center Manager BodyTEC, Mercedes-Benz AG, Chairman of the Management Representative Committee, Daimler Group, elected until 2023
- **Roman Zitelsberger**, Stuttgart, German Metalworker's Union (IG Metall), District Manager Baden-Württemberg, elected until 2023

* Representative of the employees

The Board of Management

The Board of Management, which acts under the principle of collective responsibility, manages the day-to-day-business in accordance with the Stock Corporation Act and DAG's Articles of Incorporation. The Board of Management is authorized to represent DAG and to enter into binding agreements with third parties on its behalf.

The members of the Board of Management are:

- **Ola Källenius**, Chairman of the Board of Management DAG / Mercedes-Benz Cars & Vans
- **Dr. Jörg Burzer**, Production and Supply Chain Management
- **Renata Jungo Brüngger**, Integrity and Legal Affairs
- **Sabine Kohleisen**, Human Resources and Director of Labor Relations
- **Markus Schäfer**, Chief Technology Officer, Development & Procurement
- **Britta Seeger**, Mercedes-Benz Cars Marketing & Sales
- **Hubertus Troska**, Greater China
- **Harald Wilhelm**, Finance & Controlling / Daimler Mobility

The business address of the members of the Supervisory Board as well as the members of the Board of Management is that of DAG.

The members of the Supervisory Board and of the Board of Management perform the following Supervisory Board Memberships or Directorships outside DAG:

The Supervisory Board

Dr. Ing. e.h. Dipl.-Ing. Bernd Pischetsrieder

Michael Brecht

Daimler Truck AG

Daimler Truck Holding AG

Bader M. Al Saad

BlackRock Inc.

Sari Baldauf

Nokia Oyj – Chair

Michael Bettag

Ben van Beurden

Nadine Boguslawski
Robert Bosch GmbH

Dr. Clemens Börsig
Linde plc
Emerson Electric Co.

Dr. Martin Brudermüller

Elizabeth Centoni
Ingersoll Rand Inc.

Michael Häberle

Timotheus Höttges
T-Mobile US, Inc. – Chairman / Group Company Position

Olaf Koch

Ergun Lümali

Roman Romanowski

Professor Dr. Helene Svahn
Axel Johnson International AB

Monika Tielsch

Elke Tönjes-Werner

Dr. Frank Weber

Roman Zitzelsberger
Daimler Truck AG
Daimler Truck Holding AG
ZF Friedrichshafen AG

The Board of Management

Ola Källenius
Tetra Laval Group

Dr. Jörg Burzer

Renata Jungo Brüngger
Daimler Truck AG
Daimler Truck Holding AG
Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft in Munich

Sabine Kohleisen

Markus Schäfer

Shenzhen DENZA New Energy Automotive Co., Ltd.
smart Automobile Co., Ltd.
Farasis Energy

Britta Seeger

Beijing Mercedes-Benz Sales Service Co., Ltd.
smart Automobile Co., Ltd.
Deutsche Lufthansa AG

Hubertus Troska

BAIC Motor Corporation Ltd.
Beijing Mercedes-Benz Sales Service Co., Ltd. – Chairman
Beijing Benz Automotive Co., Ltd. – Vice Chairman
Beijing Foton Daimler Automotive Co., Ltd. – Vice Chairman
Fujian Benz Automotive Co., Ltd. – Vice Chairman
Shenzhen DENZA New Energy Automotive Co., Ltd. – Chairman
smart Automobile Co., Ltd. – Vice Chairman

Harald Wilhelm

BAIC Motor Corporation Ltd.
Daimler Truck AG
Daimler Truck Holding AG

Members of the Supervisory Board and the Board of Management of DAG not set out above do not perform any principal activities outside DAG.

Management and Supervisory Bodies – Conflict of Interests

As at the date of this Prospectus, the above-mentioned members of the Supervisory Board and of the Board of Management do not have potential conflicts of interests between any duties to DAG and their private interests or their other duties.

4. Amendments to the subsection commencing on page 187 of the Prospectus which is entitled "7. Board Practices"

The list containing the current members of the Audit Committee of DAG shall be replaced in its entirety as follows:

Current members of the Audit Committee are:

Dr. Clemens Börsig – Chairman
Michael Brecht – Representative of the employees
Olaf Koch
Ergun Lümali – Representative of the employees

5. Amendments to the subsection commencing on page 189 of the Prospectus which is entitled "8. Major Shareholders"

The table commencing on page 189 of the Prospectus which sets out the shareholders of DAG which have notified DAG in accordance with the WpHG that at least 3% of the voting rights in DAG are held directly by them shall be replaced in its entirety as follows:

Shareholder	Total share	Reference date of latest voting rights announcement
Tenaciou3 Prospect Investment Limited, Hong Kong	9.69%	May 8, 2018
Kuwait Investment Authority as Agent for the Government of the State Kuwait, Kuwait City, Kuwait	6.84% as a long term position as of December 31, 2020 according to the knowledge of DAG 5.33%	April 22, 2010
Investment Global Co., Ltd. on behalf of BAIC Group	9.98% as of December 13, 2021 according to the knowledge of DAG 5.00%	July 18, 2019

6. 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*" (as replaced by Supplement No. 1) 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, the Unaudited Interim Consolidated Financial Statements Q2 2021 of DAG as set out in the Interim Report Q2 2021 and the Unaudited Interim Consolidated Financial Statements Q3 2021 of DAG as set out in the Interim Report Q3 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*" (as replaced by Supplement No. 1) 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.

Up until the effective date of the spin-off of a majority interest in Daimler Truck AG to Daimler Truck Holding AG on December 9, 2021, Daimler Truck AG as well as its consolidated subsidiaries were group companies of DAG.

Insofar as risks resulting from the legal proceedings mentioned above realize, and to the extent the facts underlying such risks relate to group companies of the New Daimler Truck Group (as defined in the subsection entitled "*13. Recent Developments – Spin-Off of Daimler Truck*"), DAG is entitled to indemnification claims. Such claims arise vis-à-vis Daimler Truck AG based on the spin-off of assets and liabilities of the divisions Daimler Trucks and Daimler Buses to Daimler Truck AG in 2019. Vis-à-vis Daimler Truck Holding AG, such claims arise from the spin-off of the majority interest in Daimler Truck AG to Daimler Truck Holding AG in 2021 (as described in the subsection entitled "*13. Recent Developments – Spin-Off of Daimler Truck*").

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 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. Daimler has conducted such internal investigation in cooperation with 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, among others, 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, among others, fraud. In June 2021, the Stuttgart public prosecutor's office applied for penal orders against three Daimler employees with the local court (*Amtsgericht*) of Böblingen based on, among others, fraud, which the court issued and which have become final.

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 continues to have a different understanding of the relevant legal provisions, it has 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 have meanwhile been developed, assessed and approved by the KBA; the related recalls have 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, and also to the British market surveillance authority DVSA (Driver and Vehicle Standards Agency).

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_x) 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. The relevant court has granted final approval of the settlement and issued a final judgment in the case. Appeals against the final judgment have not been submitted at this time.

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 the 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. In the fourth quarter of 2021, DAG and the other Group companies reached a settlement with plaintiffs' counsel of the consumer class action. As part of the settlement, DAG and the other Group companies 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. The settlement is subject to judicial approval.

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 to be 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 (*Oberlandesgericht*) on July 7, 2021. Such action seeks a ruling that certain preconditions of alleged consumer claims are met.

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 still has 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. On August 30, 2021, the consumer plaintiffs withdrew the appeal they had filed, ending their case. On October 26, 2021, the US Court of Appeals for the Ninth Circuit affirmed the dismissal of the dealer plaintiffs' claims.

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. DAG is entitled to indemnification claims against Daimler Truck Holding AG and Daimler Truck AG, should the aforementioned claims materialize.

Other legal proceedings

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.

On October 18, 2021 a number of Australian Mercedes-Benz dealers lodged a claim against Mercedes-Benz Australia/Pacific Pty Ltd ("**MBAP**") with a Federal Court in Australia. They allege that MBAP forced the dealers to accept a change in their business model from a dealership model to an agency model and thus deprived them of the goodwill they created through their investments in the Australian Mercedes-Benz dealership network. They seek reinstatement of the dealership model or, alternatively, compensation for the damage they allegedly incurred.

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 20 (*Legal proceedings*) of the Unaudited Interim Consolidated Financial Statements Q3 2021, each incorporated by reference in this Prospectus.

7. The subsection commencing on page 195 of the Prospectus which is entitled "12. Ratings" (as replaced by Supplement No. 1) 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**"), 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-1 (low)

Moody's: P-2

Scope: S-1

Standard & Poor's: A-2

Long-term ratings:

DBRS: A (low); outlook stable

Moody's: A3; outlook positive

Scope: A; outlook stable

Standard & Poor's: A-; outlook stable

For the purposes of DBRS ratings, an R-1 (low) rating means good credit quality. The capacity for the payment of short-term financial obligations as they fall due is substantial. Overall strength is not as favorable as higher rating categories. May be vulnerable to future events, but qualifying negative factors are considered manageable. An A (low) rating means good credit quality. The capacity for the payment of financial obligations is substantial, but of lesser credit quality than AA. May be vulnerable to future events, but qualifying negative factors are considered manageable. 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 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)) 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)) 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)) 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)) pursuant to Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of September 16, 2009, as amended.

8. The subsection commencing on page 197 of the Prospectus which is entitled "13. Recent Developments" (as replaced by Supplement No. 1) shall be replaced in its entirety as follows:

13. 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 ("**Cellcentric**").

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 CO₂ 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 CO₂-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 CO₂-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 CO₂ emissions rather than making use of CO₂ compensation. The partnership with H2GS is a further consistent step towards CO₂ neutrality. With its Ambition 2039 strategy, Mercedes-Benz aims to achieve a fully connected and CO₂-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. With this strategic step from "Electric first" to "Electric only", Mercedes-Benz is accelerating its transformation into an emission-free and software-driven future. By the end of 2022, Mercedes-Benz will offer battery-electric vehicles in all segments in which the brand is represented. By the end of 2025, all newly launched vehicle architectures will be exclusively electric, and customers will be able to choose an all-electric alternative for every model produced by Mercedes-Benz.

As announced on September 24, 2021, Mercedes-Benz is taking an equity stake in European battery-cell manufacturer Automotive Cells Company ("**ACC**") to scale up the development and production of next-generation high-performance battery cells and modules. Together with the other partners of ACC, Stellantis and TotalEnergies, Mercedes-Benz envisages to accelerate ACC's development with sustainable cell technology, competitive costs and a target of at least 120 gigawatt hours of cell capacity by the end of the current decade. The plan is to build eight cell factories worldwide, four of them in Europe.

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 an extraordinary general meeting of its shareholders, to be held on October 1, 2021 (the "**Extraordinary General Meeting**"). In this Extraordinary General Meeting, the shareholders of DAG approved the spin-off and hive-down of Daimler Truck from Daimler's commercial vehicle business and the subsequent listing of Daimler Truck Holding AG as an independent company on the Frankfurt Stock Exchange with 99.90 % of the capital stock represented for the resolution, and the renaming of DAG as "Mercedes-Benz Group AG" effective as of February 1, 2022 with 99.89 % of the capital stock represented for the resolution. This transaction included: (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 received 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.

Following the implementation of the three aforementioned steps on December 9, 2021, DAG holds 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) above) and 6.57 % indirectly, via Daimler Grund (as a consequence of the contribution in kind as per step (iii) above), 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 of 5 % to Daimler Pension Trust e.V. Both the spin-off and the hive-down have become effective upon registration in the commercial register of DAG on December 9, 2021. Upon entry in the commercial register of DAG, the assets covered by the spin-off and hive-down have been or 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 was made with effect as of January 1, 2021, 0:00 a.m. CET.

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 was approved 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, as of December 10, 2021, all shares of Daimler Truck Holding AG were 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

As a consequence of the spin-off, the financial liabilities existing towards DAG and companies of the new Daimler Group (the Daimler Group without the companies of the New Daimler Truck Group (as defined below) hereinafter referred to as the "**New Daimler Group**") will be settled by Daimler Truck AG and the companies of the new Daimler Truck Group (Daimler Truck Holding AG with its direct and indirect subsidiaries existing after the spin-off hereinafter referred to as the "**New Daimler Truck Group**") and, if necessary, have been or will be replaced by external financing or financing within the New Daimler Truck Group.

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**") have been or will be replaced by new and essentially equivalent guarantees issued by the companies of the New Daimler Truck Group. With respect to the financial guarantees, DAG's global Guarantees and the individual financial Guarantees of DAG have been or 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 have been or will be issued by DAG or the companies of the New Daimler Group to secure obligations of the companies of the New Daimler Truck Group. However, to the extent that the existing Guarantees issued by the Daimler Group cannot be successfully replaced by the New Daimler Truck Group, there is a risk that the New 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 the New Daimler Group's financial results or financial condition.

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.

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

On October 29, 2021, DAG published its "*Interim Report Q3 2021*", containing, *inter alia*, the unaudited but reviewed interim consolidated financial statements of DAG as of and for the first nine months of the financial year 2021 of DAG ended on September 30, 2021 (the "**Interim Report Q3 2021**"). A copy of the Interim Report Q3 2021 has been filed with the *Commission de Surveillance du Secteur Financier*.

By virtue of this Supplement, the Interim Report Q3 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 Q3 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.3" shall be added after the subsection "B.2" to the table commencing on page 249 of the Prospectus which is entitled "*Table of Documents Incorporated by Reference*" (as amended by Supplement No. 1) as follows:

B.3 Interim Report Q3 2021 of DAG (containing the unaudited but reviewed interim consolidated financial statements in relation to the first nine months of the financial year 2021 of DAG ended on September 30, 2021 prepared in accordance with Section 115 of the WpHG and IAS 34 ("*Interim Financial Reporting*")), including

- Consolidated Statement of Income Q3	Page 34
- Consolidated Statement of Income Q1-3	Page 35
- Consolidated Statement of Comprehensive Income Q3	Page 36
- Consolidated Statement of Comprehensive Income/Loss Q1-3	Page 37
- Consolidated Statement of Financial Position	Page 38
- Consolidated Statement of Cash Flows	Page 39
- Consolidated Statement of Changes in Equity	Pages 40 – 41
- Notes to the Interim Consolidated Financial Statements	Pages 42 – 64
- Auditor's Review Report	Page 65

<http://dl.bourse.lu/dlp/10f96a90f899ac41c2a59520c3c8ceabe2>

D. 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 December 28, 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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In order to comply with the time limit set out above, punctual dispatch of the withdrawal is sufficient.