

**Supplement No. 3 dated November 2, 2020
to the Prospectus dated May 12, 2020**

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.

Utrecht, 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. 3 (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 (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**"), 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, 2020 (together, the "**Prospectus**"), which has been prepared in connection with the Programme established by DAG, MBAP, DIF, DCFI, DFNA and MBFJ (each, an "**Issuer**"). Terms defined in the Prospectus have the same meaning when used in this Supplement.

This Supplement is supplemental to, and should be read in conjunction with, the Prospectus (as supplemented by supplement no. 1 to the Prospectus dated July 30, 2020 (the "**Supplement No. 1**") and supplement no. 2 to the Prospectus dated August 25, 2020 (the "**Supplement No. 2**")) and all documents incorporated by reference in the Prospectus.

Copies of the Prospectus, any document incorporated by reference in the Prospectus, Supplement No. 1, Supplement No. 2 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 10 of the Prospectus which is entitled "*Risk Factors*"

1. Amendments to the subsection commencing on page 11 of the Prospectus which is entitled "*1. Risks Relating to the Economy and the Daimler Group's Markets*"

The subsection commencing on page 11 of the Prospectus which is entitled "*Risks Resulting from the Outbreak of the COVID-19 Pandemic*" (as replaced by Supplement No. 1) shall be replaced in its entirety as follows:

Risks Resulting from the Outbreak of the COVID-19 Pandemic

The entire global economy is affected by the Covid-19 pandemic, with declines, in some case drastic, in economic out-put.

A possibly even more serious development of the corona crisis, especially in the event of a massive second wave of infection, which would lead to repeated far-reaching lockdown measures, would, on the one hand, result in an even deeper slump of the global economy than anticipated. On the other hand, this scenario could not only affect the development of the Group's unit sales but could also have a more significant impact than initially assumed on production, the procurement market and the supply chain, which, in turn, could have a significant negative impact on Daimler's business, cash flows, financial condition, liquidity and results of operations.

Further risks may arise from the development of the global stock market, which has already largely anticipated the hoped-for real economic recovery with its rise since the end of March 2020. If the expectations of the financial markets are disappointed – for example, due to a second wave of the pandemic – a further fall in share prices could occur. This would have a corresponding negative impact on sentiment indicators, asset values and real economic development.

In view of the sharp drop in demand of oil, there is a risk of a sustained very low oil price, which would put additional pressure on oil-exporting economies. This could have negative effects on unit sales for all Daimler segments in countries with oil-exporting economies.

After the world economy had slipped into a deep recession in the first half of the year 2020 due to the Covid-19 pandemic, a dynamic recovery started in most economies in the third quarter of 2020. The decisive factors for the ongoing recovery towards the end of the year 2020 will be the development of infection numbers and the effectiveness of potential renewed economic interventions. A significant decline in global economic output is anticipated for the year 2020 as a whole.

The Chinese economy was the first of the major economies to suffer a massive slump, but also the first to approach normality again. Nonetheless, it is to be expected that China will achieve only slight growth of approximately 2% in 2020, instead of the originally expected 5 % to 6%. For the economy of the European Monetary Union ("EMU"), significant contraction must be expected in the full year 2020 due to the economic impact of the Covid-19 pandemic and the deep recession in the second quarter of 2020. Although it is currently assumed that the recovery will continue in the fourth quarter of the year 2020, the great majority of analysts anticipate a significant decline in gross domestic product ("GDP") for 2020 as a whole. Expectations are that none of the larger individual economies of the EMU will be able to escape this fall in GDP. The decline in economic output is likely to be above average in countries very severely affected by the pandemic, such as France, Italy and Spain. Due to the deep slump in the second quarter of 2020, the US economy is also expected to suffer a significant GDP decline. The economies of major emerging nations are also likely to be very weak due to the impact of the Covid-19 pandemic. For major commodity exporters such as Russia and Brazil, the likely continuation of the rather low oil price during the rest of the year 2020 will have an additional negative impact. A sharp decline in economic output is therefore expected both in Eastern Europe and in South America, which has been particularly hard hit by the pandemic.

Worldwide demand for cars will continue to be severely affected by the corona crisis in most of the sales regions important for Daimler. Many markets will remain below their levels of 2019. For this reason and due to the substantial losses that occurred in the first half of the year 2020, Daimler continues to expect significant contraction of the global car market in full year 2020.

The European market is likely to contract, with a significant decline in demand anticipated in Western Europe. This will probably affect all major individual markets, each with significant decreases. Significant contraction of the car market in Eastern Europe is also to be expected.

A significant decline in demand is expected in the US market for cars and light trucks. Among the major sales markets for cars, China is likely to be the first to reach a moderate recovery path. However, it will probably not be able to offset the massive losses of the first quarter 2020, so significant market contraction is expected for the year 2020 as a whole. Daimler expects mainly negative developments for van markets, as a result of the deep global economic recession. In the EU30 region (European Union, United Kingdom, Norway and Switzerland; the "**EU 30 Region**"), a significant drop in demand both in the combined segment of midsize and large vans and in the market for small vans must be anticipated. In the United States, demand for large vans is also likely to be significantly lower than in the year 2019. Daimler expects the market volume for large vans in Latin America to decrease significantly as well. According to current assessments, major truck markets will develop very unfavorably in the year 2020 as a result of the corona-related economic crisis.

In the North American market, Daimler assumes that demand for heavy-duty trucks (class 8) will decrease significantly. Daimler also expects sales of heavy-duty trucks to decline significantly in the EU30 region. The same applies to demand for heavy-duty trucks in Brazil and Japan. For buses, Daimler expects market volumes in both the EU30 region and Brazil to be significantly lower than in 2019.

2. Amendments to the subsection commencing on page 19 of the Prospectus which is entitled "*3. Financial Risks*"

a. The first two paragraphs below the heading "*3. Financial Risks*" on page 20 of the Prospectus (as amended by Supplement No. 1) shall be replaced in their entirety as follows:

The Daimler Group is generally exposed to various financial risks, including risks from changes in market prices such as currency exchange rates, interest rates and commodity prices. In addition, the Daimler Group is exposed to credit risks, risks of restricted access to capital markets, risks of early credit repayment requirements, risks from pension plans and risks from changes in credit ratings. Should any of the following risks materialize, this could have material adverse effects on the Daimler Group's business, net assets, financial condition and results of operations.

Further information on financial risks is provided in Note 33 (*Management of financial risks*) of the Notes to the Annual Consolidated Financial Statements 2019 of DAG, incorporated by reference into 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 2019 of DAG and in Note 20 (*Financial instruments*) of the Notes to the Unaudited Interim Consolidated Financial Statements Q3 2020 of DAG, each incorporated by reference into this Prospectus.

- b. The second paragraph of the subsection on page 21 of the Prospectus which is entitled "*Risks Relating to Pension Plans*" (as replaced by Supplement No. 1) 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 2019 of DAG and in Note 16 (*Pensions and similar obligations*) of the Notes to the Unaudited Interim Consolidated Financial Statements Q3 2020 of DAG, each incorporated by reference into this Prospectus.

- 3. Amendments to the subsection commencing on page 21 of the Prospectus which is entitled "*4. Legal and Tax Risks*"**

- a. The following subsection which is entitled "*Risks from Legal Proceedings in Connection with Diesel Exhaust Gas Emissions – Settlement of Regulatory and Civil Proceedings in the United States*" shall be added as a new subsection after the subsection on page 22 of the Prospectus which is entitled "*Risks from Legal Proceedings in General*" as follows:**

Risks from Legal Proceedings in Connection with Diesel Exhaust Gas Emissions – Settlement of Regulatory and Civil Proceedings in the United States

In the third quarter of 2020, DAG and Mercedes-Benz USA, LLC ("**MBUSA**") reached an agreement with various US authorities to settle civil and environmental claims regarding emission control systems of certain diesel vehicles in the United States. The involved US authorities are the US environmental agencies Environmental Protection Agency ("**EPA**") and California Air Resources Board ("**CARB**"), the Environmental and Natural Resources Division of the U.S. Department of Justice ("**DOJ**"), the California Attorney General's Office as well as the U.S. Customs and Border Protection ("**CBP**").

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 program for affected vehicles, provide extended warranties, undertake a nationwide mitigation project, take certain corporate compliance measures and make other payments.

Daimler has cooperated fully with the US authorities and continues to do so.

In the third quarter of 2020, DAG and MBUSA also reached an agreement with plaintiffs' counsel to settle the consumer class action "In re Mercedes-Benz Emissions Litigation" before the U.S. District Court for the District of New Jersey. As part of the settlement, DAG and MBUSA deny the material factual allegations and legal claims asserted by the class action plaintiffs and class members, but have agreed to provide payments to current and former diesel vehicle owners and lessees.

For the settlements with the US authorities, Daimler expects costs of approximately USD 1.5 billion. The estimated cost of the class action settlement is approximately USD 700 million. In addition, Daimler estimates further expenses of a mid three-digit-million euro amount to fulfill requirements of the settlements.

The settlements are still subject to final court approval.

- b. The subsection commencing on page 22 of the Prospectus which is entitled "*Risks from Legal Proceedings in Connection with Diesel Exhaust Gas Emissions – Governmental Proceedings*" (as amended by Supplement No. 1 and replaced by Supplement No. 2) 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 federal and state authorities and other institutions worldwide have inquired about and/or are/have been conducting investigations and/or administrative proceedings, and/or have issued administrative orders or in the case of the Stuttgart district attorney's office a fine notice. The aforementioned matters particularly relate to test results, the emission control systems used in Mercedes-Benz diesel vehicles and/or Daimler's interaction with the relevant federal and state authorities as well as related legal issues and implications, including, but not limited to, under applicable environmental, criminal and antitrust laws. These authorities and institutions involved include, among others, the DOJ, which has requested that Daimler conducts an internal investigation, the EPA, the CARB and other US state authorities, the South Korean Ministry of Environment, the South Korean competition authority (Korea Fair Trade Commission) and the Seoul Public Prosecutor's Office (South Korea), the European Commission, the German Federal Cartel Office (*Bundeskartellamt*) as well as national antitrust authorities and other authorities of various foreign states as well as the German Federal Ministry of Transport and Digital Infrastructure (BMVI) and the German Federal Motor Transport Authority ("**KBA**"). 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, Daimler filed an application for immunity from fines (leniency application) with the European Commission some time ago. The Stuttgart district attorney's office is conducting criminal investigation proceedings against Daimler employees on the suspicion of fraud and criminal advertising, and, in May 2017, searched the premises of Daimler at several locations in Germany. In February 2019, the Stuttgart district attorney's office also initiated a formal investigation proceeding against DAG with respect to an administrative offense. In September 2019, the Stuttgart district attorney's office issued a fine notice against Daimler based on a negligent violation of supervisory duties in the amount of €870 million which has become legally binding, thereby concluding the administrative offense proceedings against Daimler. Daimler continues to fully cooperate with the authorities and institutions. Irrespective of such cooperation and in light of the recent 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. Such actions, measures and orders may include subpoenas, that is legal instructions issued under penalty of law in the process of taking evidence, or other requests for documentation, testimony or other information, or orders to recall vehicles, further search warrants, a notice of violation or an increased formalization of the governmental investigations, coordination or proceedings, including the resolution of proceedings by way of a settlement. Additionally, further delays in obtaining regulatory approvals necessary to introduce new or recertify existing vehicle models could occur.

Since 2018, the KBA has issued various administrative orders holding that certain calibrations of specified functionalities in certain Mercedes-Benz diesel vehicles are to be qualified as impermissible defeat devices and ordered subsequent auxiliary provisions for the respective EC type approvals in this respect, including mandatory recalls and, in certain cases, stops of the first registration. In addition and since 2018, Daimler has (in view of KBA's interpretation of the law as a precaution) 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 order to have the open legal issues resolved, if necessary, also by a court of law. 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 light of the aforementioned administrative orders issued by, and continued discussions with the KBA, additional administrative orders can 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. The new calibrations requested by the KBA are being processed, and for a substantial proportion of the vehicles, the relevant software has already been approved by the KBA; the related recalls have insofar been initiated. It cannot be ruled out that under certain circumstances software updates may have to be reworked or further delivery and registration stops may be ordered or resolved by Daimler as a precautionary measure, also with regard to the used car, leasing and financing businesses.

Daimler continues to fully cooperate with the responsible authorities and institutions.

As described above, in the third quarter of 2020, DAG and MBUSA reached agreements with various US authorities to settle civil and environmental claims regarding emission control systems of certain diesel vehicles in the United States that are still subject to final court approval.

In light of these matters and in light of the ongoing governmental information requests, inquiries, investigations, administrative orders and proceedings, as well as Daimler's own internal investigations, it is likely that, besides KBA, EPA and CARB 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 and/or 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. As described above, the Stuttgart district attorney's office's administrative offense proceedings and the proceedings underlying the civil settlements with the US authorities have been resolved, whereas the settlements are subject to final court approval. The other inquiries, investigations, legal actions and proceedings as well as the replies to the governmental information requests, and the objection proceedings against KBA's administrative orders are still ongoing and open; Hence, Daimler cannot predict the outcome of these inquiries, investigations and proceedings. Due to the outcome of the administrative offense proceedings by the Stuttgart district attorney's office against Daimler, the civil settlements with the U.S. authorities as well as the above and any potential other information requests, inquiries, investigations, administrative orders and proceedings, it is possible that Daimler will become subject to, as the case may be, significant additional monetary penalties, fines, disgorgements of profits, remediation requirements, further vehicle recalls, further registration and delivery stops, process and compliance improvements, mitigation measures and the early termination of promotional loans, and/or other sanctions, measures and actions (such as the exclusion from public tenders), including further investigations and/or administrative orders by these or other authorities 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 finding, even if such allegations, determinations or findings are not within the scope of such authority's responsibility or jurisdiction. Thus, a negative allegation, determination or finding in one proceeding, such as the fine notice issued by the Stuttgart district attorney's office or the allegations underlying the civil settlements with the U.S. authorities, carries the risk of being able to have an adverse effect on other proceedings, also potentially leading to new or expanded investigations or proceedings, including lawsuits.

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

- c. **The subsection on page 24 of the Prospectus entitled "*Risks from Legal Proceedings in Connection with Diesel Exhaust Gas Emissions – Court Proceedings*" (as replaced by Supplement No. 1 and Supplement No. 2) shall be replaced in its entirety as follows:**

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

A consumer class-action lawsuit is pending in the United States in which it is alleged that DAG and MBUSA conspired with Robert Bosch LLC and Robert Bosch GmbH to deceive US regulators and consumers. A separate lawsuit was filed in January 2019 by the State of Arizona alleging that DAG and MBUSA deliberately deceived consumers in connection with the advertising of Mercedes-Benz diesel vehicles. Consumer class-action lawsuits containing similar allegations were filed against DAG and other companies of the Group in Canada in April 2016, and against DAG in Israel in February 2019. A similar class action was filed in the United States in July 2017, but in December 2017, the parties stipulated to dismiss that lawsuit without prejudice. It may be filed again under specific conditions. As described above, in the third quarter of 2020, DAG and MBUSA reached a settlement with the US consumer class action plaintiffs that is still subject to final court approval.

Furthermore, class actions have been filed in the United States and Canada alleging anticompetitive behavior relating to vehicle technology, costs, suppliers, markets, and other competitive attributes, including diesel emissions control technology. A securities class action lawsuit has been pending in the United States on behalf of investors in DAG American Depositary Receipts which alleges that the defendants made materially false and misleading statements about diesel emissions in Mercedes-Benz vehicles. The parties have agreed to settle the lawsuit, such settlement being subject to final court approval.

In Germany and other European states, particularly in The Netherlands, a multitude of lawsuits by customers alleging contractual and non-contractual claims are pending. In addition, investors have filed lawsuits in Germany alleging the violation of disclosure requirements. In this context, motions to initiate a model proceeding in accordance with the Act on Model Proceedings in Capital Markets Disputes (*KapMuG*) have been filed by investors as well as by DAG. Currently, no model proceeding is pending.

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. This also applies to the US consumer class action settlement. This settlement and other 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 the US consumer class action settlement as well as unfavorable allegations, findings, results or developments in any of the governmental or other court proceedings discussed above, in particular the fine notice issued by the Stuttgart district attorney's office and by the civil settlements with the U.S. authorities.

Further information on legal proceedings is provided in Note 30 (*Legal proceedings*) of the Notes to the Annual Consolidated Financial Statements 2019 of DAG and in Note 19 (*Legal proceedings*) of the Notes to the Unaudited Interim Consolidated Financial Statements Q3 2020 of DAG, each incorporated by reference in this Prospectus.

- d. **The fourth paragraph of the subsection on page 25 of the Prospectus which is entitled "*Risks from Other 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 30 (*Legal proceedings*) of the Notes to the Annual Consolidated Financial Statements 2019 of DAG and in Note 19 (*Legal proceedings*) of the Notes to the Unaudited Interim Consolidated Financial Statements Q3 2020 of DAG, each as incorporated by reference in this Prospectus.

B. Amendments to the section commencing on page 161 of the Prospectus which is entitled "Description of DAG"

1. Amendments to the subsection commencing on page 161 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 2020 of DAG" shall be added to the end of the subsection commencing on page 164 of the Prospectus which is entitled "b. Group Interim Financial Information":**

(iii) Financial Information Relating to the First Nine Months of the Financial Year 2020 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, 2020 (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 (*Quartalsbericht*) in relation to the first nine months ended September 30, 2020 (the "**Interim Report Q3 2020**") (the "**Unaudited Interim Consolidated Financial Statements Q3 2020**").

Such Unaudited Interim Consolidated Financial Statements Q3 2020 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 2020. The accompanying notes are an integral part of the Unaudited Interim Consolidated Financial Statements Q3 2020.

Selected Financial Information

Consolidated

**January 1, 2020
to September 30,
2020** **January 1, 2019
to September 30,
2019**

(in millions of €)

Profit before income taxes	1,830	3,526
Net profit	420	2,720

Consolidated

Q1-3 2020 **Q1-3 2019**

(in millions of €)

Cash provided by operating activities	17,268	6,560
Cash used for investing activities	- 5,320	- 8,145
Cash used for / provided by financing activities	- 5,703	2,295

Consolidated

	As of September 30, 2020	As of December 31, 2019
	(in millions of €)	
Equity attributable to shareholders of Daimler AG	57,140	61,344
Non-controlling interests	1,483	1,497
Total non-current liabilities	130,329	133,795
Total current liabilities	101,701	105,802
Total equity and liabilities	290,653	302,438

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 2020)

118,182	133,663
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The accompanying notes are an integral part of the Unaudited Interim Consolidated Financial Statements Q3 2020.

- b. The subsection commencing on page 167 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 2019 and the Annual Consolidated Financial Statements 2018 of DAG have been prepared in accordance with Section 315a of the German Commercial Code (*Handelsgesetzbuch*) and International Financial Reporting Standards ("**IFRS**") as adopted by the European Union and related interpretations as issued by the International Accounting Standards Board.

The Unaudited Interim Consolidated Financial Statements Q1 2020 of DAG, the Unaudited Interim Consolidated Financial Statements Q2 2020 of DAG and the Unaudited Interim Consolidated Financial Statements Q3 2020 of DAG have been prepared in accordance with International Accounting Standard ("**IAS**") 34 ("*Interim Financial Reporting*") and Section 115 of the German Securities Trading Act (*Wertpapierhandelsgesetz*).

Auditing of Historical Annual Financial Information

The Annual Consolidated Financial Statements 2019 and the Annual Consolidated Financial Statements 2018 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 2019 and the Annual Consolidated Financial Statements 2018. 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, 2019.

The Unaudited Interim Consolidated Financial Statements Q1 2020 of DAG, the Unaudited Interim Consolidated Financial Statements Q2 2020 of DAG and the Unaudited Interim Consolidated Financial Statements Q3 2020 of DAG have not been audited but have been reviewed by KPMG.

2. The subsection on page 173 of the Prospectus which is entitled "5. Trend Information and Significant Change in Daimler's 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 Position

The negative impact of the COVID-19 pandemic on Daimler's business, cash flows, financial condition, liquidity and results of operations in the first nine months of 2020 is reflected in the Unaudited Interim Consolidated Financial Statements Q3 2020 of DAG, incorporated by reference into this Prospectus. A possibly even more serious development of the corona crisis, especially in the event of a massive second wave of infection, could have a significant negative impact on Daimler's business, cash flows, financial condition, liquidity and results of operations.

Other than as set out above, 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, 2019, and there has been no significant change in the financial performance, and no significant change in the financial position, of the Group since September 30, 2020, being the end of the last financial period for which financial information has been published by DAG.

3. Amendments to the subsection commencing on page 173 of the Prospectus which is entitled "6. Administrative, Management and Supervisory Bodies, Names, Business Addresses and Functions"

In the subsection on page 175 of the Prospectus which is entitled "The Board of Management" the second paragraph setting out an overview of the members of the Board of Management shall be replaced in its entirety as follows:

- **Ola Källenius**, Chairman of the Board of Management DAG / Mercedes-Benz Cars
- **Renata Jungo Brüngger**, Integrity and Legal Affairs
- **Martin Daum**, Daimler Trucks and Buses
- **Wilfried Porth**, Human Resources & Director of Labor Relations
- **Markus Schäfer**, Group Research & Mercedes-Benz Cars Chief Operating Officer
- **Britta Seeger**, Mercedes-Benz Cars Marketing & Sales
- **Hubertus Troska**, Greater China
- **Harald Wilhelm**, Finance & Controlling / Daimler Mobility

4. Amendments to the subsection commencing on page 180 of the Prospectus which is entitled "9. Financial Information Concerning DAG's Assets and Liabilities, Financial Position and Profit and Losses"

- a. The subsection commencing on page 180 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 2019 of DAG as set out in the DAG Annual Report 2019, the Annual Consolidated Financial Statements 2018 of DAG as set out in the DAG Annual Report 2018, the Unaudited Interim Consolidated Financial Statements Q1 2020 of DAG as set out in the Interim Report Q1 2020, the Unaudited Interim Consolidated Financial Statements Q2 2020 of DAG as set out in the Interim Report Q2 2020 and the Unaudited Interim Consolidated Financial Statements Q3 2020 of DAG as set out in the Interim Report Q3 2020 are incorporated by reference into this Prospectus.

- b. The subsection commencing on page 181 of the Prospectus which is entitled "Legal and Arbitration Proceedings" (as replaced by Supplement No. 1 and amended by Supplement No. 2) shall be replaced in its entirety as follows:**

Legal and Arbitration Proceedings

DAG and its subsidiaries are confronted with various legal proceedings, 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, product warranties, environmental matters, antitrust matters (including actions for damages) and shareholder matters. Legal proceedings relating to products deal with claims on account of alleged vehicle defects. Some of these claims are asserted by way of class action suits. If the outcome of such legal proceedings is detrimental to Daimler, 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 may have an impact on the Group's reputation.

Diesel emission behavior: settlement of regulatory and civil proceedings in the United States

In the third quarter of 2020, DAG and Mercedes-Benz USA, LLC ("**MBUSA**") reached an agreement with various US authorities to settle civil and environmental claims regarding emission control systems of certain diesel vehicles in the United States. The involved US authorities are the US environmental agencies Environmental Protection Agency ("**EPA**") and California Air Resources Board ("**CARB**"), the Environmental and Natural Resources Division of the U.S. Department of Justice ("**DOJ**"), the California Attorney General's Office as well as the U.S. Customs and Border Protection ("**CBP**").

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 program for affected vehicles, provide extended warranties, undertake a nationwide mitigation project, take certain corporate compliance measures and make other payments.

Daimler has cooperated fully with the US authorities and continues to do so.

In the third quarter of 2020, DAG and MBUSA also reached an agreement with plaintiffs' counsel to settle the consumer class action "In re Mercedes-Benz Emissions Litigation" before the U.S. District Court for the District of New Jersey. As part of the settlement, DAG and MBUSA deny the material factual allegations and legal claims asserted by the class action plaintiffs and class members, but have agreed to provide payments to current and former diesel vehicle owners and lessees.

For the settlements with the US authorities, Daimler expects costs of approximately USD 1.5 billion. The estimated cost of the class action settlement is approximately USD 700 million. In addition, Daimler estimates further expenses of a mid three-digit-million euro amount to fulfill requirements of the settlements.

The settlements are still subject to final court approval.

Diesel emission behavior: Class-action and other lawsuits in the United States, Canada and Europe

Several consumer class-action lawsuits were filed against MBUSA in federal courts in the United States in early 2016. The main allegation was the use of 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. Those consumer class-actions were consolidated into one class action pending against both DAG and MBUSA in the US District Court for the District of New Jersey ("In re Mercedes-Benz Emissions Litigation"), in which the plaintiffs asserted various grounds for monetary relief on behalf of a nationwide class of persons or entities who owned or leased certain models of Mercedes-Benz diesel vehicles as of February 18, 2016. DAG and MBUSA moved to dismiss the lawsuit in its entirety. By order dated December 6, 2016, the court granted DAG's and MBUSA's motion to dismiss and dismissed the lawsuit without prejudice, based on plaintiffs' failure to allege with sufficient specificity the advertising that they contended had misled them. Plaintiffs subsequently filed an amended class action complaint in the same court making similar allegations. The amended complaint also adds as defendants Robert Bosch LLC and Robert Bosch GmbH (collectively; "**Bosch**"), and alleges that DAG and MBUSA conspired with Bosch to deceive US regulators and consumers. On February 1, 2019, the court granted in part and denied in part DAG and MBUSA's subsequent motion to dismiss. The case is ongoing as the court's decision merely addressed certain legal aspects of plaintiffs' claims and did not decide whether the plaintiffs can ultimately prove their claims, whether the plaintiffs' allegations are true, or whether their claims have merit. As described above, in the third quarter of 2020, DAG and MBUSA reached a settlement with the US consumer class action plaintiffs that is still subject to final court approval.

On January 8, 2019, the Arizona State Attorney General filed a civil complaint in the Arizona State Court against DAG and MBUSA making similar allegations that Arizona consumers had been deliberately deceived in connection with the advertising of Mercedes-Benz diesel vehicles. The state seeks monetary penalties for violation of Arizona's consumer protection laws.

Another consumer class-action lawsuit against DAG and other companies of the Group containing similar allegations was filed in Canada in April 2016. On June 29, 2017, the court granted a procedural motion to certify certain issues for class treatment, and on March 12, 2018, the court ordered the parties to send a notice to the class by May 18, 2018, informing class members that the litigation is ongoing and that they will be bound by the outcome. That notice was sent, and class members had until July 20, 2018 to opt out of the class to avoid being bound by subsequent rulings in the case.

On July 14, 2017, an additional class action was filed in the Superior Court of California, Los Angeles County, against DAG and other companies of the Group, alleging claims similar to the existing US class action. That action was removed to federal court and, on October 31, 2017, was transferred to the District Court of New Jersey. On December 21, 2017, the parties stipulated to dismiss, without prejudice, that lawsuit. It may be filed again under specific conditions.

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 law 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.

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 behavior 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 this context, both investors as well as DAG have filed motions to initiate a model proceeding in accordance with the Act on Model Proceedings in Capital Markets Disputes (KapMuG). Currently, no model proceeding is pending.

Diesel emission behavior: Governmental proceedings

Furthermore, several federal and state authorities and other institutions worldwide have inquired about and/or are/have been conducting investigations and/or administrative proceedings and/or have issued administrative orders or, in the case of the Stuttgart district attorney's office, a fine notice. The aforementioned matters particularly relate to test results, the emission control systems used in Mercedes-Benz diesel vehicles and/or Daimler's interaction with the relevant federal and state authorities as well as related legal issues and implications, including, but not limited to, under applicable environmental, criminal and antitrust laws. The authorities and institutions involved include, among others, the DOJ, which in April 2016 requested that DAG review its certification and admissions processes related to exhaust emissions of diesel vehicles in the United States by way of an internal investigation in cooperation with the DOJ, the EPA, the CARB and other US state authorities, the South Korean Ministry of Environment (MoE), the South Korean competition authority (Korea Fair Trade Commission (KFTC)) and the Seoul Public Prosecutor's Office (South Korea), the European Commission, the German Federal Cartel Office (*Bundeskartellamt*) as well as national antitrust authorities and other authorities of various foreign states as well as the German Federal Ministry of Transport and Digital Infrastructure (BMVI) and the German Federal Motor Transport Authority ("**KBA**"). 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. The Stuttgart district attorney's office is conducting criminal investigation proceedings against Daimler employees concerning the suspicion of fraud and criminal advertising, and, in May 2017, searched the premises of Daimler at several locations in Germany. In February 2019, the Stuttgart district attorney's office also initiated a formal investigation proceeding against DAG with respect to an administrative offense. In September 2019, the Stuttgart district attorney's office issued a fine notice against Daimler based on a negligent violation of supervisory duties in the amount of €870 million which has become legally binding, thereby concluding the administrative offense proceedings against Daimler.

Since 2018, the KBA has issued various administrative orders holding that certain calibrations of specified functionalities in certain Mercedes-Benz diesel vehicles are to be qualified as impermissible defeat devices and ordered subsequent auxiliary provisions for the respective EC type approvals in this respect, including mandatory recalls and, in certain cases, stops of the first registration. In addition and since 2018, Daimler has (in view of KBA's interpretation of the law as a precaution) 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 order to have the open legal issues resolved, if necessary, also by a court of law. 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 light of the aforementioned administrative orders issued by, and continued discussions with, the KBA, additional administrative orders can 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. The new calibrations requested by the KBA are being processed, and for a substantial proportion of the vehicles, the relevant software has already been approved by the KBA; the related recalls have insofar been initiated. It cannot be ruled out that under certain

circumstances software updates may have to be reworked or further delivery and registration stops may be ordered or resolved by Daimler as a precautionary measure, also with regard to the used car, leasing and financing businesses.

As described above, in the third quarter of 2020, DAG and MBUSA reached agreements with various US authorities to settle civil and environmental claims regarding emission control systems of certain diesel vehicles in the United States that are still subject to final court approval.

As described above, the Stuttgart district attorney's office's administrative offense proceedings and the proceedings underlying the civil settlements with the US authorities have been resolved, whereas the settlements are subject to final court approval. The other aforementioned inquiries, investigations, administrative proceedings and the replies to these related information requests, as well as the objection proceedings against the administrative orders are ongoing.

Accounting assessment of the legal proceedings in connection with diesel emission behavior

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. This does not apply to the extent any settlement has been reached or any proceeding has been concluded. A contingent liability from the class action in the Netherlands cannot currently be measured.

Antitrust law proceedings (including actions for damages)

Starting on July 25, 2017, a number of class actions have been 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 behavior relating to vehicle technology, costs, suppliers, markets, and other competitive attributes, including diesel emissions control technology, since the 1990s. On October 4, 2017, 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. On March 15, 2018, plaintiffs in the US class action amended and consolidated their complaints into two pleadings, one on behalf of consumers and the other on behalf of dealers. On June 17, 2019, the court granted motions to dismiss in the consolidated US class action proceedings, albeit with leave to amend, and on August 15, 2019, the plaintiffs filed amended complaints making similar allegations. On March 31, 2020, the court granted motions to dismiss these first amended US class action complaints, albeit with leave to amend. On June 26, 2020, the plaintiffs filed second amended complaints.

In this context, DAG may disclose that it filed a leniency application with the European Commission some time ago. In late October 2017, the European Commission conducted preannounced inspections with Daimler in Stuttgart (as well as further inspections with other manufacturers) in order to further clarify the facts of the case. In the third quarter of 2018, the European Commission opened a formal investigation into possible collusion on clean emission technology. In the course of such investigation, the European Commission, in April 2019, sent a statement of objections to DAG and other automobile manufacturers to which DAG responded in good time.

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

Class-action lawsuits Takata airbag inflators

Class actions in connection with Takata airbags are pending in Canada, the United States and Israel. 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 were allegedly negligent in selling such vehicles, purportedly not recalling them quickly enough, and failing to provide an adequate replacement airbag inflator. In detail: In August 2016, Mercedes-Benz Canada (MB Canada) was added as a defendant to a putative nationwide class action that remains pending in Ontario Superior Court. In addition, DAG and MBUSA were named as defendants along with Takata companies in June 2017, in a US nationwide class action, which was filed in New Jersey Federal Court. In the third quarter of 2017, such lawsuit was transferred to federal court in the Southern District of Florida for consolidation with other multidistrict litigation proceedings.

Further class action lawsuits in the USA were integrated into the multiple district proceedings. One of the multidistrict litigation complaints 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. The motions to dismiss against that complaint are still pending. In February 2019, DAG and its non-subsiary Israeli distributor (Colmobil) were named as defendants in an Israel-wide class action alleging inadequacy of Takata recall efforts in Israel and that action remains pending. A lawsuit filed by the State of New Mexico against MBUSA was dismissed without prejudice on June 22, 2017. It may, however, be filed again under specific conditions. Contingent liabilities were disclosed to a low extent for this topic.

Toll Collect

On July 4, 2018, through its subsidiary Daimler Financial Services AG (since July 23, 2019 Daimler Mobility AG), DAG together with Deutsche Telekom AG notarized a settlement agreement (hereinafter: settlement) with the Federal Republic of Germany which settles all arbitration proceedings in connection with the involvement in the Toll Collect consortium, which have been ongoing since 2004 and on July 6, 2018, the arbitral tribunal issued an arbitration ruling on agreed terms terminating the Toll Collect arbitration proceedings on the basis of the settlement. The final operating permit for the toll system was granted within the scope of the settlement.

As a result of the settlement, in the second quarter of 2018, the profit/loss on equity-method investments in the Daimler Mobility segment includes expenses of €418 million. The earnings of the Daimler Mobility segment were reduced in particular due to the existing 50% obligation of Daimler Financial Services AG to pay €550 million to Toll Collect GbR, which is partially offset by provisions recognized in previous years. In the third quarters of 2019 and 2018, Daimler Mobility AG recorded cash out-flows of €200 million each. The last tranche of €150 million will be paid in the third quarter of 2020. All known and unknown claims from the toll agreement that arose until March 31, 2018 are settled under the settlement provided that the related damage occurred before March 31, 2018.

Irrespective of the settlement, the guarantee relating to the operating agreement or other additional agreements remain unchanged. No guarantee claims have been made so far.

The statements regarding legal proceedings set out above are to be read in conjunction with Notes 23 (*Provisions for other risks*), 30 (*Legal proceedings*) and 31 (*Contingent liabilities and other financial obligations*) to the Annual Consolidated Financial Statements 2019 of DAG and Note 19 (*Legal proceedings*) to the Unaudited Interim Consolidated Financial Statements Q3 2020 of DAG, each incorporated by reference in this Prospectus.

5. The subsection commencing on page 185 of the Prospectus which is entitled "12. Ratings" (as replaced by Supplement No. 2) shall be replaced in its entirety as follows:

12. Ratings

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

Short-term ratings:

DBRS: R-2 (high)

Fitch: F-1

Moody's: P-2

Scope: S-1

Standard & Poor's: A-2

Long-term ratings:

DBRS: BBB (high); outlook stable

Fitch: BBB+; outlook stable

Moody's: A3; outlook negative

Scope: A; outlook stable

Standard & Poor's: BBB+; outlook negative

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

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

For the purposes of Moody's ratings, a P-2 rating means that an issuer has a strong ability to repay short-term debt obligations. An A rating means that an obligation is judged to be upper-medium grade and is subject to

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

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

For the purposes of Standard & Poor's ratings, an A-2 rating means that an obligor has satisfactory capacity to meet its financial commitments but is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligors in the higher-rated categories. A BBB rating means that an obligor has adequate capacity to meet its financial commitments. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitments. 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. A negative outlook means that a rating may be lowered.

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

DBRS is not established in the European Union but the ratings it has assigned to the Guarantor have been endorsed by DBRS Ratings Limited for use in the European Union. DBRS Ratings Limited has been established in the United Kingdom 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.

Fitch has been established in the European Union and has been registered (pursuant to the list of registered and certified credit rating agencies, published on the website of the European Securities and Markets Authority (www.esma.europa.eu)) 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.

6. The subsection commencing on page 187 of the Prospectus which is entitled "13. Recent Developments" (as replaced by Supplement No. 1 and Supplement No. 2) shall be replaced in its entirety as follows:

13. Recent Developments

On February 19, 2020, it was announced that DAG's Supervisory Board extended the contract of Hubertus Troska, who is in the Board of Management responsible for Greater China, until December 31, 2025. On the same date, it was announced that the Supervisory Board of DAG has decided to propose to the Annual General Meeting that Timotheus Höttges be elected to the Supervisory Board as a member representing the shareholders with effect from the end of the Annual General Meeting 2020. Paul Achleitner will step down from the Supervisory Board of DAG with effect from the end of the Annual Shareholder's Meeting 2020.

As announced on February 20, 2020, DAG has further developed its organizational structure with the goal of improving the development and production processes for vehicles, technologies and services through closer and more efficient collaboration. Several restructuring measures took effect on April 1, 2020. For the area of Mercedes-Benz Cars, the position of Product Strategy and Steering has been newly created. Furthermore, Ola Källenius has assumed overall responsibility for the Mercedes-Benz Vans division. Markus Schäfer, currently Member of the Boards of Management of DAG and Mercedes-Benz AG responsible for Group Research and Mercedes-Benz Cars Development, Procurement and Supplier Quality, will in the future be responsible at DAG level as Chief Operating Officer for the technical value-added process of Mercedes-Benz Cars – from development and materials purchasing to production. Harald Wilhelm, Member of the Board of Management of DAG responsible for Finance & Controlling and Daimler Mobility, is also Member of the Board of Management for Finance at Mercedes-Benz AG.

On April 1, 2020, DAG has increased its financial flexibility with a further credit line of €12 billion. This is in addition to the existing, not yet utilized, €11 billion revolving credit facility with a term until 2025 including extension options. The additional credit line was agreed with a consortium of international banks and can be utilized in a twelve-month period with two six-month extension options.

In April 2020, the Volvo Group and Daimler Truck AG signed a preliminary, non-binding agreement to establish a new joint venture. The intention is to develop, produce and commercialize fuel-cell systems for use in heavy-duty commercial vehicles and other applications.

Following review and approval by the relevant competition authorities, the transaction is expected to be closed in the second half of 2020. It is planned that the Volvo Group and Daimler Truck AG will each hold a 50% interest in the joint venture. To make the joint venture possible, Daimler will concentrate all of its Group-wide fuel-cell activities in new fuel cell entities. The Volvo Group will acquire 50% of the joint venture for approximately €0.6 billion.

Daimler Truck AG and Rolls-Royce plc plan to cooperate on stationary fuel-cell generators for the CO₂-neutral emergency power supply of safety-critical facilities such as data centers. This is intended to offer emission-free alternatives to diesel engines, which are currently used in generators for emergency use or to cover peak loads. Daimler Truck AG and the British technology company Rolls-Royce signed a letter of

intent on this subject in May 2020. A comprehensive cooperation agreement is to be drawn up and signed by the end of the year 2020.

The BMW Group and Mercedes-Benz AG have suspended their cooperation on the development of next-generation technology in the field of automated driving in June 2020 for the time being.

Mercedes-Benz AG and NVIDIA intend to cooperate on the development of an in-car computer system and an AI computing infrastructure. The new technology is to be launched across all Mercedes-Benz model series in order to equip next-generation vehicles with upgradeable, automated driving functions. The new software-defined architecture will be based on NVIDIA DRIVE™ and will be standard equipment in all Mercedes-Benz vehicles in the future to enable modern automated driving functions. One goal will be for regular routes to be driven in automated mode. There will also be numerous other safety and comfort applications.

Mercedes-Benz AG is on the way to the CO₂-neutral mobility of the future and will invest massively in the transformation of the company in the coming years. It is concentrating on the electrification of the product range and the digitization of vehicles and company processes. At the same time, Mercedes-Benz AG has initiated numerous measures to improve its cost structure and become more efficient. An important lever for this is the adjustment and realignment of capacities within the global production network. Against this background, Mercedes-Benz AG intends to start negotiations on the sale of its car plant in Hambach, France. At the beginning of July 2020, Daimler launched a far-reaching strategic partnership, including an equity investment, with the Chinese battery-cell manufacturer Farasis Energy (Ganzhou) Co., Ltd. This step is another milestone on the road to CO₂ neutrality for Mercedes-Benz within the framework of Ambition2039. Core elements of the agreement are the development and industrialization of advanced cell technologies as well as ambitious cost targets. The agreement provides Mercedes-Benz with a secure supply of battery cells for its electric offensive, while Farasis gains planning security for capacity expansion. In order to meet the increasing demand from the German Mercedes-Benz plants in the future, Farasis is building a plant for battery cells in Bitterfeld-Wolfen and creating up to 2,000 new jobs there. The location in eastern Germany is designed from the outset as a CO₂-neutral factory.

Due to the worsening COVID-19 pandemic, Daimler initially suspended most of its production and work in selected administrative departments and subsidiaries in Europe for two weeks starting on March 23, 2020, and then introduced short-time working. Effective June 30, 2020, short-time working was ended for all employees in the corporate functions. The Mercedes-Benz car plants successively restarted production already in mid-April, at first with engine and component plants in Germany on April 20, 2020, followed by the Mercedes-Benz car assembly plants in Germany. The international Mercedes-Benz plants ramped up production again in parallel. The plants of the Daimler Trucks & Buses division are also producing again in various restart phases and taking into account the respective demand situation.

Following intensive discussions, DAG's management and the General Works Council have agreed on key points for reducing personnel costs in Germany. The measures agreed upon will help to manage the difficult situation caused by the corona pandemic and to further safeguard employment. The main measures include reducing the weekly working time of Daimler employees in administration and production-related areas in most cases by two hours without compensation from October 1, 2020 to September 30, 2021. For all employees in administration and production, there will be no profit-sharing bonus for the 2020 financial year. Other bonus payments under the collective bargaining agreement for the year 2021 will be converted into paid time off work.

The Annual Shareholders' Meeting of DAG supported the strategic alignment and transformation of the company with a high level of approval. At the virtual Annual Meeting on July 8, 2020, the shareholders approved all the items on the agenda. Furthermore, the Annual Meeting elected Timotheus Höttges, Chairman of the Board of Management of Deutsche Telekom AG, Bonn, as a member of the Supervisory Board representing the shareholders. He succeeds Dr. Paul Achleitner, who did not stand for reelection to the Supervisory Board.

DAG and its subsidiary MBUSA have taken a further step towards legal certainty in connection with various diesel lawsuits: The US regulatory authorities have agreed to a settlement of civil and environmental claims. This comprehensively ends the related governmental proceedings in connection with emission control systems for approximately 250,000 diesel vehicles in the United States. On September 14, 2020, the settlement agreements were filed by the U.S. authorities with the U.S. Court for the District of Columbia, which must give final approval to the settlement. These authorities are the EPA, the CARB, the DOJ, the California Attorney General's Office and the United States Customs and Border Protection.

DAG and MBUSA have also agreed with plaintiffs' counsel to settle the consumer class action "In re Mercedes-Benz Emissions Litigation" which is pending before the U.S. District Court for the District of New Jersey. That settlement has been submitted for court approval on September 14, 2020 as well.

The settlement of the proceedings avoids lengthy disputes in court with corresponding legal and financial risks.

DAG has recognized sufficient provisions in its balance sheet for the expected total costs of the settlements. Daimler anticipates costs of approximately USD 1.5 billion for the settlements with the US authorities, including the civil penalty and the expected costs for mitigation measures and payments and for the implementation of service measures. The estimated cost of settling the class action is approximately USD 700 million, including attorneys' fees and costs, which are yet to be approved by the court. Daimler estimates the further expenses to meet requirements of the settlements at an amount in the mid-three-digit million euro range.

Mercedes-Benz has set a new strategic course for profitable growth in the luxury segment and aims for a leading position in electric drive and vehicle software. The strategic realignment was presented at the virtual investor and analyst conference Mercedes-Benz Strategy Update on October 6, 2020, and aims for the enhanced luxury positioning of the Mercedes-Benz brand, a higher-value product portfolio and more advantageous product mix, significant growth of the sub-brands AMG, Maybach, G and EQ, and accelerated development of electric drive systems and vehicle software. Expanded cost-reduction plans will reduce investment in property, plant and equipment, research and development expenditure and fixed costs.

C. Amendments to the section commencing on page 189 of the Prospectus which is entitled "*Description of MBAP*"

The subsection on page 194 of the Prospectus which is entitled "*5. Trend Information and Significant Change in MBAP'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 MBAP's Financial Performance and Financial Position

The COVID-19 pandemic has had a negative impact on the business, cash flows, financial condition, liquidity and results of operations of Daimler, including MBAP as a subsidiary of DAG, in the first nine months of 2020. A possibly even more serious development of the corona crisis, especially in the event of a massive second wave of infection, could have a significant negative impact on the business, cash flows, financial condition, liquidity and results of operations of Daimler, including MBAP as a subsidiary of DAG.

Other than as set out above, there has been no material adverse change in the prospects of MBAP since the date of its last published audited financial statements as of December 31, 2019 and there has been no significant change in the financial performance and in the financial position of MBAP since the date of its last published financial statements.

D. Amendments to the section commencing on page 197 of the Prospectus which is entitled "*Description of DIF*"

The subsection commencing on page 200 of the Prospectus which is entitled "*5. Trend Information and Significant Change in DIF'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 DIF's Financial Performance and Financial Position

The COVID-19 pandemic has had a negative impact on the business, cash flows, financial condition, liquidity and results of operations of Daimler, including DIF as a subsidiary of DAG, in the first nine months of 2020. A possibly even more serious development of the corona crisis, especially in the event of a massive second wave of infection, could have a significant negative impact on the business, cash flows, financial condition, liquidity and results of operations of Daimler, including DIF as a subsidiary of DAG.

Other than as set out above, there has been no material adverse change in the prospects of DIF since the date of its last published audited financial statements as of December 31, 2019 and there has been no significant change in the financial performance and in the financial position of DIF since the date of its last published financial statements.

E. Amendments to the section commencing on page 204 of the Prospectus entitled "*Description of DCFI*"

The subsection commencing on page 207 of the Prospectus which is entitled "*5. Trend Information and Significant Change in DCFI'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 DCFI's Financial Performance and Financial Position

The COVID-19 pandemic has had a negative impact on the business, cash flows, financial condition, liquidity and results of operations of Daimler, including DCFI as a subsidiary of DAG, in the first nine months of 2020. A possibly even more serious development of the corona crisis, especially in the event of a massive second wave of infection, could have a significant negative impact on the business, cash flows, financial condition, liquidity and results of operations of Daimler, including DCFI as a subsidiary of DAG.

Other than as set out above, there has been no material adverse change in the prospects of DCFI since the date of its last published audited financial statements as of December 31, 2019 and there has been no significant change in the financial performance and in the financial position of DCFI since the date of its last published financial statements.

F. Amendments to the section commencing on page 212 of the Prospectus which is entitled "*Description of DFNA*"

The subsection commencing on page 215 of the Prospectus which is entitled "*5. Trend Information and Significant Change in DFNA'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 DFNA's Financial Performance and Financial Position

The COVID-19 pandemic has had a negative impact on the business, cash flows, financial condition, liquidity and results of operations of Daimler, including DFNA as a subsidiary of DAG, in the first nine months of 2020. A possibly even more serious development of the corona crisis, especially in the event of a

massive second wave of infection, could have a significant negative impact on the business, cash flows, financial condition, liquidity and results of operations of Daimler, including DFNA as a subsidiary of DAG.

Other than as set out above, there has been no material adverse change in the prospects of DFNA since the date of its last published audited financial statements as of December 31, 2019 and there has been no significant change in the financial performance and in the financial position of DFNA since the date of its last published financial statements.

G. Amendments to the section commencing on page 220 of the Prospectus which is entitled "*Description of MBFJ*"

1. The subsection commencing on page 222 of the Prospectus which is entitled "*4. Business Overview – Organizational Structure*" shall be replaced in its entirety as follows:

Organizational Structure

MBFJ is a subsidiary 95.11% owned by Daimler Mobility AG ("**DMO**") and 4.89% owned by Yanase & Co., Ltd. DMO is 100% directly owned by Daimler AG ("**DAG**"). DMO's main activity is the providing of mobility services and financial services. As of April 1, 2020, MBFJ and Daimler Insurance Services Japan Co., Ltd. ("**DISJ**"), which was previously 100% owned by Leonie FS DVB GmbH ("**Leonie**"), entered into an absorption-type merger, leaving MBFJ as the surviving company. DISJ's main activity is the support of insurance sales for the Group's range of passenger and commercial motor vehicles. On September 7, 2020, the merger between Leonie and DMO got effective, leaving DMO as the surviving company.

2. The subsection on page 223 of the Prospectus which is entitled "*5. Trend Information and Significant Change in MBFJ'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 MBFJ's Financial Performance and Financial Position

The COVID-19 pandemic has had a negative impact on the business, cash flows, financial condition, liquidity and results of operations of Daimler, including MBFJ as a subsidiary of DAG, in the first nine months of 2020. A possibly even more serious development of the corona crisis, especially in the event of a massive second wave of infection, could have a significant negative impact on the business, cash flows, financial condition, liquidity and results of operations of Daimler, including MBFJ as a subsidiary of DAG.

Other than as set out above, there has been no material adverse change in the prospects of MBFJ since the date of its last published audited financial statements as of December 31, 2019 and there has been no significant change in the financial performance and in the financial position of MBFJ since the date of its last published financial statements.

3. The subsection commencing on page 223 of the Prospectus which is entitled "*6. Administrative, Management and Supervisory Bodies*" shall be replaced in its entirety as follows:

6. Administrative, Management and Supervisory Bodies

Board of Directors

Present members of the board of directors of MBFJ (the "**MBFJ Board of Directors**") are:

Hans-Georg von Gumppenberg
Representative Director and Chief Financial Officer

Akihiro Kono
Director and Head of Operations

Kaoru Asami

Director and Head of Sales & Marketing PC

Executive Committee

The MBFJ Board of Directors may appoint and constitute an executive committee (the "**Senior Leadership Team**" or "**SLT**"). The SLT, to the extent allowed by laws and ordinances, the articles of incorporation of MBFJ (the "**MBFJ Articles of Incorporation**") and the standing rules of MBFJ, shall be delegated administration of daily business affairs of MBFJ.

Present members of the SLT are:

Hans-Georg von Gumppenberg

Representative Director and Chief Financial Officer

Akihiro Kono

Director and Head of Operations

Kaoru Asami

Director and Head of Sales & Marketing PC

Pawel Paluba

Executive Officer and Head of Sales & Marketing CV

Martin Pavlik

Executive Officer and Head of Credit Operations

The business address of the members of the MBFJ Board of Directors and the SLT is that of MBFJ.

Members of the MBFJ Board of Directors and the SLT do not perform any principal activities outside MBFJ.

There are no potential conflicts of interest between any duties arising to MBFJ of the members of the MBFJ Board of Directors or of the members of the SLT and their private interests or their other duties.

4. The subsection on page 225 of the Prospectus which is entitled "8. Major Shareholders" shall be replaced in its entirety as follows:

8. Major Shareholders

MBFJ's Major Shareholders are DMO, which holds 95.11% of MBFJ's shares and Yanase & Co., Ltd. which holds 4.89% of MBFJ's shares. DMO is a wholly-owned subsidiary of DAG.

H. Amendments to the section commencing on page 237 of the Prospectus which is entitled "*Documents Incorporated by Reference*"

On October 23, 2020, DAG published its "*Interim Report Q3 2020*", 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 2020 of DAG ended on September 30, 2020 (the "**Interim Report Q3 2020**"). A copy of the Interim Report Q3 2020 has been filed with the *Commission de Surveillance du Secteur Financier*.

By virtue of this Supplement, the Interim Report Q3 2020 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 2020 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 237 of the Prospectus which is entitled "*Documents Incorporated by Reference*".

The following subsection "B.3" shall be added to the table commencing on page 237 of the Prospectus which is entitled "Table of Documents Incorporated by Reference" (as amended by Supplement No. 1 and Supplement No. 2) as follows:

Document	Section Incorporated by Reference
B.3 Interim Report Q3 2020 of DAG (containing the unaudited but reviewed interim consolidated financial statements in relation to the first nine months of the financial year 2020 of DAG ended on September 30, 2020 prepared in accordance with IAS 34 ("Interim Financial Reporting") and Section 115 of the German Securities Trading Act (<i>Wertpapierhandelsgesetz</i>)), 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 – 63
- Auditor's Review Report	Page 64
http://dl.bourse.lu/dlp/105e675e94211c48d38c0d58f9ff74593a	

I. 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 23.2 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 November 4, 2020. 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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 Germany

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 Email: capitalmarkets@daimler.com

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in the case of Notes issued by Daimler Finance North America LLC

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and in the case of Notes issued by Mercedes-Benz Finance Co., Ltd.

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