

**Supplement No. 2 dated August 25, 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. 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 (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 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 10 of the Prospectus which is entitled "*Risk Factors*"

1. The subsection commencing on page 22 of the Prospectus which is entitled "*4. Legal and Tax Risks – Risks from Legal Proceedings in Connection with Diesel Exhaust Gas Emissions – Governmental Proceedings*" (as amended 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 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. These 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 include, amongst others, the US Department of Justice ("**DOJ**"), which has requested that Daimler conducts an internal investigation, the US Environmental Protection Agency ("**EPA**"), the California Air Resources Board ("**CARB**") and other US state authorities, the South Korean Ministry of Environment, the South Korean competition authority (Korea Fair Trade Commission) and the Seoul 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, 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, 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 and will continue to file timely objections against the KBA's administrative orders 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, 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, it is likely that in the course of the ongoing and/or further investigations, KBA will issue additional administrative orders holding that other Mercedes-Benz diesel vehicles are also equipped with impermissible defeat devices. The new calibrations requested by KBA are being processed, and for a substantial proportion of the vehicles, the relevant software has already been approved by KBA; the related recalls have insofar been initiated. It cannot be ruled out that software updates may be reworked, further delivery and registration stops may be ordered or resolved by Daimler as a precautionary measure, also with a view to the used car, leasing and financing businesses.

Daimler is conducting further investigations and otherwise continues to fully cooperate with the authorities and institutions.

In January 2019, another vehicle manufacturer reached civil settlements with US federal and state authorities, as well as with vehicle customers. Although the manufacturer did not admit liability, the authorities maintain the position that the manufacturer included undisclosed Auxiliary Emission Control Devices ("AECDS") in its diesel vehicles, apparently including functionalities that are common in diesel vehicles, and that certain of these AECDS are illegal defeat devices. As part of these settlements, the manufacturer has agreed to, among other things, pay civil penalties, undertake a recall of affected vehicles, provide extended warranties, undertake a nationwide mitigation project and make other payments. The manufacturer has furthermore agreed to provide payments to current and former diesel vehicle owners as part of a class action settlement.

On August 13, 2020, by way of an ad hoc release, Daimler announced, among other things, that DAG and its subsidiary Mercedes-Benz USA, LLC ("**MBUSA**") have reached an agreement in principle with various U.S. authorities to settle civil and environmental claims regarding emission control systems of approximately 250,000 diesel passenger cars and vans in the United States. The involved U.S. authorities are EPA, CARB, the Environmental and Natural Resources Division of the DOJ, the California Attorney General's Office, and the U.S. Customs and Border Protection. Daimler has cooperated fully with the U.S. authorities and continues to do so. For the settlement with the aforementioned U.S. authorities, Daimler expects costs of approximately USD 1.5 billion (approximately EUR 1.27 billion). In addition, Daimler estimates further expenses of a mid three-digit-million EUR amount to fulfill requirements of the settlements.

On August 13, 2020, the Board of Management as well as the Supervisory Board of DAG and MBUSA approved the proposed settlements. The settlements are subject to the final approval of the relevant U.S. authorities and court. The agreement in principle with the U.S. government authorities will be memorialized in binding consent decrees, which will be lodged by the authorities with a U.S. District Court for ultimate 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, 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 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. Except for, in particular, the Stuttgart district attorney's office's administrative offense proceedings and, subject to the final approval by the relevant U.S. authorities and court, the aforementioned U.S. authorities' proceedings, 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 at this time. Due to the outcome of the administrative offense proceedings by the Stuttgart district attorney's office against Daimler, the settlements with the aforementioned U.S. authorities and the above as well as any potential other information requests, inquiries, investigations, administrative orders and proceedings, it is possible that Daimler will become subject to 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 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 determinations or findings, even if such determinations or findings are not within the scope of such authority's responsibility or jurisdiction. Thus, a negative determination, finding or allegation in one proceeding, such as the fine notice issued by the Stuttgart district attorney's office or the settlements with the aforementioned 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 settlements with the aforementioned U.S. authorities as well as other unfavorable findings, results or developments in any of the information requests, inquiries, investigations, administrative orders, legal actions and/or proceedings discussed above.

2. The subsection on page 24 of the Prospectus which is entitled "*4. Legal and Tax Risks – Risks from Legal Proceedings in Connection with Diesel Exhaust Gas Emissions – 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 – 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.

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 court approval.

In the ad hoc release of August 13, 2020, Daimler also announced that DAG and MBUSA have also reached an agreement in principle 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. The estimated cost of the class action settlement is approximately USD 700 million (approximately EUR 592 million) including the court's anticipated award of attorneys' fees and costs. The settlement is subject to the final approval of the relevant court.

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. 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 unfavorable findings, results, developments or allegations in any of the governmental or other court proceedings discussed above, in particular the fine notice issued by the Stuttgart district attorney's office or the settlements with the aforementioned U.S. authorities and U.S. class action plaintiffs.

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 18 (*Legal proceedings*) of the Notes to the Unaudited Interim Consolidated Financial Statements Q2 2020 of DAG, each 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 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 181 of the Prospectus which is entitled "*Legal and Arbitration Proceedings – Diesel emission behavior: Class-action and other lawsuits in the United States, Canada and Europe*" (as replaced by Supplement No. 1) shall be replaced in its entirety as follows:

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. In the ad hoc release of August 13, 2020, Daimler also announced, among other things, that DAG and MBUSA have also reached an agreement in principle with plaintiffs' counsel to settle the consumer class action "In re Mercedes-Benz Emissions Litigation". The estimated cost of the class action settlement is approximately USD 700 million (approximately EUR 592 million) including the court's anticipated award of attorneys' fees and costs. The U.S. consumer class action settlement will be submitted to the U. S. District Court of New Jersey for 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.

b. The subsection commencing on page 182 of the Prospectus which is entitled "*Legal and Arbitration Proceedings – Diesel emission behavior: Governmental Proceedings*" (as replaced by Supplement No. 1) shall be replaced in its entirety as follows:

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. These 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 include, among others, the US Department of Justice ("**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 US Environmental Protection Agency (EPA), the California Air Resources Board (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, 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 and will continue to file timely objections against the KBA's administrative orders 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, 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, it is likely that in the course of the ongoing and/or further investigations, KBA will issue additional administrative orders holding that other Mercedes-Benz diesel vehicles are also equipped with impermissible defeat devices. The new calibrations requested by KBA are being processed, and for a substantial proportion of the vehicles, the relevant software has already been approved by KBA; the related recalls have insofar been initiated. It cannot be ruled out that software updates may be reworked, further delivery and registration stops may be ordered or resolved by Daimler as a precautionary measure, also with a view to the used car, leasing and financing businesses, under the relevant circumstances.

On August 13, 2020, by way of an ad hoc release, Daimler announced, among other things, that DAG and its subsidiary MBUSA have reached an agreement in principle with various U.S. authorities to settle civil and environmental claims regarding emission control systems of approximately 250,000 diesel passenger cars and vans in the United States. The involved U.S. authorities are EPA, CARB, the Environmental and Natural Resources Division of the DOJ, the California Attorney General's Office, and the U.S. Customs and Border Protection. Daimler has cooperated fully with the U.S. authorities and continues to do so. For the settlement with the aforementioned U.S. authorities, Daimler expects costs of approximately USD 1.5 billion (approximately EUR 1.27 billion). In addition, Daimler estimates further expenses of a mid three-digit-million EUR amount to fulfill requirements of the settlements.

On August 13, 2020, the Board of Management as well as the Supervisory Board of DAG and MBUSA approved the proposed settlements. The settlements are subject to the final approval of the relevant U.S.

authorities and court. The agreement in principle with the U.S. government authorities will be memorialized in binding consent decrees, which will be lodged by the authorities with a U.S. District Court for ultimate approval.

Daimler is conducting further investigations and otherwise continues to fully cooperate with the authorities and institutions.

Except for the Stuttgart district attorney's office's administrative offense proceedings, the 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.

2. The subsection commencing on page 185 of the Prospectus which is entitled "12. Ratings" shall be replaced in its entirety as follows:

12. Ratings

DAG has received the following short-term and long-term ratings from DBRS 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 under review for possible downgrade

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. 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.

3. The subsection commencing on page 187 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

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 DRIVETM 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.

Mercedes-Benz AG has entered into a far-reaching strategic partnership, including an equity interest, with the Chinese battery-cell producer Farasis Energy (Ganzhou) Co., Ltd. Core elements of the agreement are the development and industrialization of advanced cell technologies and ambitious targets in the cost position. The agreement offers Mercedes-Benz 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 facility in Eastern Germany is being designed as a CO₂-neutral factory right from the start.

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.

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.

On August 13, 2020, by way of an ad hoc release, Daimler announced, among other things, that DAG and its subsidiary MBUSA have reached an agreement in principle with various U.S. authorities to settle civil and environmental claims regarding emission control systems of approximately 250,000 diesel passenger cars and vans in the United States. The involved U.S. authorities are EPA, CARB, the Environmental and Natural

Resources Division of the DOJ, the California Attorney General's Office, and the U.S. Customs and Border Protection. Daimler has cooperated fully with the U.S. authorities and continues to do so.

In the same ad hoc release, Daimler also announced that DAG and MBUSA have also reached an agreement in principle 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.

For the settlement with the aforementioned U.S. authorities, Daimler expects costs of approximately USD 1.5 billion (approximately EUR 1.27 billion). The estimated cost of the class action settlement is approximately USD 700 million (approximately EUR 592 million) including the court's anticipated award of attorneys' fees and costs. In addition, Daimler estimates further expenses of a mid three-digit-million EUR amount to fulfill requirements of the settlements.

The Board of Management as well as the Supervisory Board of DAG and MBUSA approved the proposed settlements.

The settlements are subject to the final approval of the relevant U.S. authorities and courts. The agreement in principle with the U.S. government authorities will be memorialized in binding consent decrees, which will be lodged by the authorities with a U.S. District Court for ultimate approval. The U.S. consumer class action settlement will be submitted to the U.S. District Court for the District of New Jersey for approval.

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

1. The first four paragraphs of the subsection commencing on page 212 of the Prospectus which is entitled "*2. Financial Information*" shall be replaced in their entirety as follows:

The annual financial information set out below in the subsections entitled "*aa. Selected Financial Information*" and "*bb. Additional Financial Information*" has been extracted from the audited non-consolidated financial statements of DFNA as of and for the financial year ended December 31, 2019 (consisting of statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and notes to the financial statements as set out in the annual report 2019 (with revisions made on August 18, 2020) of DFNA (the "**Amended DFNA Annual Report 2019**")) (the "**DFNA Financial Statements 2019**").

The DFNA Financial Statements 2019 and the audited non-consolidated financial statements of DFNA as of and for the financial year ended December 31, 2018 (consisting of statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and notes to the financial statements as set out in the annual report 2018 of DFNA (the "**DFNA Annual Report 2018**")) (the "**DFNA Financial Statements 2018**") are incorporated by reference into this Prospectus.

The annual financial information set out below should be read and analyzed together with the section entitled "*Notes to the financial statements*" as set out in the Amended DFNA Annual Report 2019. The accompanying notes are an integral part of the DFNA Financial Statements 2019.

Copies of each of the Amended DFNA Annual Report 2019 and the DFNA Annual Report 2018 will be available at and will be obtainable, free of charge, from DFNA (c/o Corporation Trust Corporation, Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801, USA).

2. The subsection on page 218 of the Prospectus which is entitled "**9. Financial Information Concerning DFNA's Assets and Liabilities, Financial Position and Profit and Losses – Historical Financial Information**" shall be replaced in its entirety as follows:

Historical Financial Information

The DFNA Financial Statements 2019 as set out in the Amended DFNA Annual Report 2019 and the DFNA Financial Statements 2018 as set out in the DFNA Annual Report 2018 are incorporated by reference into this Prospectus.

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

The subsection "**F.2**" set out in the table commencing on page 237 of the Prospectus which is entitled "**Table of Documents Incorporated by Reference**" shall be replaced in its entirety by the following two subsections "**F.2**" and "**F.3**" as follows:

Document	Section Incorporated by Reference
F.2 DFNA Annual Report 2019 (containing the DFNA Financial Statements 2019 prepared in accordance with IFRS) (which has been replaced by the Amended DFNA Annual Report 2019), including	
- Statement of Comprehensive Income	Page 10
- Statement of Financial Position	Page 11
- Statement of Changes in Equity	Page 12
- Statement of Cash Flows	Page 13
- Notes to the Financial Statements	Pages 14 – 26
- Independent Auditors' Report	Pages 8 – 9
http://dl.bourse.lu/dlp/109f4ca94db7be482495d4d61ebdc66838	
F.3 Amended DFNA Annual Report 2019 (containing the DFNA Financial Statements 2019 prepared in accordance with IFRS), including	
- Statement of Comprehensive Income	Page 10
- Statement of Financial Position	Page 11
- Statement of Changes in Equity	Page 12
- Statement of Cash Flows	Page 13
- Notes to the Financial Statements	Pages 14 – 26
- Independent Auditors' Report	Pages 8 – 9
http://dl.bourse.lu/dlp/10ca148c65490b43ad89fe4e21689f22f0	

E. 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 August 27, 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

in the case of Notes issued by Daimler AG

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44 Lexia Place
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in the case of Notes issued by Daimler International Finance B.V.

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in the case of Notes issued by Daimler Canada Finance Inc.

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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.
12-4, Higashi Shinagawa 4-chome, Shinagawa-ku
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In order to comply with the time limit set out above, punctual dispatch of the withdrawal is sufficient.