UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF**

THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2021

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF**

THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission File Number: 001-14428

RENAISSANCERE HOLDINGS LTD.

(Exact Name Of Registrant As Specified In Its Charter)

Bermuda	**98-0141974**
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification Number)

Renaissance House, 12 Crow Lane, Pembroke, Bermuda **HM 19**

(Address of Principal Executive Offices) (Zip Code)

(441) 295-4513

(Registrant's telephone number, including area code)

Not Applicable

(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	**Trading symbol(s)**	**Name of each exchange on which registered**
Common Shares, Par Value $1.00 per share	RNR	New York Stock Exchange
Series E 5.375% Preference Shares, Par Value $1.00 per share	RNR PRE	New York Stock Exchange
Depositary Shares, each representing a 1/1,000th interest in a Series F 5.750% Preference Share, Par Value $1.00 per share	RNR PRF	New York Stock Exchange
Depositary Shares, each representing a 1/1,000th interest in a Series G 4.20% Preference Share, Par Value $1.00 per share	RNR PRG	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒, Accelerated filer ☐, Non-accelerated filer ☐, Smaller reporting company ☐, Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The number of Common Shares, par value US $1.00 per share, outstanding at July 19, 2021 was 47,105,389.

RENAISSANCERE HOLDINGS LTD.
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NOTE ON FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q (this “Form 10-Q”) of RenaissanceRe Holdings Ltd. (the “Company” or “RenaissanceRe”) contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Forward-looking statements are necessarily based on estimates and assumptions that are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which, with respect to future business decisions, are subject to change. These uncertainties and contingencies can affect actual results and could cause actual results to differ materially from those expressed in any forward-looking statements made by, or on behalf of, us. In particular, statements using words such as “may,” “should,” “estimate,” “expect,” “anticipate,” “intend,” “believe,” “predict,” “potential,” or words of similar import generally involve forward-looking statements. For example, we may include certain forward-looking statements in “Management’s Discussion and Analysis of Financial Condition and Results of Operations” with regard to trends in results, prices, volumes, operations, investment results, margins, combined ratios, fees, reserves, market conditions, risk management and exchange rates. This Form 10-Q also contains forward-looking statements with respect to our business and industry, such as those relating to our strategy and management objectives, market standing and product volumes, competition and new entrants in our industry, industry capital, insured losses from loss events, government initiatives and regulatory matters affecting the reinsurance and insurance industries.

The inclusion of forward-looking statements in this report should not be considered as a representation by us or any other person that our current objectives or plans will be achieved. Numerous factors could cause our actual results to differ materially from those addressed by the forward-looking statements, including the following:

- the uncertainty of the continuing and future impact of the COVID-19 pandemic, including measures taken in response thereto and the effect of legislative, regulatory and judicial influences on our financial performance and our ability to conduct our business;
- the frequency and severity of catastrophic and other events we cover;
- the effectiveness of our claims and claim expense reserving process;
- the effect of climate change on our business, including the trend towards increasingly frequent and severe climate events;
- our ability to maintain our financial strength ratings;
- the effect of emerging claims and coverage issues;
- collection on claimed retrocessional coverage, and new retrocessional reinsurance being available on acceptable terms and providing the coverage that we intended to obtain;
- the highly competitive nature of our industry, resulting in consolidation of competitors, customers and insurance and reinsurance brokers, and our reliance on a small and decreasing number of brokers for the preponderance of our revenue;
- our exposure to credit loss from counterparties in the normal course of business;
- the effect of continued challenging economic conditions throughout the world;
- the performance of our investment portfolio and financial market volatility;
- a contention by the United States (the “U.S.”) Internal Revenue Service that Renaissance Reinsurance Ltd. (“Renaissance Reinsurance”), or any of our other Bermuda subsidiaries, is subject to taxation in the U.S.;
- the effects of U.S. tax reform legislation, Organisation for Economic Co-operation and Development or European Union (“EU”) measures and possible future tax reform legislation and regulations, including changes to the tax treatment of our shareholders or investors in our joint ventures or other entities we manage;
- the effect of cybersecurity risks, including technology breaches or failure, on our business;

- our ability to successfully implement our business strategies and initiatives, and the success of any of our strategic investments or acquisitions, including our ability to manage our operations as our product and geographical diversity increases;
- our ability to retain our key senior officers and to attract or retain the executives and employees necessary to manage our business;
- our ability to effectively manage capital on behalf of investors in joint ventures or other entities we manage;
- foreign currency exchange rate fluctuations;
- soft reinsurance underwriting market conditions;
- changes in the method for determining the London Inter-bank Offered Rate ("LIBOR") and the replacement of LIBOR;
- losses we could face from terrorism, political unrest or war;
- our ability to determine any impairments taken on our investments;
- the effects of inflation;
- the ability of our ceding companies and delegated authority counterparties to accurately assess the risks they underwrite;
- the effect of operational risks, including system or human failures;
- our ability to raise capital if necessary;
- our ability to comply with covenants in our debt agreements;
- changes to the accounting rules and regulatory systems applicable to our business, including changes in Bermuda laws or regulations or as a result of increased global regulation of the insurance and reinsurance industries;
- our dependence on the ability of our operating subsidiaries to declare and pay dividends;
- aspects of our corporate structure that may discourage third-party takeovers and other transactions;
- difficulties investors may have in serving process or enforcing judgments against us in the U.S.;
- the cyclical nature of the reinsurance and insurance industries;
- adverse legislative developments that reduce the size of the private markets we serve or impede their future growth and other political, regulatory or industry initiatives adversely impacting us;
- our ability to comply with applicable sanctions and foreign corrupt practices laws;
- international restrictions on the writing of reinsurance by foreign companies and government intervention in the natural catastrophe market;
- our need to make many estimates and judgments in the preparation of our financial statements; and
- the effect of the exit by the United Kingdom (the "U.K.") from the EU.

As a consequence, our future financial condition and results may differ from those expressed in any forward-looking statements made by or on behalf of us. The factors listed above, which are discussed in more detail in our filings with the U.S. Securities and Exchange Commission ("SEC"), including our Annual Report on Form 10-K ("Form 10-K") for the year ended December 31, 2020, Item 1A of this Quarterly Report on Form 10-Q and our prospectus supplement dated July 7, 2021, should not be construed as exhaustive. The effects of the events and circumstances described in the risk factors contained in this Form 10-Q may have the effect of heightening many of the risks contained in our Form 10-K. Forward-looking statements speak only as of the date they are made, and we undertake no obligation to revise or update forward-looking statements to reflect new information, events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

PART I FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

RenaissanceRe Holdings Ltd. and Subsidiaries
Consolidated Balance Sheets
(in thousands of United States Dollars, except share and per share amounts)

	June 30, 2021	December 31, 2020
Assets	(Unaudited)	(Audited)
Fixed maturity investments trading, at fair value – amortized cost $13,303,855 at June 30, 2021 (December 31, 2020 – $13,155,035)	$ 13,418,389	$ 13,506,503
Short term investments, at fair value	4,392,652	4,993,735
Equity investments trading, at fair value	577,090	702,617
Other investments, at fair value	1,585,036	1,256,948
Investments in other ventures, under equity method	91,938	98,373
Total investments	20,065,105	20,558,176
Cash and cash equivalents	1,789,756	1,736,813
Premiums receivable	4,481,492	2,894,631
Prepaid reinsurance premiums	1,361,041	823,582
Reinsurance recoverable	3,187,638	2,926,010
Accrued investment income	56,804	66,743
Deferred acquisition costs and value of business acquired	883,926	633,521
Receivable for investments sold	457,458	568,293
Other assets	196,959	363,170
Goodwill and other intangible assets	246,576	249,641
Total assets	$ 32,726,755	$ 30,820,580
Liabilities, Noncontrolling Interests and Shareholders' Equity		
Liabilities		
Reserve for claims and claim expenses	$ 10,944,742	$ 10,381,138
Unearned premiums	4,284,260	2,763,599
Debt	1,137,304	1,136,265
Reinsurance balances payable	4,489,841	3,488,352
Payable for investments purchased	795,185	1,132,538
Other liabilities	201,398	970,121
Total liabilities	21,852,730	19,872,013
Commitments and contingencies		
Redeemable noncontrolling interests	3,656,419	3,388,319
Shareholders' Equity		
Preference shares: $1.00 par value – 11,010,000 shares issued and outstanding at June 30, 2021 (December 31, 2020 – 11,010,000)	525,000	525,000
Common shares: $1.00 par value – 48,025,898 shares issued and outstanding at June 30, 2021 (December 31, 2020 – 50,810,618)	48,026	50,811
Additional paid-in capital	1,153,881	1,623,206
Accumulated other comprehensive loss	(14,061)	(12,642)
Retained earnings	5,504,760	5,373,873
Total shareholders' equity attributable to RenaissanceRe	7,217,606	7,560,248
Total liabilities, noncontrolling interests and shareholders' equity	$ 32,726,755	$ 30,820,580

See accompanying notes to the consolidated financial statements

RenaissanceRe Holdings Ltd. and Subsidiaries
Consolidated Statements of Operations
For the three and six months ended June 30, 2021 and 2020
(in thousands of United States Dollars, except per share amounts) (Unaudited)

	Three months ended		Six months ended	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Revenues				
Gross premiums written	$ 2,094,158	$ 1,701,872	$ 4,746,600	$ 3,727,593
Net premiums written	$ 1,512,292	$ 1,180,803	$ 3,336,375	$ 2,450,611
Increase in unearned premiums	(319,502)	(170,707)	(989,749)	(527,417)
Net premiums earned	1,192,790	1,010,096	2,346,626	1,923,194
Net investment income	80,925	89,305	160,729	188,778
Net foreign exchange gains (losses)	3,234	(7,195)	(19,554)	(12,923)
Equity in earnings of other ventures	8,732	9,041	3,174	13,605
Other income (loss)	586	(1,201)	2,757	(5,637)
Net realized and unrealized gains (losses) on investments	191,018	448,390	(154,545)	337,683
Total revenues	1,477,285	1,548,436	2,339,187	2,444,700
Expenses				
Net claims and claim expenses incurred	520,021	510,272	1,387,072	1,081,226
Acquisition expenses	285,590	233,610	552,824	444,214
Operational expenses	58,203	49,077	113,514	116,538
Corporate expenses	10,125	11,898	20,530	27,889
Interest expense	11,833	11,842	23,745	26,769
Total expenses	885,772	816,699	2,097,685	1,696,636
Income before taxes	591,513	731,737	241,502	748,064
Income tax (expense) benefit	(13,862)	(29,875)	5,654	(21,029)
Net income	577,651	701,862	247,156	727,035
Net income attributable to redeemable noncontrolling interests	(113,544)	(118,728)	(66,694)	(216,819)
Net income available to RenaissanceRe	464,107	583,134	180,462	510,216
Dividends on preference shares	(7,289)	(7,289)	(14,578)	(16,345)
Net income available to RenaissanceRe common shareholders	$ 456,818	$ 575,845	$ 165,884	$ 493,871
Net income available to RenaissanceRe common shareholders per common share – basic	$ 9.36	$ 12.64	$ 3.36	$ 11.04
Net income available to RenaissanceRe common shareholders per common share – diluted	$ 9.35	$ 12.63	$ 3.35	$ 11.02
Dividends per common share	$ 0.36	$ 0.35	$ 0.72	$ 0.70

See accompanying notes to the consolidated financial statements

RenaissanceRe Holdings Ltd. and Subsidiaries
Consolidated Statements of Comprehensive Income
For the three and six months ended June 30, 2021 and 2020
(in thousands of United States Dollars) (Unaudited)

	Three months ended		Six months ended	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Comprehensive income				
Net income	$ 577,651	$ 701,862	$ 247,156	$ 727,035
Change in net unrealized losses on investments, net of tax	(1,022)	(1,488)	(2,833)	(2,145)
Foreign currency translation adjustments, net of tax	(657)	86	1,414	1,018
Comprehensive income	575,972	700,460	245,737	725,908
Net income attributable to redeemable noncontrolling interests	(113,544)	(118,728)	(66,694)	(216,819)
Comprehensive income attributable to redeemable noncontrolling interests	(113,544)	(118,728)	(66,694)	(216,819)
Comprehensive income available to RenaissanceRe	$ 462,428	$ 581,732	$ 179,043	$ 509,089

See accompanying notes to the consolidated financial statements

RenaissanceRe Holdings Ltd. and Subsidiaries
Consolidated Statements of Changes in Shareholders' Equity
For the three and six months ended June 30, 2021 and 2020
(in thousands of United States Dollars) (Unaudited)

	Three months ended		Six months ended	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Preference shares				
Beginning balance	$ 525,000	$ 525,000	$ 525,000	$ 650,000
Repurchase of shares	—	—	—	(125,000)
Ending balance	525,000	525,000	525,000	525,000
Common shares				
Beginning balance	49,970	44,034	50,811	44,148
Issuance of shares	—	6,777	—	6,777
Repurchase of shares	(1,944)	—	(3,020)	(406)
Issuance of restricted stock awards	—	—	235	292
Ending balance	48,026	50,811	48,026	50,811
Additional paid-in capital				
Beginning balance	1,450,627	502,608	1,623,206	568,277
Issuance of shares	—	1,088,772	—	1,088,772
Repurchase of shares	(307,071)	—	(477,640)	(62,215)
Change in redeemable noncontrolling interests	(825)	(4)	(2,690)	(353)
Issuance of restricted stock awards	11,150	11,362	11,005	8,257
Ending balance	1,153,881	1,602,738	1,153,881	1,602,738
Accumulated other comprehensive loss				
Beginning balance	(12,382)	(1,664)	(12,642)	(1,939)
Change in net unrealized losses on investments, net of tax	(1,022)	(1,488)	(2,833)	(2,145)
Foreign currency translation adjustments, net of tax	(657)	86	1,414	1,018
Ending balance	(14,061)	(3,066)	(14,061)	(3,066)
Retained earnings				
Beginning balance	5,065,122	4,613,548	5,373,873	4,710,881
Net income	577,651	701,862	247,156	727,035
Net income attributable to redeemable noncontrolling interests	(113,544)	(118,728)	(66,694)	(216,819)
Dividends on common shares	(17,180)	(17,704)	(34,997)	(33,063)
Dividends on preference shares	(7,289)	(7,289)	(14,578)	(16,345)
Ending balance	5,504,760	5,171,689	5,504,760	5,171,689
Total shareholders' equity	$ 7,217,606	$ 7,347,172	$ 7,217,606	$ 7,347,172

See accompanying notes to the consolidated financial statements

RenaissanceRe Holdings Ltd. and Subsidiaries
Consolidated Statements of Cash Flows
For the six months ended June 30, 2021 and 2020
(in thousands of United States Dollars) (Unaudited)

	Six months ended	
	June 30, 2021	June 30, 2020
Cash flows provided by operating activities		
Net income	$ 247,156	$ 727,035
Adjustments to reconcile net income to net cash provided by operating activities		
Amortization, accretion and depreciation	(7,927)	(8,526)
Equity in undistributed earnings of other ventures	15,848	1,388
Net realized and unrealized losses (gains) on investments	160,077	(337,683)
Change in:		
Premiums receivable	(1,586,861)	(920,069)
Prepaid reinsurance premiums	(537,459)	(498,422)
Reinsurance recoverable	(261,628)	16,939
Deferred acquisition costs and value of business acquired	(250,405)	(70,295)
Reserve for claims and claim expenses	563,604	(18,880)
Unearned premiums	1,520,661	1,018,666
Reinsurance balances payable	1,001,489	1,263,336
Other	(529,386)	(316,524)
Net cash provided by operating activities	335,169	856,965
Cash flows provided by (used in) investing activities		
Proceeds from sales and maturities of fixed maturity investments trading	8,921,362	8,340,351
Purchases of fixed maturity investments trading	(9,251,778)	(8,949,454)
Net sales (purchases) of equity investments trading	123,242	(45,008)
Net sales (purchases) of short term investments	624,792	(990,604)
Net purchases of other investments	(286,511)	(90,010)
Net purchases of investments in other ventures	(15,342)	(1,994)
Return of investment from investment in other ventures	2,622	9,157
Net cash provided by (used in) investing activities	118,387	(1,727,562)
Cash flows (used in) provided by financing activities		
Dividends paid – RenaissanceRe common shares	(34,997)	(33,063)
Dividends paid – preference shares	(14,578)	(16,345)
RenaissanceRe common share issuance, net of expenses	—	1,095,549
RenaissanceRe common share repurchases	(480,660)	(62,621)
Repayment of debt	—	(250,000)
Redemption of 6.08% Series C preference shares	—	(125,000)
Net third-party redeemable noncontrolling interest share transactions	140,439	79,283
Taxes paid on withholding shares	(9,897)	(10,243)
Net cash (used in) provided by financing activities	(399,693)	677,560
Effect of exchange rate changes on foreign currency cash	(920)	(187)
Net increase (decrease) in cash and cash equivalents	52,943	(193,224)
Cash and cash equivalents, beginning of period	1,736,813	1,379,068
Cash and cash equivalents, end of period	$ 1,789,756	$ 1,185,844

See accompanying notes to the consolidated financial statements

NOTE 1. ORGANIZATION

This report on Form 10-Q should be read in conjunction with RenaissanceRe's Annual Report on Form 10-K ("Form 10-K") for the fiscal year ended December 31, 2020. RenaissanceRe was formed under the laws of Bermuda on June 7, 1993. Together with its wholly owned and majority-owned subsidiaries, joint ventures and managed funds, the Company provides property, casualty and specialty reinsurance and certain insurance solutions to its customers.

- Renaissance Reinsurance Ltd. ("Renaissance Reinsurance"), a Bermuda-domiciled reinsurance company, is the Company's principal reinsurance subsidiary and provides property, casualty and specialty reinsurance coverages to insurers and reinsurers on a worldwide basis.
- Renaissance Reinsurance U.S. Inc. is a reinsurance company domiciled in the state of Maryland that provides property, casualty and specialty reinsurance coverages to insurers and reinsurers, primarily in the Americas.
- RenaissanceRe Syndicate 1458 ("Syndicate 1458") is the Company's Lloyd's syndicate. RenaissanceRe Corporate Capital (UK) Limited, a wholly owned subsidiary of RenaissanceRe, is Syndicate 1458's sole corporate member. RenaissanceRe Syndicate Management Ltd., a wholly owned subsidiary of RenaissanceRe, is the managing agent for Syndicate 1458.
- RenaissanceRe Europe AG ("RREAG"), a Swiss-domiciled reinsurance company, which has branches in Australia, Bermuda, the U.K. and the U.S., provides property, casualty and specialty reinsurance coverages to insurers and reinsurers on a worldwide basis.
- RenaissanceRe Specialty U.S. Ltd., a Bermuda-domiciled insurer, which operates subject to U.S. federal income tax.
- DaVinci Reinsurance Ltd. ("DaVinci"), a wholly-owned subsidiary of DaVinciRe Holdings Ltd. ("DaVinciRe"), is a managed joint venture formed by the Company to principally write property catastrophe reinsurance and certain casualty and specialty reinsurance lines of business on a global basis.
- Top Layer Reinsurance Ltd. is a managed joint venture formed by the Company to write high excess non-U.S. property catastrophe reinsurance.
- RenaissanceRe Underwriting Managers U.S. LLC, is licensed as a reinsurance intermediary broker in the State of Connecticut and underwrites specialty treaty reinsurance solutions on both a quota share and excess of loss basis on behalf of affiliates.
- Renaissance Underwriting Managers, Ltd. ("RUM"), a wholly owned subsidiary of RenaissanceRe, acts as exclusive underwriting manager for certain of our joint ventures or managed funds in return for fee-based income and profit participation.
- RenaissanceRe Fund Management Ltd. ("RFM") is a wholly-owned Bermuda exempted company and acts as the exclusive investment fund manager for several of the Company's joint ventures or managed funds, in return for a management fee, a performance based incentive fee, or both. RFM is registered as an Exempt Reporting Adviser with the Securities and Exchange Commission and serves as the investment adviser to third-party investors in the various private investment partnerships and insurance-related investment products offered by the Company.
- RenaissanceRe Medici Fund Ltd. ("Medici") is an exempted company, incorporated under the laws of Bermuda and registered as an institutional fund. Medici invests, primarily on behalf of third-party investors, in various instruments that have returns primarily tied to property catastrophe risk.
- Upsilon RFO Re Ltd., formerly known as Upsilon Reinsurance II Ltd. ("Upsilon RFO"), a Bermuda domiciled collateralized insurer, is a managed fund formed by the Company principally to provide

additional capacity to the worldwide aggregate and per-occurrence primary and retrocessional property catastrophe excess of loss market.

- RenaissanceRe Upsilon Fund Ltd., an exempted Bermuda segregated accounts company registered as a Class A Professional Fund provides a fund structure through which third-party investors can invest in reinsurance risk managed by the Company.
- Vermeer Reinsurance Ltd. (“Vermeer”), an exempted Bermuda reinsurer, provides capacity focused on risk remote layers in the U.S. property catastrophe market. The Company maintains a majority voting control of Vermeer, while Stichting Pensioenfonds Zorg en Welzijn (“PFZW”), a pension fund represented by PGGM Vermogensbeheer B.V., a Dutch pension fund manager, retains economic benefits.
- Mona Lisa Re Ltd. (“Mona Lisa Re”), a Bermuda domiciled SPI, provides reinsurance capacity to subsidiaries of RenaissanceRe, namely Renaissance Reinsurance and DaVinci, through reinsurance agreements which are collateralized and funded by Mona Lisa Re through the issuance of one or more series of principal-at-risk variable rate notes.
- Fibonacci Reinsurance Ltd. ("Fibonacci Re"), a Bermuda-domiciled special purpose insurer (“SPI”), provides collateralized capacity to Renaissance Reinsurance and its affiliates. Fibonacci Re raises capital from third-party investors and the Company, via private placements of participating notes which are listed on the Bermuda Stock Exchange.
- The Company and Reinsurance Group of America, Incorporated are engaged in an initiative (“Langhorne”) to source third-party capital to support reinsurers targeting large in-force life and annuity blocks. Langhorne Holdings LLC (“Langhorne Holdings”) was incorporated to own and manage certain reinsurance entities within Langhorne. Langhorne Partners LLC (“Langhorne Partners”) is the general partner for Langhorne and manages the third-parties investing in Langhorne Holdings.
- Following the acquisition of Tokio Millennium Re AG and certain associated entities and subsidiaries (collectively, “TMR”) on March 22, 2019, the Company managed Shima Reinsurance Ltd. (“Shima Re”), Norwood Re Ltd. (“Norwood Re”) and Blizzard Re Ltd. (“Blizzard,” together with Shima Re and Norwood Re, the “TMR managed third-party capital vehicles”), which provided third-party investors with access to reinsurance risk. The TMR managed third-party capital vehicles no longer write new business. The Company ceased providing management services to Blizzard effective November 1, 2020, and to Shima Re and Norwood Re effective December 1, 2020.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

There have been no material changes to the Company’s significant accounting policies as described in its Form 10-K for the year ended December 31, 2020, except as described below.

BASIS OF PRESENTATION

These consolidated financial statements have been prepared on the basis of accounting principles generally accepted in the U.S. (“GAAP”) for interim financial information and in conformity with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete consolidated financial statements. In the opinion of management, these unaudited consolidated financial statements reflect all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation of the Company’s financial position and results of operations as at the end of and for the periods presented. All significant intercompany accounts and transactions have been eliminated from these statements.

Certain comparative information has been reclassified to conform to the current presentation. Because of the seasonality of the Company’s business, the results of operations and cash flows for any interim period will not necessarily be indicative of the results of operations and cash flows for the full fiscal year or subsequent quarters.

USE OF ESTIMATES IN FINANCIAL STATEMENTS

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported and disclosed amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ materially from those estimates. The major estimates reflected in the Company's consolidated financial statements include, but are not limited to, the reserve for claims and claim expenses; reinsurance recoverable and premiums receivable, including provisions for reinsurance recoverable and premiums receivable to reflect expected credit losses; estimates of written and earned premiums; fair value, including the fair value of investments, financial instruments and derivatives; impairment charges; deferred acquisition costs and the value of business acquired and the Company's deferred tax valuation allowance.

RECENTLY ADOPTED ACCOUNTING PRONOUNCEMENTS

Simplifying the Accounting for Income Taxes

In December 2019, the FASB issued ASU No. 2019-12, *Simplifying the Accounting for Income Taxes* ("ASU 2019-12"). Among other things, ASU 2019-12 eliminates certain exceptions for recognizing deferred taxes for investments, performing intraperiod tax allocation and calculating income taxes in interim periods. ASU 2019-12 also clarifies the accounting for transactions that result in a step-up in the tax basis of goodwill. ASU 2019-12 is effective for public business entities for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2020. Accordingly, the Company adopted ASU 2019-12 effective January 1, 2021. The adoption of ASU 2019-12 did not have a material impact on the Company's consolidated statements of operations and financial position.

NOTE 3. INVESTMENTS

Fixed Maturity Investments Trading

The following table summarizes the fair value of fixed maturity investments trading:

	June 30, 2021	December 31, 2020
U.S. treasuries	$ 6,327,895	$ 4,960,409
Agencies	325,051	368,032
Non-U.S. government	508,320	491,531
Non-U.S. government-backed corporate	396,966	338,014
Corporate	3,387,433	4,261,025
Agency mortgage-backed	703,757	1,113,792
Non-agency mortgage-backed	260,432	291,444
Commercial mortgage-backed	588,262	791,272
Asset-backed	920,273	890,984
Total fixed maturity investments trading	$ 13,418,389	$ 13,506,503

Contractual maturities of fixed maturity investments trading are described in the following table. Expected maturities will differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

June 30, 2021	Amortized Cost	Fair Value
Due in less than one year	$ 361,912	$ 365,154
Due after one through five years	6,135,329	6,191,724
Due after five through ten years	4,041,811	4,060,205
Due after ten years	318,245	328,582
Mortgage-backed	1,528,338	1,552,451
Asset-backed	918,220	920,273
Total	$ 13,303,855	$ 13,418,389

Equity Investments Trading

The following table summarizes the fair value of equity investments trading:

	June 30, 2021	December 31, 2020
Financials	$ 227,257	$ 452,765
Communications and technology	93,458	119,592
Consumer	58,699	44,477
Industrial, utilities and energy	32,891	43,380
Healthcare	32,041	35,140
Basic materials	6,051	7,263
Exchange traded funds	126,693	—
Total	$ 577,090	$ 702,617

Pledged Investments

At June 30, 2021, $8.6 billion of cash and investments at fair value were on deposit with, or in trust accounts for the benefit of, various counterparties, including with respect to the Company’s letter of credit facilities (December 31, 2020 - $8.1 billion). Of this amount, $2.0 billion is on deposit with, or in trust accounts for the benefit of, U.S. state regulatory authorities (December 31, 2020 - $2.5 billion).

Reverse Repurchase Agreements

At June 30, 2021, the Company held $77.8 million (December 31, 2020 - $126.5 million) of reverse repurchase agreements. These loans are fully collateralized, are generally outstanding for a short period of time and are presented on a gross basis as part of short term investments on the Company’s consolidated balance sheets. The required collateral for these loans typically includes high-quality, readily marketable instruments at a minimum amount of 102% of the loan principal. Upon maturity, the Company receives principal and interest income.

Net Investment Income

The components of net investment income are as follows:

	Three months ended		Six months ended	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Fixed maturity investments	$ 59,510	$ 69,943	$ 122,443	$ 143,281
Short term investments	782	6,049	1,355	18,141
Equity investments	1,626	1,666	3,117	3,217
Other investments				
Catastrophe bonds	16,681	13,519	31,149	27,658
Other	9,339	1,107	13,140	2,736
Cash and cash equivalents	159	837	261	2,341
	88,097	93,121	171,465	197,374
Investment expenses	(7,172)	(3,816)	(10,736)	(8,596)
Net investment income	$ 80,925	$ 89,305	$ 160,729	$ 188,778

Net Realized and Unrealized Gains (Losses) on Investments

Net realized and unrealized gains (losses) on investments are as follows:

	Three months ended		Six months ended	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Net realized gains on fixed maturity investments trading	$ 33,161	$ 105,849	$ 53,559	$ 163,336
Net unrealized gains (losses) on fixed maturity investments trading	64,015	197,678	(233,003)	177,333
Net realized and unrealized gains (losses) on fixed maturity investments trading	97,176	303,527	(179,444)	340,669
Net realized and unrealized (losses) gains on investments-related derivatives	(9,329)	24,372	5,532	57,553
Net realized gains (losses) on equity investments trading	93,411	422	203,298	(14,625)
Net unrealized (losses) gains on equity investments trading	(27,845)	107,896	(205,654)	1,959
Net realized and unrealized gains (losses) on equity investments trading	65,566	108,318	(2,356)	(12,666)
Net realized and unrealized gains (losses) on other investments - catastrophe bonds	2	4,452	(19,081)	(9,900)
Net realized and unrealized gains (losses) on other investments - other	37,603	7,721	40,804	(37,973)
Net realized and unrealized gains (losses) on investments	$ 191,018	$ 448,390	$ (154,545)	$ 337,683

NOTE 4. FAIR VALUE MEASUREMENTS

The use of fair value to measure certain assets and liabilities with resulting unrealized gains or losses is pervasive within the Company's consolidated financial statements. Fair value is defined under accounting guidance currently applicable to the Company as the price that would be received upon the sale of an asset or paid to transfer a liability in an orderly transaction between open market participants at the measurement date. The Company recognizes the change in unrealized gains and losses arising from changes in fair value in its consolidated statements of operations.

FASB ASC Topic *Fair Value Measurements and Disclosures* prescribes a fair value hierarchy that prioritizes the inputs to the respective valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to valuation techniques that use at least one significant input that is unobservable (Level 3). The three levels of the fair value hierarchy are described below:

- Fair values determined by Level 1 inputs utilize unadjusted quoted prices obtained from active markets for identical assets or liabilities for which the Company has access at the measurement date. The fair value is determined by multiplying the quoted price by the quantity held by the Company;
- Fair values determined by Level 2 inputs utilize inputs (other than quoted prices included in Level 1) that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals, broker quotes and certain pricing indices; and
- Level 3 inputs are based all or in part on significant unobservable inputs for the asset or liability, and include situations where there is little, if any, market activity for the asset or liability. In these cases, significant management assumptions can be used to establish management's best estimate of the assumptions used by other market participants in determining the fair value of the asset or liability.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the level in the fair value hierarchy within which the fair value measurement in its entirety falls has been determined based on the lowest level input that is significant to the fair value measurement of the asset or liability. The Company's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and the Company considers factors specific to the asset or liability.

In order to determine if a market is active or inactive for a security, the Company considers a number of factors, including, but not limited to, the spread between what a seller is asking for a security and what a buyer is bidding for the same security, the volume of trading activity for the security in question, the price of the security compared to its par value (for fixed maturity investments), and other factors that may be indicative of market activity.

There have been no material changes in the Company's valuation techniques, nor have there been any transfers between Level 1 and Level 2, or Level 2 and Level 3 during the period represented by these consolidated financial statements.

Below is a summary of the assets and liabilities that are measured at fair value on a recurring basis and also represents the carrying amount on the Company's consolidated balance sheets:

At June 30, 2021	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Fixed maturity investments				
U.S. treasuries	$ 6,327,895	$ 6,327,895	$ —	$ —
Agencies	325,051	—	325,051	—
Non-U.S. government	508,320	—	508,320	—
Non-U.S. government-backed corporate	396,966	—	396,966	—
Corporate	3,387,433	—	3,387,433	—
Agency mortgage-backed	703,757	—	703,757	—
Non-agency mortgage-backed	260,432	—	260,432	—
Commercial mortgage-backed	588,262	—	588,262	—
Asset-backed	920,273	—	920,273	—
Total fixed maturity investments	13,418,389	6,327,895	7,090,494	—
Short term investments	4,392,652	—	4,392,652	—
Equity investments trading	577,090	577,090	—	—
Other investments				
Catastrophe bonds	1,026,397	—	1,026,397	—
Private equity investments	81,344	—	—	81,344
	1,107,741	—	1,026,397	81,344
Fund investments (1)	477,295			
Total other investments	1,585,036	—	1,026,397	81,344
Other assets and (liabilities)				
Assumed and ceded (re)insurance contracts (2)	(6,193)	—	—	(6,193)
Derivative assets (3)	9,465	837	8,628	—
Derivative liabilities (3)	(15,630)	(1,281)	(14,349)	—
Total other assets and (liabilities)	(12,358)	(444)	(5,721)	(6,193)
	$ 19,960,809	$ 6,904,541	$ 12,503,822	$ 75,151

(1) Fund investments, which are comprised of private equity and private credit funds, senior secured bank loan funds and hedge funds, are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient and have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the consolidated balance sheet.

(2) Included in assumed and ceded (re)insurance contracts at June 30, 2021 was $Nil of other assets and $6.2 million of other liabilities.

(3) See "Note 13. Derivative Instruments" for additional information related to the fair value, by type of contract, of derivatives entered into by the Company.

At December 31, 2020	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Fixed maturity investments				
U.S. treasuries	$ 4,960,409	$ 4,960,409	$ —	$ —
Agencies	368,032	—	368,032	—
Non-U.S. government	491,531	—	491,531	—
Non-U.S. government-backed corporate	338,014	—	338,014	—
Corporate	4,261,025	—	4,261,025	—
Agency mortgage-backed	1,113,792	—	1,113,792	—
Non-agency mortgage-backed	291,444	—	291,444	—
Commercial mortgage-backed	791,272	—	791,272	—
Asset-backed	890,984	—	890,984	—
Total fixed maturity investments	13,506,503	4,960,409	8,546,094	—
Short term investments	4,993,735	—	4,993,735	—
Equity investments trading	702,617	702,617	—	—
Other investments				
Catastrophe bonds	881,290	—	881,290	—
Private equity investments	79,807	—	—	79,807
	961,097	—	881,290	79,807
Fund investments (1)	295,851			
Total other investments	1,256,948	—	881,290	79,807
Other assets and (liabilities)				
Assumed and ceded (re)insurance contracts (2)	(6,211)	—	—	(6,211)
Derivative assets (3)	45,233	156	45,077	—
Derivative liabilities (3)	(22,360)	(567)	(21,793)	—
Total other assets and (liabilities)	16,662	(411)	23,284	(6,211)
	$ 20,476,465	$ 5,662,615	$ 14,444,403	$ 73,596

(1) Fund investments, which are comprised of private equity and private credit funds, senior secured bank loan funds and hedge funds, are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient and have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the consolidated balance sheet.

(2) Included in assumed and ceded (re)insurance contracts at December 31, 2020 was $1.4 million of other assets and $7.6 million of other liabilities.

(3) See “Note 13. Derivative Instruments” for additional information related to the fair value, by type of contract, of derivatives entered into by the Company.

Level 1 and Level 2 Assets and Liabilities Measured at Fair Value

Fixed Maturity Investments

Fixed maturity investments included in Level 1 consist of the Company’s investments in U.S. treasuries. Fixed maturity investments included in Level 2 are agencies, non-U.S. government, non-U.S. government-backed corporate, corporate, agency mortgage-backed, non-agency mortgage-backed, commercial mortgage-backed and asset-backed.

The Company’s fixed maturity investments are primarily priced using pricing services, such as index providers and pricing vendors, as well as broker quotations. In general, the pricing vendors provide pricing for a high volume of liquid securities that are actively traded. For securities that do not trade on an exchange, the pricing services generally utilize market data and other observable inputs in matrix pricing models to determine month end prices. Observable inputs include benchmark yields, reported trades, broker-dealer quotes, issuer spreads, bids, offers, reference data and industry and economic events. Index pricing generally relies on market traders as the primary source for pricing; however, models are also utilized to provide prices for all index eligible securities. The models use a variety of observable inputs such as benchmark yields, transactional data, dealer runs, broker-dealer quotes and corporate actions. Prices are generally verified using third-party data. Securities which are priced by an index provider are generally included in the index.

In general, broker-dealers value securities through their trading desks based on observable inputs. The methodologies include mapping securities based on trade data, bids or offers, observed spreads, and performance on newly issued securities. Broker-dealers also determine valuations by observing secondary trading of similar securities. Prices obtained from broker quotations are considered non-binding, however they are based on observable inputs and by observing secondary trading of similar securities obtained from active and non-distressed markets.

The Company considers these broker quotations to be Level 2 inputs as they are corroborated with other market observable inputs. The techniques generally used to determine the fair value of the Company’s fixed maturity investments are detailed below by asset class.

U.S. Treasuries

Level 1 - At June 30, 2021, the Company’s U.S. treasuries fixed maturity investments were primarily priced by pricing services and had a weighted average yield to maturity of 0.7% and a weighted average credit quality of AA (December 31, 2020 - 0.4% and AA, respectively). When pricing these securities, the pricing services utilize daily data from many real time market sources, including active broker-dealers. Certain data sources are regularly reviewed for accuracy to attempt to ensure the most reliable price source is used for each issue and maturity date.

Agencies

Level 2 - At June 30, 2021, the Company’s agency fixed maturity investments had a weighted average yield to maturity of 1.1% and a weighted average credit quality of AA (December 31, 2020 - 0.9% and AA, respectively). The issuers of the Company’s agency fixed maturity investments primarily consist of the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation and other agencies. Fixed maturity investments included in agencies are primarily priced by pricing services. When evaluating these securities, the pricing services gather information from market sources and integrate other observations from markets and sector news. Evaluations are updated by obtaining broker-dealer quotes and other market information including actual trade volumes, when available. The fair value of each security is individually computed using analytical models which incorporate option adjusted spreads and other daily interest rate data.

Non-U.S. Government

Level 2 - At June 30, 2021, the Company’s non-U.S. government fixed maturity investments had a weighted average yield to maturity of 0.8% and a weighted average credit quality of AA (December 31, 2020 - 0.5% and AAA, respectively). The issuers of securities in this sector are non-U.S. governments and their respective agencies as well as supranational organizations. Securities held in these sectors are primarily priced by pricing services that employ proprietary discounted cash flow models to value the securities. Key quantitative inputs for these models are daily observed benchmark curves for treasury, swap and high issuance credits. The pricing services then apply a credit spread for each security which is developed by in-depth and real time market analysis. For securities in which trade volume is low, the pricing services utilize data from more frequently traded securities with similar attributes. These models may also be supplemented by daily market and credit research for international markets.

Non-U.S. Government-backed Corporate

Level 2 - At June 30, 2021, the Company’s non-U.S. government-backed corporate fixed maturity investments had a weighted average yield to maturity of 1.3% and a weighted average credit quality of AA

(December 31, 2020 - 1.0% and AA, respectively). Non-U.S. government-backed corporate fixed maturity investments are primarily priced by pricing services that employ proprietary discounted cash flow models to value the securities. Key quantitative inputs for these models are daily observed benchmark curves for treasury, swap and high quality credits. The pricing services then apply a credit spread to the respective curve for each security which is developed by in-depth and real time market analysis. For securities in which trade volume is low, the pricing services utilize data from more frequently traded securities with similar attributes. These models may also be supplemented by daily market and credit research for international markets.

Corporate

Level 2 - At June 30, 2021, the Company's corporate fixed maturity investments principally consisted of U.S. and international corporations and had a weighted average yield to maturity of 2.4% and a weighted average credit quality of BBB (December 31, 2020 - 2.2% and BBB, respectively). The Company's corporate fixed maturity investments are primarily priced by pricing services. When evaluating these securities, the pricing services gather information from market sources regarding the issuer of the security and obtain credit data, as well as other observations, from markets and sector news. Evaluations are updated by obtaining broker-dealer quotes and other market information including actual trade volumes, when available. The pricing services also consider the specific terms and conditions of the securities, including any specific features which may influence risk. In certain instances, securities are individually evaluated using a spread which is added to the U.S. treasury curve or a security specific swap curve as appropriate.

Agency Mortgage-backed

Level 2 - At June 30, 2021, the Company's agency mortgage-backed fixed maturity investments included agency residential mortgage-backed securities with a weighted average yield to maturity of 1.2%, a weighted average credit quality of AA and a weighted average life of 3.5 years (December 31, 2020 - 1.0%, AA and 3.8 years, respectively). The Company's agency mortgage-backed fixed maturity investments are primarily priced by pricing services using a mortgage pool specific model which utilizes daily inputs from the active to-be-announced market which is very liquid, as well as the U.S. treasury market. The model also utilizes additional information, such as the weighted average maturity, weighted average coupon and other available pool level data which is provided by the sponsoring agency. Valuations are also corroborated with daily active market quotes.

Non-agency Mortgage-backed

Level 2 - At June 30, 2021, the Company's non-agency mortgage-backed fixed maturity investments had a weighted average yield to maturity of 2.6%, a weighted average credit quality of non-investment grade and a weighted average life of 5.6 years (December 31, 2020 - 3.0%, non-investment grade and 5.2 years, respectively). Securities held in these sectors are primarily priced by pricing services using an option adjusted spread model or other relevant models, which principally utilize inputs including benchmark yields, available trade information or broker quotes, and issuer spreads. The pricing services also review collateral prepayment speeds, loss severity and delinquencies among other collateral performance indicators for the securities valuation, when applicable.

Commercial Mortgage-backed

Level 2 - At June 30, 2021, the Company's commercial mortgage-backed fixed maturity investments had a weighted average yield to maturity of 1.6%, a weighted average credit quality of AA, and a weighted average life of 4.2 years (December 31, 2020 - 1.5%, AAA and 5.0 years, respectively). Securities held in these sectors are primarily priced by pricing services. The pricing services apply dealer quotes and other available trade information such as bids and offers, prepayment speeds which may be adjusted for the underlying collateral or current price data, the U.S. treasury curve and swap curve as well as cash settlement. The pricing services discount the expected cash flows for each security held in this sector using a spread adjusted benchmark yield based on the characteristics of the security.

Asset-backed

Level 2 - At June 30, 2021, the Company’s asset-backed fixed maturity investments had a weighted average yield to maturity of 1.7%, a weighted average credit quality of AA and a weighted average life of 4.6 years (December 31, 2020 - 1.8%, AA and 3.2 years, respectively). The underlying collateral for the Company’s asset-backed fixed maturity investments primarily consists of collateralized loan obligations and other receivables. Securities held in these sectors are primarily priced by pricing services. The pricing services apply dealer quotes and other available trade information such as bids and offers, prepayment speeds which may be adjusted for the underlying collateral or current price data, the U.S. treasury curve and swap curve as well as cash settlement. The pricing services determine the expected cash flows for each security held in this sector using historical prepayment and default projections for the underlying collateral and current market data. In addition, a spread is applied to the relevant benchmark and used to discount the cash flows noted above to determine the fair value of the securities held in this sector.

Short Term Investments

Level 2 - At June 30, 2021, the Company’s short term investments had a weighted average yield to maturity of 0.0% and a weighted average credit quality of AAA (December 31, 2020 - 0.1% and AAA, respectively). The fair value of the Company’s portfolio of short term investments is generally determined using amortized cost which approximates fair value and, in certain cases, in a manner similar to the Company’s fixed maturity investments noted above.

Equity Investments, Classified as Trading

Level 1 - The fair value of the Company’s portfolio of equity investments, classified as trading is primarily priced by pricing services, reflecting the closing price quoted for the final trading day of the period. When pricing these securities, the pricing services utilize daily data from many real time market sources, including applicable securities exchanges. All data sources are regularly reviewed for accuracy to attempt to ensure the most reliable price source was used for each security.

Other Investments

Catastrophe Bonds

Level 2 - The Company’s other investments include investments in catastrophe bonds which are recorded at fair value based on broker or underwriter bid indications.

Other Assets and Liabilities

Derivatives

Level 1 and Level 2 - Other assets and liabilities include certain derivatives entered into by the Company. The fair value of these transactions includes certain exchange traded futures contracts which are considered Level 1, and foreign currency contracts and certain credit derivatives, determined using standard industry valuation models and considered Level 2, as the inputs to the valuation model are based on observable market inputs. For credit derivatives, these inputs include credit spreads, credit ratings of the underlying referenced security, the risk-free rate and the contract term. For foreign currency contracts, these inputs include spot rates and interest rate curves.

Level 3 Assets and Liabilities Measured at Fair Value

Below is a summary of quantitative information regarding the significant unobservable inputs (Level 3) used in determining the fair value of assets and liabilities measured at fair value on a recurring basis:

At June 30, 2021	Fair Value (Level 3)	Valuation Technique	Unobservable Inputs	Low	High	Weighted Average or Actual
Other investments						
Private equity investment	$ 81,344	Internal valuation model	Discount rate	n/a	n/a	9.0%
			Liquidity discount	n/a	n/a	15.0 %
Total other investments	81,344					
Other assets and (liabilities)						
Assumed and ceded (re)insurance contracts	(6,193)	Internal valuation model	Net undiscounted cash flows	n/a	n/a	$ 13,233
			Expected loss ratio	n/a	n/a	20.0 %
			Discount rate	n/a	n/a	0.9 %
Total other assets and (liabilities)	(6,193)					
Total assets and (liabilities) measured at fair value on a recurring basis using Level 3 inputs	$ 75,151					

At December 31, 2020	Fair Value (Level 3)	Valuation Technique	Unobservable Inputs	Low	High	Weighted Average or Actual
Private equity investment	$ 79,807	Internal valuation model	Discount rate	n/a	n/a	9.0 %
			Liquidity discount	n/a	n/a	15.0 %
Total other investments	79,807					
Other assets and (liabilities)						
Assumed and ceded (re)insurance contracts	(6,211)	Internal valuation model	Net undiscounted cash flows	n/a	n/a	$ 12,514
			Expected loss ratio	n/a	n/a	24.0 %
			Discount rate	n/a	n/a	0.4 %
Total other assets and (liabilities)	(6,211)					
Total other assets and (liabilities) measured at fair value on a recurring basis using Level 3 inputs	$ 73,596					

Below is a reconciliation of the beginning and ending balances, for the periods shown, of assets and liabilities measured at fair value on a recurring basis using Level 3 inputs. Interest and dividend income are included in net investment income and are excluded from the reconciliation.

	Other investments	Other assets and (liabilities)	Total
Balance - April 1, 2021	$ 75,874	$ (6,421)	$ 69,453
Total realized and unrealized gains (losses)			
Included in net realized and unrealized gains (losses) on investments	1,415	—	1,415
Included in other income (loss)	—	440	440
Total foreign exchange gains	1	—	1
Purchases	5,000	(212)	4,788
Sales	(946)	—	(946)
Settlements	—	—	—
Balance - June 30, 2021	$ 81,344	$ (6,193)	$ 75,151

	Other investments	Other assets and (liabilities)	Total
Balance - January 1, 2021	$ 79,807	$ (6,211)	$ 73,596
Total realized and unrealized gains (losses)			
Included in net realized and unrealized gains (losses) on investments	(2,521)	—	(2,521)
Included in other income (loss)	—	536	536
Total foreign exchange gains	4	—	4
Purchases	5,000	(518)	4,482
Sales	(946)	—	(946)
Settlements	—	—	—
Balance - June 30, 2021	$ 81,344	$ (6,193)	$ 75,151

	Other investments	Other assets and (liabilities)	Total
Balance - April 1, 2020	$ 72,620	$ 1,223	$ 73,843
Total realized and unrealized losses			
Included in net realized and unrealized gains on investments	(380)	—	(380)
Included in other income (loss)	—	(1,713)	(1,713)
Purchases	—	(482)	(482)
Sales	(790)	—	(790)
Settlements	—	(5,739)	(5,739)
Balance - June 30, 2020	$ 71,450	$ (6,711)	$ 64,739

	Other investments	Other assets and (liabilities)	Total
Balance - January 1, 2020	$ 74,634	$ 4,731	$ 79,365
Total realized and unrealized losses			
Included in net realized and unrealized gains on investments	(14,536)	—	(14,536)
Included in other income (loss)	—	(4,610)	(4,610)
Total foreign exchange losses	(21)	—	(21)
Purchases	20,962	(1,093)	19,869
Sales	(9,589)	—	(9,589)
Settlements	—	(5,739)	(5,739)
Balance - June 30, 2020	$ 71,450	$ (6,711)	$ 64,739

Other Investments

Private Equity Investments

Level 3 - At June 30, 2021, the Company's other investments included $81.3 million of private equity investments which are recorded at fair value, with the fair value obtained through the use of internal valuation models. The Company measured the fair value of these investments using multiples of net tangible book value of the underlying entity. The significant unobservable inputs used in the fair value measurement of these investments are liquidity discount rates applied to each of the net tangible book value multiples used in the internal valuation models, and discount rates applied to the expected cash flows of the underlying entity in various scenarios. These unobservable inputs in isolation can cause significant increases or decreases in fair value. Generally, an increase in the liquidity discount rate or discount rates would result in a decrease in the fair value of these private equity investments.

Other Assets and Liabilities

Assumed and Ceded (Re)insurance Contracts

Level 3 - At June 30, 2021, the Company had a $6.2 million net liability related to assumed and ceded (re)insurance contracts accounted for at fair value, with the fair value obtained through the use of an internal valuation model. The inputs to the internal valuation model are principally based on proprietary data as observable market inputs are generally not available. The most significant unobservable inputs include the assumed and ceded expected net cash flows related to the contracts, including the expected premium, acquisition expenses and losses; the expected loss ratio and the relevant discount rate used to present value the net cash flows. The contract period and acquisition expense ratio are considered an observable input as each is defined in the contract. Generally, an increase in the net expected cash flows and expected term of the contract and a decrease in the discount rate, expected loss ratio or acquisition expense ratio, would result in an increase in the expected profit and ultimate fair value of these assumed and ceded (re)insurance contracts.

Financial Instruments Disclosed, But Not Carried, at Fair Value

The Company uses various financial instruments in the normal course of its business. The Company's insurance contracts are excluded from the fair value of financial instruments accounting guidance, unless the Company elects the fair value option, and therefore, are not included in the amounts discussed herein. The carrying values of cash and cash equivalents, accrued investment income, receivables for investments sold, certain other assets, payables for investments purchased, certain other liabilities, and other financial instruments not included herein approximated their fair values.

Debt

Included on the Company's consolidated balance sheet at June 30, 2021 were debt obligations of $1.1 billion (December 31, 2020 - $1.1 billion). At June 30, 2021, the fair value of the Company's debt obligations was $1.2 billion (December 31, 2020 – $1.3 billion).

The fair value of the Company's debt obligations is determined using indicative market pricing obtained from third-party service providers, which the Company considers Level 2 in the fair value hierarchy. There have been no changes during the period in the Company's valuation technique used to determine the fair value of the Company's debt obligations. Refer to "Note 7. Debt and Credit Facilities" for additional information related to the Company's debt obligations.

The Fair Value Option for Financial Assets and Financial Liabilities

The Company has elected to account for certain financial assets and financial liabilities at fair value using the guidance under FASB ASC Topic *Financial Instruments* as the Company believes it represents the most meaningful measurement basis for these assets and liabilities. Below is a summary of the balances the Company has elected to account for at fair value:

	June 30, 2021	December 31, 2020
Other investments	$ 1,585,036	$ 1,256,948
Other assets	$ 4,418	$ 8,982
Other liabilities	$ 10,611	$ 15,193

Included in net realized and unrealized gains (losses) on investments for the three and six months ended June 30, 2021 were net unrealized gains of $41.9 million and $26.0 million, respectively, related to the changes in fair value of other investments (2020 – net unrealized gains of $15.6 million and losses of $44.5 million, respectively).

Measuring the Fair Value of Other Investments Using Net Asset Valuations

The table below shows the Company's portfolio of other investments measured using net asset valuations as a practical expedient:

At June 30, 2021	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period (Minimum Days)	Redemption Notice Period (Maximum Days)
Private equity and private credit funds	$ 453,675	$ 1,186,194	See below	See below	See below
Senior secured bank loan funds	12,251	7,818	See below	See below	See below
Hedge funds	11,369	—	See below	See below	See below
Total other investments measured using net asset valuations	$ 477,295	$ 1,194,012			

Private Equity Funds and Private Credit Funds

The Company's investments in private equity funds and private credit funds include alternative asset limited partnerships (or similar corporate structures) that invest in certain private equity and private credit asset classes including U.S. and global leveraged buyouts, U.S. direct lending, secondaries, mezzanine investments, distressed securities, real estate, and oil, gas and power. The Company generally has no right to redeem its interest in any of these fund investments in advance of dissolution of the applicable limited partnerships. Instead, the nature of these investments is that distributions are received by the Company in connection with the liquidation of the underlying assets of the respective fund. It is estimated that the majority of the underlying assets of the limited partnerships would liquidate over 7 to 10 years from inception of the respective limited partnership.

Senior Secured Bank Loan Funds

At June 30, 2021, the Company had $12.3 million invested in closed end funds which invest primarily in loans. The Company has no right to redeem its investment in these funds. It is estimated that the majority of the underlying assets in these closed end funds would begin to liquidate over 4 to 5 years from inception of the applicable fund.

Hedge Funds

At June 30, 2021, the Company had $11.4 million of investments in hedge funds that are primarily focused on global credit opportunities which are generally redeemable at the option of the Company.

NOTE 5. REINSURANCE

The Company purchases reinsurance and other protection to manage its risk portfolio and to reduce its exposure to large losses. The Company currently has in place contracts that provide for recovery of a portion of certain claims and claim expenses, generally in excess of various retentions or on a proportional basis. In addition to loss recoveries, certain of the Company's ceded reinsurance contracts provide for payments of additional premiums, for reinstatement premiums and for lost no-claims bonuses, which are incurred when losses are ceded to the respective reinsurance contracts. The Company remains liable to the extent that any reinsurer fails to meet its obligations.

The following table sets forth the effect of reinsurance and retrocessional activity on premiums written and earned and on net claims and claim expenses incurred:

	Three months ended		Six months ended	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Premiums written				
Direct	$ 259,712	$ 177,562	$ 484,851	$ 325,254
Assumed	1,834,446	1,524,310	4,261,749	3,402,339
Ceded	(581,866)	(521,069)	(1,410,225)	(1,276,982)
Net premiums written	$ 1,512,292	$ 1,180,803	$ 3,336,375	$ 2,450,611
Premiums earned				
Direct	$ 188,414	$ 138,327	$ 350,503	$ 272,556
Assumed	1,455,002	1,281,357	2,871,648	2,431,090
Ceded	(450,626)	(409,588)	(875,525)	(780,452)
Net premiums earned	$ 1,192,790	$ 1,010,096	$ 2,346,626	$ 1,923,194
Claims and claim expenses				
Gross claims and claim expenses incurred	$ 666,106	$ 647,226	$ 1,916,352	$ 1,394,941
Claims and claim expenses recovered	(146,085)	(136,954)	(529,280)	(313,715)
Net claims and claim expenses incurred	$ 520,021	$ 510,272	$ 1,387,072	$ 1,081,226

In assessing an allowance for reinsurance assets, which includes premiums receivable and reinsurance recoverable, the Company considers historical information, financial strength of reinsurers, collateralization amounts, and ratings to determine the appropriateness of the allowance. In assessing future default for reinsurance assets, the Company evaluates the provision for current expected credit losses under the probability of default and loss given default method. The Company utilizes its internal capital and risk models, which use counterparty ratings from major rating agencies, and assesses the current market conditions for the likelihood of default. The Company updates its internal capital and risk models for counterparty ratings and current market conditions on a periodic basis. Historically, the Company has not experienced material credit losses from reinsurance assets.

Premiums receivable reflect premiums written based on contract and policy terms and include estimates based on information received from both insureds and ceding companies and our own judgment. Consequently, premiums receivable include premiums reported by the ceding companies, supplemented by our estimates of premiums that are written but not reported. Due to the nature of reinsurance, ceding companies routinely report and remit premiums to us subsequent to the contract coverage period, although the time lag involved in the process of reporting and collecting premiums is typically shorter than the lag in reporting losses.

At June 30, 2021, the Company's premiums receivable balance was $4.5 billion (December 31, 2020 - $2.9 billion). Of the Company's premiums receivable balance as of June 30, 2021, the majority are receivable from highly rated counterparties and Lloyd's syndicates. The provision for current expected credit losses on the Company's premiums receivable was $3.7 million at June 30, 2021 (December 31, 2020 - $6.0 million). The following table provides a roll forward of the provision for current expected credit losses of the Company's premiums receivable:

	Three months ended June 30, 2021	Six months ended June 30, 2021
Beginning balance	$ 3,782	$ 5,961
Provision for allowance	(57)	(2,236)
Ending balance	$ 3,725	$ 3,725

Reinsurance recoverable reflects amounts due from reinsurers based on the claim liabilities associated with the reinsured policy. The Company accrues amounts that are due from assuming companies based on estimated ultimate losses applicable to the contracts.

At June 30, 2021, the Company's reinsurance recoverable balance was $3.2 billion (December 31, 2020 - $2.9 billion). Of the Company's reinsurance recoverable balance at June 30, 2021, 45.0% is fully collateralized by our reinsurers, 53.8% is recoverable from reinsurers rated A- or higher by major rating agencies and 1.2% is recoverable from reinsurers rated lower than A- by major rating agencies (December 31, 2020 - 45.2%, 53.4% and 1.4%, respectively). The reinsurers with the three largest balances accounted for 13.6%, 10.1% and 5.7%, respectively, of the Company's reinsurance recoverable balance at June 30, 2021 (December 31, 2020 - 15.3%, 10.8% and 6.7%, respectively). The provision for current expected credit losses was $7.0 million at June 30, 2021 (December 31, 2020 - $6.3 million). The three largest company-specific components of the provision for current expected credit losses represented 22.4%, 11.9% and 9.9%, respectively, of the Company's total provision for current expected credit losses at June 30, 2021 (December 31, 2020 - 13.2%, 13.0% and 6.7%, respectively). The following table provides a roll forward of the provision for current expected credit losses of the Company's reinsurance recoverable:

	Three months ended June 30, 2021	Six months ended June 30, 2021
Beginning balance	$ 6,605	$ 6,334
Provision for allowance	419	690
Ending balance	$ 7,024	$ 7,024

NOTE 6. RESERVE FOR CLAIMS AND CLAIM EXPENSES

The Company believes the most significant accounting judgment made by management is its estimate of claims and claim expense reserves. Claims and claim expense reserves represent estimates, including actuarial and statistical projections at a given point in time, of the ultimate settlement and administration costs for unpaid claims and claim expenses arising from the insurance and reinsurance contracts the Company sells. The Company establishes its claims and claim expense reserves by taking claims reported to the Company by insureds and ceding companies, but which have not yet been paid ("case reserves"), adding estimates for the anticipated cost of claims incurred but not yet reported to the Company, or incurred but not enough reported to the Company (collectively referred to as "IBNR") and, if deemed necessary, adding costs for additional case reserves which represent the Company's estimates for claims related to specific contracts previously reported to the Company which it believes may not be adequately estimated by the client as of that date, or adequately covered in the application of IBNR. The Company's reserving committee, which includes members of the Company's senior management, reviews, discusses, and assesses the reasonableness and adequacy of the reserving estimates included in our unaudited financial statements.

The following table summarizes the Company's claims and claim expense reserves by segment, allocated between case reserves, additional case reserves and IBNR:

At June 30, 2021	Case Reserves	Additional Case Reserves	IBNR	Total
Property	$ 1,383,754	$ 1,513,549	$ 1,773,492	$ 4,670,795
Casualty and Specialty	1,727,051	133,041	4,413,855	6,273,947
Total	$ 3,110,805	$ 1,646,590	$ 6,187,347	$ 10,944,742
At December 31, 2020				
Property	$ 1,127,909	$ 1,617,003	$ 1,627,541	$ 4,372,453
Casualty and Specialty	1,651,150	133,843	4,223,692	6,008,685
Total	$ 2,779,059	$ 1,750,846	$ 5,851,233	$ 10,381,138

Activity in the liability for unpaid claims and claim expenses is summarized as follows:

Six months ended June 30	2021	2020
Reserve for claims and claim expenses, net of reinsurance recoverable, as of beginning of period	$ 7,455,128	$ 6,593,052
Net incurred related to:		
Current year	1,448,133	1,082,732
Prior years	(61,061)	(1,506)
Total net incurred	1,387,072	1,081,226
Net paid related to:		
Current year	65,278	61,625
Prior years	995,826	1,007,916
Total net paid	1,061,104	1,069,541
Foreign exchange [(1)]	(23,992)	(13,626)
Reserve for claims and claim expenses, net of reinsurance recoverable, as of end of period	7,757,104	6,591,111
Reinsurance recoverable as of end of period	3,187,638	2,774,358
Reserve for claims and claim expenses as of end of period	$ 10,944,742	$ 9,365,469

(1) Reflects the impact of the foreign exchange revaluation of the net reserve for claims and claim expenses denominated in non-U.S. dollars as at the balance sheet date.

Prior Year Development of the Reserve for Net Claims and Claim Expenses

The Company's estimates of claims and claim expense reserves are not precise in that, among other things, they are based on predictions of future developments and estimates of future trends and other variable factors. Some, but not all, of the Company's reserves are further subject to the uncertainty inherent in actuarial methodologies and estimates. Because a reserve estimate is simply an insurer's estimate at a point in time of its ultimate liability, and because there are numerous factors that affect reserves and claims payments that cannot be determined with certainty in advance, the Company's ultimate payments will vary, perhaps materially, from its estimates of reserves. If the Company determines in a subsequent period that adjustments to its previously established reserves are appropriate, such adjustments are recorded in the period in which they are identified. On a net basis, the Company's cumulative favorable or unfavorable development is generally reduced by offsetting changes in its reinsurance recoverable, as well as changes to loss related premiums such as reinstatement premiums and redeemable noncontrolling interest, all of which generally move in the opposite direction to changes in the Company's ultimate claims and claim expenses.

The following table details the Company’s prior year net development by segment of its liability for unpaid claims and claim expenses:

Six months ended June 30	2021	2020
	(Favorable) adverse development	(Favorable) adverse development
Property	$ (56,145)	$ 7,293
Casualty and Specialty	(4,916)	(8,799)
Total net (favorable) adverse development of prior accident years net claims and claim expenses	$ (61,061)	$ (1,506)

Changes to prior year estimated claims reserves increased net income by $61.1 million during the six months ended June 30, 2021 (2020 - increased net income by $1.5 million), excluding the consideration of changes in reinstatement, adjustment or other premium items, profit commissions, redeemable noncontrolling interests - DaVinciRe and Vermeer, and income tax.

Property Segment

The following tables detail the development of the Company's liability for net unpaid claims and claim expenses for its Property segment, allocated between large and small catastrophe net claims and claim expenses and attritional net claims and claim expenses, included in the other line item:

Six months ended June 30	2021 (Favorable) adverse development
Catastrophe net claims and claim expenses	
Large catastrophe events	
2020 Large Loss Events	$ 16,932
2019 Large Loss Events	(1,424)
2018 Large Loss Events	(37,910)
2017 Large Loss Events	(5,708)
Other	(2,993)
Total large catastrophe events	(31,103)
Small catastrophe events and attritional loss movements	
Other small catastrophe events and attritional loss movements	(25,042)
Total small catastrophe events and attritional loss movements	(25,042)
Total catastrophe and attritional net claims and claim expenses	(56,145)
Total net favorable development of prior accident years net claims and claim expenses	$ (56,145)

The net favorable development of prior accident years net claims and claim expenses within the Company's Property segment for the six months ended June 30, 2021 of $56.1 million included net favorable development on prior accident years net claims and claim expenses associated with the following large catastrophe events:

- $37.9 million associated with Typhoons Jebi, Mangkhut and Trami, Hurricane Florence, the wildfires in California during the third and fourth quarters of 2018, Hurricane Michael and certain losses associated with aggregate loss contracts (collectively, the "2018 Large Loss Events");
- $5.7 million associated with Hurricanes Harvey, Irma and Maria, the Mexico City Earthquake, the wildfires in California during the fourth quarter of 2017 and certain losses associated with aggregate loss contracts (collectively, the "2017 Large Loss Events"); and partially offset by
- $16.9 million of net adverse development associated with Hurricanes Laura, Sally, Delta, Zeta and Eta, the California, Oregon and Washington wildfires and losses associated with aggregate loss contracts (collectively, the "2020 Large Loss Events").

Six months ended June 30		2020
		(Favorable) adverse development
Catastrophe net claims and claim expenses		
Large catastrophe events		
2019 Large Loss Events	$	(19,940)
2018 Large Loss Events		(12,306)
2017 Large Loss Events		(3,825)
Other		7,004
Total large catastrophe events		(29,067)
Small catastrophe events and attritional loss movements		
Other small catastrophe events and attritional loss movements		36,360
Total small catastrophe events and attritional loss movements		36,360
Total net adverse development of prior accident years net claims and claim expenses	$	7,293

The net adverse development of prior accident years net claims and claim expenses within the Company's Property segment in the six months ended June 30, 2020 of $7.3 million included net adverse development of $43.4 million primarily within the Company's other property class of business and principally driven by higher than expected attritional losses related to lines of business where the Company principally estimates net claims and claim expenses using traditional actuarial methods, combined with the impact of certain of the Company's whole account ceded protections. Partially offsetting this adverse development was favorable development on prior accident years net claims and claim expenses associated with the following large catastrophe events:

- $19.9 million associated with Hurricane Dorian and Typhoon Faxai, Typhoon Hagibis and losses associated with aggregate loss contracts (collectively, the 2019 Large Loss Events);
- $12.3 million associated with the 2018 Large Loss Events; and
- $3.8 million associated with the 2017 Large Loss Events.

Casualty and Specialty Segment

The following table details the development of the Company's liability for unpaid claims and claim expenses for its Casualty and Specialty segment:

Six months ended June 30		2021		2020
		Favorable development		Favorable development
Actuarial methods - actual reported claims less than expected claims	$	(4,916)	$	(8,799)
Total net favorable development of prior accident years net claims and claim expenses	$	(4,916)	$	(8,799)

The net favorable development of prior accident years net claims and claim expenses within the Company's Casualty and Specialty segment of $4.9 million in the six months ended June 30, 2021 was due to reported losses generally coming in lower than expected on attritional net claims and claim expenses, principally within our specialty lines of business.

The net favorable development of prior accident years net claims and claim expenses within the Company's Casualty and Specialty segment of $8.8 million in the six months ended June 30, 2020 was due to reported losses generally coming in better than expected on attritional net claims and claim expenses.

NOTE 7. DEBT AND CREDIT FACILITIES

There have been no material changes to the Company's debt obligations and credit facilities as described in its Form 10-K for the year ended December 31, 2020.

Debt Obligations

A summary of the Company's debt obligations on its consolidated balance sheets is set forth below:

	June 30, 2021		December 31, 2020	
	Fair Value	Carrying Value	Fair Value	Carrying Value
3.600% Senior Notes due 2029	$ 441,516	$ 392,846	$ 453,932	$ 392,391
3.450% Senior Notes due 2027	328,047	297,033	329,661	296,787
3.700% Senior Notes due 2025	310,776	298,612	315,273	298,428
4.750% Senior Notes due 2025 (DaVinciRe) (1)	164,826	148,813	162,203	148,659
Total debt	$ 1,245,165	$ 1,137,304	$ 1,261,069	$ 1,136,265

(1) RenaissanceRe owns a noncontrolling economic interest in its joint venture DaVinciRe. Because RenaissanceRe controls a majority of DaVinciRe's outstanding voting rights, the consolidated financial statements of DaVinciRe are included in the consolidated financial statements of RenaissanceRe. However, RenaissanceRe does not guarantee or provide credit support for DaVinciRe and RenaissanceRe's financial exposure to DaVinciRe is limited to its investment in DaVinciRe's shares and counterparty credit risk arising from reinsurance transactions.

Credit Facilities

The outstanding amounts issued or drawn under each of the Company's significant credit facilities is set forth below:

At June 30, 2021	Issued or Drawn
Revolving Credit Facility (1)	$ —
Bilateral Letter of Credit Facilities	
Secured	386,571
Unsecured	379,343
Funds at Lloyd's Letter of Credit Facility	225,000
	$ 990,914

(1) At June 30, 2021, no amounts were issued or drawn under this facility.

NOTE 8. NONCONTROLLING INTERESTS

A summary of the Company's redeemable noncontrolling interests on its consolidated balance sheets is set forth below:

	June 30, 2021	December 31, 2020
Redeemable noncontrolling interest - DaVinciRe	$ 1,642,656	$ 1,560,693
Redeemable noncontrolling interest - Medici	880,320	717,999
Redeemable noncontrolling interest - Vermeer	1,133,443	1,109,627
Redeemable noncontrolling interests	$ 3,656,419	$ 3,388,319

A summary of the Company's redeemable noncontrolling interests on its consolidated statements of operations is set forth below:

	Three months ended		Six months ended	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Redeemable noncontrolling interest - DaVinciRe	$ 84,266	$ 88,374	$ 44,332	$ 173,280
Redeemable noncontrolling interest - Medici	11,989	13,151	(1,454)	8,473
Redeemable noncontrolling interest - Vermeer	17,289	17,203	23,816	35,066
Net income attributable to redeemable noncontrolling interests	$ 113,544	$ 118,728	$ 66,694	$ 216,819

Redeemable Noncontrolling Interest – DaVinciRe

RenaissanceRe owns a noncontrolling economic interest in DaVinciRe; however, because RenaissanceRe controls a majority of DaVinciRe's outstanding voting rights, the consolidated financial statements of DaVinciRe are included in the consolidated financial statements of the Company and all significant intercompany transactions have been eliminated. The portion of DaVinciRe's earnings owned by third parties is recorded in the consolidated statements of operations as net income attributable to redeemable noncontrolling interests. The Company's noncontrolling economic ownership in DaVinciRe was 28.7% at June 30, 2021 (December 31, 2020 - 21.4%).

DaVinciRe shareholders are party to a shareholders agreement which provides DaVinciRe shareholders, excluding RenaissanceRe, with certain redemption rights that enable each shareholder to notify DaVinciRe of such shareholder's desire for DaVinciRe to repurchase up to half of such shareholder's initial aggregate number of shares held, subject to certain limitations, such as limiting the aggregate of all share repurchase requests to 25% of DaVinciRe's capital in any given year and satisfying all applicable regulatory requirements. If total shareholder requests exceed 25% of DaVinciRe's capital, the number of shares repurchased will be reduced among the requesting shareholders pro-rata, based on the amounts desired to be repurchased. Shareholders desiring to have DaVinci repurchase their shares must notify DaVinciRe before March 1 of each year. The repurchase price will be based on GAAP book value as of the end of the year in which the shareholder notice is given, and the repurchase will be effective as of January 1 of the following year. The repurchase price is generally subject to a true-up for potential development on outstanding loss reserves after settlement of all claims relating to the applicable years.

2021

During the six months ended June 30, 2021, DaVinciRe completed an equity capital raise of $250.0 million, comprised of $150.9 million from third-party investors and $99.1 million from RenaissanceRe. In addition, RenaissanceRe sold an aggregate of $40.0 million of its shares in DaVinciRe to third-party investors and purchased an aggregate of $156.7 million of shares from third-party investors. The Company's noncontrolling economic ownership in DaVinciRe subsequent to these transactions was 28.7%.

2020

Effective January 1, 2020, the Company sold an aggregate of $10.0 million of its shares in DaVinciRe to an existing third-party investor. The Company's noncontrolling economic ownership in DaVinciRe subsequent to this transaction was 21.4%.

The Company expects its noncontrolling economic ownership in DaVinciRe to fluctuate over time.

The activity in redeemable noncontrolling interest – DaVinciRe is detailed in the table below:

	Three months ended		Six months ended	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Beginning balance	$ 1,555,714	$ 1,533,085	$ 1,560,693	$ 1,435,581
Redemption of shares from redeemable noncontrolling interest, net of adjustments	2,676	(159)	(153,295)	2,448
Sale of shares to redeemable noncontrolling interests	—	—	190,926	9,991
Net income attributable to redeemable noncontrolling interest	84,266	88,374	44,332	173,280
Ending balance	$ 1,642,656	$ 1,621,300	$ 1,642,656	$ 1,621,300

Redeemable Noncontrolling Interest - Medici

RenaissanceRe owns a noncontrolling economic interest in Medici; however, because RenaissanceRe controls all of Medici's outstanding voting rights, the financial statements of Medici are included in the consolidated financial statements of the Company. The portion of Medici's earnings owned by third parties is recorded in the consolidated statements of operations as net income attributable to redeemable noncontrolling interests. Any shareholder may redeem all or any portion of its shares as of the last day of any calendar month, upon at least 30 calendar days' prior irrevocable written notice to Medici.

2021

During the six months ended June 30, 2021, third-party investors subscribed for $171.5 million and redeemed $7.7 million of the participating, non-voting common shares of Medici. As a result of these net subscriptions, the Company's noncontrolling economic ownership in Medici was 13.4% at June 30, 2021.

2020

During the six months ended June 30, 2020, third-party investors subscribed for $90.8 million and redeemed $49.2 million of the participating, non-voting common shares of Medici. As a result of these net subscriptions, the Company's noncontrolling economic ownership in Medici was 11.4% at June 30, 2020.

The Company expects its noncontrolling economic ownership in Medici to fluctuate over time.

The activity in redeemable noncontrolling interest – Medici is detailed in the table below:

	Three months ended		Six months ended	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Beginning balance	$ 737,702	$ 677,283	$ 717,999	$ 632,112
Redemption of shares from redeemable noncontrolling interest, net of adjustments	(46)	(44,474)	(7,745)	(49,238)
Sale of shares to redeemable noncontrolling interests	130,675	36,158	171,520	90,771
Net income (loss) attributable to redeemable noncontrolling interest	11,989	13,151	(1,454)	8,473
Ending balance	$ 880,320	$ 682,118	$ 880,320	$ 682,118

Redeemable Noncontrolling Interest – Vermeer

RenaissanceRe owns 100% of the voting non-participating shares of Vermeer, while the sole third-party investor, PFZW, owns 100% of the non-voting participating shares of Vermeer and retains all of the economic benefits. Vermeer is managed by RUM in return for a management fee. The Company has concluded that Vermeer is a VIE as it has voting rights that are not proportional to its participating rights, and the Company is the primary beneficiary of Vermeer. As a result, the Company consolidates Vermeer and all significant inter-company transactions have been eliminated. As PFZW owns all of the economics of

Vermeer, all of Vermeer's earnings are allocated to PFZW in the consolidated statement of operations as net income attributable to redeemable noncontrolling interests. The Company has not provided any financial or other support to Vermeer that it was not contractually required to provide.

The activity in redeemable noncontrolling interest – Vermeer is detailed in the table below:

	Three months ended		Six months ended	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Beginning balance	$ 1,116,154	$ 1,021,478	$ 1,109,627	$ 1,003,615
Sale of shares to redeemable noncontrolling interest	—	45,000	—	45,000
Net income attributable to redeemable noncontrolling interest	17,289	17,203	23,816	35,066
Ending balance	$ 1,133,443	$ 1,083,681	$ 1,133,443	$ 1,083,681

NOTE 9. VARIABLE INTEREST ENTITIES

Upsilon RFO

RenaissanceRe indirectly owns a portion of the participating non-voting preference shares of Upsilon RFO and all of Upsilon RFO's voting Class A shares. The shareholders (other than the voting Class A shareholder) participate in all of the profits or losses of Upsilon RFO while their shares remain outstanding. The shareholders (other than the voting Class A shareholder) indemnify Upsilon RFO against losses relating to insurance risk, and therefore, these shares have been accounted for as prospective reinsurance under FASB ASC Topic *Financial Services - Insurance*.

Upsilon RFO is considered a VIE as it has insufficient equity capital to finance its activities without additional financial support. The Company is the primary beneficiary of Upsilon RFO as it has the power over the activities that most significantly impact the economic performance of Upsilon RFO and has the obligation to absorb expected losses and the right to receive expected benefits that could be significant to Upsilon RFO, in accordance with the accounting guidance. As a result, the Company consolidates Upsilon RFO and all significant inter-company transactions have been eliminated. Other than its equity investment in Upsilon RFO, the Company has not provided financial or other support to Upsilon RFO that it was not contractually required to provide.

2021

During the six months ended June 30, 2021, $544.6 million of Upsilon RFO non-voting preference shares were issued to existing investors, including $32.3 million to the Company. Also during the six months ended June 30, 2021 and following the release of collateral that was previously held by cedants associated with prior years' contracts, Upsilon RFO returned $276.0 million of capital to its investors, including $24.9 million to the Company. At June 30, 2021, the Company's participation in the risks assumed by Upsilon RFO was 12.3%.

At June 30, 2021, the Company's consolidated balance sheet included total assets and total liabilities of Upsilon RFO of $4.1 billion and $4.1 billion, respectively (December 31, 2020 - $3.8 billion and $3.8 billion, respectively). Of the total assets and liabilities, a net amount of $0.3 billion is attributable to the Company, and $2.1 billion is attributable to third-party investors.

2020

During the six months ended June 30, 2020, $802.0 million of Upsilon RFO non-voting preference shares were issued to existing investors, including $95.4 million to the Company. In addition, during the six months ended June 30, 2020 and following the release of collateral that was previously held by cedants associated with prior years' contracts, Upsilon RFO returned $302.0 million of capital to its investors, including $61.6 million to the Company. At June 30, 2020, the Company's participation in the risks assumed by Upsilon RFO was 13.9%.

Vermeer

Vermeer provides capacity focused on risk remote layers in the U.S. property catastrophe market. See “Note 8. Noncontrolling Interests” for additional information regarding Vermeer.

At June 30, 2021, the Company’s consolidated balance sheet included total assets and total liabilities of Vermeer of $1.2 billion and $76.1 million, respectively (December 31, 2020 - $1.1 billion and $36.7 million, respectively). In addition, the Company’s consolidated balance sheet included redeemable noncontrolling interests associated with Vermeer of $1.1 billion at June 30, 2021 (December 31, 2020 - $1.1 billion).

Mona Lisa Re Ltd.

Mona Lisa Re provides reinsurance capacity to subsidiaries of RenaissanceRe through reinsurance agreements which are collateralized and funded by Mona Lisa Re through the issuance of one or more series of principal-at-risk variable rate notes to third-party investors.

Upon issuance of a series of notes by Mona Lisa Re, all of the proceeds from the issuance are deposited into collateral accounts, separated by series, to fund any potential obligation under the reinsurance agreements entered into with Renaissance Reinsurance and/or DaVinci underlying such series of notes. The outstanding principal amount of each series of notes generally will be returned to holders of such notes upon the expiration of the risk period underlying such notes, unless an event occurs which causes a loss under the applicable series of notes, in which case the amount returned will be reduced by such noteholder’s pro rata share of such loss, as specified in the applicable governing documents of such notes.

In addition, holders of such notes are generally entitled to interest payments, payable quarterly, as determined by the applicable governing documents of each series of notes.

The Company concluded that Mona Lisa Re meets the definition of a VIE as it does not have sufficient equity capital to finance its activities. The Company evaluated its relationship with Mona Lisa Re and concluded it is not the primary beneficiary of Mona Lisa Re as it does not have the power over the activities that most significantly impact the economic performance of Mona Lisa Re, in accordance with the accounting guidance. As a result, the financial position and results of operations of Mona Lisa Re are not consolidated by the Company.

The only transactions related to Mona Lisa Re that are recorded in the Company’s consolidated financial statements are the ceded reinsurance agreements entered into by Renaissance Reinsurance and DaVinci which are accounted for as prospective reinsurance under FASB ASC Topic *Financial Services - Insurance*, and the fair value of the principal-at-risk variable rate notes owned by the Company. Other than its investment in the principal-at-risk variable rate notes of Mona Lisa Re, the Company has not provided financial or other support to Mona Lisa Re that it was not contractually required to provide.

Renaissance Reinsurance and DaVinci have together entered into ceded reinsurance contracts with Mona Lisa Re with ceded premiums written of $25.4 million and $6.3 million, respectively, during the six months ended June 30, 2021 (2020 - $24.3 million and $6.7 million, respectively). In addition, Renaissance Reinsurance and DaVinci recognized ceded premiums earned related to the ceded reinsurance contracts with Mona Lisa Re of $12.6 million and $3.1 million, respectively, during the six months ended June 30, 2021 (2020 - $12.1 million and $3.4 million, respectively).

Effective January 10, 2020, Mona Lisa Re issued two series of principal-at-risk variable rate notes to investors for a total principal amount of $400.0 million. Effective June 29, 2021, Mona Lisa Re issued a series of principal-at-risk variable rate notes to investors for a total principal amount $250.0 million. At June 30, 2021, the total assets and total liabilities of Mona Lisa Re were $668.9 million and $668.9 million, respectively (December 31, 2020 - $400.3 million and $400.3 million, respectively).

The fair value of the Company’s investment in the principal-at-risk variable rate notes of Mona Lisa Re is included in other investments. Net of third-party investors, the fair value of the Company’s investment in Mona Lisa Re was $5.8 million at June 30, 2021 (December 31, 2020 - $3.7 million).

Fibonacci Re

Fibonacci Re provides collateralized capacity to Renaissance Reinsurance and its affiliates.

The Company concluded that Fibonacci Re meets the definition of a VIE as it does not have sufficient equity capital to finance its activities. The Company evaluated its relationship with Fibonacci Re and concluded it is not the primary beneficiary of Fibonacci Re as it does not have power over the activities that most significantly impact the economic performance of Fibonacci Re. As a result, the Company does not consolidate the financial position or results of operations of Fibonacci Re.

The only transactions related to Fibonacci Re that are recorded in the Company's consolidated financial statements are the ceded reinsurance agreements entered into by Renaissance Reinsurance that are accounted for as prospective reinsurance under FASB ASC Topic *Financial Services - Insurance,* and the fair value of the participating notes owned by the Company. Other than its investment in the participating notes of Fibonacci Re, the Company has not provided financial or other support to Fibonacci Re that it was not contractually required to provide.

Renaissance Reinsurance had no outstanding balances with Fibonacci Re as of June 30, 2021 and December 31, 2020, and there was no material impact on the Company's consolidated statements of operations for the three and six months ended June 30, 2021 and June 30, 2020.

Langhorne

The Company and Reinsurance Group of America, Incorporated formed Langhorne, an initiative to source third-party capital to support reinsurers targeting large in-force life and annuity blocks. In connection with Langhorne, as of June 30, 2021 the Company has invested $2.2 million in Langhorne Holdings (December 31, 2020 - $2.0 million), a company that owns and manages certain reinsurance entities within Langhorne. In addition, as of June 30, 2021 the Company has invested $0.1 million in Langhorne Partners (December 31, 2020 - $0.1 million), the general partner for Langhorne and the entity which manages the third-party investors investing into Langhorne Holdings.

The Company concluded that Langhorne Holdings meets the definition of a VIE as the voting rights are not proportional with the obligations to absorb losses and rights to receive residual returns. The Company evaluated its relationship with Langhorne Holdings and concluded it is not the primary beneficiary of Langhorne Holdings, as it does not have power over the activities that most significantly impact the economic performance of Langhorne Holdings. As a result, the Company does not consolidate the financial position or results of operations of Langhorne Holdings. The Company separately evaluated Langhorne Partners and concluded that it was not a VIE. The Company accounts for its investments in Langhorne Holdings and Langhorne Partners under the equity method of accounting, one quarter in arrears.

The Company anticipates that its absolute investment in Langhorne will increase, perhaps materially, as in-force life and annuity blocks of businesses are written. The Company expects its absolute and relative ownership in Langhorne Partners to remain stable. Other than its current and committed future equity investment in Langhorne, the Company has not provided financial or other support to Langhorne that it was not contractually required to provide.

Shima Re

Shima Re was acquired on March 22, 2019 in connection with the acquisition of TMR. Shima Re is a Bermuda domiciled Class 3 insurer. Shima Re is registered as a segregated accounts company and provides third-party investors with access to reinsurance risk. The maximum remaining exposure of each segregated account is fully collateralized and is funded by cash or investments as prescribed by the participant thereto. Shima Re no longer writes new business and the last in-force contract written by Shima Re expired on December 31, 2019. The Company ceased providing management services to Shima Re effective December 1, 2020.

Shima Re is considered a VIE as it has voting rights that are not proportional to its participating rights. The Company evaluated its relationship with Shima Re and concluded it is not the primary beneficiary of any segregated account, as it does not have power over the activities that most significantly impact the economic performance of any segregated account. As a result, the Company does not consolidate the financial position or results of operations of Shima Re or its segregated accounts. The Company has not provided any financial or other support to any segregated account of Shima Re that it was not contractually required to provide.

Norwood Re

Until December 1, 2020, Norwood Re was managed by a subsidiary of RREAG that the Company acquired in the acquisition of TMR. Norwood Re is a Bermuda domiciled SPI registered as a segregated accounts company formed to provide solutions for reinsurance-linked asset investors. Norwood Re is wholly owned by the Norwood Re Purpose Trust. Risks assumed by the segregated accounts of Norwood Re are fronted by or ceded from only one cedant - RREAG and/or its insurance affiliates. The obligations of each segregated account are funded through the issuance of non-voting preference shares to third-party investors. The maximum exposure of each segregated account is fully collateralized and is funded by cash and term deposits or investments as prescribed by the participant thereto. Norwood Re no longer writes new business, and the last in-force contract written by Norwood Re expired on June 30, 2020. The Company ceased providing management services to Norwood Re effective December 1, 2020.

Norwood Re is considered a VIE as it has voting rights that are not proportional to its participating rights. The Company evaluated its relationship with Norwood Re and concluded it is not the primary beneficiary of Norwood Re and its segregated accounts, as it does not have power over the activities that most significantly impact the economic performance of Norwood Re and its segregated accounts. As a result, the Company does not consolidate the financial position or results of operations of Norwood Re and its segregated accounts. The Company has not provided any financial or other support to Norwood Re that it was not contractually required to provide.

NOTE 10. SHAREHOLDERS’ EQUITY

Common Shares

On June 5, 2020, the Company issued 6,325,000 of its common shares in an underwritten public offering at a public offering price of $166.00 per share. Concurrently with the public offering, the Company raised $75.0 million through the issuance of 451,807 of its common shares at a price of $166.00 per share to State Farm Mutual Automobile Insurance Company, one of the Company’s existing stockholders, in a private placement. The total net proceeds from the offerings were $1.1 billion.

Series C 6.08% Preference Shares Redemption

The Series C 6.08% Preference Shares were redeemed on March 26, 2020 for $125.0 million plus accrued and unpaid dividends thereon. Following the redemption, no Series C 6.08% Preference Shares remain outstanding.

Dividends

The Board of Directors of RenaissanceRe declared dividends of $0.36 per common share, payable to common shareholders of record on March 15, 2021 and June 15, 2021, and the Company paid the dividends on March 31, 2021 and June 30, 2021, respectively.

The Board of Directors approved the payment of quarterly dividends on the Series C 6.08% Preference Shares, Series E 5.375% Preference Shares and 5.750% Series F Preference Shares to preference shareholders of record in the amounts and on the quarterly record dates and dividend payment dates set forth in the prospectus supplement and Certificate of Designation for the applicable series of preference shares, unless and until further action is taken by the Board of Directors. The dividend payment dates for the preference shares will be the first day of March, June, September and December of each year (or if this date is not a business day, on the business day immediately following this date). The record dates for the preference share dividends are one day prior to the dividend payment dates. The amount of the dividend on the Series C 6.08% Preference Shares was an amount per share equal to 6.08% of the liquidation preference per annum (the equivalent to $1.52 per share per annum, or $0.38 per share per quarter), and was paid prior to the redemption in full of the Series C 6.08% shares on March 26, 2020. The amount of the dividend on the Series E 5.375% Preference Shares is an amount per share equal to 5.375% of the liquidation preference per annum (the equivalent to $1.34375 per share per annum, or $0.3359375 per share per quarter). The amount of the dividend on the 5.750% Series F Preference Shares is an amount per share equal to 5.750% of the liquidation preference per annum (the equivalent to $1,437.50 per 5.750% Series F Preference Share per annum, or $359.375 per 5.750% Series F Preference Share per quarter, or $1.4375 per Depositary Share per annum, or $0.359375 per Depositary Share per quarter).

During the six months ended June 30, 2021, the Company paid $14.6 million in preference share dividends (2020 - $16.3 million) and $35.0 million in common share dividends (2020 - $33.1 million).

Share Repurchases

The Company's share repurchase program may be effected from time to time, depending on market conditions and other factors, through open market purchases and privately negotiated transactions. On May 7, 2021, RenaissanceRe's Board of Directors approved a renewal of its authorized share repurchase program for an aggregate amount of up to $500.0 million. Unless terminated earlier by RenaissanceRe's Board of Directors, the program will expire when the Company has repurchased the full value of the common shares authorized. The Company's decision to repurchase common shares will depend on, among other matters, the market price of the common shares and the capital requirements of the Company. During the six months ended June 30, 2021, the Company repurchased 3,019,603 common shares in open market transactions at an aggregate cost of $480.7 million and an average price of $159.18 per common share. At June 30, 2021, $300.5 million remained available for repurchase under the share repurchase program.

Refer to Note 15. "Subsequent Events" for additional information related to common share repurchases, and our recent preference share offering and related redemption, subsequent to June 30, 2021.

NOTE 11. EARNINGS PER SHARE

The following table sets forth the computation of basic and diluted earnings per common share:

	Three months ended		Six months ended	
(common shares in thousands)	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Numerator:				
Net income available to RenaissanceRe common shareholders	$ 456,818	$ 575,845	$ 165,884	$ 493,871
Amount allocated to participating common shareholders (1)	(5,809)	(7,593)	(1,864)	(6,153)
Net income available to RenaissanceRe common shareholders	$ 451,009	$ 568,252	$ 164,020	$ 487,718
Denominator:				
Denominator for basic loss per RenaissanceRe common share - weighted average common shares	48,163	44,939	48,871	44,190
Per common share equivalents of employee stock options and non-vested shares	63	64	69	63
Denominator for diluted loss per RenaissanceRe common share - adjusted weighted average common shares and assumed conversions	48,226	45,003	48,940	44,253
Net income available to RenaissanceRe common shareholders per common share – basic	$ 9.36	$ 12.64	$ 3.36	$ 11.04
Net income available to RenaissanceRe common shareholders per common share – diluted	$ 9.35	$ 12.63	$ 3.35	$ 11.02

(1) Represents earnings and dividends attributable to holders of unvested shares issued pursuant to the Company's stock compensation plans.

NOTE 12. SEGMENT REPORTING

The Company's reportable segments are defined as follows: (1) Property, which is comprised of catastrophe and other property reinsurance and insurance written on behalf of the Company's operating subsidiaries and certain joint ventures and managed funds, and (2) Casualty and Specialty, which is comprised of casualty and specialty reinsurance and insurance written on behalf of the Company's operating subsidiaries and certain joint ventures and managed funds. In addition to its reportable segments, the Company has an Other category, which primarily includes its strategic investments, investments unit, corporate expenses, capital servicing costs, noncontrolling interests and certain expenses related to acquisitions and disposals.

The Company's Property segment is managed by the Chief Underwriting Officer - Property and the Casualty and Specialty segment is managed by the Chief Underwriting Officer - Casualty and Specialty, each of whom operate under the direction of the Company's Group Chief Underwriting Officer, who in turn reports to the Company's President and Chief Executive Officer.

The Company does not manage its assets by segment; accordingly, net investment income and total assets are not allocated to the segments.

A summary of the significant components of the Company's revenues and expenses by segment is as follows:

Three months ended June 30, 2021	Property	Casualty and Specialty	Other	Total
Gross premiums written	$ 1,183,556	$ 910,602	$ —	$ 2,094,158
Net premiums written	$ 803,335	$ 708,957	$ —	$ 1,512,292
Net premiums earned	$ 560,397	$ 632,393	$ —	$ 1,192,790
Net claims and claim expenses incurred	97,150	422,871	—	520,021
Acquisition expenses	109,238	176,352	—	285,590
Operational expenses	38,887	19,316	—	58,203
Underwriting income	$ 315,122	$ 13,854	$ —	328,976
Net investment income			80,925	80,925
Net foreign exchange gains			3,234	3,234
Equity in earnings of other ventures			8,732	8,732
Other income			586	586
Net realized and unrealized gains on investments			191,018	191,018
Corporate expenses			(10,125)	(10,125)
Interest expense			(11,833)	(11,833)
Income before taxes and redeemable noncontrolling interests				591,513
Income tax expense			(13,862)	(13,862)
Net income attributable to redeemable noncontrolling interests			(113,544)	(113,544)
Dividends on preference shares			(7,289)	(7,289)
Net income available to RenaissanceRe common shareholders				$ 456,818
Net claims and claim expenses incurred – current accident year	$ 148,133	$ 423,917	$ —	$ 572,050
Net claims and claim expenses incurred – prior accident years	(50,983)	(1,046)	—	(52,029)
Net claims and claim expenses incurred – total	$ 97,150	$ 422,871	$ —	$ 520,021
Net claims and claim expense ratio – current accident year	26.4 %	67.0 %		48.0 %
Net claims and claim expense ratio – prior accident years	(9.1)%	(0.1)%		(4.4)%
Net claims and claim expense ratio – calendar year	17.3 %	66.9 %		43.6 %
Underwriting expense ratio	26.5 %	30.9 %		28.8 %
Combined ratio	43.8 %	97.8 %		72.4 %

Six months ended June 30, 2021	Property	Casualty and Specialty	Other	Total
Gross premiums written	$ 2,800,375	$ 1,946,225	$ —	$ 4,746,600
Net premiums written	$ 1,811,795	$ 1,524,580	$ —	$ 3,336,375
Net premiums earned	$ 1,165,563	$ 1,181,063	$ —	$ 2,346,626
Net claims and claim expenses incurred	595,982	791,090	—	1,387,072
Acquisition expenses	221,992	330,832	—	552,824
Operational expenses	74,262	39,252	—	113,514
Underwriting income	$ 273,327	$ 19,889	$ —	293,216
Net investment income			160,729	160,729
Net foreign exchange losses			(19,554)	(19,554)
Equity in earnings of other ventures			3,174	3,174
Other income			2,757	2,757
Net realized and unrealized losses on investments			(154,545)	(154,545)
Corporate expenses			(20,530)	(20,530)
Interest expense			(23,745)	(23,745)
Income before taxes and redeemable noncontrolling interests				241,502
Income tax benefit			5,654	5,654
Net income attributable to redeemable noncontrolling interests			(66,694)	(66,694)
Dividends on preference shares			(14,578)	(14,578)
Net income available to RenaissanceRe common shareholders				$ 165,884
Net claims and claim expenses incurred – current accident year	$ 652,127	$ 796,006	$ —	$ 1,448,133
Net claims and claim expenses incurred – prior accident years	(56,145)	(4,916)	—	(61,061)
Net claims and claim expenses incurred – total	$ 595,982	$ 791,090	$ —	$ 1,387,072
Net claims and claim expense ratio – current accident year	55.9 %	67.4 %		61.7 %
Net claims and claim expense ratio – prior accident years	(4.8)%	(0.4)%		(2.6)%
Net claims and claim expense ratio – calendar year	51.1 %	67.0 %		59.1 %
Underwriting expense ratio	25.4 %	31.3 %		28.4 %
Combined ratio	76.5 %	98.3 %		87.5 %

Three months ended June 30, 2020	Property	Casualty and Specialty	Other	Total
Gross premiums written	$ 1,042,536	$ 659,336	$ —	$ 1,701,872
Net premiums written	$ 704,138	$ 476,665	$ —	$ 1,180,803
Net premiums earned	$ 491,116	$ 518,980	$ —	$ 1,010,096
Net claims and claim expenses incurred	164,006	346,266	—	510,272
Acquisition expenses	94,773	138,837	—	233,610
Operational expenses	31,655	17,422	—	49,077
Underwriting income	$ 200,682	$ 16,455	$ —	217,137
Net investment income			89,305	89,305
Net foreign exchange losses			(7,195)	(7,195)
Equity in earnings of other ventures			9,041	9,041
Other loss			(1,201)	(1,201)
Net realized and unrealized gains on investments			448,390	448,390
Corporate expenses			(11,898)	(11,898)
Interest expense			(11,842)	(11,842)
Income before taxes and redeemable noncontrolling interests				731,737
Income tax expense			(29,875)	(29,875)
Net income attributable to redeemable noncontrolling interests			(118,728)	(118,728)
Dividends on preference shares			(7,289)	(7,289)
Net income available to RenaissanceRe common shareholders				$ 575,845
Net claims and claim expenses incurred – current accident year	$ 170,614	$ 355,064	$ —	$ 525,678
Net claims and claim expenses incurred – prior accident years	(6,608)	(8,798)	—	(15,406)
Net claims and claim expenses incurred – total	$ 164,006	$ 346,266	$ —	$ 510,272
Net claims and claim expense ratio – current accident year	34.7 %	68.4 %		52.0 %
Net claims and claim expense ratio – prior accident years	(1.3)%	(1.7)%		(1.5)%
Net claims and claim expense ratio – calendar year	33.4 %	66.7 %		50.5 %
Underwriting expense ratio	25.7 %	30.1 %		28.0 %
Combined ratio	59.1 %	96.8 %		78.5 %

Six months ended June 30, 2020	Property	Casualty and Specialty	Other	Total
Gross premiums written	$ 2,263,062	$ 1,464,531	$ —	$ 3,727,593
Net premiums written	$ 1,378,719	$ 1,071,892	$ —	$ 2,450,611
Net premiums earned	$ 912,451	$ 1,010,743	$ —	$ 1,923,194
Net claims and claim expenses incurred	308,751	772,475	—	1,081,226
Acquisition expenses	180,124	264,090	—	444,214
Operational expenses	75,662	40,876	—	116,538
Underwriting income (loss)	$ 347,914	$ (66,698)	$ —	281,216
Net investment income			188,778	188,778
Net foreign exchange losses			(12,923)	(12,923)
Equity in earnings of other ventures			13,605	13,605
Other loss			(5,637)	(5,637)
Net realized and unrealized gains on investments			337,683	337,683
Corporate expenses			(27,889)	(27,889)
Interest expense			(26,769)	(26,769)
Income before taxes and redeemable noncontrolling interests				748,064
Income tax expense			(21,029)	(21,029)
Net income attributable to redeemable noncontrolling interests			(216,819)	(216,819)
Dividends on preference shares			(16,345)	(16,345)
Net income available to RenaissanceRe common shareholders				$ 493,871
Net claims and claim expenses incurred – current accident year	$ 301,458	$ 781,274	$ —	$ 1,082,732
Net claims and claim expenses incurred – prior accident years	7,293	(8,799)	—	(1,506)
Net claims and claim expenses incurred – total	$ 308,751	$ 772,475	$ —	$ 1,081,226
Net claims and claim expense ratio – current accident year	33.0 %	77.3 %		56.3 %
Net claims and claim expense ratio – prior accident years	0.8 %	(0.9)%		(0.1)%
Net claims and claim expense ratio – calendar year	33.8 %	76.4 %		56.2 %
Underwriting expense ratio	28.1 %	30.2 %		29.2 %
Combined ratio	61.9 %	106.6 %		85.4 %

NOTE 13. DERIVATIVE INSTRUMENTS

From time to time, the Company may enter into derivative instruments such as futures, options, swaps, forward contracts and other derivative contracts primarily to manage its foreign currency exposure, obtain exposure to a particular financial market, for yield enhancement, or for trading and to assume risk. The Company’s derivative instruments can be exchange traded or over-the-counter, with over-the-counter derivatives generally traded under International Swaps and Derivatives Association master agreements, which establish the terms of the transactions entered into with the Company’s derivative counterparties. In the event a party becomes insolvent or otherwise defaults on its obligations, a master agreement generally permits the non-defaulting party to accelerate and terminate all outstanding transactions and net the transactions’ marked-to-market values so that a single sum in a single currency will be owed by, or owed to, the non-defaulting party. Effectively, this contractual close-out netting reduces credit exposure from gross to net exposure. Where the Company has entered into master netting agreements with counterparties, or the Company has the legal and contractual right to offset positions, the derivative positions are generally netted by counterparty and are reported accordingly in other assets and other liabilities.

The tables below show the gross and net amounts of recognized derivative assets and liabilities at fair value, including the location on the consolidated balance sheets of the Company's principal derivative instruments:

	Derivative Assets					
At June 30, 2021	Gross Amounts of Recognized Assets	Gross Amounts Offset in the Balance Sheet	Net Amounts of Assets Presented in the Balance Sheet	Balance Sheet Location	Collateral	Net Amount
Derivative instruments not designated as hedges						
Interest rate futures	$ 837	$ —	$ 837	Other assets	$ —	$ 837
Interest rate swaps	21	—	21	Other assets	—	21
Foreign currency forward contracts [1]	4,089	—	4,089	Other assets	—	4,089
Foreign currency forward contracts [2]	1,355	—	1,355	Other assets	—	1,355
Credit default swaps	95	—	95	Other assets	—	95
Total return swaps	327	—	327	Other assets	—	327
Total derivative instruments not designated as hedges	6,724	—	6,724		—	6,724
Derivative instruments designated as hedges						
Foreign currency forward contracts [3]	3,312	571	2,741	Other assets	—	2,741
Total	$ 10,036	$ 571	$ 9,465		$ —	$ 9,465

	Derivative Liabilities					
At June 30, 2021	Gross Amounts of Recognized Liabilities	Gross Amounts Offset in the Balance Sheet	Net Amounts of Liabilities Presented in the Balance Sheet	Balance Sheet Location	Collateral Pledged	Net Amount
Derivative instruments not designated as hedges						
Interest rate futures	$ 1,281	$ —	$ 1,281	Other liabilities	$ 1,281	$ —
Foreign currency forward contracts [1]	10,185	1,497	8,688	Other liabilities	—	8,688
Foreign currency forward contracts [2]	5,296	—	5,296	Other liabilities	—	5,296
Total derivative instruments not designated as hedges	16,762	1,497	15,265		1,281	13,984
Derivative instruments designated as hedges						
Foreign currency forward contracts [3]	365	—	365	Other liabilities	—	365
Total	$ 17,127	$ 1,497	$ 15,630		$ 1,281	$ 14,349

(1) Contracts used to manage foreign currency risks in underwriting and non-investment operations.

(2) Contracts used to manage foreign currency risks in investment operations.

(3) Contracts designated as hedges of net investments in foreign operations.

At December 31, 2020	Derivative Assets					
	Gross Amounts of Recognized Assets	Gross Amounts Offset in the Balance Sheet	Net Amounts of Assets Presented in the Balance Sheet	Balance Sheet Location	Collateral	Net Amount
Derivative instruments not designated as hedges						
Interest rate futures	$ 1,019	$ 863	$ 156	Other assets	$ —	$ 156
Interest rate swaps	22	—	22	Other assets	—	22
Foreign currency forward contracts [1]	23,055	184	22,871	Other assets	—	22,871
Foreign currency forward contracts [2]	2,232	69	2,163	Other assets	—	2,163
Credit default swaps	68	—	68	Other assets	—	68
Total derivative instruments not designated as hedges	26,396	1,116	25,280		—	25,280
Derivative instruments designated as hedges						
Foreign currency forward contracts [3]	19,953	—	19,953	Other assets	—	19,953
Total	$ 46,349	$ 1,116	$ 45,233		$ —	$ 45,233

At December 31, 2020	Derivative Liabilities					
	Gross Amounts of Recognized Liabilities	Gross Amounts Offset in the Balance Sheet	Net Amounts of Liabilities Presented in the Balance Sheet	Balance Sheet Location	Collateral Pledged	Net Amount
Derivative instruments not designated as hedges						
Interest rate futures	$ 1,430	$ 863	$ 567	Other liabilities	$ 567	$ —
Foreign currency forward contracts [1]	12,791	—	12,791	Other liabilities	—	12,791
Foreign currency forward contracts [2]	3,919	69	3,850	Other liabilities	1,053	2,797
Total derivative instruments not designated as hedges	18,140	932	17,208		1,620	15,588
Derivative instruments designated as hedges						
Foreign currency forward contracts [3]	5,152	—	5,152	Other liabilities	—	5,152
Total	$ 23,292	$ 932	$ 22,360		$ 1,620	$ 20,740

(1) Contracts used to manage foreign currency risks in underwriting and non-investment operations.

(2) Contracts used to manage foreign currency risks in investment operations.

(3) Contracts designated as hedges of net investments in foreign operations.

The location and amount of the gain (loss) recognized in the Company's consolidated statements of operations related to its principal derivative instruments are shown in the following table:

Three months ended June 30	Location of gain (loss) recognized on derivatives	Amount of gain (loss) recognized on derivatives 2021	2020
Derivative instruments not designated as hedges			
Interest rate futures	Net realized and unrealized gains (losses) on investments	$ (11,295)	$ 2,557
Interest rate swaps	Net realized and unrealized gains (losses) on investments	(78)	502
Foreign currency forward contracts (1)	Net foreign exchange gains (losses)	240	6,908
Foreign currency forward contracts (2)	Net foreign exchange gains (losses)	(1,840)	(7,613)
Credit default swaps	Net realized and unrealized gains (losses) on investments	1,169	1,974
Total return swaps	Net realized and unrealized gains (losses) on investments	875	14,151
Equity futures	Net realized and unrealized gains (losses) on investments	—	5,188
Total derivative instruments not designated as hedges		(10,929)	23,667
Derivative instruments designated as hedges			
Foreign currency forward contracts (3)	Accumulated other comprehensive loss	2,437	(8,694)
Total derivative instruments designated as hedges		2,437	(8,694)
Total		$ (8,492)	$ 14,973

Six months ended June 30	Location of gain (loss) recognized on derivatives	Amount of gain (loss) recognized on derivatives 2021	2020
Derivative instruments not designated as hedges			
Interest rate futures	Net realized and unrealized gains (losses) on investments	$ 4,212	$ 90,563
Interest rate swaps	Net realized and unrealized gains (losses) on investments	(979)	2,609
Foreign currency forward contracts (1)	Net foreign exchange gains (losses)	(3,401)	6,578
Foreign currency forward contracts (2)	Net foreign exchange gains (losses)	(6,901)	(1,213)
Credit default swaps	Net realized and unrealized gains (losses) on investments	1,424	(2,923)
Total return swaps	Net realized and unrealized gains (losses) on investments	875	(6,986)
Equity futures	Net realized and unrealized gains (losses) on investments	—	(25,710)
Total derivative instruments not designated as hedges		(4,770)	62,918
Derivative instruments designated as hedges			
Foreign currency forward contracts (3)	Accumulated other comprehensive loss	348	2,150
Total derivative instruments designated as hedges		348	2,150
Total		$ (4,422)	$ 65,068

(1) Contracts used to manage foreign currency risks in underwriting and non-investment operations.

(2) Contracts used to manage foreign currency risks in investment operations.
(3) Contracts designated as hedges of net investments in foreign operations.

The Company is not aware of the existence of any credit-risk related contingent features that it believes would be triggered in its derivative instruments that are in a net liability position at June 30, 2021.

Derivative Instruments Not Designated as Hedges

Interest Rate Derivatives

The Company uses interest rate futures and swaps within its portfolio of fixed maturity investments to manage its exposure to interest rate risk, which may result in increasing or decreasing its exposure to this risk.

Interest Rate Futures

The fair value of interest rate futures is determined using exchange traded prices. At June 30, 2021, the Company had $1.5 billion of notional long positions and $0.7 billion of notional short positions of primarily Eurodollar and U.S. treasury futures contracts (December 31, 2020 - $2.0 billion and $1.0 billion, respectively).

Interest Rate Swaps

The fair value of interest rate swaps is determined using the relevant exchange traded price where available or a discounted cash flow model based on the terms of the contract and inputs, including, where applicable, observable yield curves. At June 30, 2021, the Company had $39.0 million (December 31, 2020 - $23.5 million) of notional positions receiving a fixed rate denominated in U.S. dollar swap contracts.

Foreign Currency Derivatives

The Company’s functional currency is the U.S. dollar. The Company writes a portion of its business in currencies other than U.S. dollars and may, from time to time, experience foreign exchange gains and losses in the Company’s consolidated financial statements. All changes in exchange rates, with the exception of non-monetary assets and liabilities, are recognized in the Company’s consolidated statements of operations.

Underwriting and Non-investments Operations Related Foreign Currency Contracts

The Company's foreign currency policy with regard to its underwriting operations is generally to enter into foreign currency forward and option contracts for notional values that approximate the foreign currency liabilities, including claims and claim expense reserves and reinsurance balances payable, net of any cash, investments and receivables held in the respective foreign currency. The Company's use of foreign currency forward and option contracts is intended to minimize the effect of fluctuating foreign currencies on the value of non-U.S. dollar denominated assets and liabilities associated with its underwriting operations. The Company may determine not to match a portion of its projected underwriting related assets or liabilities with underlying foreign currency exposure with investments in the same currencies, which would increase its exposure to foreign currency fluctuations and potentially increase the impact and volatility of foreign exchange gains and losses on its results of operations. The fair value of the Company’s underwriting operations related foreign currency contracts is determined using indicative pricing obtained from counterparties or broker quotes. At June 30, 2021, the Company had outstanding underwriting related foreign currency contracts of $707.6 million in notional long positions and $309.8 million in notional short positions, denominated in U.S. dollars (December 31, 2020 - $661.4 million and $504.2 million, respectively).

Investment Portfolio Related Foreign Currency Forward Contracts

The Company’s investment operations are exposed to currency fluctuations through its investments in non-U.S. dollar fixed maturity investments, short term investments and other investments. From time to time, the Company may employ foreign currency forward contracts in its investment portfolio to either assume foreign currency risk or to economically hedge its exposure to currency fluctuations from these investments. The fair value of the Company's investment portfolio related foreign currency forward contracts is determined using an interpolated rate based on closing forward market rates. At June 30, 2021, the Company had outstanding investment portfolio related foreign currency contracts of $273.0 million in notional long positions and $108.6 million in notional short positions, denominated in U.S. dollars (December 31, 2020 - $269.5 million and $117.5 million, respectively).

Credit Derivatives

The Company's exposure to credit risk is primarily due to its fixed maturity investments, short term investments, premiums receivable and reinsurance recoverable. From time to time, the Company may purchase credit derivatives to hedge its exposures in the insurance industry, and to assist in managing the credit risk associated with ceded reinsurance. The Company also employs credit derivatives in its investment portfolio to either assume credit risk or hedge its credit exposure.

Credit Default Swaps

The fair value of the Company's credit default swaps is determined using industry valuation models, broker bid indications or internal pricing valuation techniques. The fair value of these credit default swaps can change based on a variety of factors including changes in credit spreads, default rates and recovery rates, the correlation of credit risk between the referenced credit and the counterparty, and market rate inputs such as interest rates. At June 30, 2021, the Company had outstanding credit default swaps of $50.5 million in notional positions to hedge credit risk and $59.1 million in notional positions to assume credit risk, denominated in U.S. dollars (December 31, 2020 - $Nil and $96.8 million, respectively).

Total Return Swaps

From time to time, the Company uses total return swaps as a means to manage spread duration and credit exposure in its investment portfolio. The fair value of the Company's total return swaps is determined using broker-dealer bid quotations, market-based prices from pricing vendors or valuation models. At June 30, 2021, the Company had $50.0 million of notional long positions denominated in U.S. dollars (December 31, 2020 - $Nil).

Equity Derivatives

Equity Futures

From time to time, the Company uses equity derivatives in its investment portfolio to either assume equity risk or hedge its equity exposure. The fair value of the Company's equity futures is determined using market-based prices from pricing vendors. At June 30, 2021 and December 31, 2020, the Company had no outstanding equity futures, respectively.

Derivative Instruments Designated as Hedges of Net Investments in Foreign Operations

Foreign Currency Derivatives

Hedges of Net Investments in Foreign Operations

Certain of the Company's subsidiaries use non-U.S. dollar functional currencies. The Company, from time to time, enters into foreign exchange forwards to hedge currencies, which currently includes the Australian dollar and Euro net investment in foreign operations, on an after-tax basis, from changes in the exchange rate between the U.S. dollar and these currencies.

The Company utilizes foreign exchange forward contracts to hedge the fair value of its net investment in a foreign operation. The Company has entered into foreign exchange forward contracts that were formally designated as hedges of its investment in subsidiaries with non-U.S. dollar functional currencies. There was no ineffectiveness in these transactions.

The table below provides a summary of derivative instruments designated as hedges of net investments in foreign operations, including the weighted average U.S. dollar equivalent of foreign denominated net (liabilities) assets that were hedged and the resulting derivative (losses) gains that are recorded in foreign currency translation adjustments, net of tax, within accumulated other comprehensive loss on the Company's consolidated statements of changes in shareholders' equity:

	Three months ended		Six months ended	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Weighted average of U.S. dollar equivalent of foreign denominated net (liabilities) assets	$ 58,876	$ 74,451	$ (48,790)	$ 77,683
Derivative gains (losses) [1]	$ 2,437	$ (8,694)	$ 348	$ 2,150

(1) Derivative gains (losses) from derivative instruments designated as hedges of the net investment in a foreign operation are recorded in foreign currency translation adjustments, net of tax, within accumulated other comprehensive loss on the Company's consolidated statements of changes in shareholders' equity.

NOTE 14. COMMITMENTS, CONTINGENCIES AND OTHER ITEMS

There are no material changes from the commitments, contingencies and other items previously disclosed in the Company's Form 10-K for the year ended December 31, 2020.

Legal Proceedings

The Company and its subsidiaries are subject to lawsuits and regulatory actions in the normal course of business that do not arise from or directly relate to claims on reinsurance treaties or contracts or direct surplus lines insurance policies. In the Company's industry, business litigation may involve allegations of underwriting or claims-handling errors or misconduct, disputes relating to the scope of, or compliance with, the terms of delegated underwriting agreements, employment claims, regulatory actions or disputes arising from the Company's business ventures. The Company's operating subsidiaries are subject to claims litigation involving, among other things, disputed interpretations of policy coverages. Generally, the Company's direct surplus lines insurance operations are subject to greater frequency and diversity of claims and claims-related litigation than its reinsurance operations and, in some jurisdictions, may be subject to direct actions by allegedly injured persons or entities seeking damages from policyholders. These lawsuits, involving or arising out of claims on policies issued by the Company's subsidiaries which are typical to the insurance industry in general and in the normal course of business, are considered in its loss and loss expense reserves. In addition, the Company may from time to time engage in litigation or arbitration related to its claims for payment in respect of ceded reinsurance, including disputes that challenge the Company's ability to enforce its underwriting intent. Such matters could result, directly or indirectly, in providers of protection not meeting their obligations to the Company or not doing so on a timely basis. The Company may also be subject to other disputes from time to time, relating to operational or other matters distinct from insurance or reinsurance claims. Any litigation or arbitration, or regulatory process contains an element of uncertainty, and the value of an exposure or a gain contingency related to a dispute is difficult to estimate. The Company believes that no individual litigation or arbitration to which it is presently a party is likely to have a material adverse effect on its financial condition, business or operations.

NOTE 15. SUBSEQUENT EVENTS

Subsequent to June 30, 2021 and through the period ended July 19, 2021, we repurchased 920 thousand common shares at an aggregate cost of $137.5 million and an average price of $149.57 per common share.

On July 12, 2021, the Company issued 20,000,000 Depositary Shares, each of which represents a 1/1,000th interest in a share of the Company’s 4.20% Series G Preference Shares, $1.00 par value and $25,000 liquidation preference per share (equivalent to $25.00 per Depositary Share), for gross aggregate proceeds of $500.0 million. The net proceeds from this offering will be used to redeem all of the outstanding 5.375% Series E Preference Shares, and the remainder will be used for general corporate purposes.

On July 12, 2021, the Company announced the redemption of all 11,000,000 of its outstanding 5.375% Series E Preference Shares. The 5.375% Series E Preference Shares are anticipated to be redeemed on August 11, 2021 for $275.0 million plus accrued and unpaid dividends thereon. Following the redemption, no 5.375% Series E Preference Shares will remain outstanding.

In July 2021, Northwestern Europe experienced severe flooding which has caused widespread damage. The Company is in the preliminary stage of assessing the impact of this event on the Company’s financial results for the third quarter of 2021. It is difficult at this time to provide an accurate estimate of the financial impact of this event, including as a result of the preliminary nature of the information available and provided thus far by industry participants, the magnitude and recent occurrence of the event, and other factors. The estimated losses for this event will be reported in the Company's third quarter of 2021 financial results.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following is a discussion and analysis of our results of operations for the three and six months ended June 30, 2021 and 2020, respectively, as well as our liquidity and capital resources at June 30, 2021. This discussion and analysis should be read in conjunction with the unaudited consolidated financial statements and notes thereto included in this filing and the audited consolidated financial statements and notes thereto contained in our Form 10-K for the fiscal year ended December 31, 2020. This filing contains forward-looking statements that involve risks and uncertainties. Actual results may differ materially from the results described or implied by these forward-looking statements. See "Note on Forward-Looking Statements."

In this Form 10-Q, references to "RenaissanceRe" refer to RenaissanceRe Holdings Ltd. (the parent company) and references to "we," "us," "our" and the "Company" refer to RenaissanceRe Holdings Ltd. together with its subsidiaries, unless the context requires otherwise.

All dollar amounts referred to in this Form 10-Q are in U.S. dollars unless otherwise indicated.

Due to rounding, numbers presented in the tables included in this Form 10-Q may not add up precisely to the totals provided.

INDEX TO MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

OVERVIEW

RenaissanceRe is a global provider of reinsurance and insurance. We provide property, casualty and specialty reinsurance and certain insurance solutions to customers, principally through intermediaries. Established in 1993, we have offices in Bermuda, Australia, Ireland, Singapore, Switzerland, the U.K., and the U.S. Our operating subsidiaries include Renaissance Reinsurance, Renaissance Reinsurance U.S. Inc., RenaissanceRe Specialty U.S. Ltd. (“RenaissanceRe Specialty U.S.”), RenaissanceRe Europe AG (“RREAG”), Renaissance Reinsurance of Europe Unlimited Company and our Lloyd’s syndicate, RenaissanceRe Syndicate 1458 (“Syndicate 1458”). We also underwrite reinsurance on behalf of joint ventures, including DaVinci Reinsurance Ltd. (“DaVinci”), Top Layer Reinsurance Ltd. (“Top Layer Re”), Upsilon RFO Re Ltd. (“Upsilon RFO”) and Vermeer Reinsurance Ltd. (“Vermeer”). In addition, through RenaissanceRe Medici Fund Ltd. (“Medici”), we invest in various insurance-based investment instruments that have returns primarily tied to property catastrophe risk.

Our mission is to match desirable, well-structured risks with efficient sources of capital to achieve our vision of being the best underwriter. We believe that this will allow us to produce superior returns for our shareholders over the long term, and to protect communities and enable prosperity. We seek to accomplish these goals by being a trusted, long-term partner to our customers for assessing and managing risk, delivering responsive and innovative solutions, leveraging our core capabilities of risk assessment and information management, investing in these core capabilities in order to serve our customers across market cycles, and keeping our promises. Our strategy focuses on superior risk selection, superior customer relationships and superior capital management. We provide value to our customers and joint venture and managed funds partners in the form of financial security, innovative products, and responsive service. We are known as a leader in paying valid claims promptly. We principally measure our financial success through long-term growth in tangible book value per common share plus the change in accumulated dividends. We believe this metric is the most appropriate measure of our financial performance, and in respect of which we believe we have delivered superior performance over time. The principal drivers of our profit are underwriting income, investment income, and fee income generated by our third-party capital management business.

Our core products include property, casualty and specialty reinsurance, and certain insurance products principally distributed through intermediaries, with whom we have cultivated strong long-term relationships. We believe we have been one of the world’s leading providers of catastrophe reinsurance since our founding. In recent years, through the strategic execution of several initiatives, including organic growth and acquisitions, we have expanded and diversified our casualty and specialty platform and products, and believe we are a leader in certain casualty and specialty lines of business. We also pursue a number of other opportunities, such as creating and managing our joint ventures and managed funds, executing customized reinsurance transactions to assume or cede risk, and managing certain strategic investments directed at classes of risk other than catastrophe reinsurance. From time to time we consider diversification into new ventures, either through organic growth, the formation of new joint ventures or managed funds, or the acquisition of, or the investment in, other companies or books of business of other companies.

We have determined our business consists of the following reportable segments: (1) Property, which is comprised of catastrophe and other property reinsurance and insurance written on behalf of our operating subsidiaries and certain joint ventures and managed funds, and (2) Casualty and Specialty, which is comprised of casualty and specialty reinsurance and insurance written on behalf of our operating subsidiaries and certain joint ventures and managed funds.

To best serve our clients in the places they do business, we have operating subsidiaries, branches, joint ventures, managed funds and underwriting platforms around the world. We write property and casualty and specialty reinsurance through our wholly owned operating subsidiaries, joint ventures, managed funds and Syndicate 1458 and certain insurance products primarily through Syndicate 1458 and RenaissanceRe Specialty U.S. Syndicate 1458 provides us with access to Lloyd’s extensive distribution network and worldwide licenses, and also writes business through delegated authority arrangements. The underwriting results of our operating subsidiaries and underwriting platforms are included in our Property and Casualty and Specialty segment results as appropriate.

A meaningful portion of the reinsurance and insurance we write provides protection from damages relating to natural and man-made catastrophes. Our results depend to a large extent on the frequency and severity of these catastrophic events, and the coverages we offer to customers affected by these events. We are exposed to significant losses from these catastrophic events and other exposures we cover, which primarily impact our Property segment, in both the property catastrophe and other property lines of business. Accordingly, we expect a significant degree of volatility in our financial results and our financial results may vary significantly from quarter-to-quarter and from year-to-year, based on the level of insured catastrophic losses occurring around the world. Our Casualty and Specialty business, which represents approximately half of our gross premiums written annually, is an efficient use of capital that is generally less correlated with our Property business. It allows us to bring additional capacity to our clients, across a wider range of product offerings, while continuing to be good stewards of our shareholders' capital.

We continually explore appropriate and efficient ways to address the risk needs of our clients and the impact of various regulatory and legislative changes on our operations. We have created and managed, and continue to manage, multiple capital vehicles across several jurisdictions and may create additional risk bearing vehicles or enter into additional jurisdictions in the future. In addition, our differentiated strategy and capabilities position us to pursue bespoke or large solutions for clients, which may be non-recurring. This, and other factors including the timing of contract inception, could result in significant volatility of premiums in both our Property and Casualty and Specialty segments. As our product and geographical diversity increases, we may be exposed to new risks, uncertainties and sources of volatility.

Our revenues are principally derived from three sources: (1) net premiums earned from the reinsurance and insurance policies we sell; (2) net investment income and net realized and unrealized gains from the investment of our capital funds and the investment of the cash we receive on the policies which we sell; and (3) fee income received from our joint ventures and managed funds, advisory services and various other items.

Our expenses primarily consist of: (1) net claims and claim expenses incurred on the policies of reinsurance and insurance we sell; (2) acquisition costs which typically represent a percentage of the premiums we write; (3) operating expenses which primarily consist of personnel expenses, rent and other operating expenses; (4) corporate expenses which include certain executive, legal and consulting expenses, costs for research and development, transaction and integration-related expenses, and other miscellaneous costs, including those associated with operating as a publicly traded company; (5) redeemable noncontrolling interests, which represent the interests of third parties with respect to the net income of DaVinciRe Holdings Ltd. ("DaVinciRe"), Medici and Vermeer; and (6) interest and dividend costs related to our debt and preference shares. We are also subject to taxes in certain jurisdictions in which we operate. Since the majority of our income is currently earned in Bermuda, which does not have a corporate income tax, the tax impact to our operations has historically been minimal. In the future, our net tax exposure may increase as our operations expand geographically, or as a result of adverse tax developments.

The underwriting results of an insurance or reinsurance company are discussed frequently by reference to its net claims and claim expense ratio, underwriting expense ratio, and combined ratio. The net claims and claim expense ratio is calculated by dividing net claims and claim expenses incurred by net premiums earned. The underwriting expense ratio is calculated by dividing underwriting expenses (acquisition expenses and operational expenses) by net premiums earned. The combined ratio is the sum of the net claims and claim expense ratio and the underwriting expense ratio. A combined ratio below 100% indicates profitable underwriting prior to the consideration of investment income. A combined ratio over 100% indicates unprofitable underwriting prior to the consideration of investment income. We also discuss our net claims and claim expense ratio on a current accident year basis and a prior accident years basis. The current accident year net claims and claim expense ratio is calculated by taking current accident year net claims and claim expenses incurred, divided by net premiums earned. The prior accident years net claims and claim expense ratio is calculated by taking prior accident years net claims and claim expenses incurred, divided by net premiums earned.

Segments

Our reportable segments are defined as follows: (1) Property, which is comprised of catastrophe and other property reinsurance and insurance written on behalf of our operating subsidiaries and certain joint ventures and managed funds, and (2) Casualty and Specialty, which is comprised of casualty and specialty reinsurance and insurance written on behalf of our operating subsidiaries and certain joint ventures and managed funds. In addition to our two reportable segments, we have an Other category, which primarily includes our strategic investments, investments unit, corporate expenses, capital servicing costs, noncontrolling interests and certain expenses related to acquisitions and disposals.

COVID-19 Pandemic

In late 2019, an outbreak of a novel strain of coronavirus emerged and has since spread globally. It is not yet possible to give an estimate of all of the Company’s potential reinsurance, insurance or investment exposures, or any other effects that the COVID-19 pandemic may have on our results of operations or financial condition. Due to the ongoing and rapidly evolving nature of the COVID-19 pandemic, we are continuing to evaluate the impact of the COVID-19 pandemic on our business, operations and financial condition, including our potential loss exposures.

We approach estimation of our potential loss exposure by dividing our exposures into three categories: (1) event-like losses, such as event contingency, event-based casualty class and certain types of accident and health, (2) developing losses, such as traditional casualty lines, financial credit lines, such as mortgage and trade credit and surety, and (3) known unknowns, which is primarily business interruption. We continue to evaluate industry trends and our potential exposure associated with the ongoing COVID-19 pandemic, and expect historically significant industry losses to emerge over time as the full impact of the pandemic and its effects on the global economy are realized. A longer or more severe recession will increase the probability of losses. Potential legislative, regulatory and judicial actions are also causing significant uncertainty with respect to policy coverage and other issues. Among other things, we continue to actively monitor information received from or reported by clients, brokers, industry actuaries, regulators, courts, and others, and to assess that information in the context of our own portfolio.

In addition to coverage exposures, volatility in global financial markets, together with low or negative interest rates, reduced liquidity or a slowdown in global economic conditions in many economies, have impacted, and may affect, our investment portfolio in the future. These conditions may also negatively impact our ability to access liquidity and capital markets financing, which may not be available or may only be available on unfavorable terms.

SUMMARY OF CRITICAL ACCOUNTING ESTIMATES

Our critical accounting estimates include “Claims and Claim Expense Reserves,” “Premiums and Related Expenses,” “Reinsurance Recoverables,” “Fair Value Measurements and Impairments” and “Income Taxes,” and are discussed in Management’s Discussion and Analysis of Financial Condition and Results of Operations in our Form 10-K for the year ended December 31, 2020. There have been no material changes to our critical accounting estimates as disclosed in our Form 10-K for the year ended December 31, 2020.

SUMMARY OF RESULTS OF OPERATIONS

Below is a discussion of the results of operations for the second quarter of 2021, compared to the second quarter of 2020.

Three months ended June 30 (in thousands, except per share amounts and percentages)	2021	2020	Change
Statement of operations highlights			
Gross premiums written	$ 2,094,158	$ 1,701,872	$ 392,286
Net premiums written	$ 1,512,292	$ 1,180,803	$ 331,489
Net premiums earned	$ 1,192,790	$ 1,010,096	$ 182,694
Net claims and claim expenses incurred	520,021	510,272	9,749
Acquisition expenses	285,590	233,610	51,980
Operational expenses	58,203	49,077	9,126
Underwriting income	$ 328,976	$ 217,137	$ 111,839
Net investment income	$ 80,925	$ 89,305	$ (8,380)
Net realized and unrealized gains on investments	191,018	448,390	(257,372)
Total investment result	$ 271,943	$ 537,695	$ (265,752)
Net income	$ 577,651	$ 701,862	$ (124,211)
Net income available to RenaissanceRe common shareholders	$ 456,818	$ 575,845	$ (119,027)
Net income available to RenaissanceRe common shareholders per common share – diluted	$ 9.35	$ 12.63	$ (3.28)
Dividends per common share	$ 0.36	$ 0.35	$ 0.01
Key ratios			
Net claims and claim expense ratio – current accident year	48.0 %	52.0 %	(4.0)%
Net claims and claim expense ratio – prior accident years	(4.4)%	(1.5)%	(2.9)%
Net claims and claim expense ratio – calendar year	43.6 %	50.5 %	(6.9)%
Underwriting expense ratio	28.8 %	28.0 %	0.8 %
Combined ratio	72.4 %	78.5 %	(6.1)%
Return on average common equity - annualized	27.6 %	38.5 %	(10.9)%
Book value	**June 30, 2021**	**March 31, 2021**	**Change**
Book value per common share	$ 139.35	$ 131.15	$ 8.20
Accumulated dividends per common share	22.80	22.44	0.36
Book value per common share plus accumulated dividends	$ 162.15	$ 153.59	$ 8.56
Change in book value per common share plus change in accumulated dividends	**6.5 %**		

Net income available to RenaissanceRe common shareholders was $456.8 million in the second quarter of 2021, compared to net income available to RenaissanceRe common shareholders of $575.8 million in the second quarter of 2020, a decrease of $119.0 million. As a result of our net income available to RenaissanceRe common shareholders in the second quarter of 2021, we generated an annualized return on average common equity of 27.6% and our book value per common share increased from $131.15 at March 31, 2021 to $139.35 at June 30, 2021, a 6.5% increase, after considering the change in accumulated dividends paid to our common shareholders.

The most significant items affecting our financial performance during the second quarter of 2021, on a comparative basis to the second quarter of 2020, include:

- *Underwriting Results* - we generated underwriting income of $329.0 million and had a combined ratio of 72.4% in the second quarter of 2021, compared to underwriting income of $217.1 million and a combined ratio of 78.5% in the second quarter of 2020. Our underwriting income in the second quarter of 2021 was comprised of our Property segment, which generated underwriting income of $315.1 million and had a combined ratio of 43.8%, and our Casualty and Specialty segment, which generated underwriting income of $13.9 million and had a combined ratio of 97.8%. In comparison, our underwriting income in the second quarter of 2020 was comprised of our Property segment, which generated underwriting income of $200.7 million, and our Casualty and Specialty segment, which generated underwriting income of $16.5 million;
- *Gross Premiums Written* - our gross premiums written increased by $392.3 million, or 23.1%, to $2.1 billion, in the second quarter of 2021, compared to the second quarter of 2020. This was comprised of an increase of $251.3 million in our Casualty and Specialty segment and an increase of $141.0 million in our Property segment;
- *Investment Results* - our total investment result, which includes the sum of net investment income and net realized and unrealized gains on investments, was $271.9 million in the second quarter of 2021, compared to $537.7 million in the second quarter of 2020, a decrease of $265.8 million. The primary driver of the total investment result in the second quarter of 2021 was net realized and unrealized gains on investments of $191.0 million, principally within our fixed maturity and equity investments trading portfolios, and other investments. The higher investment results in the second quarter of 2020 were due to the market recovery following the disruption in global financial markets associated with the COVID-19 pandemic; and
- *Net Income Attributable to Redeemable Noncontrolling Interests* - our net income attributable to redeemable noncontrolling interests was $113.5 million in the second quarter of 2021, compared to net income attributable to redeemable noncontrolling interests of $118.7 million in the second quarter of 2020.

Underwriting Results by Segment

Property

Below is a summary of the underwriting results and ratios for our Property segment:

Three months ended June 30 (in thousands, except percentages)	2021	2020	Change
Gross premiums written	$ 1,183,556	$ 1,042,536	$ 141,020
Net premiums written	$ 803,335	$ 704,138	$ 99,197
Net premiums earned	$ 560,397	$ 491,116	$ 69,281
Net claims and claim expenses incurred	97,150	164,006	(66,856)
Acquisition expenses	109,238	94,773	14,465
Operational expenses	38,887	31,655	7,232
Underwriting income	$ 315,122	$ 200,682	$ 114,440
Net claims and claim expenses incurred – current accident year	$ 148,133	$ 170,614	$ (22,481)
Net claims and claim expenses incurred – prior accident years	(50,983)	(6,608)	(44,375)
Net claims and claim expenses incurred – total	$ 97,150	$ 164,006	$ (66,856)
Net claims and claim expense ratio – current accident year	26.4 %	34.7 %	(8.3)%
Net claims and claim expense ratio – prior accident years	(9.1)%	(1.3)%	(7.8)%
Net claims and claim expense ratio – calendar year	17.3 %	33.4 %	(16.1)%
Underwriting expense ratio	26.5 %	25.7 %	0.8 %
Combined ratio	43.8 %	59.1 %	(15.3)%

Property Gross Premiums Written

In the second quarter of 2021, our Property segment gross premiums written increased by $141.0 million, or 13.5%, to $1.2 billion, compared to $1.0 billion in the second quarter of 2020.

Gross premiums written in the catastrophe class of business were $761.3 million in the second quarter of 2021, an increase of $49.5 million, or 7.0%, compared to the second quarter of 2020. The increase in gross premiums written in the catastrophe class of business was primarily driven by rate improvements, combined with increased shares on existing deals and new opportunities across underwriting platforms.

Gross premiums written in the other property class of business were $422.2 million in the second quarter of 2021, an increase of $91.5 million, or 27.7%, compared to the second quarter of 2020. The increase in gross premiums written in the other property class of business was primarily driven by rate improvements, which contributed to growth in new and existing business written in the current and prior periods across underwriting platforms, notably within catastrophe exposed U.S. property excess and surplus lines.

Property Ceded Premiums Written

Three months ended June 30 (in thousands)	2021	2020	Change
Ceded premiums written - Property	$ 380,221	$ 338,398	$ 41,823

Ceded premiums written in our Property segment were $380.2 million in the second quarter of 2021, an increase of $41.8 million, or 12.4%, compared to the second quarter of 2020. The increase in ceded premiums written was principally due to the increase in gross premiums written which were ceded to third-party investors in our managed vehicles, primarily RenaissanceRe Upsilon Fund Ltd. (“Upsilon Fund”).

Property Underwriting Results

Our Property segment generated underwriting income of $315.1 million in the second quarter of 2021, compared to underwriting income of $200.7 million in the second quarter of 2020. In the second quarter of 2021, our Property segment generated a net claims and claim expense ratio of 17.3%, an underwriting expense ratio of 26.5% and a combined ratio of 43.8%, compared to 33.4%, 25.7% and 59.1%, respectively, in the second quarter of 2020.

Principally impacting the underwriting result and combined ratio in the second quarter of 2021 was growth in earned premiums, as well as lower current accident year net losses and higher prior accident year net favorable development. In comparison, the second quarter of 2020 was principally impacted by a higher number of small weather-related events offset by a lower underwriting expense ratio.

See “Note 6. Reserve for Claims and Claim Expenses” in our “Notes to the Consolidated Financial Statements” for additional information related to the development of prior accident years net claims and claim expenses.

Casualty and Specialty Segment

Below is a summary of the underwriting results and ratios for our Casualty and Specialty segment:

Three months ended June 30 (in thousands, except percentages)	2021	2020	Change
Gross premiums written	$ 910,602	$ 659,336	$ 251,266
Net premiums written	$ 708,957	$ 476,665	$ 232,292
Net premiums earned	$ 632,393	$ 518,980	$ 113,413
Net claims and claim expenses incurred	422,871	346,266	76,605
Acquisition expenses	176,352	138,837	37,515
Operational expenses	19,316	17,422	1,894
Underwriting income	$ 13,854	$ 16,455	$ (2,601)
Net claims and claim expenses incurred – current accident year	$ 423,917	$ 355,064	$ 68,853
Net claims and claim expenses incurred – prior accident years	(1,046)	(8,798)	7,752
Net claims and claim expenses incurred – total	$ 422,871	$ 346,266	$ 76,605
Net claims and claim expense ratio – current accident year	67.0 %	68.4 %	(1.4)%
Net claims and claim expense ratio – prior accident years	(0.1)%	(1.7)%	1.6 %
Net claims and claim expense ratio – calendar year	66.9 %	66.7 %	0.2 %
Underwriting expense ratio	30.9 %	30.1 %	0.8 %
Combined ratio	97.8 %	96.8 %	1.0 %

Casualty and Specialty Gross Premiums Written

In the second quarter of 2021, our Casualty and Specialty segment gross premiums written increased by $251.3 million, or 38.1%, to $910.6 million, compared to $659.3 million in the second quarter of 2020, and was driven by growth in the general casualty, professional liability and other specialty lines of business. This growth was primarily driven by an increase in new and existing business, combined with rate improvements.

Casualty and Specialty Ceded Premiums Written

Three months ended June 30 (in thousands)	2021	2020	Change
Ceded premiums written - Casualty and Specialty	$ 201,645	$ 182,671	$ 18,974

Ceded premiums written in our Casualty and Specialty segment increased by $19.0 million, to $201.6 million in the second quarter of 2021, compared to $182.7 million in the second quarter of 2020, primarily resulting from increased gross premiums written subject to our retrocessional quota share reinsurance programs, partially offset by a decrease in retrocessional purchases.

Casualty and Specialty Underwriting Results

Our Casualty and Specialty segment generated underwriting income of $13.9 million in the second quarter of 2021, compared to underwriting income of $16.5 million in the second quarter of 2020. In the second quarter of 2021, our Casualty and Specialty segment generated a net claims and claim expense ratio of 66.9%, an underwriting expense ratio of 30.9% and a combined ratio of 97.8%, compared to 66.7%, 30.1% and 96.8%, respectively, in the second quarter of 2020.

The decrease in the current accident year net claims and claim expense ratio was driven mainly by lower attritional losses from specialty lines and changes in mix of business in the second quarter of 2021 as compared to the second quarter of 2020. Offsetting that decrease was a decrease in favorable prior accident year loss development in the second quarter of 2021 as compared to the second quarter of 2020.

The increase in the underwriting expense ratio in the second quarter of 2021 was driven by an increase in the net acquisition expense ratio, principally due to the effects of purchase accounting amortization related to the acquisition of TMR which improved the ratio in the second quarter of 2020, partially offset by continued improvement in operating leverage.

Fee Income

Three months ended June 30 (in thousands)	2021	2020	Change
Management fee income			
Joint ventures	$ 14,741	$ 12,190	$ 2,551
Structured reinsurance products and other	8,677	8,739	(62)
Managed funds	8,552	6,508	2,044
Total management fee income	31,970	27,437	4,533
Performance fee income			
Joint ventures	7,347	6,165	1,182
Structured reinsurance products and other	2,581	7,994	(5,413)
Managed funds	4,259	3,914	345
Total performance fee income	14,187	18,073	(3,886)
Total fee income	$ 46,157	$ 45,510	$ 647

The table above shows total fee income earned through third-party capital management, as well as various joint ventures, managed funds and certain structured retrocession agreements to which we are a party. Performance fees are based on the performance of the individual vehicles or products, and may be zero or negative in a particular period if, for example, large losses occur, which can potentially result in no performance fees or the reversal of previously accrued performance fees. Joint ventures include DaVinciRe, Top Layer Re, Vermeer and certain entities investing in Langhorne Holdings LLC. Managed funds include Upsilon Fund and Medici. Structured reinsurance products and other includes certain reinsurance contracts and certain other vehicles through which we transfer risk to capital.

In the second quarter of 2021, total fee income earned through third-party capital management, various joint ventures and certain structured retrocession agreements to which we are a party increased $0.6 million, to

$46.2 million, compared to $45.5 million in the second quarter of 2020, primarily due to higher management fees related to increased capital under management compared to the second quarter of 2020. This was partially offset by lower performance fee income, primarily driven by underwriting losses from Winter Storm Uri in the first quarter of 2021, which reduced performance fees accordingly.

The fees earned through third-party capital management are principally recorded through redeemable noncontrolling interest, or as an increase to underwriting income through a reduction to operating expenses and acquisition expenses, as detailed in the table below.

Three months ended June 30 (in thousands)	2021	2020	Change
Underwriting income [1]	$ 19,239	$ 19,894	$ (655)
Equity in earnings of other ventures	17	24	(7)
Net income attributable to redeemable noncontrolling interests	26,901	25,592	1,309
Total fee income	46,157	45,510	647

(1) Reflects total fee income earned through third-party capital management as well as various joint ventures, managed funds and certain structured retrocession agreements to which we are a party, recorded through underwriting income as a reduction to operating expenses or acquisition expenses.

In addition to the $19.2 million of fee income earned through joint ventures, managed funds and certain structured retrocession agreements to which we are a party that is recorded through underwriting income, as detailed above, we also earn fee income on certain other underwriting-related activities. These fees are recorded as a reduction to operating expenses or acquisition expenses, as applicable.

Three months ended June 30 (in thousands)	2021	2020	Change
Underwriting income	$ 19,239	$ 19,894	$ (655)
Underwriting income - additional fee income on other underwriting-related activities	23,902	14,340	9,562
Total fees recorded through underwriting income	43,141	34,234	8,907
Impact of total fees recorded through underwriting income on the combined ratio	3.6 %	3.4 %	0.20 %

The total fees recorded through underwriting income, as detailed in the table above, earned by us in the second quarter of 2021 that were recorded as a reduction to operating expenses and acquisition expenses were $33.6 million and $9.6 million, respectively (2020 - $28.5 million and $5.8 million, respectively).

Net Investment Income

Three months ended June 30 (in thousands)	2021	2020	Change
Fixed maturity investments trading	$ 59,510	$ 69,943	$ (10,433)
Short term investments	782	6,049	(5,267)
Equity investments trading	1,626	1,666	(40)
Other investments			
Catastrophe bonds	16,681	13,519	3,162
Other	9,339	1,107	8,232
Cash and cash equivalents	159	837	(678)
	88,097	93,121	(5,024)
Investment expenses	(7,172)	(3,816)	(3,356)
Net investment income	$ 80,925	$ 89,305	$ (8,380)

Net investment income was $80.9 million in the second quarter of 2021, compared to $89.3 million in the second quarter of 2020, a decrease of $8.4 million. Impacting our net investment income for the second quarter of 2021 were lower yields in our fixed maturity and short term investments portfolios, primarily as a result of a general decline in credit spreads compared to the second quarter of 2020.

Net Realized and Unrealized Gains (Losses) on Investments

Three months ended June 30 (in thousands)	2021	2020	Change
Net realized gains on fixed maturity investments trading	33,161	105,849	(72,688)
Net unrealized gains on fixed maturity investments trading	64,015	197,678	(133,663)
Net realized and unrealized gains on fixed maturity investments trading	97,176	303,527	(206,351)
Net realized and unrealized (losses) gains on investments-related derivatives	(9,329)	24,372	(33,701)
Net realized gains on equity investments trading	93,411	422	92,989
Net unrealized (losses) gains on equity investments trading	(27,845)	107,896	(135,741)
Net realized and unrealized gains on equity investments trading	65,566	108,318	(42,752)
Net realized and unrealized gains on other investments - catastrophe bonds	2	4,452	(4,450)
Net realized and unrealized gains on other investments - other	37,603	7,721	29,882
Net realized and unrealized gains on investments	$ 191,018	$ 448,390	$ (257,372)

Our investment portfolio strategy is structured to emphasize the preservation of capital and the availability of liquidity to meet our claims obligations and to be well diversified across market sectors. A large majority of our investments are invested in the fixed income markets and, therefore, our net realized and unrealized gains and losses on investments are highly correlated to fluctuations in interest rates and credit spreads. Therefore, everything else being constant, as interest rates or credit spreads decline, we will tend to have realized and unrealized gains from our fixed maturity investments portfolio, and as interest rates and credit spreads rise, we will tend to have realized and unrealized losses from our fixed maturity investments portfolio.

Net realized and unrealized gains on investments were $191.0 million in the second quarter of 2021, compared to net realized and unrealized gains of $448.4 million in the second quarter of 2020, a decrease of $257.4 million. Principally impacting our net realized and unrealized gains on investments in the second quarter of 2021 were:

- net realized and unrealized gains on our fixed maturity investments trading of $97.2 million compared to net realized and unrealized gains of $303.5 million in the second quarter of 2020, a decrease in net realized and unrealized gains of $206.4 million. The lower net realized and unrealized gains in the second quarter of 2021 were driven by decreasing yields on long-duration U.S. treasuries and a general decline in credit spreads. The higher net realized and unrealized gains in the second quarter of 2020 compared to the second quarter of 2021 were due to the decline in interest rates following recovery in the financial markets during the second quarter of 2020;
- net realized and unrealized gains on equity investments trading of $65.6 million compared to $108.3 million in the second quarter of 2020, a decrease of $42.8 million. The net realized and unrealized gains in the second quarter of 2021 were principally driven by the Company’s strategic investment in Trupanion, Inc., where we recorded a net realized and unrealized gain of $42.7 million; and
- net realized and unrealized gains on our other investments of $37.6 million compared to net realized and unrealized gains of $7.7 million in the second quarter of 2020, an improvement of $29.9 million, principally driven by fair value appreciation of underlying investments which favorably impacted our portfolio of fund investments.

Net Foreign Exchange Gains (Losses)

Three months ended June 30 (in thousands)	2021	2020	Change
Net foreign exchange gains (losses)	$ 3,234	$ (7,195)	$ 10,429

Our functional currency is the U.S. dollar. We routinely write a portion of our business in currencies other than U.S. dollars and invest a portion of our cash and investment portfolio in those currencies. Certain of our subsidiaries use non-U.S. dollar functional currencies. As a result, we may experience foreign exchange gains and losses in our consolidated financial statements. We are primarily impacted by foreign currency exposures associated with our underwriting operations, investment portfolio, and operations with non-U.S. dollar functional currencies, and may, from time to time, enter into foreign currency forward and option contracts to minimize the effect of fluctuating foreign currencies on the value of non-U.S. dollar denominated assets and liabilities.

Refer to "Part II, Item 7A. Quantitative and Qualitative Disclosures About Market Risk" in our Form 10-K for the year ended December 31, 2020 for additional information related to our exposure to foreign currency risk and "Note 13. Derivative Instruments" in our "Notes to the Consolidated Financial Statements" for additional information related to foreign currency forward and option contracts we have entered into.

Equity in Earnings of Other Ventures

Three months ended June 30 (in thousands)	2021	2020	Change
Tower Hill Companies	$ 4,909	$ 4,904	$ 5
Top Layer Re	2,439	2,510	(71)
Other	1,384	1,627	(243)
Total equity in earnings of other ventures	$ 8,732	$ 9,041	$ (309)

Earnings from our investments in other ventures was $8.7 million in the second quarter of 2021, compared to earnings of $9.0 million in the second quarter of 2020, a decrease of $0.3 million.

Other Income (Loss)

Three months ended June 30 (in thousands)	2021	2020	Change
Assumed and ceded reinsurance contracts accounted for as derivatives and deposits	$ 110	$ (1,632)	$ 1,742
Other items	476	431	45
Total other income	$ 586	$ (1,201)	$ 1,787

In the second quarter of 2021, we generated other income of $0.6 million, compared to other losses of $1.2 million in the second quarter of 2020, an increase of $1.8 million, driven by gains on our assumed and ceded reinsurance contracts accounted for as derivatives and deposits in the second quarter of 2021.

Corporate Expenses

Three months ended June 30 (in thousands)	2021	2020	Change
Corporate expenses	$ 10,125	$ 11,898	$ (1,773)

Corporate expenses include certain executive, director, legal and consulting expenses, costs for research and development, impairment charges related to goodwill and other intangible assets, and other miscellaneous costs, including those associated with operating as a publicly traded company.

Corporate expenses decreased to $10.1 million in the second quarter of 2021, compared to $11.9 million in the second quarter of 2020. The decrease of $1.8 million was primarily due to transition expenses related to the acquisition of TMR that were incurred in the second quarter of 2020 and which did not recur in the current quarter.

Income Tax Expense

Three months ended June 30 (in thousands)	2021	2020	Change
Income tax expense	$ (13,862)	$ (29,875)	$ 16,013

We recognized an income tax expense of $13.9 million in the second quarter of 2021, compared to $29.9 million in the second quarter of 2020. The income tax expense in both periods was principally driven by net realized and unrealized gains on investments, primarily in our U.S. based operations, with significantly higher gains in the second quarter of 2020 compared to the second quarter of 2021.

Net Income Attributable to Redeemable Noncontrolling Interests

Three months ended June 30 (in thousands)	2021	2020	Change
Redeemable noncontrolling interest - DaVinciRe	$ 84,266	$ 88,374	$ (4,108)
Redeemable noncontrolling interest - Medici	11,989	13,151	$ (1,162)
Redeemable noncontrolling interest - Vermeer	17,289	17,203	$ 86
Net income attributable to redeemable noncontrolling interests	$ 113,544	$ 118,728	$ (5,184)

Our net income attributable to redeemable noncontrolling interests was $113.5 million in the second quarter of 2021, compared to $118.7 million in the second quarter of 2020, a change of $5.2 million. The decrease was primarily due to DaVinciRe, which had lower investment results in the second quarter of 2021, partially offset by higher underwriting income.

SUMMARY OF RESULTS OF OPERATIONS

Below is a discussion of the results of operations for the six months ended June 30, 2021, compared to the six months ended June 30, 2020.

Six months ended June 30 (in thousands, except per share amounts and percentages)	2021	2020	Change
Statement of operations highlights			
Gross premiums written	$ 4,746,600	$ 3,727,593	$ 1,019,007
Net premiums written	$ 3,336,375	$ 2,450,611	$ 885,764
Net premiums earned	$ 2,346,626	$ 1,923,194	$ 423,432
Net claims and claim expenses incurred	1,387,072	1,081,226	305,846
Acquisition expenses	552,824	444,214	108,610
Operational expenses	113,514	116,538	(3,024)
Underwriting income	$ 293,216	$ 281,216	$ 12,000
Net investment income	$ 160,729	$ 188,778	$ (28,049)
Net realized and unrealized (losses) gains on investments	(154,545)	337,683	(492,228)
Total investment result	$ 6,184	$ 526,461	$ (520,277)
Net income	$ 247,156	$ 727,035	$ (479,879)
Net income available to RenaissanceRe common shareholders	$ 165,884	$ 493,871	$ (327,987)
Net income available to RenaissanceRe common shareholders per common share – diluted	$ 3.35	$ 11.02	$ (7.67)
Dividends per common share	$ 0.72	$ 0.70	$ 0.02
Key ratios			
Net claims and claim expense ratio – current accident year	61.7 %	56.3 %	5.4 %
Net claims and claim expense ratio – prior accident years	(2.6)%	(0.1)%	(2.5)%
Net claims and claim expense ratio – calendar year	59.1 %	56.2 %	2.9 %
Underwriting expense ratio	28.4 %	29.2 %	(0.8)%
Combined ratio	87.5 %	85.4 %	2.1 %
Return on average common equity - annualized	4.9 %	17.1 %	(12.2)%
Book value	June 30, 2021	December 31, 2020	Change
Book value per common share	$ 139.35	$ 138.46	$ 0.89
Accumulated dividends per common share	22.80	22.08	0.72
Book value per common share plus accumulated dividends	$ 162.15	$ 160.54	$ 1.61
Change in book value per common share plus change in accumulated dividends	1.2 %		

Net income available to RenaissanceRe common shareholders was $165.9 million in the six months ended June 30, 2021, compared to $493.9 million in the six months ended June 30, 2020. As a result of our net income available to RenaissanceRe common shareholders in the six months ended June 30, 2021, we generated an annualized return on average common equity of 4.9% and our book value per common share increased from $138.46 at December 31, 2020 to $139.35 at June 30, 2021, a 1.2% increase, after considering the change in accumulated dividends paid to our common shareholders.

The most significant items affecting our financial performance during the six months ended June 30, 2021, on a comparative basis to the six months ended June 30, 2020, include:

- *Impact of Winter Storm Uri* - in the six months ended June 30, 2021 we had a net negative impact on net income available to RenaissanceRe common shareholders of $181.1 million resulting from Winter Storm Uri.
- *Underwriting Results* - we generated underwriting income of $293.2 million and had a combined ratio of 87.5% in the six months ended June 30, 2021, compared to underwriting income of $281.2 million and a combined ratio of 85.4% in the six months ended June 30, 2020. Our underwriting income in the six months ended June 30, 2021 was comprised of underwriting income of $273.3 million in our Property segment and $19.9 million in our Casualty and Specialty segment. In comparison, our underwriting income in the six months ended June 30, 2020 was comprised of our Property segment, which generated underwriting income of $347.9 million, and our Casualty and Specialty segment, which incurred an underwriting loss of $66.7 million.

  Included in our underwriting results in the six months ended June 30, 2021 was the impact of Winter Storm Uri, which resulted in a net negative impact on the underwriting result of $291.2 million and added 13.3 percentage points to the combined ratio, primarily in the Property segment. In comparison, our underwriting results in the six months ended June 30, 2020 were impacted by net claims and claim expenses associated with the COVID-19 pandemic of $103.8 million, primarily in the Casualty and Specialty segment. The losses associated with the COVID-19 pandemic in the six months ended June 30, 2020 primarily represented the cost of claims incurred but not yet reported with respect to exposures such as event contingency and event-based casualty covers.
- *Gross Premiums Written* - our gross premiums written increased by $1.0 billion, or 27.3%, to $4.7 billion, in the six months ended June 30, 2021, compared to the six months ended June 30, 2020, with an increase of $537.3 million in the Property segment and an increase of $481.7 million in the Casualty and Specialty segment, driven by growth from both new and existing business across a number of our underwriting platforms, rate improvements, and, in our Property segment, reinstatement premiums of $90.3 million associated with Winter Storm Uri.
- *Investment Results* - our total investment result, which includes the sum of net investment income and net realized and unrealized gains (losses) on investments, was income of $6.2 million in the six months ended June 30, 2021, compared to $526.5 million in the six months ended June 30, 2020, a decrease of $520.3 million. Impacting the investment result, for the six months ended June 30, 2021, was realized and unrealized losses on our fixed maturity and equity investments trading portfolios partially offset by net realized and unrealized gains on other investments. The higher investment results in the six months ended June 30, 2020 were due to the market recovery following the disruption in global financial markets associated with the COVID-19 pandemic.
- *Net Income Attributable to Redeemable Noncontrolling Interests* - our net income attributable to redeemable noncontrolling interests was $66.7 million in the six months ended June 30, 2021, compared to $216.8 million in the six months ended June 30, 2020. The decrease was primarily driven by underwriting losses in DaVinci and Vermeer as a result of Winter Storm Uri in the first quarter of 2021, as well as foreign exchange losses in Medici that were primarily attributable to noncontrolling interests.

Net Negative Impact

Net negative impact on underwriting result includes the sum of (1) net claims and claim expenses incurred, (2) assumed and ceded reinstatement premiums earned and (3) earned and lost profit commissions. Net negative impact on net income available to RenaissanceRe common shareholders is the sum of (1) net negative impact on underwriting result and (2) redeemable noncontrolling interest. Our estimates of net negative impact are based on a review of our potential exposures, preliminary discussions with certain counterparties and actuarial modeling techniques. Our actual net negative impact, both individually and in the aggregate, may vary from these estimates, perhaps materially. Changes in these estimates will be recorded in the period in which they occur.

Meaningful uncertainty remains regarding the estimates and the nature and extent of the losses from catastrophe events, driven by the magnitude and recent nature of each event, the geographic areas impacted by the events, relatively limited claims data received to date, the contingent nature of business interruption and other exposures, potential uncertainties relating to reinsurance recoveries and other factors inherent in loss estimation, among other things.

The financial data below provides additional information detailing the net negative impact on our consolidated financial statements in the six months ended June 30, 2021 of the major winter storms in February 2021 which caused widespread damage in the U.S., predominantly in Texas, and are referred to herein as "Winter Storm Uri."

Six months ended June 30, 2021 (in thousands)		Winter Storm Uri
Net claims and claims expenses incurred	$	(373,020)
Assumed reinstatement premiums earned		91,412
Ceded reinstatement premiums earned		(10,347)
Earned profit commissions		773
Net negative impact on underwriting result		(291,182)
Redeemable noncontrolling interest		110,064
Net negative impact on net income available to RenaissanceRe common shareholders	$	(181,118)

The financial data below provides additional information detailing the net negative impact of Winter Storm Uri on our segment underwriting results and consolidated combined ratio in the six months ended June 30, 2021.

Six months ended June 30, 2021 (in thousands, except percentages)		Winter Storm Uri
Net negative impact on Property segment underwriting result	$	(286,125)
Net negative impact on Casualty and Specialty segment underwriting result		(5,057)
Net negative impact on underwriting result	$	(291,182)
Percentage point impact on consolidated combined ratio		13.3

Underwriting Results by Segment

Property Segment

Below is a summary of the underwriting results and ratios for our Property segment:

Six months ended June 30 (in thousands, except percentages)	2021	2020	Change
Gross premiums written	$ 2,800,375	$ 2,263,062	$ 537,313
Net premiums written	$ 1,811,795	$ 1,378,719	$ 433,076
Net premiums earned	$ 1,165,563	$ 912,451	$ 253,112
Net claims and claim expenses incurred	595,982	308,751	287,231
Acquisition expenses	221,992	180,124	41,868
Operational expenses	74,262	75,662	(1,400)
Underwriting income	$ 273,327	$ 347,914	$ (74,587)
Net claims and claim expenses incurred – current accident year	$ 652,127	$ 301,458	$ 350,669
Net claims and claim expenses incurred – prior accident years	(56,145)	7,293	(63,438)
Net claims and claim expenses incurred – total	$ 595,982	$ 308,751	$ 287,231
Net claims and claim expense ratio – current accident year	55.9 %	33.0 %	22.9 %
Net claims and claim expense ratio – prior accident years	(4.8)%	0.8 %	(5.6)%
Net claims and claim expense ratio – calendar year	51.1 %	33.8 %	17.3 %
Underwriting expense ratio	25.4 %	28.1 %	(2.7)%
Combined ratio	76.5 %	61.9 %	14.6 %

Property Gross Premiums Written

In the six months ended June 30, 2021, our Property segment gross premiums written increased by $537.3 million, or 23.7%, to $2.8 billion, compared to $2.3 billion in the six months ended June 30, 2020.

Gross premiums written in the catastrophe class of business were $1.9 billion in the six months ended June 30, 2021, an increase of $244.5 million, or 14.8% compared to the six months ended June 30, 2020. The increase in gross premiums written in the catastrophe class of business was primarily driven by rate improvements, which contributed to growth with existing clients and new opportunities across underwriting platforms, and $90.3 million of reinstatement premiums associated with Winter Storm Uri.

Gross premiums written in the other property class of business were $907.9 million in the six months ended June 30, 2021, an increase of $292.8 million, or 47.6%, compared to the six months ended June 30, 2020. The increase in gross premiums written in the other property class of business was primarily driven by rate improvements which contributed to growth in new and existing business written in the current and prior periods across underwriting platforms. This included growth in catastrophe exposed U.S. property excess and surplus lines.

Property Ceded Premiums Written

Six months ended June 30 (in thousands)	2021	2020	Change
Ceded premiums written - Property	$ 988,580	$ 884,343	$ 104,237

Ceded premiums written in our Property segment increased 11.8%, to $988.6 million, in the six months ended June 30, 2021, compared to $884.3 million in the six months ended June 30, 2020. The increase in ceded premiums written was principally due to an increase in gross premiums written which were ceded to third-party investors in our managed vehicles, primarily Upsilon Fund, and $10.2 million of ceded reinstatement premiums earned associated with Winter Storm Uri. As part of our gross-to-net strategy, the amount of ceded premiums written increased on an absolute basis, however the percentage of ceded premiums written relative to gross premiums written decreased.

Property Underwriting Results

Our Property segment generated underwriting income of $273.3 million in the six months ended June 30, 2021, compared to $347.9 million in the six months ended June 30, 2020, a decrease of $74.6 million. In the six months ended June 30, 2021, our Property segment generated a net claims and claim expense ratio of 51.1%, an underwriting expense ratio of 25.4% and a combined ratio of 76.5%, compared to 33.8%, 28.1% and 61.9%, respectively, in the six months ended June 30, 2020.

Principally impacting the Property segment underwriting result and combined ratio in the six months ended June 30, 2021 was Winter Storm Uri, which resulted in a net negative impact on the Property segment underwriting result of $286.1 million and added 28.1 percentage points to the combined ratio. In comparison, the six months ended June 30, 2020 was impacted by lower current accident year net claims and claim expenses. In addition, the underwriting expense ratio decreased by 2.7 percentage points, primarily driven by the higher net premiums earned including $80.1 million of net reinstatement premiums earned from Winter Storm Uri.

See “Note 6. Reserve for Claims and Claim Expenses” in our “Notes to the Consolidated Financial Statements” for additional information related to the development of prior accident years net claims and claim expenses.

Casualty and Specialty Segment

Below is a summary of the underwriting results and ratios for our Casualty and Specialty segment:

Six months ended June 30 (in thousands, except percentages)	2021	2020	Change
Gross premiums written	$ 1,946,225	$ 1,464,531	$ 481,694
Net premiums written	$ 1,524,580	$ 1,071,892	$ 452,688
Net premiums earned	$ 1,181,063	$ 1,010,743	$ 170,320
Net claims and claim expenses incurred	791,090	772,475	18,615
Acquisition expenses	330,832	264,090	66,742
Operational expenses	39,252	40,876	(1,624)
Underwriting income (loss)	$ 19,889	$ (66,698)	$ 86,587
Net claims and claim expenses incurred – current accident year	$ 796,006	$ 781,274	$ 14,732
Net claims and claim expenses incurred – prior accident years	(4,916)	(8,799)	3,883
Net claims and claim expenses incurred – total	$ 791,090	$ 772,475	$ 18,615
Net claims and claim expense ratio – current accident year	67.4 %	77.3 %	(9.9)%
Net claims and claim expense ratio – prior accident years	(0.4)%	(0.9)%	0.5 %
Net claims and claim expense ratio – calendar year	67.0 %	76.4 %	(9.4)%
Underwriting expense ratio	31.3 %	30.2 %	1.1 %
Combined ratio	98.3 %	106.6 %	(8.3)%

Casualty and Specialty Gross Premiums Written

In the six months ended June 30, 2021, our Casualty and Specialty segment gross premiums written increased by $481.7 million, or 32.9%, to $1.9 billion, compared to $1.5 billion in the six months ended June 30, 2020. The increase was primarily due to growth in general casualty, professional liability and other specialty lines of business, combined with rate improvements.

Casualty and Specialty Ceded Premiums Written

Six months ended June 30 (in thousands)	2021	2020	Change
Ceded premiums written - Casualty and Specialty	$ 421,645	$ 392,639	$ 29,006

Ceded premiums written in our Casualty and Specialty segment increased by 7.4%, to $421.6 million, in the six months ended June 30, 2021, compared to $392.6 million in the six months ended June 30, 2020, primarily resulting from increased gross premiums written subject to our retrocessional quota share reinsurance programs, partially offset by a decrease in retrocessional purchases.

Casualty and Specialty Underwriting Results

Our Casualty and Specialty segment generated underwriting income of $19.9 million in the six months ended June 30, 2021, compared to an underwriting loss of $66.7 million in the six months ended June 30, 2020. In the six months ended June 30, 2021, our Casualty and Specialty segment generated a net claims and claim expense ratio of 67.0%, an underwriting expense ratio of 31.3% and a combined ratio of 98.3%, compared to 76.4%, 30.2% and 106.6%, respectively, in the six months ended June 30, 2020. The underwriting loss in the six months ended June 30, 2020 was principally driven by net claims and claim expenses associated with the COVID-19 pandemic of $103.8 million, which added 10.3 percentage points to the combined ratio during the six months ended June 30, 2020.

The decrease in the Casualty and Specialty segment combined ratio in the six months ended June 30, 2021 was principally driven by a decrease of 9.4 percentage points in the net claims and claim expense ratio, as a result of the impact of losses associated with the COVID-19 pandemic in the prior period. Additionally, our Casualty and Specialty segment experienced net favorable development on prior accident years net claims and claim expenses of $4.9 million, or 0.4 percentage points, during the six months ended June 30, 2021. The net favorable development during the six months ended June 30, 2021 was driven by reported losses generally coming in lower than expected on attritional net claims and claim expenses. See “Note 6. Reserve for Claims and Claim Expenses” in our “Notes to the Consolidated Financial Statements” for additional information related to the development of prior accident years net claims and claim expenses.

The increase in the underwriting expense ratio in the six months ended June 30, 2021 was driven by an increase in the net acquisition expense ratio, principally due to the effects of purchase accounting amortization related to the acquisition of TMR which improved the ratio in the six months ended June 30, 2020, partially offset by continued improvement in operating leverage.

Fee Income

Six months ended June 30 (in thousands)	2021	2020	Change
Management fee income			
Joint ventures	$ 25,869	$ 23,971	$ 1,898
Structured reinsurance products and other	17,451	17,336	115
Managed funds	17,174	12,926	4,248
Total management fee income	60,494	54,233	6,261
Performance fee income			
Joint ventures	8,903	13,993	(5,090)
Structured reinsurance products and other	1,288	16,369	(15,081)
Managed funds	(539)	6,277	(6,816)
Total performance fee income	9,652	36,639	(26,987)
Total fee income	$ 70,146	$ 90,872	$ (20,726)

In the six months ended June 30, 2021, total fee income earned through various joint ventures, managed funds and certain structured retrocession agreements to which we are a party decreased $20.7 million, to $70.1 million, as compared to $90.9 million in the six months ended June 30, 2020, primarily driven by lower performance fee income due to the impact of Winter Storm Uri on our joint ventures, managed funds and structured reinsurance agreements. Partially offsetting this was higher management fees related to an increase in the dollar value of capital under management.

The fees earned through third-party capital management are principally recorded through redeemable noncontrolling interest, or as an increase to underwriting income through a reduction to operating expenses and acquisition expenses, as detailed in the table below.

Six months ended June 30 (in thousands)	2021	2020	Change
Underwriting income[1]	$ 29,769	$ 38,293	$ (8,524)
Equity in earnings of other ventures	33	63	(30)
Net income attributable to redeemable noncontrolling interest	40,344	52,516	(12,172)
Total fee income	70,146	90,872	(20,726)

(1) Reflects total fee income earned through third-party capital management as well as various joint ventures, managed funds and certain structured retrocession agreements to which the Company is a party, recorded through underwriting income as a reduction to operating expenses or acquisition expenses.

In addition to the $29.8 million of fee income earned through joint ventures, managed funds and certain structured retrocession agreements to which we are a party that is recorded through underwriting income, as detailed above, we also earn fee income on certain other underwriting-related activities. These fees, in the aggregate, are recorded as a reduction to operating expenses or acquisition expenses, as applicable.

Six months ended June 30 (in thousands)	2021	2020	Change
Underwriting income	$ 29,769	$ 38,293	$ (8,524)
Underwriting income - additional fee income on underwriting-related activities	38,506	25,896	12,610
Total fees recorded through underwriting income	68,275	64,189	4,086
Impact of Total fees recorded through underwriting income on the combined ratio	2.9 %	3.3 %	(0.40)%

The total fees recorded through underwriting income as detailed in the table above, earned by us in the six months ended June 30, 2021 that were recorded as a reduction to operating expenses and acquisition expenses were $64.3 million and $4.0 million, respectively (2020 - $54.8 million, $9.4 million, respectively).

Net Investment Income

Six months ended June 30 (in thousands)	2021	2020	Change
Fixed maturity investments trading	$ 122,443	$ 143,281	$ (20,838)
Short term investments	1,355	18,141	(16,786)
Equity investments trading	3,117	3,217	(100)
Other investments			
Catastrophe bonds	31,149	27,658	3,491
Other	13,140	2,736	10,404
Cash and cash equivalents	261	2,341	(2,080)
	171,465	197,374	(25,909)
Investment expenses	(10,736)	(8,596)	(2,140)
Net investment income	$ 160,729	$ 188,778	$ (28,049)

Net investment income was $160.7 million in the six months ended June 30, 2021, compared to $188.8 million in the six months ended June 30, 2020, a decrease of $28.0 million. Impacting our net investment income for the six months ended June 30, 2021 were lower yields in our fixed maturity and short term investment portfolios, primarily as a result of general decline in the yields on U.S. treasuries and credit spreads.

Net Realized and Unrealized (Losses) Gains on Investments

Six months ended June 30 (in thousands)	2021	2020	Change
Net realized gains on fixed maturity investments trading	$ 53,559	$ 163,336	$ (109,777)
Net unrealized (losses) gains on fixed maturity investments trading	(233,003)	177,333	(410,336)
Net realized and unrealized (losses) gains on fixed maturity investments trading	(179,444)	340,669	(520,113)
Net realized and unrealized gains on investments-related derivatives	5,532	57,553	(52,021)
Net realized gains (losses) on equity investments trading	203,298	(14,625)	217,923
Net unrealized (losses) gains on equity investments trading	(205,654)	1,959	(207,613)
Net realized and unrealized losses on equity investments trading	(2,356)	(12,666)	10,310
Net realized and unrealized losses on other investments - catastrophe bonds	(19,081)	(9,900)	(9,181)
Net realized and unrealized gains (losses) on other investments - other	40,804	(37,973)	78,777
Net realized and unrealized (losses) gains on investments	$ (154,545)	$ 337,683	$ (492,228)

Our investment portfolio strategy is structured to emphasize the preservation of capital and the availability of liquidity to meet our claims obligations and to be well diversified across market sectors. A large majority of our investments are invested in the fixed income markets and, therefore, our net realized and unrealized gains and losses on investments are highly correlated to fluctuations in interest rates and credit spreads. Therefore, everything else being constant, as interest rates or credit spreads decline, we will tend to have realized and unrealized gains from our fixed maturity investments portfolio, and as interest rates and credit spreads rise, we will tend to have realized and unrealized losses from our fixed maturity investments portfolio.

Net realized and unrealized losses on investments were $154.5 million in the six months ended June 30, 2021, compared to net realized and unrealized gains of $337.7 million in the six months ended June 30, 2020, a decrease of $492.2 million. Principally impacting our net realized and unrealized losses on investments in the six months ended June 30, 2021 were:

- net realized and unrealized losses on our fixed maturity investments trading of $179.4 million compared to net realized and unrealized gains of $340.7 million in the six months ended June 30, 2020, a decrease of $520.1 million, principally driven by rising yields on longer duration U.S. treasuries during the six months ended June 30, 2021 as compared to the prior period;
- net realized and unrealized gains on our other investments of $40.8 million compared to net realized and unrealized losses of $38.0 million in the six months ended June 30, 2020, an improvement of $78.8 million, principally driven by fair value appreciation of underlying investments which favorably impacted our portfolio of fund investments; and
- net realized and unrealized gains on investments-related derivatives of $5.5 million compared to $57.6 million in the six months ended June 30, 2020, a decrease of $52.0 million, principally driven by realized and unrealized gains on our interest rate futures for the six months ended June 30, 2020, which were favorably impacted by declining interest rates from the recovery in financial markets following the COVID-19 pandemic.

Net Foreign Exchange Losses

Six months ended June 30 (in thousands)	2021	2020	Change
Net foreign exchange losses	$ (19,554)	$ (12,923)	$ (6,631)

Our functional currency is the U.S. dollar. We routinely write a portion of our business in currencies other than U.S. dollars and invest a portion of our cash and investment portfolio in those currencies. Certain of our subsidiaries use non-U.S. dollar functional currencies. As a result, we may experience foreign exchange gains and losses in our consolidated financial statements. We are primarily impacted by foreign currency exposures associated with our underwriting operations, investment portfolio, and operations with non-U.S. dollar functional currencies, and may, from time to time, enter into foreign currency forward and option contracts to minimize the effect of fluctuating foreign currencies on the value of non-U.S. dollar denominated assets and liabilities.

Equity in Earnings of Other Ventures

Six months ended June 30 (in thousands)	2021	2020	Change
Tower Hill Companies	$ (4,903)	$ 5,313	$ (10,216)
Top Layer Re	4,584	4,916	(332)
Other	3,493	3,376	117
Total equity in earnings of other ventures	$ 3,174	$ 13,605	$ (10,431)

Earnings from our investments in other ventures was $3.2 million in the six months ended June 30, 2021, compared to earnings of $13.6 million in the six months ended June 30, 2020, a decrease of $10.4 million, principally driven by reduced profitability of our equity investments in the group of Tower Hill affiliated companies (the “Tower Hill Companies”), primarily as a result of underwriting losses during the six months ended June 30, 2021.

Other Income (Loss)

Six months ended June 30 (in thousands)	2021	2020	Change
Assumed and ceded reinsurance contracts accounted for as derivatives and deposits	$ 2,246	$ (6,639)	8,885
Other	511	1,002	(491)
Total other income (loss)	$ 2,757	$ (5,637)	$ 8,394

In the six months ended June 30, 2021, we generated other income of $2.8 million, compared to other losses of $5.6 million in the six months ended June 30, 2020, an increase of $8.4 million, driven by gains on our assumed and ceded reinsurance contracts accounted for as derivatives and deposits.

Corporate Expenses

Six months ended June 30 (in thousands)	2021	2020	Change
Corporate expenses	$ 20,530	$ 27,889	$ (7,359)

Corporate expenses include certain executive, director, legal and consulting expenses, costs for research and development, impairment charges related to goodwill and other intangible assets, and other miscellaneous costs, including those associated with operating as a publicly traded company, as well as costs associated with the acquisition of TMR in 2020.

Corporate expenses decreased $7.4 million to $20.5 million, in the six months ended June 30, 2021, compared to $27.9 million in the six months ended June 30, 2020. The decrease of $7.4 million was primarily due to certain TMR-related integration and compensation related costs that were incurred in the six months ended June 30, 2020.

Income Tax Benefit (Expense)

Six months ended June 30 (in thousands)	2021	2020	Change
Income tax benefit (expense)	$ 5,654	$ (21,029)	$ 26,683

In the six months ended June 30, 2021, we recognized an income tax benefit of $5.7 million, compared to income tax expense of $21.0 million in the six months ended June 30, 2020. The income tax benefit in the six months ended June 30, 2021 was principally driven by unrealized investment losses in the Company's U.S. based operations while the income tax expense in the prior comparative period was principally driven by unrealized investment gains in the Company's U.S. based operations.

Net Income Attributable to Redeemable Noncontrolling Interests

Six months ended June 30 (in thousands)	2021	2020	Change
Redeemable noncontrolling interest - DaVinciRe	$ 44,332	$ 173,280	$ (128,948)
Redeemable noncontrolling interest - Medici	(1,454)	8,473	$ (9,927)
Redeemable noncontrolling interest - Vermeer	23,816	35,066	$ (11,250)
Net income attributable to redeemable noncontrolling interests	$ 66,694	$ 216,819	$ (150,125)

Our net income attributable to redeemable noncontrolling interests was $66.7 million, a decrease of $150.1 million compared to the six months ended June 30, 2020. The decrease was primarily driven by losses in DaVinci and Vermeer as a result of Winter Storm Uri, as well as investment losses, and a decrease in Medici net income due to foreign exchange losses that were primarily attributable to noncontrolling interests during the six months ended June 30, 2021 as compared to the six months ended June 30, 2020.

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

Financial Condition

As a Bermuda-domiciled holding company, RenaissanceRe has limited operations of its own. Its assets consist primarily of investments in subsidiaries and cash and securities in amounts which fluctuate over time. We therefore rely on dividends and distributions (and other statutorily permissible payments) from our subsidiaries, investment income and fee income to meet our liquidity requirements, which primarily include making principal and interest payments on our debt and dividend payments to our preference and common shareholders.

The payment of dividends by our subsidiaries is, under certain circumstances, limited by the applicable laws and regulations in the various jurisdictions in which our subsidiaries operate, including Bermuda, the U.S., the U.K., Switzerland, Australia, Singapore and Ireland. In addition, insurance laws require our insurance subsidiaries to maintain certain measures of solvency and liquidity. We believe that each of our insurance subsidiaries and branches exceeded the minimum solvency, capital and surplus requirements in their applicable jurisdictions at June 30, 2021. Certain of our subsidiaries and branches are required to file financial condition reports ("FCRs") with their regulators, which provide details on solvency and financial performance. Where required, these FCRs will be posted on our website. The regulations governing our and our principal operating subsidiaries' ability to pay dividends and to maintain certain measures of solvency and liquidity, and requirements to file FCRs are discussed in detail in "Part I, Item 1. Business, Regulation" and "Note 18. Statutory Requirements" in our "Notes to the Consolidated Financial Statements" in our Form 10-K for the year ended December 31, 2020.

Liquidity and Cash Flows

Holding Company Liquidity

RenaissanceRe's principal uses of liquidity are: (1) common share related transactions including dividend payments to our common shareholders and common share repurchases, (2) preference share related transactions including dividend payments to our preference shareholders and preference share redemptions, (3) interest and principal payments on debt, (4) capital investments in our subsidiaries, (5) acquisition of new or existing companies or businesses, such as our acquisition of TMR and (6) certain corporate and operating expenses.

We attempt to structure our organization in a way that facilitates efficient capital movements between RenaissanceRe and our operating subsidiaries and to ensure that adequate liquidity is available when required, giving consideration to applicable laws and regulations, and the domiciliary location of sources of liquidity and related obligations. For example, our internal investment structures and cash pooling arrangements among the Company and certain of our subsidiaries help to efficiently facilitate capital and liquidity movements.

In the aggregate, our principal operating subsidiaries have historically produced sufficient cash flows to meet their expected claims payments and operational expenses and to provide dividend payments to us. In addition, our subsidiaries maintain a concentration of investments in high quality liquid securities, which management believes will provide additional liquidity for extraordinary claims payments should the need arise. However, in some circumstances, RenaissanceRe may contribute capital to its subsidiaries. For example, during 2019, RenaissanceRe contributed capital to RenaissanceRe Specialty Holdings (UK) Limited to fund the acquisition of TMR and made a capital contribution to Renaissance Reinsurance to increase its shareholders' equity, consistent with past practice following a significant acquisition and to support growth in premiums, and in 2020, RenaissanceRe contributed capital to RREAG to support additional growth in our European business, and in 2021 we contributed capital to RenaissanceRe Specialty U.S. Ltd. to support additional underwriting activities. In addition, from time to time we invest in new managed joint ventures or managed funds, increase our investments in certain of our managed joint ventures or managed funds and contribute cash to investment subsidiaries. In certain instances, we are required to make capital contributions to our subsidiaries, for example, Renaissance Reinsurance is obligated to make a mandatory capital contribution of up to $50.0 million in the event that a loss reduces Top Layer Re's capital below a specified level.

Sources of Liquidity

Historically, cash receipts from operations, consisting primarily of premiums, investment income and fee income, have provided sufficient funds to pay the losses and operating expenses incurred by our subsidiaries and to fund dividends and distributions to RenaissanceRe. Other potential sources of liquidity include borrowings under our credit facilities and issuances of securities.

The premiums received by our operating subsidiaries are generally received months or even years before losses are paid under the policies related to such premiums. Premiums and acquisition expenses generally are received within the first two years of inception of a contract, while operating expenses are generally paid within a year of being incurred. It generally takes much longer for net claims and claims expenses incurred to be reported and ultimately settled, requiring the establishment of reserves for claims and claim expenses and losses recoverable. Therefore, the amount of net claims paid in any one year is not necessarily related to the amount of net claims and claims expenses incurred in that year, as reported in the consolidated statement of operations.

While we expect that our liquidity needs will continue to be met by our cash receipts from operations, as a result of the combination of current market conditions, lower than usual investment yields, and the nature of our business where a large portion of the coverages we provide can produce losses of high severity and low frequency, future cash flows from operating activities cannot be accurately predicted and may fluctuate significantly between individual quarters and years. In addition, due to the magnitude and complexity of certain large loss events, meaningful uncertainty remains regarding losses from these events and our actual ultimate net losses from these events may vary materially from preliminary estimates, which would impact our cash flows from operations. Further, we expect historically significant industry losses related to the

COVID-19 pandemic to emerge over time as the full impact of the pandemic and its effects on the global economy are realized, which may impact our cash flows from operations.

Our “shelf” registration statement on Form S-3 under the Securities Act allows for the public offering of various types of securities, including common shares, preference shares and debt securities, and thus provides a source of liquidity. Because we are a “well-known seasoned issuer” as defined by the rules promulgated under the Securities Act, we are also eligible to file additional automatically effective registration statements on Form S-3 in the future for the potential offering and sale of additional debt and equity securities.

Credit Facilities

In addition, we, and certain of our subsidiaries, joint ventures and managed funds, maintain credit facilities that provide liquidity and allow us to satisfy certain collateral requirements. The outstanding amounts drawn under each of our significant credit facilities are set forth below:

At June 30, 2021		Issued or Drawn
Revolving Credit Facility (1)	$	—
Bilateral Letter of Credit Facilities		
Secured		386,571
Unsecured		379,343
Funds at Lloyd’s Letter of Credit Facility		225,000
	$	990,914

(1) At June 30, 2021, no amounts were issued or drawn under this facility.

There have been no material changes to our credit facilities as disclosed in our Form 10-K for the year ended December 31, 2020.

Refer to “Note 7. Debt and Credit Facilities” in our “Notes to the Consolidated Financial Statements” for additional information related to our significant debt and credit facilities.

Funds at Lloyd’s

As a member of Lloyd’s, the underwriting capacity, or stamp capacity, of Syndicate 1458 must be supported by providing a deposit, the FAL, in the form of cash, securities or letters of credit. At June 30, 2021, the FAL required to support the underwriting activities at Lloyd’s through Syndicate 1458 was £686.1 million (December 31, 2020 - £696.2 million). Actual FAL posted for Syndicate 1458 at June 30, 2021 by RenaissanceRe Corporate Capital (UK) Limited was $936.3 million (December 31, 2020 - $874.2 million), supported by a $225.0 million letter of credit and a $711.3 million deposit of cash and fixed maturity securities (December 31, 2020 - $225.0 million and $649.2 million, respectively).

Multi-Beneficiary Reinsurance Trusts, Multi-Beneficiary Reduced Collateral Reinsurance Trusts and Other Collateral Arrangements

Certain of our insurance subsidiaries use multi-beneficiary reinsurance trusts and multi-beneficiary reduced collateral reinsurance trusts to collateralize reinsurance liabilities. From time to time, we also use other types of collateral arrangements. Refer to “Note 18. Statutory Requirements” in our “Notes to the Consolidated Financial Statements” in our Form 10-K for the year ended December 31, 2020 for additional information on our multi-beneficiary reinsurance trusts.

Multi-Beneficiary Reinsurance Trusts

Assets held under trust at June 30, 2021 with respect to our multi-beneficiary reinsurance trusts totaled $1.2 billion and $273.5 million for Renaissance Reinsurance and DaVinci, respectively (December 31, 2020 - $1.3 billion and $289.6 million, respectively), compared to the minimum amount required under U.S. state regulations of $667.6 million and $228.1 million, respectively, at June 30, 2021 (December 31, 2020 - $878.2 million and $270.5 million, respectively).

Multi-Beneficiary Reduced Collateral Reinsurance Trusts

Assets held under trust at June 30, 2021 with respect to our multi-beneficiary reduced collateral reinsurance trusts totaled $123.4 million and $135.8 million for Renaissance Reinsurance and DaVinci, respectively (December 31, 2020 - $74.4 million and $90.1 million, respectively), compared to the minimum amount required under U.S. state regulations of $115.5 million and $125.5 million, respectively (December 31, 2020 - $70.0 million and $86.5 million, respectively). RREAG established a multi-beneficiary reduced collateral reinsurance trust effective January 1, 2021 and the assets held under trust at June 30, 2021 totaled $85.5 million, compared to the minimum amount required under U.S. state regulations of $79.4 million.

Cash Flows

Six months ended June 30 (in thousands)	2021	2020
Net cash provided by operating activities	$ 335,169	$ 856,965
Net cash provided by (used in) investing activities	118,387	(1,727,562)
Net cash (used in) provided by financing activities	(399,693)	677,560
Effect of exchange rate changes on foreign currency cash	(920)	(187)
Net increase (decrease) in cash and cash equivalents	52,943	(193,224)
Cash and cash equivalents, beginning of period	1,736,813	1,379,068
Cash and cash equivalents, end of period	$ 1,789,756	$ 1,185,844

2021

During the six months ended June 30, 2021, our cash and cash equivalents increased by $52.9 million, to $1.8 billion at June 30, 2021, compared to $1.7 billion at December 31, 2020.

Cash flows provided by operating activities. Cash flows provided by operating activities during the six months ended June 30, 2021 were $335.2 million, compared to $857.0 million during the six months ended June 30, 2020. Cash flows provided by operating activities during the six months ended June 30, 2021 were primarily the result of certain adjustments to reconcile our net income of $247.2 million to net cash provided by operating activities, including:

- an increase in unearned premiums of $1.5 billion due to the growth in gross premiums written across both our Property and Casualty and Specialty segments;
- an increase in reinsurance balances payable of $1.0 billion principally driven by the issuance of non-voting preference shares to investors in Upsilon RFO, which are accounted for as prospective reinsurance and included in reinsurance balances payable on our consolidated balance sheet. See “Note 9. Variable Interest Entities” in our “Notes to the Consolidated Financial Statements” for additional information related to Upsilon RFO’s non-voting preference shares;
- an increase in reserve for claims and claim expenses of $563.6 million primarily resulting from net claims and claim expenses associated with Winter Storm Uri; partially offset by
- an increase in premiums receivable of $1.6 billion due to the timing of receipts and increase in our gross premiums written;
- an increase of $537.5 million in our prepaid reinsurance premiums due to an increase in ceded premiums written; and
- a decrease in other operating cash flows of $529.4 million primarily reflecting subscriptions received in advance of the issuance of Upsilon RFO’s non-voting preference shares effective January 1, 2021, which were recorded in other liabilities at December 31, 2020. During the six months ended June 30, 2021, in connection with the issuance of the non-voting preference shares of Upsilon RFO, other liabilities were reduced by the subscriptions received in advance, and reinsurance balances payable were increased by an offsetting amount, with corresponding impacts to other operating cash flows and the change in reinsurance balances payable, as noted above, on our consolidated statements of cash flows for the six months ended June 30, 2021. See “Note 9.

Variable Interest Entities” in our “Notes to the Consolidated Financial Statements” for additional information related to Upsilon RFO’s non-voting preference shares.

Cash flows provided by investing activities. During the six months ended June 30, 2021, our cash flows provided by investing activities were $118.4 million, principally reflecting cash flow from net sales of short term investments and equity investments trading of $624.8 million and $123.2 million, respectively, partially offset by net purchases of fixed maturity investments trading and other investments of $330.4 million and $286.5 million, respectively. The net purchase of fixed maturity investments trading was primarily funded by cash flows provided by operating activities, as described above, whereas the net purchase of other investments during the six months ended June 30, 2021, was primarily driven by an increased allocation to catastrophe bonds and fund investments.

Cash flows used in financing activities. Our cash flows used in financing activities in the six months ended June 30, 2021 were $399.7 million, and were principally the result of:

- the repurchase of 3.0 million of our common shares in open market transactions at an aggregate cost of $480.7 million and an average price of $159.18 per common share;
- dividends paid on our common and preference shares of $35.0 million and $14.6 million, respectively; and partially offset by
- net inflows of $140.4 million primarily related to net third-party redeemable noncontrolling interest share transactions in Medici and DaVinci.

2020

During the six months ended June 30, 2020, our cash and cash equivalents decreased by $193.2 million, to $1.2 billion at June 30, 2020, compared to $1.4 billion at December 31, 2019.

Cash flows provided by operating activities. Cash flows provided by operating activities during the six months ended June 30, 2020 were $857.0 million, compared to $784.0 million during the six months ended June 30, 2019. Cash flows provided by operating activities during the six months ended June 30, 2020 were primarily the result of certain adjustments to reconcile our net income of $727.0 million to net cash provided by operating activities, including:

- an increase in reinsurance balances payable of $1.3 billion principally driven by the issuance of non-voting preference shares to investors in Upsilon RFO, which are accounted for as prospective reinsurance and included in reinsurance balances payable on our consolidated balance sheet. See “Note 9. Variable Interest Entities” in our “Notes to the Consolidated Financial Statements” for additional information related to Upsilon RFO’s non-voting preference shares;
- an increase in unearned premiums of $1.0 billion due to the growth in gross premiums written across both our Property and Casualty and Specialty segments; partially offset by
- an increase in premiums receivable of $920.1 million due to the timing of receipts and increase in our gross premiums written;
- an increase of $498.4 million in our prepaid reinsurance premiums due to the timing of payments and increase in ceded premiums written;
- net realized and unrealized gains on investments of $337.7 million principally driven by higher realized gains generated on the sale of fixed maturity investments trading, partially offset by lower overall returns in our portfolios of equity investments trading and other investments; and
- a decrease in other operating cash flows of $316.5 million primarily reflecting subscriptions received in advance of the issuance of Upsilon RFO’s non-voting preference shares effective January 1, 2020, which were recorded in other liabilities at December 31, 2019. During the six months ended June 30, 2020, in connection with the issuance of the non-voting preference shares of Upsilon RFO, other liabilities were reduced by the subscriptions received in advance, and reinsurance balances payable were increased by an offsetting amount, with corresponding impacts to other operating cash flows and the change in reinsurance balances payable, as noted above, on our consolidated statements of cash flows for the six months ended June 30, 2020. See “Note 9. Variable Interest Entities” in our “Notes to the Consolidated Financial Statements” for additional information related to Upsilon RFO’s non-voting preference shares.

Cash flows used in investing activities. During the six months ended June 30, 2020, our cash flows used in investing activities were $1.7 billion, principally reflecting net purchases of short term investments, fixed maturity investments trading, other investments and equity investments trading of $990.6 million, $609.1 million, $90.0 million and $45.0 million, respectively. The net purchase of short term investments was primarily associated with capital received from investors in Upsilon RFO during the six months ended June 30, 2020, whereas the net purchase of fixed maturity investments trading and equity investments trading was primarily funded by cash flows provided by operating activities and as described below, the issuance of RenaissanceRe common shares during the second quarter of 2020. The net purchase of other investments during the six months ended June 30, 2020, was primarily driven by an increased allocation to catastrophe bonds.

Cash flows provided by financing activities. Our cash flows provided by financing activities in the six months ended June 30, 2020 were $677.6 million, and were principally the result of:

- the issuance of 6,325,000 of our common shares in an underwritten public offering at a public offering price of $166.00 per share, combined with an additional $75.0 million raised through the issuance of 451,807 of our common shares at a price of $166.00 per share to State Farm Mutual Automobile Insurance Company, one of our existing stockholders, in a private placement. The total net proceeds from the offerings were $1.1 billion;
- net inflows of $79.3 million primarily related to net third-party redeemable noncontrolling interest share transactions in Medici and Vermeer; partially offset by
- the repayment in full at maturity the aggregate principal amount of $250.0 million, plus applicable accrued interest, of our 5.75% Senior Notes due 2020 of RenRe North America Holdings Inc. and RenaissanceRe Finance, Inc. (“RenaissanceRe Finance”);
- the redemption of all 5 million of our outstanding Series C 6.08% Preference Shares on March 26, 2020 for $125.0 million plus accrued and unpaid dividends thereon;
- the repurchase of 406 thousand of our common shares in open market transactions at an aggregate cost of $62.6 million and an average price of $154.36 per common share; and
- dividends paid on our common and preference shares of $33.1 million and $16.3 million, respectively.

Capital Resources

We monitor our capital adequacy on a regular basis and seek to adjust our capital according to the needs of our business. In particular, we require capital sufficient to meet or exceed the capital adequacy ratios established by rating agencies for maintenance of appropriate financial strength ratings, the capital adequacy tests performed by regulatory authorities and the capital requirements under our credit facilities. We may seek to raise additional capital or return capital to our shareholders through common share repurchases and cash dividends (or a combination of such methods). In the normal course of our operations, we may from time to time evaluate additional share or debt issuances given prevailing market conditions and capital management strategies, including for our operating subsidiaries, joint ventures and managed funds. In addition, as noted above, we enter into agreements with financial institutions to obtain letter of credit facilities for the benefit of our operating subsidiaries and certain of our joint ventures and managed funds in their reinsurance and insurance business.

Our total shareholders' equity attributable to RenaissanceRe and debt was as follows:

(in thousands)	At June 30, 2021	At December 31, 2020	Change
Common shareholders' equity	$ 6,692,606	$ 7,035,248	$ (342,642)
Preference shares	525,000	525,000	—
Total shareholders' equity attributable to RenaissanceRe	7,217,606	7,560,248	(342,642)
3.600% Senior Notes due 2029	392,846	392,391	455
3.450% Senior Notes due 2027	297,033	296,787	246
3.700% Senior Notes due 2025	298,612	298,428	184
4.750% Senior Notes due 2025 (DaVinciRe) (1)	148,813	148,659	154
Total debt	$ 1,137,304	$ 1,136,265	$ 1,039
Total shareholders' equity attributable to RenaissanceRe and debt	$ 8,354,910	$ 8,696,513	$ (341,603)

(1) RenaissanceRe owns a noncontrolling economic interest in its joint venture DaVinciRe. Because RenaissanceRe controls a majority of DaVinciRe's outstanding voting rights, the consolidated financial statements of DaVinciRe are included in the consolidated financial statements of RenaissanceRe. However, RenaissanceRe does not guarantee or provide credit support for DaVinciRe and RenaissanceRe's financial exposure to DaVinciRe is limited to its investment in DaVinciRe's shares and counterparty credit risk arising from reinsurance transactions.

During the six months ended June 30, 2021, our total shareholders' equity attributable to RenaissanceRe and debt decreased by $0.3 billion, to $8.4 billion.

Our shareholders' equity attributable to RenaissanceRe decreased $0.3 billion during the six months ended June 30, 2021 principally as a result of:

- our comprehensive income attributable to RenaissanceRe of $179.0 million; offset by
- the repurchase of 3.0 million common shares in open market transactions at an aggregate cost of $480.7 million and an average price of $159.18 per common share; and
- $35.0 million and $14.6 million of dividends on our common and preference shares, respectively.

Our debt increased $1.0 million during the six months ended June 30, 2021.

For additional information related to the terms of our debt and significant credit facilities, see "Note 7. Debt and Credit Facilities" in our "Notes to the Consolidated Financial Statements" in this Form 10-Q and "Note 9. Debt and Credit Facilities" in our "Notes to the Consolidated Financial Statements" in our Form 10-K for the year ended December 31, 2020. See "Note 10. Shareholders' Equity" in our "Notes to the Consolidated Financial Statements" in this Form 10-Q and "Note 12. Shareholders' Equity" in our "Notes to the Consolidated Financial Statements" in our Form 10-K for the year ended December 31, 2020 for additional information related to our common and preference shares.

Reserve for Claims and Claim Expenses

We believe the most significant accounting judgment made by management is our estimate of claims and claim expense reserves. Claims and claim expense reserves represent estimates, including actuarial and statistical projections at a given point in time, of the ultimate settlement and administration costs for unpaid claims and claim expenses arising from the insurance and reinsurance contracts we sell. Our actual net claims and claim expenses paid will differ, perhaps materially, from the estimates reflected in our financial statements, which may adversely impact our financial condition, liquidity and capital resources.

Refer to "Note 8. Reserve for Claims and Claim Expenses" in our "Notes to the Consolidated Financial Statements" in our Form 10-K for the year ended December 31, 2020 and "Note 6. Reserve for Claims and Claim Expenses" included herein for more information on the risks we insure and reinsure, the reserving techniques, assumptions and processes we follow to estimate our claims and claim expense reserves, prior year development of the reserve for claims and claim expenses, analysis of our incurred and paid claims development and claims duration information for each of our Property and Casualty and Specialty segments. In addition, refer to "Part II, Item 7. Management's Discussion and Analysis of Financial

Condition and Results of Operations, Summary of Critical Accounting Estimates, Claims and Claim Expense Reserves" in our Form 10-K for the year ended December 31, 2020 for more information on the reserving techniques, assumptions and processes we follow to estimate our claims and claim expense reserves, our current estimates versus our initial estimates of our claims reserves, and sensitivity analysis for each of our Property and Casualty and Specialty segments.

Investments

The table below shows our invested assets:

(in thousands, except percentages)	June 30, 2021		December 31, 2020		Change
U.S. treasuries	$ 6,327,895	31.5 %	$ 4,960,409	24.1 %	$ 1,367,486
Agencies	325,051	1.6 %	368,032	1.8 %	(42,981)
Non-U.S. government	508,320	2.5 %	491,531	2.4 %	16,789
Non-U.S. government-backed corporate	396,966	2.0 %	338,014	1.6 %	58,952
Corporate	3,387,433	16.9 %	4,261,025	20.7 %	(873,592)
Agency mortgage-backed	703,757	3.5 %	1,113,792	5.4 %	(410,035)
Non-agency mortgage-backed	260,432	1.3 %	291,444	1.4 %	(31,012)
Commercial mortgage-backed	588,262	2.9 %	791,272	3.8 %	(203,010)
Asset-backed	920,273	4.6 %	890,984	4.3 %	29,289
Total fixed maturity investments, at fair value	13,418,389	66.8 %	13,506,503	65.5 %	(88,114)
Short term investments, at fair value	4,392,652	21.9 %	4,993,735	24.3 %	(601,083)
Equity investments trading, at fair value	577,090	2.9 %	702,617	3.4 %	(125,527)
Other investments, at fair value	1,585,036	8.0 %	1,256,948	6.2 %	328,088
Total managed investment portfolio	19,973,167	99.6 %	20,459,803	99.4 %	(486,636)
Investments in other ventures, under equity method	91,938	0.4 %	98,373	0.6 %	(6,435)
Total investments	$ 20,065,105	100.0 %	$ 20,558,176	100.0 %	$ (493,071)

At June 30, 2021, we held investments totaling $20.1 billion, compared to $20.6 billion at December 31, 2020. Our investment guidelines stress preservation of capital, market liquidity, and diversification of risk. Notwithstanding the foregoing, our investments are subject to market-wide risks and fluctuations, as well as to risks inherent in particular securities. In addition to the information presented above and below, see "Note 3. Investments" and "Note 4. Fair Value Measurements" in our "Notes to the Consolidated Financial Statements" for additional information regarding our investments and the fair value measurement of our investments, respectively.

As the reinsurance coverages we sell include substantial protection for damages resulting from natural and man-made catastrophes, as well as for potentially large casualty and specialty exposures, we expect from time to time to become liable for substantial claim payments on short notice. Accordingly, our investment portfolio as a whole is structured to seek to preserve capital and provide a high level of liquidity, which means that the large majority of our investment portfolio consists of highly rated fixed income securities, including U.S. treasuries, agencies, highly rated sovereign and supranational securities, high-grade corporate securities and mortgage-backed and asset-backed securities. We also have an allocation to publicly traded equities reflected on our consolidated balance sheet as equity investments trading and an allocation to other investments (including catastrophe bonds, private equity investments, and fund investments).

Other Investments

The table below shows our portfolio of other investments:

(in thousands)	June 30, 2021	December 31, 2020	Change
Catastrophe bonds	$ 1,026,397	$ 881,290	$ 145,107
Private equity investments	81,344	79,807	1,537
Fund investments	477,295	295,851	181,444
Total other investments	$ 1,585,036	$ 1,256,948	$ 328,088

We account for our other investments at fair value in accordance with FASB ASC Topic *Financial Instruments.* The fair value of our fund investments, which principally include private equity funds that invest in certain private equity and private credit asset classes, senior secured bank loan funds and hedge funds, is recorded on our consolidated balance sheet in other investments, and is generally established on the basis of the net asset valuation criteria established by the managers of such investments, if applicable. The net asset valuation criteria established by the managers of such investments is established in accordance with the governing documents of such investments. Many of our fund investments are subject to restrictions on redemptions and sales which are determined by the governing documents and limit our ability to liquidate these investments in the short term.

Some of our fund managers and fund administrators are unable to provide final fund valuations as of our current reporting date. We typically experience a reporting lag to receive a final net asset value report of one month for our hedge funds and senior secured bank loan funds and three months for private equity funds, although we have occasionally experienced delays of up to six months at year end, as the private equity funds typically complete their year-end audits before releasing their final net asset value statements.

In circumstances where there is a reporting lag between the current period end reporting date and the reporting date of the latest fund valuation, we estimate the fair value of these funds by starting with the prior month or quarter-end fund valuations, adjusting these valuations for actual capital calls, redemptions or distributions, and the impact of changes in foreign currency exchange rates, and then estimating the return for the current period. In circumstances in which we estimate the return for the current period, all information available to us is utilized. This principally includes using preliminary estimates reported to us by our fund managers, estimating returns based on the performance of broad market indices, or other valuation methods, where necessary. Actual final fund valuations may differ, perhaps materially so, from our estimates and these differences are recorded in our consolidated statement of operations in the period in which they are reported to us as a change in estimate. Included in net realized and unrealized gains on investments for the six months ended June 30, 2021 is income of $7.0 million (2020 - loss of $2.4 million) representing the change in estimate during the period related to the difference between our estimated net realized and unrealized gains (losses) due to the lag in reporting discussed above and the actual amount as reported in the final net asset values provided by our fund managers.

Our estimate of the fair value of catastrophe bonds is based on quoted market prices, or when such prices are not available, by reference to broker or underwriter bid indications. See “Note 4. Fair Value Measurements” in our “Notes to the Consolidated Financial Statements” for additional information regarding the fair value of measurement of our investments.

We have committed capital to private equity investments, fund investments and investments in other ventures of $2.2 billion, of which $955.7 million has been contributed at June 30, 2021. Our remaining commitments to these investments at June 30, 2021 totaled $1.2 billion. In the future, we may enter into additional commitments in respect of private equity investments or individual portfolio company investment opportunities.

Ratings

Financial strength ratings are important to the competitive position of reinsurance and insurance companies. We have received high long-term issuer credit and financial strength ratings from A.M. Best Company, Inc. (“A.M. Best”), S&P Global Ratings (“S&P”), Moody’s Investors Service (“Moody’s”) and Fitch Ratings Ltd. (“Fitch”), as applicable. These ratings represent independent opinions of an insurer’s financial strength, operating performance and ability to meet policyholder obligations, and are not an evaluation directed toward the protection of investors or a recommendation to buy, sell or hold any of our securities. Rating organizations continually review the financial positions of our principal operating subsidiaries and joint ventures and ratings may be revised or revoked by the agencies which issue them.

The ratings of our principal operating subsidiaries and joint ventures as of July 19, 2021 are presented below.

	A.M. Best (1)	S&P (2)	Moody's (3)	Fitch (4)
Renaissance Reinsurance Ltd.	A+	A+	A1	A+
DaVinci Reinsurance Ltd.	A	A+	A3	—
Renaissance Reinsurance of Europe Unlimited Company	A+	A+	—	—
Renaissance Reinsurance U.S. Inc.	A+	A+	—	—
RenaissanceRe Europe AG	A+	A+	—	—
RenaissanceRe Specialty U.S. Ltd.	A+	A+	—	—
Top Layer Reinsurance Ltd.	A+	AA	—	—
Vermeer Reinsurance Ltd.	A	—	—	—
RenaissanceRe Syndicate 1458	—	—	—	—
Lloyd's Overall Market Rating	A	A+	—	AA-

(1) The A.M. Best ratings for our principal operating subsidiaries and joint ventures represent the insurer’s financial strength rating. The Lloyd’s Overall Market Rating represents Syndicate 1458’s financial strength rating.

(2) The S&P ratings for our principal operating subsidiaries and joint ventures represent the insurer’s financial strength rating and the issuer’s long-term issuer credit rating. The Lloyd’s Overall Market Rating represents Syndicate 1458’s financial strength rating.

(3) The Moody’s ratings represent the insurer’s financial strength rating.

(4) The Fitch rating for Renaissance Reinsurance represents the insurer’s financial strength rating. The Lloyd’s Overall Market Rating represents Syndicate 1458’s financial strength rating.

As of July 19, 2021, there were no material changes to our ratings as disclosed in our Form 10-K for the year ended December 31, 2020.

SUPPLEMENTAL GUARANTOR FINANCIAL INFORMATION

In March 2020, the SEC issued Rule Release No. 33-10762, Financial Disclosures About Guarantors and Issuers of Guaranteed Securities and Affiliates Whose Securities Collateralize a Registrant’s Securities ("Release 33-10762”). Release 33-10762 simplifies the disclosure requirements related to certain registered securities under Rules 3-10 and 3-16 of SEC Regulation S-X, permitting registrants to provide certain alternative financial disclosures and non-financial disclosures in lieu of separate consolidating financial statements for subsidiary issuers and guarantors of registered debt securities if certain conditions are met. The amendments in Release 33-10762 are generally effective for filings on or after January 4, 2021, with early application permitted. We adopted the new disclosure requirements permitted under Release 33-10762 effective for the quarter ended March 31, 2021.

RenaissanceRe Finance, a 100% owned subsidiary of RenaissanceRe, is the issuer of certain 3.700% Senior Notes due 2025 and 3.450% Senior Notes due 2027, each of which are fully and unconditionally guaranteed by RenaissanceRe. The guarantees are senior unsecured obligations of RenaissanceRe and rank equally in right of payment with all other existing and future unsecured and unsubordinated indebtedness of RenaissanceRe which may be outstanding from time to time. Each series of notes contain various covenants, including limitations on mergers and consolidations, and restrictions as to the disposition of, and the placing of liens on, stock of designated subsidiaries. For additional information related to the terms of the Company's outstanding debt securities, see "Note 9. Debt and Credit Facilities" in the "Notes to the Consolidated Financial Statements" in the Company's Form 10-K for the year ended December 31, 2020 and "Note 7. Debt and Credit Facilities" included herein.

The following tables present supplemental summarized financial information for RenaissanceRe and RenaissanceRe Finance (the "Obligor Group"). Intercompany transactions among the members of the Obligor Group have been eliminated. The financial information of non-obligor subsidiaries has been excluded from the summarized financial information. Significant intercompany transactions and receivable/payable balances between the Obligor Group and non-obligor subsidiaries are presented separately in the summarized financial information:

Summarized Balance Sheets

(in thousands)	June 30, 2021	December 31, 2020
Assets		
Receivables due from non-obligor subsidiaries	$ 6,632	$ 11,662
Other current assets	174,528	251,415
Total current assets	$ 181,160	$ 263,077
Goodwill and other intangibles	$ 110,185	$ 112,110
Loan receivable from non-obligor subsidiaries	922,122	841,450
Other noncurrent assets	2,362,981	2,963,307
Total noncurrent assets	$ 3,395,288	$ 3,916,867
Liabilities		
Payables due to non-obligor subsidiaries	$ 8,401	$ 10,281
Other current liabilities	20,917	25,645
Total current liabilities	$ 29,318	$ 35,926
Loan payable to non-obligor subsidiaries	$ 201,373	$ 201,062
Other noncurrent liabilities	1,093,388	1,093,711
Total noncurrent liabilities	$ 1,294,761	$ 1,294,773

Summarized Statement of Operations

(in thousands)		Six months ended June 30, 2021
Revenues		
Intercompany revenue with non-obligor subsidiaries	$	101,623
Other revenue		3,079
Total revenues		104,702
Expenses		
Intercompany expense with non-obligor subsidiaries		20,907
Other expense		28,325
Total expenses		49,232
Income tax benefit		1,664
Net loss		57,134
Dividends on RenaissanceRe preference shares		(14,578)
Net loss attributable to Obligor Group	$	42,556

EFFECTS OF INFLATION

It is possible that the risk of general economic inflation has increased which could, among other things, cause claims and claim expenses to increase and also impact the performance of our investment portfolio. This risk may be exacerbated by the steps taken by governments and central banks throughout the world in responding to the COVID-19 pandemic. The actual effects of this potential increase in inflation on our results cannot be accurately known until, among other items, claims are ultimately settled. The onset, duration and severity of an inflationary period cannot be estimated with precision. We consider the anticipated effects of inflation on us in our catastrophe loss models. Our estimates of the potential effects of inflation are also considered in pricing and in estimating reserves for unpaid claims and claim expenses. The potential exists, after a catastrophe loss, for the development of inflationary pressures in a local economy.

OFF-BALANCE SHEET AND SPECIAL PURPOSE ENTITY ARRANGEMENTS

At June 30, 2021, we had not entered into any off-balance sheet arrangements, as defined in Item 303(a)(4) of Regulation S-K.

CONTRACTUAL OBLIGATIONS

In the normal course of business, we are party to a variety of contractual obligations as summarized in our Form 10-K for the year ended December 31, 2020. We consider these contractual obligations when assessing our liquidity requirements. As of June 30, 2021, there were no material changes in our contractual obligations as disclosed in the table of contractual obligations and related footnotes included in our Form 10-K for the year ended December 31, 2020.

CURRENT OUTLOOK

General Economic Conditions

In 2021, we have continued to grow gross written premiums across both of our segments, and have broadened our access to risk, writing more lines of business on more platforms. The April 1 and June 1 renewal cycles were active and proceeded largely as anticipated. We have diversified our sources of capital through various owned and managed balance sheets as well as equity, debt and insurance-linked securities markets. This has afforded us significant flexibility to react when the world changes.

We have also been actively managing capital in 2021, after fully deploying the $1.1 billion of capital raised in our June 2020 equity offerings into our underwriting portfolio. We returned excess capital to shareholders by repurchasing shares at attractive prices and reducing our cost of capital by announcing the redemption of our more expensive Series E Preference Shares and replacing them with a new issuance of less expensive Series G Preference Shares. Having the right capital at the right time has allowed us to pivot quickly and take advantage of opportunities as they arise.

We believe the stresses in the global economy will continue and that this may result in increased market volatility. The ongoing period of low interest rates may affect our ability to derive investment income from our investments. As interest rates begin to rise from historic lows, we expect that we will see an increase in investment income from our investment portfolio. The effects of these interest rate trends on our reinsurance and insurance business could be magnified for longer-tail business lines that are more inflation sensitive, particularly in our Casualty and Specialty segment, and in our other property class of business within our Property segment. Notwithstanding the many uncertainties and challenges that lie ahead, we believe that our track record of responding to industry events, differentiated risk management and client service capabilities, and access to diverse sources of both capital and risk position us favorably in the current environment.

We continue to closely monitor recent tax reform proposals and announcements. Tax law changes globally, and in the jurisdictions where we operate, could increase tax burdens on companies operating in such jurisdictions, or operating multilaterally, or which transact in or with respect to such jurisdictions. At this time, we cannot anticipate or estimate the costs to us of any such future initiatives, but believe that the flexible global operating model that we have utilized will continue to prove resilient.

Reinsurance Market Trends and Developments

We believe that market conditions have created significant opportunities to source attractive risk in the lines of business that we write, and that we believe will result in superior returns for our shareholders. In the second quarter of 2021 we grew gross premiums written in areas where we saw the most opportunities for growth, notably, in our Casualty and Specialty segment and other property class of business. These areas of our business are particularly attractive at this time due to above trend rate increases, our strong risk selection capabilities and our long-standing customer relationships which provide us with superior access to these lines of business.

We believe that we are uniquely positioned to write a variety of risks, leveraging the enhancements we made over the last several years to our risk and capital management technology and underwriting expertise to cover additional lines of business. We plan to continue to seek to take advantage of additional opportunities throughout the year and believe that strategic decisions that we have made in prior periods have laid the foundation for these initiatives. We believe that our clients value our ability to be a long-term partner who brings access to multiple forms of capital and innovative, large-scale solutions.

Property. We continued to grow in catastrophe-exposed U.S. property excess and surplus lines in the other property class of business. We continue to carefully monitor ongoing, adverse trends in the Florida market with respect to claims practices, litigation risks, and exposure growth, and have continued to reduce our exposure to risks and accounts exposed to these trends. However, while we have moved away from some programs in Florida, Southeast U.S. wind risk remains a primary risk in our portfolio as we have moved towards more regional and nationwide programs and accessed this risk through the other property class of business.

Casualty and Specialty. We continue to see acceleration in the underlying rate increases across multiple lines of business and geographies within our Casualty and Specialty segment, and we expanded participation on multiple casualty and specialty lines. We anticipate that dislocation in several of these classes of business will continue to provide opportunities in 2021. We think that our prior work building strong relationships with key customers allowed us to gain superior access to desirable business.

COVID-19 Pandemic

The COVID-19 pandemic has had immense impacts on a global scale, including on the insurance and reinsurance industries where it has raised many new questions and challenges for us and our industry. While we believe that we can continue to execute on our strategic plan and compete for, and meet, the demand for the protection that we provide, it is difficult to predict all of the potential impacts of the COVID-19 pandemic on the markets in which we participate and our ability to effectively respond to these changing market dynamics.

See the “Risk Factors” section in our Form 10-K and our prospectus supplement filed with the SEC on July 9, 2021 for additional information on factors that could cause our actual results to differ materially from those in the forward-looking statements contained in this Form 10-Q and other documents we file with the SEC.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are principally exposed to four types of market risk: interest rate risk; foreign currency risk; credit risk; and equity price risk. Our investment guidelines permit, subject to approval, investments in derivative instruments such as futures, options, foreign currency forward contracts and swap agreements, which may be used to assume risks or for hedging purposes.

There were no material changes to these market risks, as disclosed in “Part II, Item 7A. Quantitative and Qualitative Disclosures about Market Risk” in our Form 10-K for the year ended December 31, 2020, during the six months ended June 30, 2021. See “Part II, Item 7A. Quantitative and Qualitative Disclosures about Market Risk,” in our Form 10-K for the year ended December 31, 2020 for a discussion of our exposure to these risks.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we have evaluated the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(b) and 15d-15(b) of the Exchange Act, as of the end of the period covered by this report. Based upon that evaluation, our management, including our Chief Executive Officer and Chief Financial Officer, concluded that, at June 30, 2021, our disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed in Company reports filed or submitted under the Exchange Act is (i) recorded, processed, summarized and reported within the time periods specified in the SEC rules and forms and (ii) accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting during the quarter ended June 30, 2021, which were identified in connection with our evaluation required pursuant to Rules 13a-15 or 15d-15 under the Exchange Act, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

There have been no material changes to the legal proceedings previously disclosed in our Form 10-K for the year ended December 31, 2020.

ITEM 1A. RISK FACTORS

Except as previously reported in the "Risk Factors" section of our prospectus supplement filed with the SEC on July 9, 2021, there have been no material changes to the risk factors previously disclosed in our Form 10-K for the fiscal year ended December 31, 2020.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Our share repurchase program may be effected from time to time, depending on market conditions and other factors, through open market purchases and privately negotiated transactions. On May 7, 2021, our Board of Directors approved a renewal of our authorized share repurchase program to an aggregate amount of up to $500.0 million. Unless terminated earlier by our Board of Directors, the program will expire when we have repurchased the full value of the shares authorized. The table below details the repurchases that were made under the program during the second quarter of 2021, and also includes other shares purchased, which represents common shares surrendered by employees in respect of withholding tax obligations on the vesting of restricted stock.

	Total shares purchased		Other shares purchased		Shares purchased under publicly announced repurchase program		Maximum dollar amount still available under repurchase program
	Shares purchased	Average price per share	Shares purchased	Average price per share	Shares purchased	Average price per share	(in thousands)
April 1 - 30, 2021	430,145	$ 167.56	—	$ —	430,145	$ 167.56	294,991
May 1 - 31, 2021 (1)	1,172,485	$ 158.70	396	$ 157.13	1,172,089	$ 158.70	351,406
June 1 - 30, 2021	341,025	$ 149.34	—	$ —	341,025	$ 149.34	300,477
Total	1,943,655	$ 159.01	396	$ 157.13	1,943,259	$ 159.01	$ 300,477

(1) On May 7, 2021, our Board of Directors approved a renewal of our authorized share repurchase program to an aggregate amount of up to $500.0 million.

During the six months ended June 30, 2021, pursuant to our publicly announced share repurchase program, we repurchased 3.0 million common shares in open market transactions at an aggregate cost of $480.7 million and an average price of $159.18 per common share. At June 30, 2021, $300.5 million remained available for repurchase under the share repurchase program. Subsequent to June 30, 2021 and through the period ended July 19, 2021, we repurchased 920 thousand common shares at an aggregate cost of $137.5 million and an average price of $149.57 per common share. In the future, we may authorize additional purchase activities under the currently authorized share repurchase program, increase the amount authorized under the share repurchase program, or adopt additional trading plans. Our decision to repurchase common shares will depend on, among other matters, the market price of the common shares and our capital requirements.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

4.1	Form of Share Certificate Evidencing the 4.20% Series G Preference Shares. (1)
4.2	Certificate of Designation, Preferences and Rights of 4.20% Series G Preference Shares. (1)
4.3	Deposit Agreement, dated July 12, 2021, among RenaissanceRe Holdings Ltd., Computershare, Inc. and Computershare Trust Company, N.A.(1)
4.4	Form of Depositary Receipt. (1)
31.1	Certification of Kevin J. O'Donnell, Chief Executive Officer of RenaissanceRe Holdings Ltd., pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended.
31.2	Certification of Robert Qutub, Chief Financial Officer of RenaissanceRe Holdings Ltd., pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended.
32.1	Certification of Kevin J. O'Donnell, Chief Executive Officer of RenaissanceRe Holdings Ltd., pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Robert Qutub, Chief Financial Officer of RenaissanceRe Holdings Ltd., pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (embedded within the Inline XBRL document and included in Exhibit 101).

(1) Incorporated by reference to the Registration Statement on Form 8-A of RenaissanceRe Holdings Ltd. dated July 12, 2021.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

RENAISSANCERE HOLDINGS LTD.

Date: July 23, 2021 /s/ Robert Qutub

Robert Qutub
Executive Vice President and Chief Financial Officer
(Principal Financial Officer and Duly Authorized Officer)

Date: July 23, 2021 /s/ James C. Fraser

James C. Fraser
Senior Vice President and Chief Accounting Officer
(Principal Accounting Officer)

Exhibit 31.1

CERTIFICATION

I, Kevin J. O'Donnell, certify that:

1. I have reviewed this Form 10-Q of RenaissanceRe Holdings Ltd.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c. Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d. Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: July 23, 2021

/s/ Kevin J. O'Donnell
Kevin J. O'Donnell
Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, Robert Qutub, certify that:

1. I have reviewed this Form 10-Q of RenaissanceRe Holdings Ltd.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c. Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d. Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: July 23, 2021

/s/ Robert Qutub

Robert Qutub

Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Form 10-Q of RenaissanceRe Holdings Ltd. (the “Company”) for the quarter ended June 30, 2021, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Kevin J. O'Donnell, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Kevin J. O'Donnell
Kevin J. O'Donnell
Chief Executive Officer
July 23, 2021

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Form 10-Q of RenaissanceRe Holdings Ltd. (the “Company”) for the quarter ended June 30, 2021, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Robert Qutub, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Robert Qutub

Robert Qutub
Chief Financial Officer
July 23, 2021