

Investment Objective

To achieve long-term capital appreciation together with a growing income consistent with a policy of protecting the environment.

Investment Policy

To invest worldwide in companies which demonstrate a positive commitment to the long-term protection of the environment.

The Manager has the power to use derivatives but it is intended that these will only be used for efficient portfolio management and not for investment purposes.

Performance Record

Percentage change and sector ranking from launch to 31 March 2014

	1 year	3 years	5 years	10 years	Since launch*
Jupiter Ecology Fund	12.4	20.3	85.4	143.7	601.1
Global sector position	38/255	132/222	117/193	31/123	9/16

Source: FE, Retail Units, bid to bid, net income reinvested.

*Launch date 1 April 1988.

Please remember that past performance should not be seen as a guide to future performance and that the value of an investment in a unit trust and the income from it can fall as well as rise and it may be affected by exchange rate variations. You may get back less than you invested.

Risk Profile

The Fund has little exposure to liquidity, counterparty or cash flow risk. The risks it faces from its financial instruments are market price, credit, foreign currency and interest rate risk. The Manager reviews policies for managing these risks in pursuance of the Investment Objective and Policy. The risk profile of this Fund is also affected by the ethical and environmental screening of investments in accordance with its Investment Objective and Policy.

Risk and reward indicator

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.

As at 31.03.14

Typically lower rewards, lower risk ← → Typically higher rewards, higher risk

Retail Units

1	2	3	4	5	6	7
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I-Class Units

1	2	3	4	5	6	7
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As at 31.03.13

Typically lower rewards, lower risk ← → Typically higher rewards, higher risk

Retail Units

1	2	3	4	5	6	7
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I-Class Units

1	2	3	4	5	6	7
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- The lowest category does not mean 'no risk'. Some risk will still be present in funds with a risk and reward rating of 1.
- The Fund is in this category as it invests in a wide range of company shares, which carry a degree of risk.

Unit Classes

In addition to the basic class of units which are available to all types of investors, the Fund also offers I-Class units which are available to investors who invest a minimum of £5,000,000. Further details are available from the Manager on request. Please note that in order to distinguish between the unit classes within the Fund they are defined in this report as either Retail Units (non I-Class) or I-Class Units. The unit types associated with each unit class are disclosed in the Comparative Tables on page 2.

Warning to Unitholders Customers of financial institutions can be prone to attempts by fraudsters to obtain personal information or money. There are many ways they can initiate contact, such as emails, letters and cold calls, but methods are constantly evolving so it is important that you are aware of the types of scams so that you are better able to protect yourself. Please visit our website www.jupiteronline.com or call 0844 620 7600 for further information.

Charges

The charges you pay are used to pay the costs of running the Fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

Charges taken from the Fund over the year to:	31.03.14	31.03.13
Ongoing charges for Retail Units	1.69%	1.70%
Ongoing charges for I-Class Units	0.79%	0.80%

Portfolio Turnover Rate (PTR)

Year to 31.03.14	Year to 31.03.13
-0.85%	-0.60%

The PTR provides an indication of the rate the Manager has bought and sold the underlying assets of the Fund during the period as indicated above. In general, the higher the PTR of a fund, the greater level of portfolio transaction costs will be incurred.

Comparative Tables

Net Asset Values

Date	Net Asset Value of Fund	Net Asset Value per unit			Number of units in issue		
		Retail Income	I-Class Accumulation*	I-Class Income**	Retail Income	I-Class Accumulation*	I-Class Income**
31.03.13	£402,066,871	244.80p	257.56p	256.97p	128,055,685	30,043,464	4,359,516
31.03.14	£447,094,985	274.28p	292.00p	289.00p	112,350,851	35,539,926	12,168,545

Unit Price Performance

Calendar Year	Highest offer			Lowest bid		
	Retail Income	I-Class Accumulation*	I-Class Income**	Retail Income	I-Class Accumulation*	I-Class Income**
2009	214.76p	206.54p	n/a	140.85p	163.94p	n/a
2010	240.60p	234.15p	n/a	191.21p	193.91p	n/a
2011	247.45p	241.94p	n/a	187.59p	193.86p	n/a
2012	234.45p	231.65p	228.20p	197.39p	205.16p	211.87p
2013	291.33p	294.98p	292.28p	215.83p	226.83p	226.84p
to 31.03.14	297.09p	300.95p	298.19p	265.39p	282.51p	279.92p

Income/Accumulation Record

Calendar Year	Pence per unit		
	Retail Income	I-Class Accumulation*	I-Class Income**
2009	0.7700p	1.0514p	n/a
2010	0.5900p	1.9948p	n/a
2011	0.8360p	2.2079p	n/a
2012	1.1841p	2.8716p	n/a
2013	0.7639p	2.5346p	2.5183p
to 31.05.14	0.0000p	0.2606p	0.2575p

*I-Class accumulation units were introduced on 15 June 2009.

**I-Class income units were introduced on 29 October 2012.

Distributions/Accumulations

	Final Distributions/Accumulations for six months to 31.03.14	Interim Distributions/Accumulations for six months to 30.09.13
	Pence per unit	
Retail Income units	0.0000	0.7639
I-Class Income units	0.2575	2.0046
I-Class Accumulation units	0.2606	2.0067

Fund Facts

Fund accounting dates		Fund payment/accumulation dates	
31 March	30 September	31 May	30 November

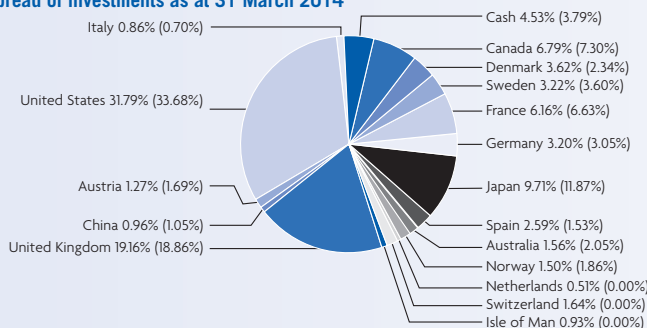
Major Holdings

The top ten holdings at the end of the current year and at the end of the previous year are shown below.

Holding	% of Fund as at 31.03.14	Holding	% of Fund as at 31.03.13
United Natural Foods	3.64	Stantec	3.52
Stantec	3.48	United Natural Foods	3.10
Cranswick	3.25	Cranswick	2.89
Pall	3.03	Pall	2.81
Johnson Matthey	2.70	Regal Beloit	2.77
Stericycle	2.35	Stericycle	2.69
LKQ	2.16	Johnson Matthey	2.34
RPS	2.15	East Japan Railway	2.30
Novozymes	2.08	Latchways	2.29
Atkins (WS)	1.99	Republic Services	2.25

Portfolio Information

Geographical spread of investments as at 31 March 2014



The figures in brackets show allocations as at 31 March 2013.

Investment Review

Performance Review

For the year ended 31 March 2014, the total return on the units was 12.4%* compared to returns of 7.6%* for the FTSE World Index and 28.6%* for the FTSE ET100 TR Index. The Fund was ranked 38th out of 255 funds over the period, 132nd out of 222 funds over 3 years and 9th out of 16 funds since launch in the IMA Global sector*.

*Source: FE, Retail Units, bid to bid, net income reinvested. The statistics disclosed above relate to Retail Units unless otherwise stated.

Market Review

In the 12 months under review global stock markets pushed higher, although trading was far from smooth. Economic expansion in the US and UK was warmly welcomed, as was the nascent recovery in peripheral Europe. However, the prospects of more normalised monetary policy in the US and a cooling Chinese economy kept the market's enthusiasm in check. Late in the period, investors became far more cautious after economic growth in emerging markets deteriorated and tensions in Ukraine escalated.

From an environmental investment perspective, there were a number of pivotal policy developments. To name a few, the EU unveiled tougher fuel efficiency standards and a climate and energy blueprint which requires a 40% cut in regional

greenhouse gas emissions from 1990 levels by 2030. This latter target reaffirmed the region's place as the global leader in trying to mitigate the rise of CO₂ in the Earth's atmosphere and avoid a 2°C rise in global temperatures.

Fund review

The Fund achieved a healthy return, comfortably outperforming its broad-based benchmark, the FTSE World Index. It had a tougher time against the FTSE ET100 TR Index, however. The performance of this index was distorted by the c.400% increase in the stock price of Tesla Motors, a company where expectations appear to be running ahead of fundamentals.

Holdings from the wind and solar power sectors enjoyed a marked improvement in supply and demand dynamics for their respective industries. The cost competitiveness of alternative energy has improved considerably in recent years. For countries in the sunniest parts of the world, utility scale solar is already cheaper than oil and Asian LNG¹. And unlike the costs of fossil fuel extraction, which is becoming more difficult and expensive, solar technology is improving and becoming cheaper. These dynamics alone create a strong economic incentive for greater adoption of solar technology, a market that only accounted for 0.2% of the total supply of energy worldwide in 2012². The price of wind power also achieved the milestone of falling below that of conventional energy for the first time on a global basis at the

end of the period. Vestas Wind Systems, which is a leaner operation after years of cost cutting, surged as its order book recovered. Wacker Chemie, a new holding from the solar sector, also performed admirably.

Among the other highlights from across the Fund were environmental engineering firms Atkins (WS) and Stantec, which enjoyed the tailwind of economic recovery in the US and UK. High welfare and organic food holdings Cranswick and United Natural Foods continued to grow market share against mainstream food producers. Tighter fuel efficiency standards underpinned gains made by Johnson Matthey (catalytic converters) and BorgWarner (turbo chargers). Meanwhile, pricing pressures eased in the waste management sector to the benefit of Suez Environnement, Veolia Environnement and Shanks.

There were naturally some disappointments. Itron, a US company at the forefront of smart meter technology, struggled due to slack in its project pipeline. It is now taking steps to restructure its business, reduce costs and roll out more sophisticated metering technology. Elsewhere, a poor earnings statement early in the period led to quite a de-rating of electric motor specialist Regal Beloit that the stock did not recover from, despite a marked improvement in its earnings since. Hydro and biofuels business Andritz detracted after it experienced cost overruns at a Brazilian pulp mill.

We made minor adjustments to the Fund during the period. We established holdings in solar stocks Wacker Chemie (Germany) and First Solar (US) and water treatment business Xylem (US). Meanwhile, some profits were taken in SunOpta (health foods), Atkins (WS) and Eurofins Scientific (food testing).

¹Based on MMBTU (i.e. one million British Thermal Units). Source: Bernstein Research: Energy & Power Blast: Equal and Opposite... If Solar Wins, Who Loses? 4 April 2014

²Source: Bernstein Research: Energy & Power Blast: Equal and Opposite... If Solar Wins, Who Loses? 4 April 2014

Investment Outlook

After a strong calendar year in 2013, the stock market is struggling to make headway. Company earnings need to catch up with market expectations in some sectors and there are several areas of general uncertainty in the outlook: tapering of quantitative easing in the US and geopolitical tensions in Ukraine, for example. We therefore would not be surprised to see further market volatility in coming months.

Nevertheless, increasing economic competitiveness, greater investment in technology and a general tightening of environmental policy worldwide provide a measure of confidence about the long-term outlook for the environmental sector. We have been impressed by the way environmental technologies are

being adopted as part of the wider economic recovery in the West, especially in the area of energy efficiency, a key investment theme in the Fund. Meanwhile, we are starting to see increased investment by China's authorities in areas such as renewable energy, water infrastructure and food sustainability projects.

At the end of the period, the Intergovernmental Panel on Climate Change released three important documents to complete its 5th assessment of climate change. Both made for disturbing reading and highlighted significant shortcomings in the action taken so far to deal with the many risks associated with climate change and assert that the world is generally unprepared for its effects.

However, the overriding conclusion of the latter was that the goal of limiting global warming to 2°C is still attainable, although only if urgent action is taken: the use of low carbon energy would have to triple or quadruple by 2050. We will be monitoring what impact these reports have on government policy and business strategy, but have already noted increased debate over climate adaptation and mitigation following the recent extreme weather events in the US and UK.

Charlie Thomas
Fund Manager

Ethical and Environmental Screening

Ethical and environmental screening for the Jupiter Ecology Fund is undertaken by the Jupiter Sustainable Investment Team, a team of analysts specialising in the environmental and social performance of companies. The Team assesses companies against a set of ethical and environmental criteria, which is summarised in the full Report and Accounts. Additional research on FTSE 350 companies is provided by external research provider Sustainalytics.

Responsible Stewardship

Jupiter believes that responsible stewardship is an important issue and aims to act in the best interests of all its stakeholders by engaging with the companies that it invests in, and by exercising its voting rights with care. We believe companies with high standards of corporate responsibility, governance and sustainable business practices create an appropriate culture to enhance good investment performance. [Jupiter's Corporate Governance and Voting Policy](#) and its compliance with the [UK Stewardship Code](#), together with supporting disclosure reports are available at www.jupiteronline.com

This document is a short report of the Jupiter Ecology Fund for the year ended 31 March 2014. The full Report and Accounts of the Fund is available on our website www.jupiteronline.com or upon written request to Jupiter Unit Trust Managers Limited, PO Box 10666, Chelmsford CM99 2BG.

The information in this report is designed to enable you to make an informed judgement on the activities of the Fund during the year it covers and the results of those activities at the end of the year.

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