ING Emerging Markets High Dividend Equity Fund
Form N-CSR
May 03, 2012

Table of Contents

OMB APPROVAL

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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM N-CSR

CERTIFIED SHAREHOLDER REPORT OF

REGISTERED MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number: 811-22004

ING Emerging Markets High Dividend Equity Fund

(Exact name of registrant as specified in charter)

7337 E. Doubletree Ranch Rd., Scottsdale AZ	**85258**
(Address of principal executive offices)	(Zip code)

Huey P. Falgout, Jr., 7337 Doubletree Ranch Rd. Scottsdale, AZ 85258
(Name and address of agent for service)

Registrant s telephone number, including area code: **1-800-992-0180**

Date of fiscal year end: **February 28**

Date of reporting period: **February 29, 2012**

Table of Contents

Item 1. Reports to Stockholders.

The following is a copy of the report transmitted to stockholders pursuant to Rule 30e-1 under the Act (17 CFR 270.30e-1):

Table of Contents

Annual Report

February 29, 2012

ING Emerging Markets High Dividend Equity Fund

E-Delivery Sign-up details inside

This report is submitted for general information to shareholders of the ING Funds. It is not authorized for distribution to prospective shareholders unless accompanied or preceded by a prospectus which includes details regarding the fund s investment objectives, risks, charges, expenses and other information. This information should be read carefully.

MUTUAL FUNDS

Table of Contents

TABLE OF CONTENTS

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Sign up now for on-line prospectuses, fund reports, and proxy statements. In less than five minutes, you can help reduce paper mail and lower fund costs.

Just go to www.inginvestment.com, click on the E-Delivery icon from the home page, follow the directions and complete the quick 5 Steps to Enroll.

You will be notified by e-mail when these communications become available on the internet. Documents that are not available on the internet will continue to be sent by mail.

PROXY VOTING INFORMATION

A description of the policies and procedures that the Fund uses to determine how to vote proxies related to portfolio securities is available (1) without charge, upon request, by calling Shareholder Services toll-free at (800) 992-0180; (2) on the Fund s website at www.inginvestment.com and (3) on the SEC s website at www.sec.gov. Information regarding how the Fund voted proxies related to portfolio securities during the most recent 12-month period ended June 30 is available without charge on the Fund s website at www.inginvestment.com and on the SEC s website at www.sec.gov.

QUARTERLY PORTFOLIO HOLDINGS

The Fund files its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. This report contains a summary portfolio of investments for the Fund. The Fund s Forms N-Q are available on the SEC s website at www.sec.gov. The Fund s Form N-Q may be reviewed and copied at the SEC s Public Reference Room in Washington, DC, and information on the operation of the Public Reference Room may be obtained by calling (800) SEC-0330. The Fund s Forms N-Q, as well as a complete portfolio of investments, are available without charge upon request from the Fund by calling Shareholder Services toll-free at (800) 992-0180.

Table of Contents

PRESIDENT S LETTER

Dear Shareholder,

ING Emerging Markets High Dividend Equity Fund (the Fund) is a diversified closed-end management investment company whose shares are traded on the New York Stock Exchange under the symbol IHD. The Fund s investment objective is total return through a combination of current income, capital gains and capital appreciation.

The Fund seeks to achieve its investment objective by investing principally in a portfolio of equity securities, primarily of issuers in emerging market countries. The sub-adviser seeks to construct a portfolio with a weighted average gross dividend yield that exceeds the dividend yield of the MSCI Emerging Markets Index^{SM}. The Fund will also normally seek to secure gains and enhance the stability of returns over a market cycle by writing (selling) call options on selected exchange-traded funds (ETFs) and/or international, regional or country indices of equity securities, and/or on equity securities.

For the year ended February 29, 2012, the Fund made quarterly distributions totaling $1.20 per share, which were characterized as $1.03 per share return of capital and $0.17 per share net investment income.

Based on net asset value (NAV), the Fund provided a total return of (5.96)% for the period

ended February 29, 2012.(1) This NAV return reflects a decrease in the Fund s NAV from $19.06 on April 26, 2011 to $16.60 on February 29, 2012. Based on its share price, the Fund provided a total return of (14.21)% for the period ended February 29, 2012(2). This share price return reflects a decrease in the Fund s share price from $20.00 on April 26, 2011 to $15.89 on February 29, 2012.

The global equity markets have witnessed a challenging and turbulent period. Please read the Market Perspective and Portfolio Managers Report for more information on the market and the Fund s performance.

At ING our mission is to set the standard in helping our clients manage their financial future. We seek to assist you and your financial advisor by offering a range of global investment solutions. We invite you to visit our website at www.inginvestment.com. Here you will find information on our products and services, including current market data and fund statistics on our open-and closed-end funds. You will see that we offer a broad variety of equity, fixed income and multi-asset funds that aim to fulfill a variety of investor needs.

We thank you for trusting ING Funds with your investment assets, and we look forward to serving you in the months and years ahead.

Sincerely,

Shaun Mathews

President and Chief Executive Officer

ING Funds

April 2, 2012

The views expressed in the President s Letter reflect those of the President as of the date of the letter. Any such views are subject to change at any time based upon market or other conditions and ING Funds disclaim any responsibility to update such views. These views may not be relied on as investment advice and because investment decisions for an ING Fund are based on numerous factors, may not be relied on as an indication of investment intent on behalf of any ING Fund. Reference to specific company securities should not be construed as recommendations or investment advice. International investing does pose special risks including currency fluctuation, economic and political risks not found in investments that are solely domestic.

For more complete information, or to obtain a prospectus for any ING Fund, please call your Investment Professional or the fund s Shareholder Service Department at (800) 992-0180 or log on to www.inginvestment.com. The prospectus should be read carefully before investing. Consider the fund s investment objectives, risks, charges and expenses carefully before investing. The prospectus contains this information and other information about the fund. Check with your Investment Professional to determine which funds are available for sale within their firm. Not all funds are available for sale at all firms.

(1) Total investment return at net asset value has been calculated assuming a purchase at net asset value at the beginning of each period and a sale at net asset value at the end of each period and assumes reinvestment of dividends, capital gain distributions and return of capital distributions/allocations, if any, in accordance with the provisions of the Fund s dividend reinvestment plan.

(2) Total investment return at market value measures the change in the market value of your investment assuming reinvestment of dividends, capital gain distributions, and return of capital distributions/allocations, if any, in accordance with the provisions of the Fund s dividend reinvestment plan.

Table of Contents

Market Perspective: Year Ended February 29, 2012

By the half way point in our fiscal year, global equities, in the form of the MSCI World Index℠ measured in local currencies including net reinvested dividends, were down more than 11%. The slump continued in September before better news from the U.S. drove a rebound in October, which held to year-end and gathered new strength in the first two months of 2012. For the whole tumultuous fiscal year the MSCI World Index℠ lost just 1.57% (The MSCI World Index℠ returned (1.69)% for the year ended February 29, 2012, measured in U.S. dollars).

In our semi-annual report we described how the domestic economy seemed to be on the brink of another recession and according to many commentators it was all about jobs. Healthy employment conditions, it was said, boost wages, consumer confidence, spending, house prices, and ultimately investment and Gross Domestic Product (GDP) itself. While the cause and effect relationships are arguably more complex, the fact remained that the most recent reports had shown no jobs created at all in August, the unemployment rate at 9.1%, GDP meandering up at a rate of 1.3% (quarter-over-quarter, annualized), wages & salaries and retail sales flat and home prices falling.

Markets were greatly relieved therefore, when more positive data started to emerge in October. The employment report showed 103,000 new jobs created in September, with upward revisions of 99,000 to the prior two months. Improvement continued into 2012 and by February the Bureau of Labor Statistics was reporting 243,000 jobs created in January, with a three-month average of 201,000 and the unemployment rate down to 8.3%. On the last day of February, the Commerce Department s news release showed a much improved fourth quarter 2011 GDP growth rate of 3.0% and an acceleration in the growth of wages & salaries to 5.2% over the fourth quarter of 2010.

Not all economic statistics were favorable as the fiscal year ended. Retail sales were still sluggish and home prices still falling. But a return to recession, feared just a few months earlier, was now out of the question.

The euro zone s sovereign debt crisis continued to move markets. Greece sought to restructure its debt which stands at about 160% of GDP. Much of this debt, as well as the bonds of the much larger Italy and Spain, is held by European banks. Concern deepened into a crisis in confidence, threatening to paralyze the banking system and trip the region back into recession. In August, the European Central Bank (ECB) started to buy Italian and Spanish bonds, a role it was never meant to play. By October, French and German leaders Sarkozy and Merkel were pledging, yet again, to deliver a comprehensive plan to address the crisis.

In the end, the plan amounted to very little. The agreement, struck at yet another summit of European Union leaders on December 11, included legally enforceable restrictions on budget deficits: a baby step towards closer fiscal union. But it provided no lender of last resort to governments, nor measures to promote growth and liberalize markets.

A second bailout package for Greece was finally approved on February 21st, involving 130 billion in new funds, spending cuts, asset sales and lay-offs. Private sector lenders to Greece would take a 75% reduction in the value of their holdings.

The ECB would lend to banks for three years at an interest rate of just 1%, and by the end of our fiscal year banks had borrowed more than 1 trillion.

This bought time, but investors were under no illusions that the problems had been solved.

In U.S. fixed income markets the Barclays Capital U.S. Aggregate Bond Index of investment grade bonds rose 8.37% in the fiscal year. Both the corporate investment grade bond and Treasury sub-indices outperformed; the former were seen as good value while Treasuries were supported during periods of risk-aversion. Agency mortgage backed securities underperformed, especially in the second half, on fears that measures to help the mortgage market would lead to a high volume of early repayments.

U.S. equities, represented by the S&P 500® Index including dividends, rose by 5.12%, thanks to a 22% surge after September, as the perceived risk of recession eased. Despite this, the price/earnings ratio for the index at fiscal year-end, as calculated by Standard and Poor s based on 2011 earnings, was still just 14.2. The 40-quarter average ratio through December 2011 was 17.85. Whether this implies good value however, depends on the sustainability of earnings, and earnings estimates have been falling.

In currency markets the euro zone s problems finally took their toll on the euro, which dropped sharply after October, before recovering. The U.S. dollar appreciated 2.36% over the fiscal year. Dollar demand also affected the pound, the dollar gaining 1.66%. But the dollar lost 1.43% against the yen, despite Bank of Japan intervention, as that currency repeatedly breached post-war high levels.

In international markets, the MSCI Japan® Index fell 11.24% in the fiscal year. The economy contracted in four quarters out of the last five, weighed down by ten consecutive monthly trade deficits, as it struggled to recover from natural disasters, and burdened by a strong yen. The MSCI Europe ex UK® Index lost 9.58%, relieved at the better data from the US but still depressed by the recessionary threat of the sovereign debt crisis, with unemployment perched at 10.6%, a euro-era high. The MSCI UK® Index added 1.60%. GDP fell 0.2% in the fourth quarter from the third, in the face of weak euro zone demand and fiscal austerity at home. But surprisingly, good purchasing managers indices suggested that a return to technical recession might yet be avoided.

Parentheses denote a negative number.

Past performance does not guarantee future results. The performance quoted represents past performance. Investment return and principal value of an investment will fluctuate, and shares, when redeemed, may be worth more or less than their original cost. The Fund s performance is subject to change since the period s end and may be lower or higher than the performance data shown. Please call (800) 992-0180 or log on to www.inginvestment.com to obtain performance data current to the most recent month end.

Market Perspective reflects the views of ING s Chief Investment Risk Officer only through the end of the period, and is subject to change based on market and other conditions.

Table of Contents

Benchmark Descriptions

Index	Description
MSCI World Index℠	An unmanaged index that measures the performance of over 1,400 securities listed on exchanges in the U.S., Europe, Canada, Australia, New Zealand and the Far East.
Barclays Capital U.S. Aggregate Bond Index	An unmanaged index of publicly issued investment grade U.S. Government, mortgage-backed, asset-backed and corporate debt securities.
S&P 500® Index	An unmanaged index that measures the performance of securities of approximately 500 large-capitalization companies whose securities are traded on major U.S. stock markets.
MSCI Japan® Index	A free float-adjusted market capitalization index that is designed to measure developed market equity performance in Japan.
MSCI Europe ex UK® Index	A free float-adjusted market capitalization index that is designed to measure developed market equity performance in Europe, excluding the UK.
MSCI UK® Index	A free float-adjusted market capitalization index that is designed to measure developed market equity performance in the UK.
MSCI Emerging Markets Index℠	An unmanaged index that measures the performance of securities listed on exchanges in developing nations throughout the world.

Table of Contents

ING Emerging Markets High Dividend Equity Fund

Portfolio Managers Report

Geographic Diversification

as of February 29, 2012

(as a percentage of net assets)

China	17.2%
Brazil	15.0%
Taiwan	11.4%
South Korea	10.1%
South Africa	7.1%
Hong Kong	5.8%
Indonesia	5.2%
Russia	4.8%
Singapore	3.1%
India	3.1%
Countries between 0.5%-2.9%^	16.6%
Assets in Excess of Other Liabilities*	0.6%
Net Assets	100.0%

* Includes short-term investments.
^ Includes 13 countries, which each represents 0.5%-2.9% of net assets.

Portfolio holdings are subject to change daily.

ING Emerging Markets High Dividend Equity Fund s (the Fund) primary investment objective seeks to provide total return through a combination of current income, capital gains and capital appreciation. The Fund seeks to achieve its investment objectives by investing principally in a portfolio of equity securities, primarily of issuers in emerging market countries. The Fund will also normally seek to secure gains and enhance the stability of returns over a market cycle by writing (selling) call options on selected exchange-traded funds (ETFs) and/or international, regional or country indices of equity securities, and/or on equity securities.

Portfolio Management: The Fund is managed by Manu Vandenbulck, Nicolas Simar, Patrick den Besten, Willem van Dommelen and Edwin Cuppen, Portfolio Managers, ING Investment Management Advisors B.V. (Europe) the Sub-Adviser.

Equity Portfolio Construction: Under normal market conditions, the Fund will seek to achieve its investment objective by investing at least 80% of its Managed Assets in dividend producing equity securities of, or derivatives having economic characteristics similar to the equity securities of, issuers in emerging markets. The Sub-Adviser seeks to construct a portfolio with a weighted average gross dividend yield that exceeds the dividend yield of the MSCI Emerging Markets Index^{SM}.

The Fund will invest in approximately 60 to 120 equity securities and will select securities through a bottom-up process that is based upon quantitative screening and fundamental industry, sector and company analysis.

For the purpose of the Fund s investments, the following countries are considered emerging markets: Argentina, Bahrain, Brazil, Bulgaria, Chile, China, Colombia, Czech Republic, Egypt, Estonia, Hungary, India, Indonesia, Israel, Korea, Jordan, Kuwait, Latvia, Lithuania, Malaysia, Mauritius, Mexico, Morocco, Nigeria, Oman, Pakistan, Peru, Philippines, Poland, Qatar, Romania, Russia, Saudi Arabia, Slovakia, South Africa, Sri Lanka, Taiwan, Thailand, Turkey, United Arab Emirates, and Zimbabwe.

In addition, the Fund may invest up to 20% of its Managed Assets in the equity securities of issuers in countries which are not considered emerging markets.

The Fund s Options Strategy: The Fund writes (sells) call options on selected ETFs and/or international, regional or country indicies of equity securities, and/or on equity securities, with the underlying value of such calls having 15% to 50% of total value of the Fund s portfolio. The Fund seeks to generate gains from the call writing strategy over a market cycle to supplement the dividend yield of its underlying portfolio.

Performance: Based on net asset value (NAV), the Fund had a total return of (5.96)% for the period from inception on April 26, 2011 through February 29, 2012. Based on its share price as of February 29, 2012, the Fund provided a total return of (14.21)% for the period from inception on April 26, 2011 through February 29, 2012. The Fund is not benchmarked to an index but uses the MSCI Emerging Markets Index^{SM} as a reference index, which returned (8.50)% for the period from April 26, 2011 to February 29, 2012. During the period, the Fund made quarterly distributions totaling $1.20 per share, which were characterized as $1.03 per share return of capital and $0.17 per share net investment income. As of February 29, 2012, the Fund had 19,255,000 shares outstanding.

Overview: Global emerging market (EM) equities retreated early in the reporting period, which was dominated by growth concerns across developed markets and sovereign debt worries in Europe. Continued

Top Ten Holdings

as of February 29, 2012

(as a percentage of net assets)

Gazprom OAO ADR	2.6%
Petroleo Brasileiro SA ADR	2.3%
China Mobile Ltd. ADR	2.0%
Posco	2.0%
Vale SA	2.0%
China Resources Power Holdings Co.	1.9%
Samsung Electronics Co., Ltd.	1.9%
HTC Corp.	1.8%
China Pacific Insurance Group Co., Ltd.	1.7%
Taiwan Semiconductor Manufacturing Co., Ltd.	1.7%

Portfolio holdings are subject to change daily.

Table of Contents

PORTFOLIO MANAGERS REPORT

ING EMERGING MARKETS HIGH DIVIDEND EQUITY FUND

inflationary pressures led by higher food prices in China and India forced central banks to raise interest rates again. Reserve rate requirements were raised in China which also added to growth concerns encouraging debate between hard versus soft landing scenarios for the economy. August turned out to be a challenging month for global equities, with many country indices posting double-digit declines. No single sector escaped this sell-off but financials and cyclical sectors were particularly hard hit.

Emerging markets recovered quickly in October after the sharp sell-off in September. However, negative macro news and risk aversion, resulting in increasing European sovereign bond yields, pushed global equities lower. A rally from mid-December onwards helped to pare back some losses, but EM once again underperformed developed markets as investors favored the developed world. Brazil and China performed strongly as the easing of monetary policy and better news on economic growth and inflation comforted investors. At the other end India and Turkey fell sharply.

Equity Portfolio: The Fund s equity portfolio outperformed the reference index during the reporting period. Sector allocation added to performance, but stock selection detracted. Underweights in the energy and materials sectors and an overweight in telecommunications contributed. Stock picking in the information technology (IT), financials and utility sectors was positive. Stock picking in consumer staples and materials detracted from results.

The Fund s top net contributors for the period included an off-index position in China Mobile Ltd., an overweight of Taiwanese mobile phone maker HTC Corp. and lack of exposure to Russian energy producer Gazprom OAO. The Fund s worst performing holdings included overweights of Chaoda Modern Agriculture (Holdings) Ltd., the Chinese fruit and vegetable grower that had corporate governance issues; an off-index position in preferred stock of Mechel, a Russian industrial conglomerate; and an overweight of China High Speed Transmission Equipment Group Co. Ltd.

At the end of the reporting period, relative to the MSCI Emerging Markets Index^{SM}, the Fund was overweight in utilities, telecommunications and health care; its largest underweights were in materials and IT. The Fund had an underweight in India, where dividend payouts are low.

Options Portfolio: During the reporting period call options were written against the EM portfolio. The option portfolio consists of a series of short-dated call options on the iShares ETF with the MSCI Emerging Markets Index^{SM} as underlying. The options were generally sold having a maturity in the range of four to five weeks. The overall portfolio coverage was 20%. Options were sold generally at-the-money and implemented in the over-the-counter market to enable the Fund managers to profit from its flexibility, liquidity and opportunities.

The markets experienced a downward trend for most of the reporting period, and the reference index hit a 2011 low in early October. This trend was accompanied by increased volatility, which resulted in higher premiums collected by the covered call writing strategy. From then until the end of the period, markets picked up and implied volatility decreased. For the full reporting period the total premium collected exceeded the amount that had to be settled at expiry; therefore, the strategy added value. Overall, the option overlay reduced the volatility of Fund returns.

Outlook and Current Strategy: Analysts continue to cut EM growth estimates as developed market growth slows, and we see clear signs of export growth being affected. Despite weakening global growth, we believe Russia, India and China are still most likely to offer the better growth rates within EM. We see signs of reduced inflationary pressure in emerging markets with good numbers recently coming from China and India. We feel there is room for China to surprise on the upside through monetary relaxation and through fiscal stimulus. On the fiscal side we do not expect a repeat of the big infrastructure project of 2008 and expect measures to be more focused on consumers, health and safety. Earnings growth estimates for 2012 remain around 11%; we believe these are likely to come down. Emerging markets continue to have earnings growth assumptions in line with developed markets and continue to trade at a discount to their developed market peers, providing fundamental support for EM equities.

Portfolio holdings and characteristics are subject to change and may not be representative of current holdings and characteristics. The outlook for this Fund is based only on the outlook of its portfolio managers through the end of this period, and may differ from that presented for other ING Funds. Performance

data represents past performance and is no guarantee of future results. Past performance is not indicative of future results. The indices do not reflect fees, brokerage commissions, taxes or other expenses of investing. Investors cannot invest directly in an index.

Table of Contents

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Shareholders and Board of Trustees

ING Emerging Markets High Dividend Equity Fund

We have audited the accompanying statement of assets and liabilities, including the summary portfolio of investments, of ING Emerging Market High Dividend Equity Fund as of February 29, 2012, and the related statements of operations and, changes in net assets and the financial highlights for the period from April 26, 2011 (commencement of operations) to February 29, 2012. These financial statements and financial highlights are the responsibility of management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of February 29, 2012, by correspondence with the custodian and brokers or by other appropriate auditing procedures where replies from brokers were not received. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of ING Emerging Markets High Dividend Equity Fund as of February 29, 2012, and the results of its operations, the changes in its net assets, and the financial highlights for the period specified in the first paragraph above, in conformity with U.S. generally accepted accounting principles.

Boston, Massachusetts

April 26, 2012

Table of Contents

STATEMENT OF ASSETS AND LIABILITIES AS OF FEBRUARY 29, 2012

ASSETS:	
Investments in securities at value*	$ 317,567,726
Short-term investments at value***	3,503,412
Foreign currencies at value*****	23,904
Receivables:	
Dividends	836,246
Receivable due from manager	41,709
Total assets	321,972,997
LIABILITIES:	
Payable to affiliates	310,498
Payable to custodian due to bank overdraft	847,281
Payable for trustee fees	1,087
Other accrued expenses and liabilities	107,744
Written options, at fair value^	1,141,743
Total liabilities	2,408,353
NET ASSETS	$ 319,564,644
NET ASSETS WERE COMPRISED OF:	
Paid-in capital	$ 347,230,928
Undistributed net investment income	284,844
Accumulated net realized loss	(15,229,950)
Net unrealized depreciation	(12,721,178)
NET ASSETS	$ 319,564,644
* Cost of investments in securities	$ 330,766,290
*** Cost of short-term investments	$ 3,503,412
*****Cost of foreign currencies	$ 23,937
^ Premiums received on written options	$ 1,604,535
Net assets	$ 319,564,644
Shares authorized	unlimited
Par value	$ 0.01
Shares outstanding	19,255,000
Net asset value and redemption price per share	$ 16.60

See Accompanying Notes to Financial Statements

Table of Contents

STATEMENT OF OPERATIONS FOR THE YEAR ENDED FEBRUARY 29, 2012

		April 26, 2011[1] to February 29, 2012
INVESTMENT INCOME:		
Dividends, net of foreign taxes withheld*	$	8,457,560
Total investment income		8,457,560
EXPENSES:		
Investment management fees		3,042,520
Transfer agent fees		16,679
Administrative service fees		264,563
Shareholder reporting expense		35,146
Professional fees		57,259
Custody and accounting expense		309,151
Trustee fees		8,601
Organizational expense		50,000
Miscellaneous expense		12,756
Total expenses		3,796,675
Net waived and reimbursed fees		(50,000)
Net expenses		3,746,675
Net investment income		4,710,885
REALIZED AND UNREALIZED GAIN (LOSS):		
Net realized gain (loss) on:		
Investments		(19,281,425)
Foreign currency related transactions		(1,409,630)
Written options		4,366,992
Net realized loss		(16,324,063)
Net change in unrealized appreciation (depreciation) on:		
Investments		(13,198,564)
Foreign currency related transactions		14,594
Written options		462,792
Net change in unrealized appreciation (depreciation)		(12,721,178)
Net realized and unrealized loss		(29,045,241)
Decrease in net assets resulting from operations	$	(24,334,356)
* Foreign taxes withheld	$	806,526

(1) Commencement of operations.

See Accompanying Notes to Financial Statements

Table of Contents

STATEMENT OF CHANGES IN NET ASSETS

		April 26, 2011[1] to February 29, 2012
FROM OPERATIONS:		
Net investment income	$	4,710,885
Net realized (loss)		(16,324,063)
Net change in unrealized (depreciation)		(12,721,178)
Decrease in net assets resulting from operations		(24,334,356)
FROM DISTRIBUTIONS TO SHAREHOLDERS:		
Net investment income		(3,346,360)
Return of capital		(19,759,640)
Total distributions		(23,106,000)
FROM CAPITAL SHARE TRANSACTIONS:		
Net proceeds from sale of shares[2]		367,005,000
Net increase in net assets		319,564,644
NET ASSETS:		
Beginning of year or period		
End of year or period	$	319,564,644
Undistributed net investment income at end of year or period	$	284,844

(1) Commencement of operations.
(2) Proceeds from sales of shares net of sales load paid of $17,325,000 and offering costs of $770,000.

See Accompanying Notes to Financial Statements

Table of Contents

Financial Highlights

Selected data for a share of beneficial interest outstanding throughout the year or period.

	Per Share Operating Performance												Ratios and Supplemental Data				
		Income (loss) from investment operations			Less distributions									Ratios to average net assets			
	Net asset value, beginning of period	Net investment income	Net realized and unrealized gain (loss) on investments	Total from investment operations	From net investment income	From net realized gains on investments	From return of capital	Total distributions	Net asset value, end of period	Market value, end of period	**Total investment return at net asset value(3)**	**Total investment return at market value(4)**	Net assets, end of period (000's)	Gross expenses prior to expense waiver(5)	Net expenses after expense waiver(5)(6)	Net investment income after expense waiver(5)(6)	Portfolio turnover rate
Year or period ended	($)	($)	($)	($)	($)	($)	($)	($)	($)	($)	**(%)**	**(%)**	($)	(%)	(%)	(%)	(%)
04-26-11[1] - 02-29-12	19.06[2]	0.24	(1.50)	(1.26)	0.17		1.03	1.20	16.60	15.89	**(5.96)**	**(14.21)**	319,565	1.43	1.41	1.77	61

(1) Commencement of operations.

(2) Net asset value at beginning of period reflects the deduction of the sales load of $0.90 per share and offering costs of $0.04 per share paid by the shareholder from the $20.00 offering price.

(3) Total investment return at net asset value has been calculated assuming a purchase at net asset value at the beginning of each period and a sale at net asset value at the end of each period and assumes reinvestment of dividends, capital gain distributions and return of capital distributions/allocations, if any, in accordance with the provisions of the dividend reinvestment plan. Total investment return at net asset value is not annualized for periods less than one year.

(4) Total investment return at market value measures the change in the market value of your investment assuming reinvestment of dividends, capital gain distributions and return of capital distributions/allocations, if any, in accordance with the provisions of the Fund s dividend reinvestment plan. Total investment return at market value is not annualized for periods less than one year.

(5) Annualized for periods less than one year.

(6) The Investment Adviser has entered into a written expense limitation agreement with the Fund under which it will limit the expenses of the Fund (excluding interest, taxes, leverage expenses and extraordinary expenses) subject to possible recoupment by the Investment Adviser within three years of being incurred.

See Accompanying Notes to Financial Statements

Table of Contents

NOTES TO FINANCIAL STATEMENTS AS OF FEBRUARY 29, 2012

NOTE 1 ORGANIZATION

ING Emerging Markets High Dividend Equity Fund (the Fund) is a diversified, closed-end management investment company registered under the Investment Company Act of 1940, as amended (the 1940 Act). The Fund is organized as a Delaware statutory trust.

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES

The following significant accounting policies are consistently followed by the Fund in the preparation of its financial statements, and such policies are in conformity with U.S. generally accepted accounting principles (GAAP) for investment companies.

A. ***Security Valuation.*** All investments in securities are recorded at their estimated fair value, as described below. Investments in equity securities traded on a national securities exchange are valued at the last reported sale price. Securities reported by NASDAQ are valued at the NASDAQ official closing prices. Securities traded on an exchange or NASDAQ for which there has been no sale and equity securities traded in the over-the-counter-market are valued at the mean between the last reported bid and ask prices. All investments quoted in foreign currencies will be valued daily in U.S. dollars on the basis of the foreign currency exchange rates prevailing at that time. Debt securities with more than 60 days to maturity are fair valued using matrix pricing methods determined by an independent pricing service which takes into consideration such factors as yields, maturities, liquidity, ratings and traded prices in similar or identical securities. Securities for which valuations are not readily available from an independent pricing service may be valued by brokers which use prices provided by market makers or estimates of fair market value obtained from yield data relating to investments or securities with similar characteristics. Investments in open-end mutual funds are valued at the net asset value. Investments in securities of sufficient credit quality maturing in 60 days or less from date of acquisition are valued at amortized cost which approximates fair value.

Securities and assets for which market quotations are not readily available (which may include certain restricted securities that are subject to limitations as to their sale) are valued at their fair values, as defined by the 1940 Act, and as determined in good faith by or under the supervision of the Fund s Board of Trustees (Board), in accordance with methods that are specifically authorized by the Board. Securities traded on exchanges, including foreign exchanges, which close earlier than the time that the Fund calculates its net

asset value (NAV) may also be valued at their fair values, as defined by the 1940 Act, and as determined in good faith by or under the supervision of the Board, in accordance with methods that are specifically authorized by the Board. The value of a foreign security traded on an exchange outside the United States is generally based on its price on the principal foreign exchange where it trades as of the time the Fund determines its NAV or if the foreign exchange closes prior to the time the Fund determines its NAV, the most recent closing price of the foreign security on its principal exchange. Trading in certain non-U.S. securities may not take place on all days on which the NYSE Euronext (NYSE) is open. Further, trading takes place in various foreign markets on days on which the NYSE is not open. Consequently, the calculation of the Fund s NAV may not take place contemporaneously with the determination of the prices of securities held by the Fund in foreign securities markets. Further, the value of the Fund s assets may be significantly affected by foreign trading on days when a shareholder cannot purchase or redeem shares of the Fund. In calculating the Fund s NAV, foreign securities denominated in foreign currency are converted to U.S. dollar equivalents. If an event occurs after the time at which the market for foreign securities held by the Fund closes but before the time that the Fund s NAV is calculated, such event may cause the closing price on the foreign exchange to not represent a readily available reliable market value quotation for such securities at the time the Fund determines its NAV. In such a case, the Fund will use the fair value of such securities as determined under the Fund s valuation procedures. Events after the close of trading on a foreign market that could require the Fund to fair value some or all of its foreign securities include, among others, securities trading in the U.S. and other markets, corporate announcements, natural and other disasters, and political and other events. Among other elements of analysis in the determination of a security s fair value, the Board has authorized the use of one or more independent research services to assist with such determinations. An independent research service may use statistical analyses and quantitative models to help determine fair value as of the time the Fund calculates its NAV. There can be no assurance that such models accurately reflect the behavior of the applicable markets or the effect of the behavior of such markets on the fair value of securities, or that such markets will continue to behave in a fashion that is consistent with such models. Unlike the closing price of a security on an exchange, fair value determinations employ elements

Table of Contents

NOTES TO FINANCIAL STATEMENTS AS OF FEBRUARY 29, 2012 (CONTINUED)

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES (continued)

of judgment. Consequently, the fair value assigned to a security may not represent the actual value that the Fund could obtain if it were to sell the security at the time of the close of the NYSE. Pursuant to procedures adopted by the Board, the Fund is not obligated to use the fair valuations suggested by any research service, and valuation recommendations provided by such research services may be overridden if other events have occurred or if other fair valuations are determined in good faith to be more accurate. Unless an event is such that it causes the Fund to determine that the closing prices for one or more securities do not represent readily available reliable market value quotations at the time the Fund determines its NAV, events that occur between the time of the close of the foreign market on which they are traded and the close of regular trading on the NYSE will not be reflected in the Fund s NAV.

Options that are traded over-the-counter will be valued using one of three methods: (1) dealer quotes; (2) industry models with objective inputs; or (3) by using a benchmark arrived at by comparing prior-day dealer quotes with the corresponding change in the underlying security or index. Exchange traded options will be valued using the last reported sale. If no last sale is reported, exchange traded options will be valued using an industry accepted model such as Black Scholes. Options on currencies purchased by the Fund are valued using industry models with objective inputs at their last bid price in the case of listed options or at the average of the last bid prices obtained from dealers in the case of over-the-counter options.

Fair value is defined as the price that the Fund would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date. Each investment asset or liability of the Fund is assigned a level at measurement date based on the significance and source of the inputs to its valuation. Quoted prices in active markets for identical securities are classified as Level 1 , inputs other than quoted prices for an asset or liability that are observable are classified as Level 2 and unobservable inputs, including the sub-adviser s judgment about the assumptions that a market participant would use in pricing an asset or liability are classified as Level 3 . The inputs used for valuing securities are not necessarily an indication of the risks associated with investing in those securities. Short-term securities of sufficient credit quality which are valued at amortized

cost, which approximates fair value, are generally considered to be Level 2 securities under applicable accounting rules. A table summarizing the Fund s investments under these levels of classification is included following the Summary Portfolio of Investments.

For the period ended February 29, 2012, there have been no significant changes to the fair valuation methodologies.

B. ***Security Transactions and Revenue Recognition.*** Security transactions are recorded on the trade date. Realized gains or losses on sales of investments are calculated on the identified cost basis. Interest income is recorded on the accrual basis. Premium amortization and discount accretion are determined using the effective yield method. Dividend income is recorded on the ex-dividend date, or in the case of some foreign dividends, when the information becomes available to the Fund.

C. ***Foreign Currency Translation.*** The books and records of the Fund are maintained in U.S. dollars. Any foreign currency amounts are translated into U.S. dollars on the following basis:

(1) Market value of investment securities, other assets and liabilities at the exchange rates prevailing at the end of the day.

(2)

Purchases and sales of investment securities, income and expenses at the rates of exchange prevailing on the respective dates of such transactions.

Although the net assets and the market values are presented at the foreign exchange rates at the end of the day, the Fund does not isolate the portion of the results of operations resulting from changes in foreign exchange rates on investments from the fluctuations arising from changes in market prices of securities held. Such fluctuations are included with the net realized and unrealized gains or losses from investments. For securities, which are subject to foreign withholding tax upon disposition, liabilities are recorded on the Statement of Assets and Liabilities for the estimated tax withholding based on the securities current market value. Upon disposition, realized gains or losses on such securities are recorded net of foreign withholding tax. Reported net realized foreign exchange gains or losses arise from sales of foreign currencies, currency gains or losses realized between the trade and settlement dates on securities transactions, the difference between the amounts of dividends, interest, and foreign withholding taxes recorded on the Fund s

Table of Contents

NOTES TO FINANCIAL STATEMENTS AS OF FEBRUARY 29, 2012 (CONTINUED)

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES (continued)

books and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign exchange gains and losses arise from changes in the value of assets and liabilities other than investments in securities at period end, resulting from changes in the exchange rate. Foreign security and currency transactions may involve certain considerations and risks not typically associated with investing in U.S. companies and U.S. government securities. These risks include, but are not limited to, revaluation of currencies and future adverse political and economic developments which could cause securities and their markets to be less liquid and prices more volatile than those of comparable U.S. companies and U.S. government securities.

D. ***Distributions to Shareholders.*** The Fund intends to make quarterly distributions from its cash available for distribution, which consists of the Fund s dividends and interest income after payment of Fund expenses, net option premiums and net realized and unrealized gains on investments. At least annually, the Fund intends to distribute all or substantially all of its net realized capital gains. Distributions are recorded on the ex-dividend date. Distributions are determined annually in accordance with federal tax principles, which may differ from U.S. generally accepted accounting principles for investment companies.

The tax treatment and characterization of the Fund s distributions may vary significantly from time to time depending on whether the Fund has gains or losses on the call options written on its portfolio versus gains or losses on the equity securities in the portfolio. Each quarter, the Fund will provide disclosures with distribution payments made that estimate the percentages of that distribution that represent net investment income, other income or capital gains, and return of capital, if any. The final composition of the tax characteristics of the distributions cannot be determined with certainty until after the end of the Fund s tax year, and will be reported to shareholders at that time. A significant portion of the Fund s distributions may constitute a return of capital. The amount of quarterly distributions will vary, depending on a number of factors. As portfolio and market conditions change, the rate of dividends on the common shares will change. There can be no assurance that the Fund will be able to declare a dividend in each period.

E. ***Federal Income Taxes.*** It is the policy of the Fund to comply with the requirements of subchapter M of the Internal Revenue Code that are applicable to regulated investment companies and to distribute substantially all of its net investment income and any net realized capital gains to its shareholders. Therefore, a federal income tax or excise tax provision is not required. Management has considered the sustainability of the Fund s tax positions taken on federal income tax returns for all open tax years in making this determination. No capital gain distributions shall be made until the capital loss carryforwards have been fully utilized or expire.

F. ***Use of Estimates.*** The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates.

G. ***Risk Exposures and the use of Derivative Instruments.*** The Fund s investment strategies permit the Fund to enter into various types of derivatives contracts, including, but not limited to, forward foreign currency exchange contracts and purchased and written options. In doing so, the Fund will employ strategies in differing combinations to permit it to increase or decrease the level of risk, or change the level or types of exposure to market risk factors. This may allow the Fund to pursue its objectives more quickly, and efficiently than if it were to make direct purchases or sales of securities capable of affecting a similar response to market factors.

Market Risk Factors. In pursuit of its investment objectives, the Fund may seek to use derivatives to increase or decrease their exposure to the following market risk factors:

Credit Risk. Credit risk relates to the ability of the issuer to meet interest and principal payments, or both, as they come due. In general, lower-grade, higher-yield bonds are subject to credit risk to a greater extent than lower-yield, higher-quality bonds.

Equity Risk. Equity risk relates to the change in value of equity securities as they relate to increases or decreases in the general market.

Foreign Exchange Rate Risk. Foreign exchange rate risk relates to the change in U.S. dollar value of a security

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES (continued)

held that is denominated in a foreign currency. The U.S. dollar value of a foreign currency denominated security will decrease as the dollar appreciates against the currency, while the U.S. dollar value will increase as the dollar depreciates against the currency.

Interest Rate Risk. Interest rate risk refers to the fluctuations in value of fixed-income securities resulting from the inverse relationship between price and yield. For example, an increase in general interest rates will tend to reduce the market value of already issued fixed-income investments, and a decline in general interest rates will tend to increase their value. In addition, debt securities with longer durations, which tend to have higher yields, are subject to potentially greater fluctuations in value from changes in interest rates than obligations with shorter durations.

Risks of Investing in Derivatives. The Fund s use of derivatives can result in losses due to unanticipated changes in the market risk factors and the overall market. In instances where the Fund is using derivatives to decrease, or hedge, exposures to market risk factors for securities held by the Fund, there are also risks that those derivatives may not perform as expected resulting in losses for the combined or hedged positions.

The use of these strategies involves certain special risks, including a possible imperfect correlation, or even no correlation, between price movements of derivative instruments and price movements of related investments. While some strategies involving derivative instruments can reduce the risk of loss, they can also reduce the opportunity for gain or even result in losses by offsetting favorable price movements in related investments or otherwise, due to the possible inability of the Fund to purchase or sell a portfolio security at a time that otherwise would be favorable or the possible need to sell a portfolio security at a disadvantageous time because the Fund is required to maintain asset coverage or offsetting positions in connection with transactions in derivative instruments. Additional associated risks from investing in derivatives also exist and potentially could have significant effects on the valuation of the derivative and the Fund. Associated risks are not the risks that the Fund is attempting to increase or decrease exposure to, per its investment objectives, but are the additional risks from investing in derivatives. Examples of these associated risks are liquidity risk, which is the risk that the Fund will not be able to sell the derivative in the open

market in a timely manner, and counterparty credit risk, which is the risk that the counterparty will not fulfill its obligation to the Fund. Associated risks can be different for each type of derivative and are discussed by each derivative type in the following notes.

Counterparty Credit Risk and Credit Related Contingent Features. Certain derivative positions are subject to counterparty credit risk, which is the risk that the counterparty will not fulfill its obligation to the Fund. The Fund s derivative counterparties are financial institutions who are subject to market conditions that may weaken their financial position. The Fund intends to enter into financial transactions with counterparties that it believes to be creditworthy at the time of the transaction. To reduce this risk, the Fund generally enters into master netting arrangements, established within the Fund s International Swap and Derivatives Association, Inc. (ISDA) Master Agreements (Master Agreements). These agreements are with select counterparties and they govern transactions, including certain over-the-counter (OTC) derivative and forward foreign currency contracts, entered into by the Fund and the counterparty. The Master Agreements maintain provisions for general obligations, representations, agreements, collateral, and events of default or termination. The occurrence of a specified event of termination may give a counterparty the right to terminate all of its contracts and affect settlement of all outstanding transactions under the applicable Master Agreement.

The Fund may also enter into collateral agreements with certain counterparties to further mitigate credit risk associated with OTC derivative and forward foreign currency contracts. Subject to established minimum levels, collateral is generally determined based on the net aggregate unrealized gain or loss on contracts with a certain counterparty. Collateral pledged to the Fund is held in a segregated account by a third-party agent and can be in the form of cash or debt securities issued by the U.S. government or related agencies.

The Fund s maximum risk of loss from counterparty credit risk on OTC derivatives is generally the aggregate unrealized gain in excess of any collateral pledged by the counterparty to the Fund. For purchased OTC options, the Fund bears the risk of loss in the amount of the premiums paid and the change in market value of the options should the counterparty not perform under the contracts. The Fund did not enter into any purchased OTC options during the period ended February 29, 2012. There were no credit events during the year ended February 29, 2012 that triggered any credit related contingent features.

Table of Contents

NOTES TO FINANCIAL STATEMENTS AS OF FEBRUARY 29, 2012 (CONTINUED)

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES (continued)

The Fund s master agreements with derivative counterparties have credit related contingent features that if triggered would allow its derivatives counterparties to close out and demand payment or additional collateral to cover their exposure from the Fund. Credit related contingent features are established between the Fund and its derivatives counterparties to reduce the risk that the Fund will not fulfill its payment obligations to its counterparties. These triggering features include, but are not limited to, a percentage decrease in the Fund s net assets and or a percentage decrease in the Fund s NAV, which could cause the Fund to accelerate payment of any net liability owed to the counterparty. The contingent features are established within the Fund s Master Agreements.

Written options by the Fund do not give rise to counterparty credit risk, as written options obligate the Fund to perform and not the counterparty. As of February 29, 2012, the total value of written OTC call options subject to Master Agreements in a net liability position was $1,141,743. If a contingent feature had been triggered, the Fund could have been required to pay this amount in cash to its counterparties. The Fund did not hold or post collateral for its open written OTC call options at period end. There were no credit events during the year ended February 29, 2012 that triggered any credit related contingent features.

H. ***Offering Costs and Organization Expenses.*** Costs incurred with the offering of common shares were recorded as a reduction of capital paid in excess of par applicable to common shares. Organization expenses are expensed as incurred. As of February 29, 2012, the Fund waived $50,000 of organization expenses.

I. ***Options Contracts.*** The Fund may purchase put and call options and may write (sell) put options and covered call options. The premium received by the Fund upon the writing of a put or call option is included in the Statement of Assets and Liabilities as a liability which is subsequently marked-to-market until it is exercised or closed, or it expires. The Fund will realize a gain or loss upon the expiration or closing of the option contract. When an option is exercised, the proceeds on sales of the underlying security for a written call option or purchased put option or the purchase cost of the security for a written put option or a purchased call option is adjusted by the amount of premium received or paid. The risk in writing a call option is that the Fund gives up the opportunity for

profit if the market price of the security increases and the option is exercised. The risk in buying an option is that the Fund pays a premium whether or not the option is exercised. Risks may also arise from an illiquid secondary market or from the inability of counterparties to meet the terms of the contract.

The Fund seeks to generate gains from the OTC call options writing strategy over a market cycle to supplement the dividend yield of its underlying portfolio of high dividend yield equity securities. Please refer to Note 7 for the volume of written OTC call option activity during the period ended February 29, 2012.

J. ***Indemnifications.*** In the normal course of business, the Fund may enter into contracts that provide certain indemnifications. The Fund s maximum exposure under these arrangements is dependent on future claims that may be made against the Fund and, therefore, cannot be estimated; however, based on experience, management considers the risk of loss from such claims remote.

NOTE 3 INVESTMENT MANAGEMENT AND ADMINISTRATIVE FEES

ING Investments, LLC (ING Investments or the Investment Advisor), an Arizona limited liability company, is the Investment Adviser of the Fund. The Fund pays the Investment Adviser for its services under the investment management agreement (Management Agreement), a fee, payable monthly, based on an annual rate of 1.15% of the Fund s average daily managed assets. Managed assets are defined as the Fund s average daily gross asset value, minus the sum of the Fund s accrued and unpaid dividends on any outstanding preferred shares and accrued liabilities (other than liabilities for the principal amount of any borrowings incurred, commercial paper or notes issued by the Fund and the liquidation preference of any outstanding preferred shares). As of February 29, 2012, there were no preferred shares outstanding.

The Investment Adviser entered into a sub-advisory agreement (a Sub-Advisory Agreement) with ING Investment Management Advisors B.V. (IIMA) a subsidiary of ING Groep, domiciled in The Hague, The Netherlands. Subject to policies as the Board or the Investment Adviser might determine, IIMA manages the Fund s assets in accordance with the Fund s investment objectives, policies and limitations.

Table of Contents

NOTES TO FINANCIAL STATEMENTS AS OF FEBRUARY 29, 2012 (CONTINUED)

NOTE 3   INVESTMENT MANAGEMENT AND ADMINISTRATIVE FEES (continued)

The Investment Adviser has also retained ING Investment Management Co. (ING IM   or   Consultant), a Delaware limited liability company, to provide certain consulting services for the Investment Adviser. These services include, among other things, furnishing statistical and other factual information; providing advice with respect to potential investment strategies that may be employed for the Fund, including, but not limited to, potential options strategies; developing economic models of the anticipated investment performance and yield for the Fund; and providing advice to the Investment Adviser and/or Sub-Adviser with respect to the Fund s level and/or managed distribution policy. For its services, the Consultant will receive a consultancy fee from the Investment Adviser. No fee will be paid by the Fund directly to the Consultant.

ING Funds Services, LLC (the   Administrator) serves as Administrator to the Fund. The Fund pays the Administrator for its services a fee based on an annual rate of 0.10% of the Fund s average daily managed assets. The Investment Adviser, IIMA, and the Administrator are indirect, wholly-owned subsidiaries of ING Groep. ING Groep is a global financial institution of Dutch origin offering banking, investments, life insurance and retirement services.

ING Groep has adopted a formal restructuring plan that was approved by the European Commission in November 2009 under which the ING life insurance businesses, including the retirement services and investment management businesses, which include the Adviser and its immediate affiliates, would be separated from ING Groep by the end of 2013. To achieve this goal, in a series of announcements beginning November 2010, ING Groep announced that it plans to pursue transactions to restructure certain businesses, including an initial public offering for its U.S. based insurance, retirement services, and investment management operations; and other transactions, which could include an initial public offering or other type of transaction, for its European based insurance and investment management operations and Asian based insurance and investment management operations. There can be no assurance that all or part of the restructuring plan will be carried out.

The restructuring plan and the uncertainty about its implementation, whether implemented through the planned public offerings or through other means, in

whole or in part, may be disruptive to the businesses of ING entities, including the ING entities that service the Fund, and may cause, among other things, interruption or reduction of business and services, diversion of management s attention from day-to-day operations, and loss of key employees or customers. A failure to complete the offerings or other means of implementation on favorable terms could have a material adverse impact on the operations of the businesses subject to the restructuring plan. The restructuring plan may result in the Investment Adviser s loss of access to services and resources of ING Groep, which could adversely affect its businesses and profitability. In addition, the divestment of ING businesses, including the Investment Adviser, may potentially be deemed a   change of control   of each entity. A change of control would result in the termination of the Fund s advisory and sub-advisory agreements, which would trigger the necessity for new agreements that would require approval of the board, and may trigger the need for shareholder approval. Currently, the Investment Adviser does not anticipate that the restructuring will have a material adverse impact on the Fund or its operations and administration.

NOTE 4   OTHER TRANSACTIONS WITH AFFILIATED AND RELATED PARTIES

As of February 29, 2012, the Fund had the following amounts recorded as payable to affiliates on the accompanying Statement of Assets and Liabilities:

Accrued Investment	Accrued Administrative	Total

Management Fees	Fees	
$ 285,658	$ 24,840	$ 310,498

The Fund has adopted a Deferred Compensation Plan (the Plan), which allows eligible non-affiliated trustees as described in the Plan to defer the receipt of all or a portion of the trustees fees payable. Amounts deferred are treated as though invested in various notional funds advised by ING Investments until distribution in accordance with the Plan.

NOTE 5 PURCHASES AND SALES OF INVESTMENT SECURITIES

The cost of purchases and proceeds from sales of investments for the period ended February 29, 2012, excluding short-term securities, were $541,795,666 and $191,742,853, respectively.

16

Table of Contents

NOTES TO FINANCIAL STATEMENTS AS OF FEBRUARY 29, 2012 (CONTINUED)

NOTE 6 EXPENSE LIMITATION

The Investment Adviser has entered into a written expense limitation agreement (Expense Limitation Agreement) with the Fund under which it will limit the expenses of the Fund, excluding interest, taxes, leverage expenses, and extraordinary expenses to 1.50% of average daily managed assets. The Investment Adviser may at a later date recoup from the Fund fees waived and other expenses assumed by the Investment Adviser during the previous 36 months, but only if, after such reimbursement, the Fund s expense ratio does not exceed the percentage described above. The Expense Limitation Agreement is contractual and shall renew automatically for one-year terms unless ING Investments or the Fund provides written notice of the termination within 90 days of the end of the then current term or upon written termination of the Management Agreement.

NOTE 7 TRANSACTIONS IN WRITTEN OPTIONS

Transactions in written OTC call options on indices were as follows:

	Number of Contracts	Premiums Received
Balance at 02/28/11*		$
Options Written	15,689,700	20,317,619
Options Expired	(9,752,000)	(12,727,256)
Options Exercised		
Options Terminated in Closing Purchase Transactions	(4,504,600)	(5,985,828)
Balance at 02/29/12	1,433,100	$ 1,604,535

* Fund commenced operations on April 26, 2011.

NOTE 8 CONCENTRATION OF INVESTMENT RISKS

All mutual funds involve risk some more than others and there is always the chance that you could lose money or not earn as much as you hope. The Fund s risk profile is largely a factor of the principal securities in which it invests and investment techniques that it uses. For more information regarding the types of securities and investment techniques that may be used by the Fund and its corresponding risks, see the Fund s most recent Prospectus and/or the Statement of Additional Information.

Foreign Securities and Emerging Markets. The Fund makes significant investments in foreign securities and securities issued by companies located in countries with emerging markets. Investments in foreign securities may entail risks not present in domestic investments. Since investments in securities are denominated in

foreign currencies, changes in the relationship of these foreign currencies to the U.S. dollar can significantly affect the value of the investments and earnings of the Fund. Foreign investments may also subject the Fund to foreign government exchange restrictions, expropriation, taxation or other political, social or economic developments, as well as from movements in currency, security value and interest rate, all of which could affect the market and/or credit risk of the investments. The risks of investing in foreign securities can be intensified in the case of investments in issuers located in countries with emerging markets.

Leverage. Although the Fund has no current intention to do so, the Fund is authorized to utilize leverage through the issuance of preferred shares and/or borrowings, including the issuance of debt securities. In the event that the Fund determines in the future to utilize investment leverage, there can be no assurance that such a leveraging strategy will be successful during any period in which it is employed.

NOTE 9 CAPITAL SHARES

Transactions in capital shares and dollars were as follows:

Year or period ended	Shares sold #	Net increase in shares outstanding #	Shares sold ($)	Net increase ($)
4/26/2011[1] - 2/29/2012	19,255,000	19,255,000	367,005,000[2]	367,005,000

(1) Commencement of operations.
(2) Proceeds from sales of shares net of sales load paid of $17,325,000 and offering costs of $770,000.

NOTE 10 FEDERAL INCOME TAXES

The amount of distributions from net investment income and net realized capital gains are determined in accordance with federal income tax regulations, which may differ from U.S. generally accepted accounting principles for investment companies. These book/tax differences may be either temporary or permanent. Permanent differences are reclassified within the capital accounts based on their federal tax-basis treatment; temporary differences are not reclassified. Key differences include the treatment of short-term capital gains, foreign currency transactions, income from passive foreign investment companies (PFICs) and wash sale deferrals. Distributions in excess of net investment income and/or net realized capital gains for tax purposes are reported as return of capital.

Table of Contents

NOTES TO FINANCIAL STATEMENTS AS OF FEBRUARY 29, 2012 (CONTINUED)

NOTE 10 FEDERAL INCOME TAXES (continued)

The following permanent tax differences have been reclassified as of the Fund s tax year ended December 31, 2011:

Paid-in Capital	Undistributed Net Investment Income	Accumulated Net Realized Gains/(Losses)
$ (14,432)	$ (1,079,681)	$ 1,094,113

Dividends paid by the Fund from net investment income and distributions of net realized short-term capital gains are, for federal income tax purposes, taxable as ordinary income to shareholders.

The tax composition of dividends and distributions as of the Fund s most recent tax year-end was as follows:

Tax Year Ended December 31, 2011	
Ordinary Income	Return of Capital
$ 3,346,360	$ 19,759,640

The tax-basis components of distributable earnings and the expiration dates of the capital loss carryforwards which may be used to offset future realized capital gains for federal income tax purposes as of the tax year ended December 31, 2011 were:

Unrealized Appreciation/ (Depreciation)	Post-October Capital Loss Deferred	Short-term Capital Loss Carryforwards	Expiration
$ (61,993,287)	$ (1,870,065)	$ (4,372,549)	N/A

The Fund s major tax jurisdictions are federal and Arizona. The earliest tax year that remains subject to examination by these jurisdictions is the Fund s initial tax year of 2011.

As of February 29, 2012, no provision for income tax is required in the Fund s financial statements as a result of tax positions taken on federal and state income tax returns for open tax years. The Fund s federal and state income and federal excise tax returns for tax years for which the applicable statutes of limitations have not expired are subject to examination by the Internal Revenue Service and state department of revenue.

The Regulated Investment Company Modernization Act of 2010 (the Act) was enacted on December 22, 2010. The Act makes changes to several tax rules impacting the Fund. In general, the provisions of the Act were effective for the Fund s tax year ended December 31,

2011. Although the Act provides several benefits, including the unlimited carryforward of future capital losses, there may be a greater likelihood that all or a portion of the Fund s pre-enactment capital loss carryforwards may expire without being utilized due to the fact that post-enactment capital losses are required to be utilized before pre-enactment capital loss carryforwards.

NOTE 11 OTHER ACCOUNTING PRONOUNCEMENTS

In May 2011, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2011-04 Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements . ASU No. 2011-04 amends FASB ASC Topic 820, Fair Value Measurements and Disclosures, to establish common requirements for measuring fair value and for disclosing information about fair value measurements in accordance with GAAP and the International Financial Reporting Standards (IFRSs). The ASU is effective prospectively for interim and annual periods beginning after December 15, 2011. As of February 29, 2012, management of the Fund is currently assessing the potential impact to financial statement disclosure that may result from adopting this ASU.

NOTE 12 SUBSEQUENT EVENTS

Dividends: Subsequent to February 29, 2012, the Fund made distributions of:

Per Share Amount	Declaration Date	Payable Date	Record Date
$ 0.400	3/15/2012	4/16/2012	4/4/2012

Each quarter, the Fund will provide disclosures with distribution payments made that estimate the percentages of that distribution that represent net investment income, capital gains, and return of capital, if any. A significant portion of the quarterly distribution payments made by the Fund may constitute a return of capital.

The Fund has evaluated events occurring after the Statement of Assets and Liabilities date (subsequent events) to determine whether any subsequent events necessitated adjustment to or disclosure in the financial statements. Other than the above, no such subsequent events were identified.

Table of Contents

SUMMARY PORTFOLIO OF INVESTMENTS

ING EMERGING MARKETS HIGH DIVIDEND EQUITY FUND

AS OF FEBRUARY 29, 2012

Shares			Value	Percentage of Net Assets
COMMON STOCK: 99.4%				
		Belgium: 0.9%		
82,657		Other Securities	$ 2,859,971	0.9
		Brazil: 15.0%		
281,636		Banco do Brasil S.A.	4,567,514	1.4
552,200		Embraer SA	4,132,054	1.3
189,300		Itau Unibanco Holding S.A.	4,045,602	1.3
260,209		Petroleo Brasileiro SA ADR	7,413,354	2.3
402,063		Porto Seguro SA	5,080,662	1.6
252,876		Vale SA	6,271,649	2.0
1,421,410		Other Securities	16,266,847	5.1
			47,777,682	**15.0**
		Chile: 1.6%		
12,784,176		Enersis SA	5,203,188	1.6
		China: 17.2%		
1,049,000		BOC Hong Kong Holdings Ltd.	2,926,027	0.9
6,432,000		China Communications Services Corp., Ltd.	3,298,039	1.0
1,512,800		China Pacific Insurance Group Co., Ltd.	5,430,992	1.7
3,272,000		China Petroleum & Chemical Corp.	3,721,488	1.2
3,172,000		China Resources Power Holdings Co.	6,228,562	1.9
3,402,000		China Shanshui Cement Group Ltd.	3,142,890	1.0
789,000	#,@	CITIC Securities Co. Ltd.	1,747,637	0.5
1,810,000		CNOOC Ltd.	4,109,801	1.3
2,678,000		Guangzhou Automobile Group Co. Ltd.	3,146,579	1.0
6,687,000		Industrial and Commercial Bank of China Ltd.	4,879,270	1.5
11,406,000		Kingdee International Software Group Co., Ltd.	3,059,000	1.0
2,469,000		Parkson Retail Group Ltd.	2,935,960	0.9
24,147,000		Other Securities	10,469,116	3.3
			55,095,361	**17.2**

Shares		Value	Percentage of Net Assets
COMMON STOCK: (continued)			
	Colombia: 1.1%		
60,700	Ecopetrol SA ADR	$ 3,532,133	1.1
	Czech Republic: 1.5%		
74,176	Other Securities	4,799,080	1.5
	Hong Kong: 5.8%		
123,000	China Mobile Ltd. ADR	6,520,230	2.0
1,329,000	Chow Sang Sang Holdings International Ltd.	3,608,015	1.1
9,318,500	Other Securities	8,511,969	2.7
		18,640,214	**5.8**
	Hungary: 0.5%		
8,599	Other Securities	1,545,612	0.5
	India: 3.1%		
799,373	NTPC Ltd.	2,948,733	0.9

495,608	Oil & Natural Gas Corp., Ltd.	2,959,659	0.9
498,027	Other Securities	3,987,549	1.3
		9,895,941	**3.1**
	Indonesia: 5.2%		
891,500	Indo Tambangraya Megah PT	4,270,049	1.3
7,262,500	Indofood Sukses Makmur Tbk PT	4,092,731	1.3
10,436,500	Perusahaan Gas Negara PT	4,320,645	1.3
5,142,000	Telekomunikasi Indonesia Tbk PT	4,004,582	1.3
		16,688,007	**5.2**
	Malaysia: 2.9%		
1,350,700	CIMB Group Holdings Bhd	3,218,139	1.0
3,116,500	Other Securities	6,114,365	1.9
		9,332,504	**2.9**
	Mexico: 1.2%		
3,155,144	America Movil SAB de CV	3,791,225	1.2
	Peru: 0.6%		
14,300	Other Securities	1,757,327	0.6
	Poland: 2.1%		
3,383,047	Polskie Gornictwo Naftowe I Gazownictwo SA	3,972,305	1.2
26,785	Powszechny Zaklad Ubezpieczen SA	2,891,928	0.9
		6,864,233	**2.1**

See Accompanying Notes to Financial Statements

Table of Contents

SUMMARY
PORTFOLIO OF INVESTMENTS

ING EMERGING MARKETS HIGH
DIVIDEND EQUITY FUND

AS OF FEBRUARY 29, 2012 (CONTINUED)

Shares		Value	Percentage of Net Assets
COMMON STOCK: (continued)			
	Qatar: 0.8%		
116,405	Other Securities	$ 2,460,583	0.8
	Russia: 4.8%		
619,248	Gazprom OAO ADR	8,205,036	2.6
295,049	Mobile Telesystems OJSC ADR	5,384,644	1.7
25,896	Other Securities	1,661,229	0.5
		15,250,909	**4.8**
	Singapore: 3.1%		
540,000	Fraser and Neave Ltd.	2,881,249	0.9
351,000	Keppel Corp., Ltd.	3,090,542	0.9
282,000	United Overseas Bank Ltd.	4,054,095	1.3
		10,025,886	**3.1**
	South Africa: 7.1%		
172,788	Impala Platinum Holdings Ltd.	3,825,911	1.2
1,001,104	Life Healthcare Group Holdings Ltd.	2,891,796	0.9
224,738	MTN Group Ltd.	4,035,841	1.3
273,053	Standard Bank Group Ltd.	4,014,280	1.3
1,001,812	Other Securities	7,819,735	2.4
		22,587,563	**7.1**
	South Korea: 10.1%		
186,752	Hite Jinro Co. Ltd.	4,174,380	1.3
17,211	Posco	6,386,821	2.0
5,782	Samsung Electronics Co., Ltd.	6,217,754	1.9
749,035	Other Securities	15,492,552	4.9
		32,271,507	**10.1**
	Taiwan: 11.4%		
5,793,000	Chinatrust Financial Holding Co., Ltd.	3,916,620	1.2
256,750	HTC Corp.	5,732,396	1.8
1,228,000	Quanta Computer, Inc.	3,023,350	1.0
1,976,000	Taiwan Semiconductor Manufacturing Co., Ltd.	5,407,987	1.7
2,000,000	Uni-President Enterprises Corp.	3,049,702	1.0
6,119,870	Other Securities	15,151,170	4.7
		36,281,225	**11.4**

Shares		Value	Percentage of Net Assets
COMMON STOCK: (continued)			
	Thailand: 1.3%		
355,400	PTT Plc.	$ 4,248,195	1.3
	United Kingdom: 1.6%		
467,119	Eurasian Natural Resources Corp.	5,181,912	1.6
	United States: 0.5%		
44,776	Other Securities	1,439,996	0.5
	Total Common Stock (Cost $330,766,290)	**317,530,254**	**99.4**

RIGHTS: 0.0%			
	Taiwan: 0.0%		
289,454	Other Securities	37,472	0.0
	Total Rights (Cost $)	**37,472**	**0.0**
	Total Long-Term Investments (Cost $330,766,290)	**317,567,726**	**99.4**
SHORT-TERM INVESTMENTS: 1.1%			
	Mutual Funds: 1.1%		
3,503,412	BlackRock Liquidity Funds, TempFund, Institutional Class (Cost $3,503,412)	3,503,412	1.1
	Total Short-Term Investments (Cost $3,503,412)	**3,503,412**	**1.1**
	Total Investments in Securities (Cost $334,269,702)	**$ 321,071,138**	**100.5**
	Liabilities in Excess of Other Assets	**(1,506,494)**	**(0.5)**
	Net Assets	**$ 319,564,644**	**100.0**

Other Securities represents issues not identified as the top 50 holdings in terms of market value and issues or issuers not exceeding 1% of net assets individually or in aggregate respectively as of February 29, 2012.

The following footnotes apply to either the individual securities noted or one or more of the securities aggregated and listed as a single line item.

\# Securities with purchases pursuant to Rule 144A or section 4(2), under the Securities Act of 1933 and may not be resold subject to that rule except to qualified institutional buyers.
@ Non-income producing security
ADR American Depositary Receipt

See Accompanying Notes to Financial Statements

Table of Contents

SUMMARY
PORTFOLIO OF INVESTMENTS

ING EMERGING MARKETS HIGH DIVIDEND EQUITY FUND

AS OF FEBRUARY 29, 2012 (CONTINUED)

Cost for federal income tax purposes is $336,396,194.

Net unrealized depreciation consists of:		
Gross Unrealized Appreciation	$	13,952,003
Gross Unrealized Depreciation		(29,277,059)
Net Unrealized Depreciation	$	(15,325,056)

Sector Diversification	Percentage of Net Assets
Consumer Discretionary	8.0%
Consumer Staples	6.3
Energy	14.5
Financials	24.3
Health Care	2.9
Industrials	6.7
Information Technology	11.2
Materials	9.1
Rights	0.0
Telecommunications	9.3
Utilities	7.1
Short-Term Investments	1.1
Liabilities in Excess of Other Assets	(0.5)
Net Assets	**100.0%**

Fair Value Measurements^

The following is a summary of the fair valuations according to the inputs used as of February 29, 2012 in valuing the assets and liabilities:

	Quoted Prices in Active Markets for Identical Investments (Level 1)	Significant Other Observable Inputs # (Level 2)	Significant Unobservable Inputs (Level 3)	Fair Value at 2/29/2012
Asset Table				
Investments, at value				
Common Stock				
Belgium	$	$ 2,859,971	$	$ 2,859,971
Brazil	47,777,682			47,777,682
Chile	5,203,188			5,203,188
China	1,747,637	53,347,724		55,095,361
Colombia	3,532,133			3,532,133
Czech Republic	2,749,656	2,049,424		4,799,080
Hong Kong	6,520,230	11,578,153	541,831	18,640,214
Hungary		1,545,612		1,545,612

India		9,895,941		9,895,941
Indonesia		16,688,007		16,688,007
Malaysia		9,332,504		9,332,504
Mexico	3,791,225			3,791,225
Peru	1,757,327			1,757,327
Poland		6,864,233		6,864,233
Qatar		2,460,583		2,460,583
Russia	15,250,909			15,250,909
Singapore		10,025,886		10,025,886
South Africa	2,455,383	20,132,180		22,587,563
South Korea	2,543,197	29,728,310		32,271,507
Taiwan		36,281,225		36,281,225
Thailand		4,248,195		4,248,195
United Kingdom		5,181,912		5,181,912
United States	1,439,996			1,439,996
Total Common Stock	94,768,563	222,219,860	541,831	317,530,254
Rights		37,472		37,472
Short-Term Investments	3,503,412			3,503,412
Total Investments, at value	$ 98,271,975	$ 222,257,332	$ 541,831	$ 321,071,138
Liabilities Table				
Other Financial Instruments+				
Written Options	$	$ (1,141,743)	$	$ (1,141,743)
Total Liabilities	$	$ (1,141,743)	$	$ (1,141,743)

See Accompanying Notes to Financial Statements

21

Table of Contents

SUMMARY PORTFOLIO OF INVESTMENTS

ING Emerging Markets High Dividend Equity Fund

AS OF FEBRUARY 29, 2012 (CONTINUED)

The following is a reconciliation of the fair valuations using significant unobservable inputs (Level 3) for the Fund s assets and liabilities during the period ended February 29, 2012:

	Beginning Balance 2/28/2011	Purchases	Sales	Accrued Discounts/ (Premiums)	Total Realized Gain/(Loss)	Total Unrealized Appreciation/ (Depreciation)	Transfers Into Level 3	Transfers Out of Level 3	Ending Balance 2/29/2012
Asset Table									
Investments, at value									
Common Stock	$	$	$	$	$	$	$ 541,831	$	$ 541,831
Total Investments, at value	$	$	$	$	$	$	$ 541,831	$	$ 541,831

As of February 29, 2012, total change in unrealized gain (loss) on Level 3 securities still held at period end and included in the change in net assets was $0.

^ See Note 2, Significant Accounting Policies in the Notes to Financial Statements for additional information.

\+ Other Financial Instruments are derivatives not reflected in the Portfolio of Investments and may include open forward foreign currency contracts, equity forwards, futures, swaps, and written options. Forward foreign currency contracts, equity forwards and futures are valued at the unrealized gain (loss) on the instrument. Swaps and written options are valued at the fair value of the instrument.

\# The earlier close of the foreign markets gives rise to the possibility that significant events, including broad market moves, may have occurred in the interim and may materially affect the value of those securities. To account for this, the Portfolio may frequently value many of its foreign equity securities using fair value prices based on third party vendor modeling tools to the extent available. Accordingly, a significant portion of the Portfolio s investments are categorized as Level 2 investments.

There were no significant transfers between Level 1 and 2 during the year ended February 29, 2012.

Transfers in or out of Level 3 represent either the beginning value (for transfers in), or the ending value (for transfers out) of any security or derivative instrument where a change in the pricing level occurred from the beginning to the end of the period. Transfers are recognized at the end of the reporting period.

ING Emerging Markets High Dividend Equity Fund Written OTC Options on February 29, 2012

# of Contracts	Counterparty	Description	Exercise Price		Expiration Date	Premiums Received	Fair Value
Options on Indices							
715,200	Barclays Bank PLC	Call on iShares MSCI Emerging Markets Index Fund	44.018	USD	03/16/12	$ 848,299	$ (764,661)
717,900	Morgan Stanley	Call on iShares MSCI Emerging Markets Index Fund	43.980	USD	03/02/12	756,236	(377,082)
		Total Written OTC Options				$ 1,604,535	$ (1,141,743)

A summary of derivative instruments by primary risk exposure is outlined in the following tables.

The fair value of derivative instruments as of February 29, 2012 was as follows:

Derivatives not accounted for as hedging instruments	Location on Statement of Assets and Liabilities	Fair Value
Liability Derivatives		
Equity contracts	Written options, at fair value	$ 1,141,743
Total Liability Derivatives		$ 1,141,743

The effect of derivative instruments on the Fund s Statement of Operations for the period ended February 29, 2012 was as follows:

Derivatives not accounted for as hedging instruments	Amount of Realized Gain or (Loss) on Derivatives Recognized in Income Written options	
Equity contracts	$	4,366,992
Total	$	4,366,992

Derivatives not accounted for as hedging instruments	Change in Unrealized Appreciation or (Depreciation) on Derivatives Recognized in Income Written options	
Equity contracts	$	462,792
Total	$	462,792

See Accompanying Notes to Financial Statements

Table of Contents

ING Emerging Markets High Dividend Equity Fund

SUMMARY PORTFOLIO OF INVESTMENTS AS OF FEBRUARY 29, 2012 (CONTINUED)

Supplemental Option Information (Unaudited)

Supplemental Call Option Statistics as of February 29, 2012	
% of Total Net Assets against which calls written	20.03%
Average Days to Expiration at time written	28 days
Average Call Moneyness* at time written	ATM
Premium received for calls	1,604,535
Value of calls	(1,141,743)

* Moneyness is the term used to describe the relationship between the price of the underlying asset and the option s exercise or strike price. For example, a call (buy) option is considered in-the-money when the value of the underlying asset exceeds the strike price. Conversely, a put (sell) option is considered in-the-money when its strike price exceeds the value of the underlying asset. Options are characterized for the purpose of Moneyness as, in-the-money (ITM), out-of-the-money (OTM) or at-the-money (ATM), where the underlying asset value equals the strike price.

See Accompanying Notes to Financial Statements

Table of Contents

TAX INFORMATION (UNAUDITED)

Dividends and distributions paid during the tax year ended December 31, 2011 were as follows:

Fund Name	Type	Per Share Amount
ING Emerging Markets High Equity Dividend Fund	NII	$ 0.1738
	ROC	$ 1.0262

NII - Net investment income

ROC - Return of capital

Of the ordinary distributions made during the year ended December 31, 2011, 2.80% qualifies for the dividends received deduction (DRD) available to corporate shareholders.

For the year ended December 31, 2011, 74.76% of ordinary income dividends paid by the Fund (including creditable foreign taxes paid) are designated as qualifying dividend income (QDI) subject to reduced income tax rates for individuals.

Pursuant to Section 853 of the Internal Revenue Code, the Fund designates the following amounts as foreign taxes paid for the year ended December 31, 2011:

Creditable Foreign Taxes Paid	Per Share Amount	Portion of Ordinary Income Distribution Derived from Foreign Sourced Income*
$566,122	$ 0.0294	98.57%

* None of the Fund s income was derived from ineligible foreign sources as defined under Section 901(j) of the Internal Revenue Code.

Foreign taxes paid or withheld should be included in taxable income with an offsetting deduction from gross income or as a credit for taxes paid to foreign governments. Shareholders are strongly advised to consult their own tax advisors regarding the appropriate treatment of foreign taxes paid.

Above figures may differ from those cited elsewhere in this report due to differences in the calculation of income and gains under U.S. generally accepted accounting principles (book) purposes and Internal Revenue Service (tax) purposes.

Shareholders are strongly advised to consult their own tax advisers with respect to the tax consequences of their investments in the Fund. In January, shareholders, excluding corporate shareholders, receive an IRS 1099-DIV regarding the federal tax status of the dividends and distributions they received in the calendar year.

Table of Contents

TRUSTEE AND OFFICER INFORMATION (UNAUDITED)

The business and affairs of the Trust are managed under the direction of the Trust s Board. A Trustee who is not an interested person of the Trust, as defined in the 1940 Act, is an independent trustee (Independent Trustee). The Trustees and Officers of the Trust are listed below. The Statement of Additional Information includes additional information about trustees of the Trust and is available, without charge, upon request at (800) 992 - 0180.

Name, Address and Age	Position(s) held with the Trust	Term of Office and Length of Time Served[1]	Principal Occupation(s) - during the Past 5 Years	Number of Funds in Fund Complex Overseen by Trustee[2][3]	Other Board Positions held by Trustee
Independent Trustees:					
Colleen D. Baldwin 7337 East Doubletree Ranch Rd. Suite 100 Scottsdale, Arizona 85258 Age: 51	Trustee	August 2010 - Present	President, Glantuam Partners, LLC, a business consulting firm (January 2009 - Present).	138	None.
John V. Boyer 7337 East Doubletree Ranch Rd. Suite 100 Scottsdale, Arizona 85258 Age: 58	Trustee	August 2010 - Present	President and Chief Executive Officer, Bechtler Arts Foundation, an arts and education foundation (January 2008 - Present). Formerly, Consultant (July 2007 - February 2008) and President and Chief Executive Officer, Franklin and Eleanor Roosevelt Institute, a public policy foundation (March 2006 - July 2007).	138	None.
Patricia W. Chadwick 7337 East Doubletree Ranch Rd. Suite 100 Scottsdale, Arizona 85258 Age: 63	Trustee	August 2010 - Present	Consultant and President, Ravengate Partners LLC, a consulting firm that provides advice regarding financial markets and the global economy (January 2000 - Present).	138	Wisconsin Energy Corporation (June 2006 - Present) and The Royce Funds, (35 funds) (December 2009 - Present).
Peter S. Drotch	Trustee		Retired.	138	

7337 East Doubletree Ranch Rd. Suite 100 Scottsdale, Arizona 85258 Age: 70		August 2010 - Present			First Marblehead Corporation (September 2003 - Present).
J. Michael Earley 7337 East Doubletree Ranch Rd. Suite 100 Scottsdale, Arizona 85258 Age: 66	Trustee	August 2010 - Present	Retired. Formerly, Banking President and Chief Executive Officer, Bankers Trust Company, N.A., Des Moines (June 1992 - December 2008).	138	None.
Patrick W. Kenny 7337 East Doubletree Ranch Rd. Suite 100 Scottsdale, Arizona 85258 Age: 69	Trustee	August 2010 - Present	Retired. Formerly, President and Chief Executive Officer, International Insurance Society (June 2001 - June 2009).	138	Assured Guaranty Ltd. (April 2004 - Present).
Sheryl K. Pressler 7337 East Doubletree Ranch Rd. Suite 100 Scottsdale, Arizona 85258 Age: 61	Trustee	August 2010 - Present	Consultant (May 2001 - Present).	138	Stillwater Mining Company (May 2002 - Present).
Roger B. Vincent 7337 East Doubletree Ranch Rd. Suite 100 Scottsdale, Arizona 85258 Age: 66	Chairperson/Trustee	August 2010 - Present	Retired. Formerly, President, Springwell Corporation, a corporate finance firm (March 1989 - August 2011).	138	UGI Corporation (February 2006 - Present) and UGI Utilities, Inc. (February 2006 - Present).

Table of Contents

TRUSTEE AND OFFICER INFORMATION (UNAUDITED) (CONTINUED)

Name, Address and Age	Position(s) held with the Trust	Term of Office and Length of Time Served[1]	Principal Occupation(s) - during the Past 5 Years	Number of Funds in Fund Complex Overseen by Trustee[2][3]	Other Board Positions held by Trustee
Trustees who are Interested Persons :					
Robert W. Crispin[3] 7337 East Doubletree Ranch Rd. Suite 100 Scottsdale, Arizona 85258 Age: 65	Trustee	August 2010 - Present	Retired. Formerly, Chairman and Chief Executive Officer, ING Investment Management Co. (July 2001 - December 2007).	138	Intact Financial Corporation (December 2004 - Present) and PFM Group (November 2010 - Present).
Shaun P. Mathews[3] 7337 East Doubletree Ranch Rd. Suite 100 Scottsdale, Arizona 85258 Age: 56	Trustee	August 2010 - Present	President and Chief Executive Officer, ING Investments, LLC (November 2006 - Present).	177	ING Capital Corporation, LLC (December 2005 - Present).

(1) The Board is divided into three classes, with the term of one class expiring at each annual meeting of each Fund. At each annual meeting, one class of Trustees is elected to a three-year term and serves until their successors are duly elected and qualified. The tenure of each Trustee is subject to the Board s retirement policy, which states that each duly elected or appointed Trustee who is an Independent Trustee shall retire from service as a Trustee at the conclusion of the first regularly scheduled meeting of the Board that is held after the Trustee reaches the age of 72. A unanimous vote of the Board may extend the retirement date of a Trustee for up to one year. An extension may be permitted if the retirement would trigger a requirement to hold a meeting of shareholders of the Funds, under applicable law, whether for purposes of appointing a successor to the Trustee or if otherwise necessary under applicable law, in which case the extension would apply until such time as the shareholder can be held or is no longer needed.

(2) Except for Mr. Mathews and for the purposes of this table ING Fund Complex means the following investment companies: ING Asia Pacific High Dividend Equity Income Fund; ING Emerging Markets High Dividend Equity Fund; ING Emerging Markets Local Bond Fund; ING Equity Trust; ING Funds Trust; ING Global Equity Dividend and Premium Opportunity Fund; ING Global Advantage and Premium Opportunity Fund; ING Infrastructure, Industrials and Materials Fund; ING International High Dividend Equity Income Fund; ING Investors Trust; ING Mayflower Trust; ING Mutual Funds; ING Partners, Inc.; ING Prime Rate Trust; ING Risk Managed Natural Resources Fund; ING Senior Income Fund; ING Separate Portfolios Trust; ING Variable Insurance Trust; and ING Variable Products Trust. For Mr. Mathews, the ING Fund Complex also includes the following investment companies: ING Balanced Portfolio, Inc.; ING Intermediate Bond Portfolio; ING Money Market Portfolio; ING Series Fund, Inc.; ING Strategic Allocation Portfolios, Inc.; ING Variable Funds; and ING Variable Portfolios, Inc. Therefore, for the purposes of this table with reference to Mr. Mathews, Fund Complex includes these investment companies. The number of funds in the ING Fund Complex is as of March 31, 2012.

(3) Messrs. Crispin and Matthews are deemed Interested Persons of the Trust because of their current or prior affiliation with ING Groep, N.V., the parent corporation of the Investment Adviser(s) and the Distributor.

Table of Contents

TRUSTEE AND OFFICER INFORMATION (UNAUDITED) (CONTINUED)

Name, Address and Age	Position(s) Held with the Trust	Term of Office and Length of Time Served(1)	Principal Occupation(s) - during the Past 5 Years
Shaun P. Mathews 7337 East Doubletree Ranch Rd. Suite 100 Scottsdale, Arizona 85258 Age: 56	President and Chief Executive Officer	July 2010 - Present	President and Chief Executive Officer, ING Investments, LLC (November 2006 - Present).
Michael J. Roland 7337 East Doubletree Ranch Rd. Suite 100 Scottsdale, Arizona 85258 Age: 53	Executive Vice President	July 2010 - Present	Chief Compliance Officer, Directed Services LLC and ING Investments, LLC (March 2011 - Present) and Executive Vice President and Chief Operating Officer, ING Investments, LLC and ING Funds Services, LLC (January 2007 - Present). Formerly, Chief Compliance Officer, ING Funds (March 2011 - February 2012).
Stanley D. Vyner 230 Park Avenue New York, New York 10169 Age: 61	Executive Vice President Chief Investment Risk Officer	July 2010 - Present	Executive Vice President, ING Investments, LLC (July 2000 - Present) and Chief Investment Risk Officer, ING Investments, LLC (January 2003 - Present).
Kevin M. Gleason 7337 East Doubletree Ranch Rd. Suite 100 Scottsdale, Arizona 85258 Age: 45	Chief Compliance Officer	February 2012 - Present	Senior Vice President, ING Investment Management LLC. (February 2012 - Present). Formerly, Assistant General Counsel and Assistant Secretary, The Northwestern Mutual Life Insurance Company (June 2004 - January 2012).
Kimberly A. Anderson 7337 East Doubletree Ranch Rd. Suite 100	Senior Vice President	August 2006 - Present	Senior Vice President, ING Investments, LLC (October 2003 - Present).

Scottsdale, Arizona 85258 Age: 47			
Todd Modic 7337 East Doubletree Ranch Rd. Suite 100 Scottsdale, Arizona 85258 Age: 44	Senior Vice President, Chief/Principal Financial Officer and Assistant Secretary	July 2010 - Present	Senior Vice President, ING Funds Services, LLC (March 2005 - Present).
Robert Terris 7337 East Doubletree Ranch Rd. Suite 100 Scottsdale, Arizona 85258 Age: 41	Senior Vice President	July 2010 - Present	Senior Vice President, Head of Division Operations, ING Funds Services, LLC (May 2006 - Present).
Gregory K. Wilson 7337 East Doubletree Ranch Rd. Suite 100 Scottsdale, Arizona 85258 Age: 52	Senior Vice President	September 2011 - Present	Senior Vice President - Fund Compliance, ING Funds Services, LLC (March 2012 - Present). Formerly, Vice President - Fund Compliance, ING Funds Services, LLC (October 2009 - March 2012) and Finance Director, ING Funds Services, LLC (September 2006 - October 2009).
Robyn L. Ichilov 7337 East Doubletree Ranch Rd. Suite 100 Scottsdale, Arizona 85258 Age: 44	Vice President	July 2010 - Present	Vice President and Treasurer, ING Funds Services, LLC (November 1995 - Present) and ING Investments, LLC (August 1997 - Present). Formerly, Treasurer, ING Funds (November 1999 - February 2012).
Maria M. Anderson 7337 East Doubletree Ranch Rd. Suite 100 Scottsdale, Arizona 85258 Age: 53	Vice President	July 2010 - Present	Vice President, ING Funds Services, LLC (September 2004 - Present).
Lauren D. Bensinger 7337 East Doubletree Ranch Rd. Suite 100 Scottsdale, Arizona 85258 Age: 58	Vice President	July 2010 - Present	Vice President, ING Investments, LLC and ING Funds Services, LLC (February 1996 - Present); Director of Compliance, ING Investments, LLC (October 2004 - Present); and Vice President and Money Laundering Reporting Officer, ING Investments Distributor, LLC (April 2010 - Present). Formerly, Chief Compliance Officer, ING Investments Distributor, LLC (August 1995 - April 2010).

William Evans One Orange Way Windsor, Connecticut 06095 Age: 39	Vice President	July 2010 - Present	Senior Vice President (March 2010 - Present) and Head of Manager Research and Selection Group, ING Investment Management (April 2007 - Present). Formerly, Vice President, U.S. Mutual Funds and Investment Products (May 2005 - April 2007).

27

Table of Contents

TRUSTEE AND OFFICER INFORMATION (UNAUDITED) (CONTINUED)

Name, Address and Age	Position(s) Held with the Trust	Term of Office and Length of Time Served[1]	Principal Occupation(s) - during the Past 5 Years
Denise Lewis 7337 East Doubletree Ranch Rd. Suite 100 Scottsdale, Arizona 85258 Age: 48	Vice President Treasurer	July 2010 - Present February 2012 - Present	Vice President, ING Funds Services, LLC (December 2006 - Present).
Kimberly K. Springer 7337 East Doubletree Ranch Rd. Suite 100 Scottsdale, Arizona 85258 Age: 54	Vice President	July 2010 - Present	Vice President, ING Investment Management - ING Funds (March 2010 - Present); Vice President, ING Funds Services, LLC (March 2006 - Present) and Managing Paralegal, Registration Statements (June 2003 - Present).
Craig Wheeler 7337 East Doubletree Ranch Rd. Suite 100 Scottsdale, Arizona 85258 Age: 43	Assistant Vice President	July 2010 - Present	Assistant Vice President - Director of Tax, ING Funds Services, LLC (March 2008 - Present). Formerly, Tax Manager, ING Funds Services, LLC (March 2005 - March 2008).
Huey P. Falgout, Jr. 7337 East Doubletree Ranch Rd. Suite 100 Scottsdale, Arizona 85258 Age: 48	Secretary	July 2010 - Present	Senior Vice President and Chief Counsel, ING Investment Management - ING Funds (March 2010 - Present). Formerly, Chief Counsel, ING Americas, U.S. Legal Services (October 2003 - March 2010).
Paul Caldarelli 7337 East Doubletree Ranch Rd.	Assistant Secretary	July 2010 - Present	Vice President and Senior Counsel, ING Investment Management - ING Funds (March 2010 - Present). Formerly, Senior Counsel, ING Americas, U.S. Legal Services (April 2008 - March 2010) and Counsel,

Suite 100 Scottsdale, Arizona 85258 Age: 60			ING Americas, U.S. Legal Services (May 2005 - April 2008).
Theresa K. Kelety 7337 East Doubletree Ranch Rd. Suite 100 Scottsdale, Arizona 85258 Age: 49	Assistant Secretary	July 2010 - Present	Vice President and Senior Counsel, ING Investment Management - ING Funds (March 2010 - Present). Formerly, Senior Counsel, ING Americas, U.S. Legal Services (April 2008 - March 2010) and Counsel, ING Americas, U.S. Legal Services (April 2003 - April 2008).
Kathleen Nichols 7337 East Doubletree Ranch Rd. Suite 100 Scottsdale, Arizona 85258 Age: 36	Assistant Secretary	July 2010 - Present	Vice President and Counsel, ING Investment Management - ING Funds (March 2010 - Present). Formerly, Counsel, ING Americas, U.S. Legal Services (February 2008 - March 2010) and Associate, Ropes & Gray LLP (September 2005 - February 2008).

(1) The Officers hold office until the next annual meeting of the Board of Trustees and until their successors shall have been elected and qualified.

Table of Contents

ADDITIONAL INFORMATION (Unaudited)

During the period, there were no material changes in the Fund s investment objective or policies that were not approved by the shareholders or the Fund s charter or by-laws or in the principal risk factors associated with investment in the Fund.

Dividend Reinvestment Plan

Unless the registered owner of Common Shares elects to receive cash by contacting Computershare Shareowner Services LLC (the Plan Agent), all dividends declared on Common Shares of the Fund will be automatically reinvested by the Plan Agent for shareholders in additional Common Shares of the Fund through the Fund s Dividend Reinvestment Plan (the Plan). Shareholders who elect not to participate in the Plan will receive all dividends and other distributions in cash paid by check mailed directly to the shareholder of record (or, if the Common Shares are held in street or other nominee name, then to such nominee) by the Plan Agent. Participation in the Plan is completely voluntary and may be terminated or resumed at any time without penalty by notice if received and processed by the Plan Agent prior to the dividend record date; otherwise such termination or resumption will be effective with respect to any subsequently declared dividend or other distribution. Some brokers may automatically elect to receive cash on your behalf and may re-invest that cash in additional Common Shares of the Fund for you. If you wish for all dividends declared on your Common Shares of the Fund to be automatically reinvested pursuant to the Plan, please contact your broker.

The Plan Agent will open an account for each Common Shareholder under the Plan in the same name in which such Common Shareholder s Common Shares are registered. Whenever the Fund declares a dividend or other distribution (together, a Dividend) payable in cash, non-participants in the Plan will receive cash and participants in the Plan will receive the equivalent in Common Shares. The Common Shares will be acquired by the Plan Agent for the participants accounts, depending upon the circumstances described below, either (i) through receipt of additional unissued but authorized Common Shares from the Fund (Newly Issued Common Shares) or (ii) by purchase of outstanding Common Shares on the open market (Open-Market Purchases) on the NYSE or elsewhere. Open-market purchases and sales are usually made through a broker affiliated with the Plan Agent.

If, on the payment date for any Dividend, the closing market price plus estimated brokerage commissions per

Common Share is equal to or greater than the net asset value per Common Share, the Plan Agent will invest the Dividend amount in Newly Issued Common Shares on behalf of the participants. The number of Newly Issued Common Shares to be credited to each participant s account will be determined by dividing the dollar amount of the Dividend by the net asset value per Common Share on the payment date; provided that, if the net asset value is less than or equal to 95% of the closing market value on the payment date, the dollar amount of the Dividend will be divided by 95% of the closing market price per Common Share on the payment date. If, on the payment date for any Dividend, the net asset value per Common Share is greater than the closing market value plus estimated brokerage commissions, the Plan Agent will invest the Dividend amount in Common Shares acquired on behalf of the participants in Open-Market Purchases. In the event of a market discount on the payment date for any Dividend, the Plan Agent will have until the last business day before the next date on which the Common Shares trade on an ex-dividend basis or 30 days after the payment date for such Dividend, whichever is sooner (the Last Purchase Date), to invest the Dividend amount in Common Shares acquired in Open-Market Purchases.

The Fund pays quarterly Dividends. Therefore, the period during which Open-Market Purchases can be made will exist only from the payment date of each Dividend through the date before the next ex-dividend date, which typically will be approximately ten days.

If, before the Plan Agent has completed its Open-Market Purchases, the market price per common share exceeds the net asset value per Common Share, the average per Common Share purchase price paid by the Plan Administrator may exceed the net asset value of the Common Shares, resulting in the acquisition of fewer Common Shares than if the Dividend had been paid in Newly Issued Common Shares on the Dividend payment date. Because of the foregoing difficulty with respect to Open-Market Purchases, the Plan provides that if the Plan Agent is unable to invest the full Dividend amount in Open-Market Purchases during the purchase period or if the market discount shifts to a market premium during the purchase period, the Plan Agent will cease making Open-Market Purchases and will invest the un-invested portion of the Dividend amount in Newly Issued Common Shares at the net asset value per common share at the close of business on the Last Purchase Date provided that, if the net

Table of Contents

ADDITIONAL INFORMATION (UNAUDITED) (CONTINUED)

asset value is less than or equal to 95% of the then current market price per Common Share, the dollar amount of the Dividend will be divided by 95% of the market price on the payment date.

The Plan Agent maintains all shareholders accounts in the Plan and furnishes written confirmation of all transactions in the accounts, including information needed by shareholders for tax records. Common Shares in the account of each Plan participant will be held by the Plan Agent on behalf of the Plan participant, and each shareholder proxy will include those shares purchased or received pursuant to the Plan. The Plan Agent will forward all proxy solicitation materials to participants and vote proxies for shares held under the Plan in accordance with the instructions of the participants.

In the case of shareholders such as banks, brokers or nominees which hold shares for others who are the beneficial owners, the Plan Agent will administer the Plan on the basis of the number of Common Shares certified from time to time by the record shareholder s name and held for the account of beneficial owners who participate in the Plan.

There will be no brokerage charges with respect to Common Shares issued directly by the Fund. However, each participant will pay a pro rata share of brokerage commissions incurred in connection with Open-Market Purchases. The automatic reinvestment of Dividends will not relieve participants of any federal, state or local income tax that may be payable (or required to be withheld) on such Dividends. Participants that request a partial or full sale of shares through the Plan Agent are subject to a $15.00 sales fee and a $0.10 per share brokerage commission on purchases or sales, and may be subject to certain other service charges.

The Fund reserves the right to amend or terminate the Plan. There is no direct service charge to participants with regard to purchases in the Plan; however, the Fund reserves the right to amend the Plan to include a service charge payable by the participants.

All questions concerning the Plan should be directed to the Fund s Shareholder Service Department at (800) 992-0180.

KEY FINANCIAL DATES CALENDAR 2012 DISTRIBUTIONS:

Declaration Date	Ex Date	Payable Date
March 15, 2012	April 2, 2012	April 16, 2012
June 15, 2012	July 2, 2012	July 16, 2012
September 17, 2012	October 1, 2012	October 15, 2012
December 17, 2012	December 27, 2012	January 15, 2013

Record date will be two business days after each Ex-Dividend Date. These dates are subject to change.

Stock Data

The Fund s common shares are traded on the NYSE (Symbol: IHD).

Repurchase of Securities by Closed-End Companies

In accordance with Section 23(c) of the 1940 Act, and Rule 23c-1 under the 1940 Act the Fund may from time to time purchase shares of beneficial interest of the Fund in the open market, in privately negotiated transactions and/or purchase shares to correct erroneous transactions.

Number of Shareholders

The approximate number of record holders of Common Stock as of February 29, 2012 was 12,503, which does not include beneficial owners of shares held in the name of brokers of other nominees.

Certifications

In accordance with Section 303A.12 (a) of the New York Stock Exchange Listed Company Manual, the Fund s CEO is required to submit the Annual CEO Certification certifying that he was not aware, as of the date of submission, of any violation by the Fund of the NYSE s Corporate governance listing standards. In addition, as required by Section 302 of the Sarbanes-Oxley Act of 2002 and related SEC rules, the Fund s principal executive and financial officers have made quarterly certifications, included in filings with the SEC on Forms N-CSR and N-Q, relating to, among other things, the Fund s disclosure controls and procedures and internal controls over financial reporting.

Table of Contents

Investment Adviser

ING Investments, LLC

7337 East Doubletree Ranch Road, Suite 100

Scottsdale, Arizona 85258

Administrator

ING Funds Services, LLC

7337 East Doubletree Ranch Road, Suite 100

Scottsdale, Arizona 85258

Transfer Agent

Computershare Shareowner Services LLC.

480 Washington Boulevard

Jersey City, New Jersey 07310-1900

Independent Registered Public Accounting Firm

KPMG LLP

Two Financial Center

60 South Street

Boston, Massachusetts 02111

Custodian

The Bank of New York Mellon

One Wall Street

New York, New York 10286

Legal Counsel

Dechert LLP

1775 I Street, N.W.

Washington, D.C. 20006

Toll-Free Shareholder Information

Call us from 9:00 a.m. to 7:00 p.m. Eastern time on any business day for account or other information, at (800) 992-0180

AR-UIHD (0212-042012)

Table of Contents

Item 2. Code of Ethics.

As of the end of the period covered by this report, Registrant had adopted a code of ethics, as defined in Item 2 of Form N-CSR, that applies to the Registrant s principal executive officer and principal financial officer. There were no amendments to the Code during the period covered by the report. The Registrant did not grant any waivers, including implicit waivers, from any provisions of the Code during the period covered by this report. The code of ethics is filed herewith pursuant to Item 10(a)(1), Exhibit 99.CODE ETH.

Item 3. Audit Committee Financial Expert.

The Board of Trustees has determined that J. Michael Earley, Peter S. Drotch and Colleen Baldwin are audit committee financial experts, as defined in Item 3 of Form N-CSR. Mr. Earley, Mr. Drotch and Ms. Baldwin are independent for purposes of Item 3 of Form N-CSR.

Item 4. Principal Accountant Fees and Services.

(a) Audit Fees: The aggregate fees billed for each of the last two fiscal years for professional services rendered by KPMG LLP (KPMG), the principal accountant for the audit of the registrant s annual financial statements, for services that are normally provided by the accountant in connection with statutory and regulatory filings or engagements for those fiscal years were $24,500 for the year ended February 29, 2012.

(b) Audit-Related Fees: The aggregate fees billed in each of the last two fiscal years for assurance and related services by KMPG that are reasonably related to the performance of the audit of the registrant s financial statements and are not reported under paragraph (a) of this item were $2,400 for the year ended February 29, 2012.

(c) Tax Fees: The aggregate fees billed in each the last two fiscal years for professional services rendered by KPMG for tax compliance, tax advice, and tax planning were $7,278 in the year ended February 29, 2012 . Such services included review of excise distribution calculations (if applicable), preparation of the Funds federal, state and excise tax returns, tax services related to mergers and routine consulting.

(d) All Other Fees: None

(e)(1) Audit Committee Pre-Approval Policies and Procedures

Table of Contents

AUDIT AND NON-AUDIT SERVICES

PRE-APPROVAL POLICY

I. Statement of Principles

Under the Sarbanes-Oxley Act of 2002 (the Act), the Audit Committee of the Board of Directors or Trustees (the Committee) of the ING Funds (each a Fund, collectively, the Funds) set out on Exhibit A to this Audit and Non-Audit Services Pre-Approval Policy (Policy) is responsible for the oversight of the work of the Funds independent auditors. As part of its responsibilities, the Committee must pre-approve the audit and non-audit services performed by the auditors in order to assure that the provision of these services does not impair the auditors independence from the Funds. The Committee has adopted, and the Board has ratified, this Policy, which sets out the procedures and conditions under which the services of the independent auditors may be pre-approved.

Under Securities and Exchange Commission (SEC) rules promulgated in accordance with the Act, the Funds may establish two different approaches to pre-approving audit and non-audit services. The Committee may approve services without consideration of specific case-by-case services (general pre-approval) or it may pre-approve specific services (specific pre-approval). The Committee believes that the combination of these approaches contemplated in this Policy results in an effective and efficient method for pre-approving audit and non-audit services to be performed by the Funds independent auditors. Under this Policy, services that are not of a type that may receive general pre-approval require specific pre-approval by the Committee. Any proposed services that exceed pre-approved cost levels or budgeted amounts will also require the Committee s specific pre-approval.

For both types of approval, the Committee considers whether the subject services are consistent with the SEC s rules on auditor independence and that such services are compatible with maintaining the auditors independence. The Committee also considers whether a particular audit firm is in the best position to provide effective and efficient services to the Funds. Reasons that the auditors are in the best position include the auditors familiarity with the Funds business, personnel, culture, accounting systems, risk profile, and other factors, and whether the services will enhance the Funds ability to manage and control risk or improve audit quality. Such factors will be considered as a whole, with no one factor being determinative.

The appendices attached to this Policy describe the audit, audit-related, tax-related, and other services that have the Committee s general pre-approval. For any service that has been approved through general pre-approval, the general pre-approval will remain in place for a period 12 months from the date of pre-approval, unless the Committee determines that a different period is appropriate. The Committee will annually review and pre-approve the services that may be provided by the independent auditors without specific pre-approval. The Committee will revise the list of services subject to general pre-approval as appropriate. This Policy does not serve as a delegation to Fund management of the Committee s duty to pre-approve services performed by the Funds independent auditors.

II. Audit Services

The annual audit services engagement terms and fees are subject to the Committee s specific pre-approval. Audit services are those services that are normally provided by auditors in connection with statutory and regulatory filings or engagements or those that generally only independent auditors can reasonably provide. They include the Funds annual financial statement audit and procedures that the independent auditors must perform in order to form an opinion on the Funds financial statements (*e.g.*, information systems and procedural reviews and testing). The Committee will monitor the audit services engagement and approve any changes in terms, conditions or fees deemed by the Committee to be necessary or appropriate.

The Committee may grant general pre-approval to other audit services, such as statutory audits and services associated with SEC registration statements, periodic reports and other documents filed with the SEC or issued in connection with securities offerings.

The Committee has pre-approved the audit services listed on Appendix A. The Committee must specifically approve all audit services not listed on Appendix A.

III. Audit-related Services

Audit-related services are assurance and related services that are reasonably related to the performance of the audit or the review of the Funds financial statements or are traditionally performed by the independent auditors. The Committee believes that the provision of audit-related services will not impair the independent auditors independence, and therefore may grant pre-approval to audit-related services. Audit-related services include accounting consultations related to accounting, financial reporting or disclosure matters not classified as audit services; assistance with understanding and implementing new accounting and financial reporting guidance from rulemaking authorities; agreed-upon or expanded audit procedures relating to accounting and/or billing records required to respond to or comply with financial, accounting or regulatory reporting matters; and assistance with internal control reporting requirements under Form N-SAR or Form N-CSR.

The Committee has pre-approved the audit-related services listed on Appendix B. The Committee must specifically approve all audit-related services not listed on Appendix B.

IV. Tax Services

The Committee believes the independent auditors can provide tax services to the Funds, including tax compliance, tax planning, and tax advice, without compromising the auditors independence. Therefore, the Committee may grant general pre-approval with respect to tax services historically provided by the Funds independent auditors that do not, in the Committee s view, impair auditor independence and that are consistent with the SEC s rules on auditor independence.

The Committee will not grant pre-approval if the independent auditors initially recommends a transaction the sole business purpose of which is tax avoidance and the tax treatment of which may not be supported in the Internal Revenue Code and related regulations. The Committee may consult outside counsel to determine that tax planning and reporting positions are consistent with this Policy.

3

Table of Contents

The Committee has pre-approved the tax-related services listed on Appendix C. The Committee must specifically approve all tax-related services not listed on Appendix C.

V. Other Services

The Committee believes it may grant approval of non-audit services that are permissible services for independent auditors to a Fund. The Committee has determined to grant general pre-approval to other services that it believes are routine and recurring, do not impair auditor independence, and are consistent with SEC rules on auditor independence.

The Committee has pre-approved the non-audit services listed on Appendix D. The Committee must specifically approve all non-audit services not listed on Appendix D.

A list of the SEC s prohibited non-audit services is attached to this Policy as Appendix E. The SEC s rules and relevant guidance should be consulted to determine the precise definitions of these impermissible services and the applicability of exceptions to certain of the SEC s prohibitions.

VI. Pre-approval of Fee levels and Budgeted Amounts

The Committee will annually establish pre-approval fee levels or budgeted amounts for audit, audit-related, tax and non-audit services to be provided to the Funds by the independent auditors. Any proposed services exceeding these levels or amounts require the Committee s specific pre-approval. The Committee considers fees for audit and non-audit services when deciding whether to pre-approve services. The Committee may determine, for a pre-approval period of 12 months, the appropriate ratio between the total amount of fees for the Fund s audit, audit-related, and tax services (including fees for services provided to Fund affiliates that are subject to pre-approval), and the total amount of fees for certain permissible non-audit services for the Fund classified as other services (including any such services provided to Fund affiliates that are subject to pre-approval).

VII. Procedures

Requests or applications for services to be provided by the independent auditors will be submitted to management. If management determines that the services do not fall within those services generally pre-approved by the Committee and set out in the appendices to these procedures, management will submit the services to the Committee or its delagee. Any such submission will include a detailed description of the services to be rendered. Notwithstanding this paragraph, the Committee will, on a quarterly basis, receive from the independent auditors a list of services provided for the previous calendar quarter on a cumulative basis by the auditors during the Pre-Approval Period.

Table of Contents

VIII. Delegation

The Committee may delegate pre-approval authority to one or more of the Committee s members. Any member or members to whom such pre-approval authority is delegated must report any pre-approval decisions, including any pre-approved services, to the Committee at its next scheduled meeting. The Committee will identify any member to whom pre-approval authority is delegated in writing. The member will retain such authority for a period of 12 months from the date of pre-approval unless the Committee determines that a different period is appropriate. The period of delegated authority may be terminated by the Committee or at the option of the member.

IX. Additional Requirements

The Committee will take any measures the Committee deems necessary or appropriate to oversee the work of the independent auditors and to assure the auditors independence from the Funds. This may include reviewing a formal written statement from the independent auditors delineating all relationships between the auditors and the Funds, consistent with Independence Standards Board No. 1, and discussing with the auditors their methods and procedures for ensuring independence.

Effective April 23, 2008, the KPMG LLP (KPMG) audit team for the ING Funds accepted the global responsibility for monitoring the auditor independence for KPMG relative to the ING Funds. Using a proprietary system called Sentinel, the audit team is able to identify and manage potential conflicts of interest across the member firms of the KPMG International Network and prevent the provision of prohibited services to the ING entities that would impair KPMG independence with the respect to the ING Funds. In addition to receiving pre-approval from the ING Funds Audit Committee for services provided to the ING Funds and for services for ING entities in the Investment Company Complex, the audit team has developed a process for periodic notification via email to the ING Funds Audit Committee Chairpersons regarding requests to provide services to ING Groep NV and its affiliates from KPMG offices worldwide. Additionally, KPMG provides a quarterly summary of the fees for services that have commenced for ING Groep NV and Affiliates at each Audit Committee Meeting.

Last Approved: November 17, 2011

Table of Contents

Appendix A

Pre-Approved Audit Services for the Pre-Approval Period January 1, 2012 through December 31, 2012

Service	The Fund(s)	Fee Range
Statutory audits or financial audits (including tax services associated with audit services)	ü	As presented to Audit Committee[1]
Services associated with SEC registration statements, periodic reports and other documents filed with the SEC or other documents issued in connection with securities offerings (e.g., consents), and assistance in responding to SEC comment letters.	ü	Not to exceed $9,750 per filing
Consultations by Fund management with respect to accounting or disclosure treatment of transactions or events and/or the actual or potential effect of final or proposed rules, standards or interpretations by the SEC, Financial Accounting Standards Board, or other regulatory or standard setting bodies.	ü	Not to exceed $8,000 during the Pre-Approval Period
Seed capital audit and related review and issuance of consent on the N-2 registration statement	ü	Not to exceed $13,000 per audit

[1] For new Funds launched during the Pre-Approval Period, the fee ranges pre-approved will be the same as those for existing Funds, pro-rated in accordance with inception dates as provided in the auditors Proposal or any Engagement Letter covering the period at issue. Fees in the Engagement Letter will be controlling.

6

Table of Contents

Appendix B

Pre-Approved Audit-Related Services for the Pre-Approval Period January 1, 2012 through December 31, 2012

Service	The Fund(s)	Fund Affiliates	Fee Range
Services related to Fund mergers (Excludes tax services - See Appendix C for tax services associated with Fund mergers)	ü	ü	Not to exceed $10,000 per merger
Consultations by Fund management with respect to accounting or disclosure treatment of transactions or events and/or the actual or potential effect of final or proposed rules, standards or interpretations by the SEC, Financial Accounting Standards Board, or other regulatory or standard setting bodies. [Note: Under SEC rules some consultations may be audit services and others may be audit-related services.]	ü		Not to exceed $5,000 per occurrence during the Pre-Approval Period
Review of the Funds semi-annual and quarterly financial statements	ü		Not to exceed $2,400 per set of financial statements per fund
Reports to regulatory or government agencies related to the annual engagement	ü		Up to $5,000 per occurrence during the Pre-Approval Period
Regulatory compliance assistance	ü	ü	Not to exceed $5,000 per quarter
Training courses		ü	Not to exceed $2,000 per course
For Prime Rate Trust, agreed upon procedures for quarterly reports to rating agencies	ü		Not to exceed $9,450 per quarter

7

Table of Contents

Appendix C

Pre-Approved Tax Services for the Pre-Approval Period January 1, 2012 through December 31, 2012

Service	The Fund(s)	Fund Affiliates	Fee Range
Preparation of federal and state income tax returns and federal excise tax returns for the Funds including assistance and review with excise tax distributions	ü		As presented to Audit Committee[1]
Review of IRC Sections 851(b) and 817(h) diversification testing on a real-time basis	ü		As presented to Audit Committee[2]
Assistance and advice regarding year-end reporting for 1099 s	ü		As presented to Audit Committee[2]
Tax assistance and advice regarding statutory, regulatory or administrative developments	ü	ü	Not to exceed $5,000 for the Funds or for the Funds investment adviser during the Pre-Approval Period

2 For new Funds launched during the Pre-Approval Period, the fee ranges pre-approved will be the same as those for existing Funds, pro-rated in accordance with inception dates as provided in the auditors Proposal or any Engagement Letter covering the period at issue. Fees in the Engagement Letter will be controlling.

Table of Contents

Appendix C, *continued*

Service	The Fund(s)	Fund Affiliates	Fee Range
Tax training courses		Ö	Not to exceed $2,000 per course during the Pre-Approval Period
Tax services associated with Fund mergers	Ö	Ö	Not to exceed $4,000 per fund per merger during the Pre-Approval Period
Other tax-related assistance and consultation, including, without limitation, assistance in evaluating derivative financial instruments and international tax issues, qualification and distribution issues, and similar routine tax consultations.	Ö		Not to exceed $120,000 during the Pre-Approval Period

9

Table of Contents

Appendix D

Pre-Approved Other Services for the Pre-Approval Period January 1, 2012 through December 31, 2012

Service	The Fund(s)	Fund Affiliates	Fee Range
Agreed-upon procedures for Class B share 12b-1 programs		ü	Not to exceed $60,000 during the Pre-Approval Period
Security counts performed pursuant to Rule 17f-2 of the 1940 Act (i.e., counts for Funds holding securities with affiliated sub-custodians)	ü	ü	Not to exceed $5,000 per Fund during the Pre-Approval Period
Cost to be borne 50% by the Funds and 50% by ING Investments, LLC.			
Agreed upon procedures for 15 (c) FACT Books	ü		Not to exceed $35,000 during the Pre-Approval Period

10

Appendix E

Prohibited Non-Audit Services

Dated: January 1, 2012 to December 31, 2012

Bookkeeping or other services related to the accounting records or financial statements of the Funds

Financial information systems design and implementation

Appraisal or valuation services, fairness opinions, or contribution-in-kind reports

Actuarial services

Internal audit outsourcing services

Management functions

Human resources

Broker-dealer, investment adviser, or investment banking services

Legal services

Expert services unrelated to the audit

Any other service that the Public Company Accounting Oversight Board determines, by regulation, is impermissible

Table of Contents

EXHIBIT A

ING EQUITY TRUST

ING FUNDS TRUST

ING ASIA PACIFIC HIGH DIVIDEND EQUITY INCOME FUND

ING GLOBAL ADVANTAGE AND PREMIUM OPPORTUNITY FUND

ING GLOBAL EQUITY DIVIDEND AND PREMIUM OPPORTUNITY FUND

ING INTERNATIONAL HIGH DIVIDEND EQUITY INCOME FUND

ING INFRASTRUCTURE, INDUSTRIALS, AND MATERIALS FUND

ING RISK MANAGED NATURAL RESOURCES FUNDING INVESTORS TRUST

ING MAYFLOWER TRUST

ING MUTUAL FUNDS

ING PARTNERS, INC.

ING PRIME RATE TRUST

ING SENIOR INCOME FUND

ING SEPARATE PORTFOLIOS TRUST

ING VARIABLE INSURANCE TRUST

ING VARIABLE PRODUCTS TRUST

ING EMERGING MARKETS LOCAL BOND FUND

ING EMERING MARKETS HIGH DIVIDEND EQUITY FUND (e)(2) Percentage of services referred to in 4(b) (4)(d) that were approved by the audit committee

100% of the services were approved by the audit committee.

(f) Percentage of hours expended attributable to work performed by other than full time employees of KPMG if greater than 50%.

Not applicable.

(g) Non-Audit Fees: The non-audit fees billed by the registrant s accountant for services rendered to the registrant, and rendered to the registrant s investment adviser, and any entity controlling, controlled by, or under common control with the adviser that provides ongoing services to the registrant were $1,233,678 for the year ended February 29, 2012 .

(h) Principal Accountants Independence: The Registrant s Audit committee has considered whether the provision of non-audit services that were rendered to the registrant s investment adviser and any entity controlling, controlled by, or under common control with the investment adviser that provides ongoing services to the registrant that were not pre-approved pursuant to Rule 2-01(c)(7)(ii) of Regulation S-X is compatible with maintaining KPMG s independence.

Item 5. Audit Committee of Listed Registrants.

a. The registrant has a separately-designated standing audit committee. The members are J. Michael Earley, Patricia W. Chadwick and Peter S. Drotch.

b. Not applicable.

Table of Contents

Item 6. Schedule of Investments

Report of Independent Registered Public Accounting Firm

The Shareholders and Board of Trustees

ING Emerging Markets High Dividend Equity Fund

We have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the statement of assets and liabilities, including the summary portfolio of investments, of ING Emerging Markets High Dividend Equity Fund as of February 29, 2012, and the related statement of operations, statement of changes in net assets, and the financial highlights for the period from April 26, 2011 (commencement of operations) to February 29, 2012 and have issued our unqualified report thereon dated April 26, 2012 (which report and financial statements are included in Item 1 of this Certified Shareholder Report on Form N-CSR). In connection with our audit of the aforementioned financial statements and financial highlights, we also audited the related portfolio of investments included in Item 6 of this Form N-CSR. The portfolio of investments is the responsibility of management. Our responsibility is to express an opinion on the portfolio of investments based on our audit.

In our opinion, the portfolio of investments, when considered in relation to the basic financial statements taken as a whole, presents fairly, in all material respects, the information set forth therein.

Boston, Massachusetts

April 26, 2012

Table of Contents

ING Emerging Markets High Dividend Equity Fund

PORTFOLIO OF INVESTMENTS
as of February 29, 2012

Shares			Value	Percentage of Net Assets
COMMON STOCK:		**99.4%**		
	Belgium:	**0.9%**		
82,657	Oriflame Cosmetics S.A.		**2,859,971**	**0 .9**
	Brazil:	**15.0%**		
281,636	Banco do Brasil S.A.		4,567,514	1.4
387,363	BM&F Bovespa S.A.		2,621,143	0.8
248,047	Cia Siderurgica Nacional S.A.		2,546,553	0.8
66,500	EDP - Energias do Brasil S.A.		1,626,438	0.5
552,200	Embraer SA		4,132,054	1.3
200,300	Estacio Participacoes SA		2,431,943	0.8
189,300	Itau Unibanco Holding S.A.		4,045,602	1.3
75,588	Lojas Renner SA		2,856,696	0.9
213,703	MRV Engenharia e Participacoes SA		1,714,851	0.5
260,209	Petroleo Brasileiro SA ADR		7,413,354	2.3
402,063	Porto Seguro SA		5,080,662	1.6
229,909	Tele Norte Leste Participacoes SA ADR		2,469,223	0.8
252,876				