FRANKLIN TEMPLETON

Franklin Allocation VIP Fund

Financial Statements and Other Important Information

Semi-Annual | June 30, 2026

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Financial Highlights

Franklin Allocation VIP Fund

	Six Months Ended June 30, 2026 (unaudited)	Year Ended December 31, 2025	2024	2023	2022	2021
Class 1						
Per share operating performance (for a share outstanding throughout the period)						
Net asset value, beginning of period	$5.60	$5.29	$4.95	$4.46	$6.02	$5.49
Income from investment operations[a]:						
Net investment income[b]	0.06	0.12	0.11	0.10	0.08	0.06
Net realized and unrealized gains (losses)	0.23	0.54	0.35	0.55	(1.03)	0.58
Total from investment operations	0.29	0.66	0.46	0.65	(0.95)	0.64
Less distributions from:						
Net investment income	(0.14)	(0.12)	(0.12)	(0.08)	(0.10)	(0.11)
Net realized gains	(0.23)	(0.23)	—	(0.08)	(0.51)	—
Total distributions	(0.37)	(0.35)	(0.12)	(0.16)	(0.61)	(0.11)
Net asset value, end of period	$5.52	$5.60	$5.29	$4.95	$4.46	$6.02
Total return[c]	5.24%	12.98%	9.33%	14.77%	(15.68)%	11.81%
Ratios to average net assets[d]						
Expenses before waiver and payments by affiliates	0.59%	0.61%	0.59%	0.57%	0.58%	0.60%
Expenses net of waiver and payments by affiliates	0.56%	0.56%	0.56%	0.56%[e]	0.57%[e]	0.56%[e]
Net investment income	2.25%	2.18%	2.07%	2.08%	1.55%	1.04%
Supplemental data						
Net assets, end of period (000's)	$1,140	$1,151	$1,067	$791	$648	$841
Portfolio turnover rate	43.28%	41.77%	53.38%	56.04%	107.31%	54.07%

[a]The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Fund's shares in relation to income earned and/or fluctuating fair value of the investments of the Fund.
[b]Based on average daily shares outstanding.
[c]Total return does not include fees, charges or expenses imposed by the variable annuity and life insurance contracts for which Franklin Templeton Variable Insurance Products Trust serves as an underlying investment vehicle. Total return is not annualized for periods less than one year.
[d]Ratios are annualized for periods less than one year.
[e]Benefit of expense reduction rounds to less than 0.01%.

Franklin Allocation VIP Fund (continued)

	Six Months Ended June 30, 2026 (unaudited)	Year Ended December 31, 2025	2024	2023	2022	2021
Class 2						
Per share operating performance (for a share outstanding throughout the period)						
Net asset value, beginning of period	$5.54	$5.24	$4.90	$4.41	$5.96	$5.43
Income from investment operations[a]:						
Net investment income[b]	0.06	0.10	0.09	0.08	0.06	0.05
Net realized and unrealized gains (losses)	0.22	0.54	0.36	0.56	(1.02)	0.58
Total from investment operations	0.28	0.64	0.45	0.64	(0.96)	0.63
Less distributions from:						
Net investment income	(0.13)	(0.11)	(0.11)	(0.07)	(0.08)	(0.10)
Net realized gains	(0.23)	(0.23)	—	(0.08)	(0.51)	—
Total distributions	(0.36)	(0.34)	(0.11)	(0.15)	(0.59)	(0.10)
Net asset value, end of period	$5.46	$5.54	$5.24	$4.90	$4.41	$5.96
Total return[c]	5.01%	12.60%	9.15%	14.61%	(16.00)%	11.68%
Ratios to average net assets[d]						
Expenses before waiver and payments by affiliates	0.84%	0.86%	0.84%	0.82%	0.83%	0.85%
Expenses net of waiver and payments by affiliates	0.81%	0.81%	0.81%	0.81%[e]	0.82%[e]	0.81%[e]
Net investment income	2.00%	1.94%	1.81%	1.81%	1.29%	0.80%
Supplemental data						
Net assets, end of period (000's)	$195,630	$200,976	$207,665	$222,332	$223,917	$302,084
Portfolio turnover rate	43.28%	41.77%	53.38%	56.04%	107.31%	54.07%

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[b]Based on average daily shares outstanding.
[c]Total return does not include fees, charges or expenses imposed by the variable annuity and life insurance contracts for which Franklin Templeton Variable Insurance Products Trust serves as an underlying investment vehicle. Total return is not annualized for periods less than one year.
[d]Ratios are annualized for periods less than one year.
[e]Benefit of expense reduction rounds to less than 0.01%.

Franklin Allocation VIP Fund (continued)

	Six Months Ended June 30, 2026 (unaudited)	Year Ended December 31, 2025	2024	2023	2022	2021
Class 4						
Per share operating performance (for a share outstanding throughout the period)						
Net asset value, beginning of period	$5.78	$5.45	$5.10	$4.58	$6.17	$5.62
Income from investment operations[a]:						
Net investment income[b]	0.06	0.10	0.09	0.08	0.06	0.04
Net realized and unrealized gains (losses)	0.23	0.56	0.36	0.58	(1.06)	0.60
Total from investment operations	0.29	0.66	0.45	0.66	(1.00)	0.64
Less distributions from:						
Net investment income	(0.12)	(0.10)	(0.10)	(0.06)	(0.08)	(0.09)
Net realized gains	(0.23)	(0.23)	—	(0.08)	(0.51)	—
Total distributions	(0.35)	(0.33)	(0.10)	(0.14)	(0.59)	(0.09)
Net asset value, end of period	$5.72	$5.78	$5.45	$5.10	$4.58	$6.17
Total return[c]	5.05%	12.53%	8.89%	14.62%	(16.19)%	11.54%
Ratios to average net assets[d]						
Expenses before waiver and payments by affiliates	0.94%	0.96%	0.94%	0.92%	0.93%	0.95%
Expenses net of waiver and payments by affiliates	0.91%	0.91%	0.91%	0.91%[e]	0.92%[e]	0.91%[e]
Net investment income	1.90%	1.84%	1.71%	1.71%	1.20%	0.70%
Supplemental data						
Net assets, end of period (000's)	$349,508	$349,785	$344,151	$355,128	$328,741	$418,751
Portfolio turnover rate	43.28%	41.77%	53.38%	56.04%	107.31%	54.07%

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[b]Based on average daily shares outstanding.
[c]Total return does not include fees, charges or expenses imposed by the variable annuity and life insurance contracts for which Franklin Templeton Variable Insurance Products Trust serves as an underlying investment vehicle. Total return is not annualized for periods less than one year.
[d]Ratios are annualized for periods less than one year.
[e]Benefit of expense reduction rounds to less than 0.01%.

Schedule of Investments (unaudited), June 30, 2026

Franklin Allocation VIP Fund

	Country	Shares	Value
Common Stocks 56.5%			
Aerospace & Defense 1.9%			
Airbus SE, ADR	France	8,231	$457,644
BAE Systems plc	United Kingdom	11,248	275,651
BWX Technologies, Inc.	United States	2,172	422,780
Curtiss-Wright Corp.	United States	620	469,811
Dassault Aviation SA	France	810	266,072
Elbit Systems Ltd.	Israel	90	68,434
Exosens SAS	France	4,480	292,614
General Dynamics Corp.	United States	2,512	889,851
General Electric Co.	United States	3,744	1,399,245
[a]Honeywell Aerospace, Inc.	United States	2,535	560,438
Howmet Aerospace, Inc.	United States	27	7,259
L3Harris Technologies, Inc.	United States	280	81,365
Lockheed Martin Corp.	United States	1,140	580,784
MTU Aero Engines AG	Germany	860	358,365
Northrop Grumman Corp.	United States	924	470,602
Rolls-Royce Holdings plc	United Kingdom	6,271	120,213
RTX Corp.	United States	14,486	2,748,429
Safran SA	France	1,855	731,020
Singapore Technologies Engineering Ltd.	Singapore	6,700	53,964
			10,254,541
Air Freight & Logistics 0.2%			
Deutsche Post AG.	Germany	5,169	314,257
DSV A/S	Denmark	1,970	468,768
			783,025
Automobile Components 0.0%†			
Aisin Corp.	Japan	5,100	69,241
BorgWarner, Inc.	United States	341	22,643
Continental AG	Germany	1,152	95,322
Sumitomo Electric Industries Ltd.	Japan	2,400	44,537
			231,743
Automobiles 0.9%			
Ford Motor Co.	United States	69,221	962,172
General Motors Co.	United States	11,743	905,150
Mercedes-Benz Group AG	Germany	6,336	318,693
Subaru Corp.	Japan	4,600	67,299
Suzuki Motor Corp.	Japan	27,200	329,004
[a]Tesla, Inc.	United States	4,854	2,041,592
Toyota Motor Corp.	Japan	25,921	434,242
			5,058,152
Banks 3.2%			
AIB Group plc	Ireland	42,764	502,583
Banco Bilbao Vizcaya Argentaria SA	Spain	2,963	74,599
Banco Santander SA.	Spain	14,634	203,118
Bank of America Corp.	United States	36,748	2,093,901
Barclays plc	United Kingdom	51,790	347,045
BNP Paribas SA	France	5,954	695,386
Citigroup, Inc.	United States	3,705	518,552
Citizens Financial Group, Inc.	United States	127	8,899
Commerzbank AG.	Germany	1,357	57,801
Commonwealth Bank of Australia	Australia	554	63,136
DBS Group Holdings Ltd.	Singapore	7,150	362,039
FinecoBank Banca Fineco SpA	Italy	16,000	402,304
FNB Corp.	United States	458	8,739
HDFC Bank Ltd.	India	31,938	269,539

Franklin Allocation VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Banks (continued)			
HSBC Holdings plc	United Kingdom	58,405	$1,104,397
ING Groep NV	Netherlands	33,173	1,046,718
Intesa Sanpaolo SpA	Italy	41,403	284,575
JPMorgan Chase & Co.	United States	12,920	4,229,104
M&T Bank Corp.	United States	37	8,806
National Australia Bank Ltd.	Australia	1,422	37,340
NatWest Group plc	United Kingdom	60,054	529,914
PNC Financial Services Group, Inc. (The)	United States	4,660	1,147,385
Societe Generale SA	France	6,224	550,887
Standard Chartered plc	United Kingdom	35,632	963,581
Sumitomo Mitsui Financial Group, Inc., ADR	Japan	17,351	409,137
UniCredit SpA	Italy	7,995	716,502
Wells Fargo & Co.	United States	12,543	1,036,554
			17,672,541
Beverages 0.7%			
Anheuser-Busch InBev SA/NV	Belgium	981	81,060
Coca-Cola Co. (The)	United States	4,128	335,482
Coca-Cola HBC AG	Italy	1,101	71,770
Diageo plc, ADR	United Kingdom	2,361	189,777
Heineken Holding NV	Netherlands	874	66,555
Heineken NV	Netherlands	3,373	283,206
Kirin Holdings Co. Ltd.	Japan	8,700	150,042
[a]Monster Beverage Corp.	United States	12,577	1,208,901
PepsiCo, Inc.	United States	9,292	1,258,137
			3,644,930
Biotechnology 1.1%			
AbbVie, Inc.	United States	7,084	1,782,618
[a]Alnylam Pharmaceuticals, Inc.	United States	607	182,725
Amgen, Inc.	United States	2,850	1,032,042
[a]Argenx SE, ADR	Netherlands	480	445,330
[a]Biogen, Inc.	United States	40	8,642
[a]BioNTech SE, ADR	Germany	1,720	160,046
[a]Exelixis, Inc.	United States	2,866	155,939
Gilead Sciences, Inc.	United States	7,434	939,212
[a]Halozyme Therapeutics, Inc.	United States	1,582	123,823
[a]Incyte Corp.	United States	314	35,595
[a]Natera, Inc.	United States	559	151,741
Regeneron Pharmaceuticals, Inc.	United States	151	94,154
[a]Vertex Pharmaceuticals, Inc.	United States	1,552	770,925
			5,882,792
Broadline Retail 2.2%			
[b]Alibaba Group Holding Ltd.	China	10,622	127,341
[a]Amazon.com, Inc.	United States	41,473	9,884,675
[a]Etsy, Inc.	United States	163	12,279
[b]JD.com, Inc., ADR	China	9,983	254,367
Macy's, Inc.	United States	36,882	868,571
[a]MercadoLibre, Inc.	Brazil	160	271,582
Next plc	United Kingdom	2,282	440,295
Prosus NV	China	5,158	224,134
Ryohin Keikaku Co. Ltd.	Japan	3,700	80,875
Wesfarmers Ltd.	Australia	1,392	87,116
			12,251,235
Building Products 0.5%			
Allegion plc	United States	26	3,653

Franklin Allocation VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Building Products (continued)			
Belimo Holding AG	Switzerland	582	$654,388
Cie de Saint-Gobain SA	France	4,686	424,938
Geberit AG	Switzerland	143	95,426
Johnson Controls International plc	United States	4,895	715,208
Trane Technologies plc	United States	1,631	801,082
			2,694,695
Capital Markets 1.4%			
3i Group plc	United Kingdom	8,075	265,537
Bank of New York Mellon Corp. (The)	United States	2,569	371,503
BlackRock, Inc.	United States	467	449,049
Blackstone, Inc.	United States	2,276	267,817
Charles Schwab Corp. (The)	United States	25,970	2,396,252
Daiwa Securities Group, Inc.	Japan	25,323	251,147
Deutsche Bank AG	Germany	14,338	485,585
[c]Euronext NV, 144A, Reg S	Netherlands	1,620	259,121
Goldman Sachs Group, Inc. (The)	United States	123	124,398
ICG plc	United Kingdom	14,800	331,715
Intercontinental Exchange, Inc.	United States	3,379	415,989
Morgan Stanley	United States	1,979	413,690
MSCI, Inc., A	United States	14	7,841
S&P Global, Inc.	United States	1,018	414,591
Singapore Exchange Ltd.	Singapore	16,400	305,982
Swissquote Group Holding SA	Switzerland	7,700	361,180
Tradeweb Markets, Inc., A	United States	2,264	225,630
UBS Group AG	Switzerland	8,827	437,476
XP, Inc., A	Brazil	6	98
			7,784,601
Chemicals 1.5%			
Air Products and Chemicals, Inc.	United States	6,279	1,840,877
Akzo Nobel NV	Netherlands	2,982	202,794
Asahi Kasei Corp.	Japan	10,200	113,445
CF Industries Holdings, Inc.	United States	5,502	595,646
Corteva, Inc.	United States	99	8,384
Ecolab, Inc.	United States	1,411	393,119
EMS-Chemie Holding AG	Switzerland	131	112,293
Linde plc	United States	5,411	2,807,984
Mitsubishi Chemical Group Corp.	Japan	12,500	87,712
Nitto Denko Corp.	Japan	12,900	253,792
Sherwin-Williams Co. (The)	United States	5,308	1,827,651
Yara International ASA	Brazil	3,379	148,601
			8,392,298
Commercial Services & Supplies 0.3%			
Brambles Ltd.	Australia	7,421	100,199
Cintas Corp.	United States	993	168,889
Republic Services, Inc., A	United States	1,524	324,734
Securitas AB, B	Sweden	2,651	43,537
Veralto Corp.	United States	6,980	618,986
[a]Verisure plc	United Kingdom	16,737	186,592
			1,442,937
Communications Equipment 0.7%			
[a]Arista Networks, Inc.	United States	5,990	1,017,581
Cisco Systems, Inc.	United States	5,698	669,287
Motorola Solutions, Inc.	United States	3,644	1,513,317
Telefonaktiebolaget LM Ericsson, B	Sweden	36,971	414,619

Franklin Allocation VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Communications Equipment (continued)			
Ubiquiti, Inc.	United States	52	$27,769
			3,642,573
Construction & Engineering 0.1%			
ACS Actividades de Construccion y Servicios SA.	Spain	2,331	342,790
Eiffage SA.	France	1,214	179,071
			521,861
Construction Materials 0.5%			
CRH plc	United States	2,173	232,511
Holcim AG	United States	5,061	456,314
Martin Marietta Materials, Inc.	United States	3,378	1,948,092
			2,636,917
Consumer Finance 0.4%			
American Express Co.	United States	3,550	1,200,788
Capital One Financial Corp.	United States	5,260	1,055,261
Synchrony Financial	United States	1,740	132,327
			2,388,376
Consumer Staples Distribution & Retail 0.5%			
Albertsons Cos., Inc., A	United States	1,699	22,987
Carrefour SA.	France	23,455	435,442
Costco Wholesale Corp.	United States	571	534,153
Dollar General Corp.	United States	3,697	425,562
[a]Dollar Tree, Inc.	United States	2,685	324,751
Koninklijke Ahold Delhaize NV.	Netherlands	11,632	468,099
Kroger Co. (The).	United States	11,412	633,708
Woolworths Group Ltd.	Australia	2,117	58,493
			2,903,195
Containers & Packaging 0.1%			
Crown Holdings, Inc.	United States	1,618	180,925
Smurfit Westrock plc	United States	9,024	417,450
			598,375
Diversified Consumer Services 0.0%[†]			
ADT, Inc..	United States	637	4,140
Diversified Telecommunication Services 0.5%			
AT&T, Inc.	United States	28,093	581,525
Comcast Corp., A	United States	26,985	662,482
Deutsche Telekom AG.	Germany	18,252	497,628
Singapore Telecommunications Ltd.	Singapore	18,400	62,818
[a]Space Exploration Technologies Corp., A.	United States	2,091	357,268
Swisscom AG	Switzerland	134	103,358
Telia Co. AB	Sweden	32,539	158,492
Telstra Group Ltd.	Australia	68,628	240,670
Verizon Communications, Inc.	United States	153	6,478
			2,670,719
Electric Utilities 0.5%			
Alliant Energy Corp.	United States	109	8,316
American Electric Power Co., Inc.	United States	1,666	227,925
Duke Energy Corp.	United States	713	90,251
Edison International	United States	1,537	114,430
Endesa SA	Spain	6,274	285,067
Enel SpA	Italy	9,069	104,025

Franklin Allocation VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Electric Utilities (continued)			
Entergy Corp.	United States	5,129	$589,117
Iberdrola SA	Spain	29,245	727,896
NextEra Energy, Inc.	United States	3,946	346,340
Pinnacle West Capital Corp.	United States	79	8,453
Southern Co. (The)	United States	1,398	133,803
SSE plc	United Kingdom	9,650	311,333
			2,946,956
Electrical Equipment 0.8%			
ABB Ltd.	Switzerland	4,333	471,341
AMETEK, Inc.	United States	1,907	461,380
Eaton Corp. plc	United States	3,900	1,661,868
Fujikura Ltd.	Japan	20,500	812,658
Mitsubishi Electric Corp.	Japan	8,400	308,066
nVent Electric plc	United States	2,322	393,834
Vestas Wind Systems A/S	Denmark	2,910	82,392
			4,191,539
Electronic Equipment, Instruments & Components 0.4%			
Amphenol Corp., A	United States	8,199	1,445,648
Halma plc	United Kingdom	858	44,846
Inficon Holding AG	Switzerland	500	112,941
Murata Manufacturing Co. Ltd.	Japan	6,100	437,887
Yokogawa Electric Corp.	Japan	4,200	147,602
			2,188,924
Energy Equipment & Services 0.0%†			
CES Energy Solutions Corp.	Canada	3,076	35,938
Entertainment 0.6%			
CTS Eventim AG & Co. KGaA	Germany	4,400	256,999
Electronic Arts, Inc.	United States	1,221	250,354
[a]Netflix, Inc.	United States	31,741	2,266,307
Nexon Co. Ltd.	Japan	6,900	91,702
[a]Spotify Technology SA	United States	1,019	467,853
Walt Disney Co. (The)	United States	80	7,700
			3,340,915
Financial Services 2.1%			
[a]Berkshire Hathaway, Inc., B.	United States	5,592	2,798,181
Industrivarden AB, A	Sweden	2,173	121,914
Investor AB, B	Sweden	2,198	91,329
Mastercard, Inc., A	United States	3,612	1,855,123
MGIC Investment Corp.	United States	10,609	299,174
ORIX Corp.	Japan	15,500	590,419
PayPal Holdings, Inc.	United States	11,559	499,118
Visa, Inc., A	United States	14,039	4,816,640
Washington H Soul Pattinson & Co. Ltd.	Australia	6,959	222,443
Western Union Co. (The)	United States	4,091	31,501
			11,325,842
Food Products 0.3%			
Archer-Daniels-Midland Co.	United States	6,551	500,496
Barry Callebaut AG	Switzerland	207	286,240
Ingredion, Inc.	United States	76	7,198
Nestle SA	Switzerland	8,049	825,547

Franklin Allocation VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Food Products (continued)			
[c]WH Group Ltd., 144A, Reg S	Hong Kong	163,000	$172,831
			1,792,312
Gas Utilities 0.0%†			
Atmos Energy Corp.	United States	43	7,408
Tokyo Gas Co. Ltd.	Japan	5,600	212,048
UGI Corp.	United States	233	8,048
			227,504
Ground Transportation 0.9%			
Canadian Pacific Kansas City Ltd.	Canada	3,302	286,119
Central Japan Railway Co.	Japan	3,200	68,304
[a]Lyft, Inc., A	United States	35,623	520,452
Seibu Holdings, Inc.	Japan	4,200	82,277
[a]Uber Technologies, Inc.	United States	18,486	1,333,950
Union Pacific Corp.	United States	2,151	585,072
[a]XPO, Inc.	United States	9,070	1,861,980
			4,738,154
Health Care Equipment & Supplies 0.8%			
Abbott Laboratories	United States	4,569	414,591
Alcon AG	United States	5,430	366,144
Becton Dickinson & Co.	United States	4,578	692,789
[a]Boston Scientific Corp.	United States	5,180	221,082
Cochlear Ltd.	Australia	989	83,072
Fisher & Paykel Healthcare Corp. Ltd.	New Zealand	3,902	86,681
Hoya Corp.	Japan	3,100	500,034
[a]Intuitive Surgical, Inc.	United States	2,794	1,111,118
Medtronic plc	United States	634	49,598
Stryker Corp.	United States	2,164	681,314
			4,206,423
Health Care Providers & Services 1.3%			
Cardinal Health, Inc.	United States	3,167	752,352
Cigna Group (The)	United States	28	7,719
CVS Health Corp.	United States	19,580	2,025,551
Fresenius Medical Care AG	Germany	1,274	57,675
HCA Healthcare, Inc.	United States	1,639	639,030
McKesson Corp.	United States	2,218	1,675,921
UnitedHealth Group, Inc.	United States	4,193	1,742,737
			6,900,985
Health Care Technology 0.0%†			
Pro Medicus Ltd.	Australia	503	71,111
Hotels, Restaurants & Leisure 0.8%			
[a]Airbnb, Inc., A	United States	3,989	570,826
Amadeus IT Group SA	Spain	4,600	269,106
Booking Holdings, Inc.	United States	10,386	1,851,201
Boyd Gaming Corp.	United States	716	63,244
[a]Chipotle Mexican Grill, Inc., A	United States	13,346	453,764
Compass Group plc	United Kingdom	3,298	106,556
[a,c]Evolution AB, 144A, Reg S	Sweden	2,133	146,419
Expedia Group, Inc.	United States	1,487	380,493
InterContinental Hotels Group plc	United States	2,002	344,109
McDonald's Corp.	United States	25	6,758
			4,192,476

Franklin Allocation VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Household Durables 0.2%			
Barratt Redrow plc	United Kingdom	57,200	$213,320
DR Horton, Inc.	United States	791	128,838
Persimmon plc	United Kingdom	19,505	271,949
Sony Group Corp.	Japan	27,600	555,424
			1,169,531
Household Products 0.3%			
Colgate-Palmolive Co.	United States	3,228	295,943
Procter & Gamble Co. (The)	United States	9,815	1,439,272
Reckitt Benckiser Group plc	United Kingdom	624	40,643
			1,775,858
Independent Power and Renewable Electricity Producers 0.1%			
RWE AG	Germany	4,048	261,784
Vistra Corp.	United States	615	97,558
			359,342
Industrial Conglomerates 0.2%			
Hitachi Ltd.	Japan	11,900	329,346
Honeywell International, Inc.	United States	2,535	567,586
Jardine Matheson Holdings Ltd.	Indonesia	800	49,334
Siemens AG	Germany	981	315,399
			1,261,665
Industrial REITs 0.0%†			
Prologis, Inc.	United States	1,494	202,392
Insurance 1.4%			
AIA Group Ltd.	Hong Kong	39,164	358,556
Allianz SE	Germany	116	54,908
Allstate Corp. (The)	United States	384	91,369
American International Group, Inc.	United States	1	75
Assured Guaranty Ltd.	United States	190	15,230
AXA SA	France	12,409	621,808
Axis Capital Holdings Ltd.	United States	1	107
Chubb Ltd.	United States	25	8,519
Hartford Insurance Group, Inc. (The)	United States	61	8,084
Japan Post Holdings Co. Ltd.	Japan	21,400	287,641
Japan Post Insurance Co. Ltd.	Japan	10,500	99,250
Marsh & McLennan Cos., Inc.	United States	8,405	1,400,861
MS&AD Insurance Group Holdings, Inc.	Japan	6,900	178,848
Muenchener Rueckversicherungs-Gesellschaft AG in Muenchen	Germany	365	203,838
Old Republic International Corp.	United States	211	8,634
Progressive Corp. (The)	United States	2,888	630,884
Prudential plc	Hong Kong	11,752	156,090
QBE Insurance Group Ltd.	Australia	11,476	199,627
RenaissanceRe Holdings Ltd.	United States	1,457	461,723
Sompo Holdings, Inc.	Japan	12,500	474,879
Suncorp Group Ltd.	Australia	3,674	49,015
Travelers Cos., Inc. (The)	United States	6,187	2,042,453
Unum Group	United States	101	9,029
			7,361,428
Interactive Media & Services 3.3%			
Alphabet, Inc., A	United States	27,251	9,738,690
Alphabet, Inc., C	United States	7,196	2,542,562
LY Corp.	Japan	32,700	87,033
Meta Platforms, Inc., A	United States	9,346	5,264,508

Franklin Allocation VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Interactive Media & Services (continued)			
[c]Scout24 SE, 144A, Reg S	Germany	3,270	$270,608
[b]Tencent Holdings Ltd.	China	2,250	124,161
			18,027,562
IT Services 0.2%			
Accenture plc, A	United States	3	373
Cognizant Technology Solutions Corp., A	United States	1	39
NEC Corp.	Japan	7,000	168,996
[a]Shopify, Inc., A	Canada	3,724	425,207
[a]Snowflake, Inc., A	United States	1,680	427,560
			1,022,175
Leisure Products 0.0%†			
Bandai Namco Holdings, Inc.	Japan	2,700	62,589
Life Sciences Tools & Services 1.0%			
Agilent Technologies, Inc.	United States	2,326	308,963
Danaher Corp.	United States	2,906	553,535
Eurofins Scientific SE	Luxembourg	647	50,631
Lonza Group AG	Switzerland	660	445,239
[a]Medpace Holdings, Inc.	United States	927	490,930
QIAGEN NV	United States	2,943	113,847
Thermo Fisher Scientific, Inc.	United States	5,346	2,680,271
[a]Waters Corp.	United States	2,388	895,595
			5,539,011
Machinery 1.6%			
Atlas Copco AB, A	Sweden	2,435	49,355
Caterpillar, Inc.	United States	1,464	1,559,014
CNH Industrial NV	United States	34,582	388,356
Deere & Co.	United States	3,299	2,092,655
GEA Group AG	Germany	2,445	167,888
Interroll Holding AG	Switzerland	170	267,991
Komatsu Ltd.	Japan	4,700	183,523
Kone OYJ, B	Finland	1,859	105,749
Parker-Hannifin Corp.	United States	2,455	2,401,285
Rational AG	Germany	107	78,387
Sandvik AB	Sweden	5,521	227,991
Schindler Holding AG	Switzerland	467	148,453
Toro Co. (The)	United States	1	97
[c]VAT Group AG, 144A, Reg S	Switzerland	460	403,383
Wartsila OYJ Abp	Finland	9,094	347,320
Xylem, Inc.	United States	2,277	269,164
Yangzijiang Shipbuilding Holdings Ltd.	China	44,900	119,111
			8,809,722
Marine Transportation 0.0%†			
SITC International Holdings Co. Ltd.	China	26,000	104,300
Media 0.0%†			
Fox Corp., A	United States	507	26,445
Metals & Mining 0.4%			
Anglogold Ashanti plc	Australia	4,426	358,019
BHP Group Ltd.	Australia	21,205	883,675
Fortescue Ltd.	Australia	29,874	397,631
Fresnillo plc	Mexico	932	33,941

Franklin Allocation VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Metals & Mining (continued)			
Newmont Corp.	United States	7,434	$694,336
			2,367,602
Multi-Utilities 0.7%			
Centrica plc	United Kingdom	93,856	212,700
CMS Energy Corp.	United States	1	77
Consolidated Edison, Inc.	United States	804	88,947
DTE Energy Co.	United States	55	8,380
Sempra, Inc.	United States	14,714	1,364,135
WEC Energy Group, Inc.	United States	16,511	1,927,989
			3,602,228
Oil, Gas & Consumable Fuels 1.3%			
APA Corp.	United States	16,131	525,387
BP plc	United States	48,964	301,802
Chevron Corp.	United States	10,082	1,671,192
ConocoPhillips	United States	14,443	1,501,494
Devon Energy Corp.	United States	152	6,281
ENEOS Holdings, Inc.	Japan	51,400	380,482
EOG Resources, Inc.	United States	1	130
Equinor ASA	Norway	11,792	371,841
Exxon Mobil Corp.	United States	9,400	1,285,168
Repsol SA	Spain	2,864	71,556
Shell plc	United States	16,059	623,972
TotalEnergies SE	France	1,468	113,514
			6,852,819
Passenger Airlines 0.0%†			
[a]United Airlines Holdings, Inc.	United States	90	12,239
Personal Care Products 0.2%			
L'Oreal SA	France	1,051	460,713
Unilever plc	United Kingdom	8,318	499,642
			960,355
Pharmaceuticals 2.9%			
Astellas Pharma, Inc.	Japan	35,100	469,521
AstraZeneca plc, (GBP Traded)	United Kingdom	6,512	1,215,819
AstraZeneca plc, (USD Traded)	United Kingdom	7,321	1,388,208
Bristol-Myers Squibb Co.	United States	15,228	877,437
Chugai Pharmaceutical Co. Ltd.	Japan	2,700	124,722
Eli Lilly & Co.	United States	1,445	1,733,176
GSK plc	United Kingdom	23,149	607,729
Haleon plc, ADR	United States	107,800	1,005,774
Ipsen SA	France	754	145,310
Johnson & Johnson	United States	14,042	3,566,247
Novartis AG	United States	6,419	1,003,241
Novo Nordisk A/S, B	Denmark	6,652	319,475
Pfizer, Inc.	United States	3	72
Roche Holding AG	United States	443	185,599
Roche Holding AG	United States	1,929	792,986
Roche Holding AG, ADR	United States	24,809	1,273,942
Royalty Pharma plc, A	United States	3	168
Sanofi SA	United States	5,022	429,399
Shionogi & Co. Ltd.	Japan	11,000	187,952
[a]Teva Pharmaceutical Industries Ltd., ADR	Israel	6,800	230,384
			15,557,161

Franklin Allocation VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Professional Services 0.3%			
Experian plc	United States	7,750	$261,203
Genpact Ltd.	United States	2	55
Paycom Software, Inc.	United States	667	83,829
Recruit Holdings Co. Ltd.	Japan	12,100	841,906
RELX plc	United Kingdom	3,666	115,863
Verisk Analytics, Inc., A	United States	738	132,493
Wolters Kluwer NV	Netherlands	884	57,159
			1,492,508
Real Estate Management & Development 0.1%			
[a]CBRE Group, Inc., A	United States	71	9,563
CK Asset Holdings Ltd.	Hong Kong	35,500	200,555
Daito Trust Construction Co. Ltd.	Japan	1,700	32,476
[a]Jones Lang LaSalle, Inc.	United States	159	49,282
Sun Hung Kai Properties Ltd.	Hong Kong	9,500	136,737
Vonovia SE	Germany	1,690	41,691
			470,304
Residential REITs 0.0%†			
Sun Communities, Inc.	United States	1,646	197,372
Retail REITs 0.0%†			
Klepierre SA	France	3,910	163,413
Regency Centers Corp.	United States	102	8,133
			171,546
Semiconductors & Semiconductor Equipment 9.2%			
[a]Advanced Micro Devices, Inc.	United States	819	475,765
Advantest Corp.	Japan	3,600	740,622
Applied Materials, Inc.	United States	1,620	1,171,260
[a]ARM Holdings plc, ADR	United States	1,742	617,661
ASML Holding NV	Netherlands	1,031	2,041,562
ASML Holding NV, ADR	Netherlands	901	1,792,485
Broadcom, Inc.	United States	15,814	5,973,739
[a]Cerebras Systems, Inc., A	United States	400	88,400
Disco Corp.	Japan	710	369,366
[a]Intel Corp.	United States	24,296	3,392,451
[a]Kioxia Holdings Corp.	Japan	1,400	813,722
KLA Corp.	United States	5,690	1,716,730
Lam Research Corp.	United States	3,371	1,460,755
Lasertec Corp.	Japan	300	95,292
Microchip Technology, Inc.	United States	16,200	1,477,440
Micron Technology, Inc.	United States	3,247	3,747,980
Monolithic Power Systems, Inc.	United States	489	675,974
[a]Nova Ltd.	Israel	660	358,340
NVIDIA Corp.	United States	76,549	15,316,689
QUALCOMM, Inc.	United States	5,926	1,095,066
STMicroelectronics NV	Singapore	7,307	540,506
Taiwan Semiconductor Manufacturing Co. Ltd.	Taiwan	10,568	833,712
Taiwan Semiconductor Manufacturing Co. Ltd., ADR	Taiwan	7,945	3,794,294
Texas Instruments, Inc.	United States	4,204	1,253,086
Tokyo Electron Ltd.	Japan	500	242,427
[a]Tower Semiconductor Ltd.	Israel	809	209,464
			50,294,788
Software 3.1%			
[a]Adobe, Inc.	United States	3,600	738,072
[a]Autodesk, Inc.	United States	238	46,272

Franklin Allocation VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Software (continued)			
[a]Cadence Design Systems, Inc.	United States	97	$36,406
[a]Check Point Software Technologies Ltd.	Israel	1,746	229,477
[a]Crowdstrike Holdings, Inc., A	United States	335	255,652
[a,d]CyberArk Software Ltd.	United States	1,450	65,250
[a]Datadog, Inc., A	United States	1,337	348,101
[a]DocuSign, Inc., A	United States	167	7,418
[a]Dropbox, Inc., A	United States	31,965	878,078
[a]Fair Isaac Corp.	United States	201	240,151
Intuit, Inc.	United States	1,209	315,549
[a]Kinaxis, Inc.	Canada	2,840	304,916
Microsoft Corp.	United States	22,287	8,313,497
[a]Nice Ltd.	Israel	1,235	111,847
Oracle Corp.	United States	5,045	739,345
[a]Palo Alto Networks, Inc.	United States	5,103	1,740,225
RingCentral, Inc., A	United States	15,749	613,896
Sage Group plc (The)	United Kingdom	13,438	145,790
Salesforce, Inc.	United States	1,998	313,007
SAP SE	Germany	2,004	308,913
[a]ServiceNow, Inc.	United States	2,556	253,760
[a]Synopsys, Inc.	United States	2,449	1,092,425
[a]Teradata Corp.	United States	1,207	41,822
			17,139,869
Specialized REITs 0.1%			
VICI Properties, Inc., A	United States	13,323	353,726
Specialty Retail 0.9%			
Bath & Body Works, Inc.	United States	4	92
Best Buy Co., Inc.	United States	2,877	218,307
[a]Carvana Co., A	United States	4,056	266,966
Fast Retailing Co. Ltd.	Japan	820	420,122
H & M Hennes & Mauritz AB, B	Sweden	2,956	50,849
Home Depot, Inc. (The)	United States	3,359	1,184,652
Industria de Diseno Textil SA	Spain	5,355	337,538
JD Sports Fashion plc	United Kingdom	253,293	284,693
[a]O'Reilly Automotive, Inc.	United States	15,141	1,394,335
Ross Stores, Inc.	United States	3,895	829,051
TJX Cos., Inc. (The)	United States	598	90,597
			5,077,202
Technology Hardware, Storage & Peripherals 2.7%			
Apple, Inc.	United States	38,796	11,226,010
Canon, Inc.	Japan	2,200	56,343
Logitech International SA	Switzerland	685	64,259
Samsung Electronics Co. Ltd.	South Korea	2,631	583,812
[a]Sandisk Corp.	United States	563	1,280,110
Western Digital Corp.	United States	2,198	1,403,906
			14,614,440
Textiles, Apparel & Luxury Goods 0.3%			
adidas AG	Germany	1,401	287,527
Asics Corp.	Japan	12,700	345,424
[a]Crocs, Inc.	United States	1,107	133,548
Kering SA	France	403	113,995
LVMH Moet Hennessy Louis Vuitton SE	France	493	272,659
Pandora A/S	Denmark	1,580	181,521

Franklin Allocation VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Textiles, Apparel & Luxury Goods (continued)			
Tapestry, Inc.	United States	222	$32,496
			1,367,170
Tobacco 0.2%			
Altria Group, Inc.	United States	12,908	928,731
Imperial Brands plc	United Kingdom	6,369	235,391
			1,164,122
Trading Companies & Distributors 0.4%			
AerCap Holdings NV	Ireland	2,695	392,877
Fastenal Co.	United States	10,163	488,129
Mitsubishi Corp.	Japan	1,300	34,778
Toyota Tsusho Corp.	Japan	10,800	401,999
WW Grainger, Inc.	United States	669	910,108
			2,227,891
Transportation Infrastructure 0.0%†			
[c]Aena SME SA, 144A, Reg S	Spain	5,904	179,910
Wireless Telecommunication Services 0.2%			
T-Mobile US, Inc.	United States	3,690	618,923
Vodafone Group plc	United Kingdom	314,189	415,849
			1,034,772
Total Common Stocks (Cost $180,777,301)			**308,478,769**
Management Investment Companies 1.4%			
Capital Markets 1.4%			
[e]Franklin FTSE Japan ETF	United States	154,075	6,124,481
[e]Franklin Ultra Short Bond ETF	United States	68,760	1,721,407
			7,845,888
Total Management Investment Companies (Cost $7,681,454)			**7,845,888**
Preferred Stocks 0.1%			
Household Products 0.0%†			
[f]Henkel AG & Co. KGaA, 2.81%	Germany	1,376	115,721
Life Sciences Tools & Services 0.1%			
[f]Sartorius AG, 0.32%	Germany	1,260	330,559
Total Preferred Stocks (Cost $504,416)			**446,280**
		Rights	
Rights 0.0%†			
Construction & Engineering 0.0%†			
[a]ACS Actividades de Construccion y Servicios SA, 7/13/26	Spain	2,331	4,893
Total Rights (Cost $4,980)			**4,893**

Franklin Allocation VIP Fund (continued)

	Country	Units	Value
Limited Partnerships 0.3%			
Oil, Gas & Consumable Fuels 0.3%			
Enterprise Products Partners LP	United States	43,264	$1,590,385
			1,590,385
Total Limited Partnerships (Cost $1,161,299)			**1,590,385**
		Principal Amount*	
Corporate Bonds 13.1%			
Aerospace & Defense 0.5%			
[c]BAE Systems plc, Senior Bond, 144A, 5.3%, 3/26/34	United Kingdom	200,000	203,679
Boeing Co. (The),			
Senior Bond, 3.6%, 5/01/34	United States	200,000	180,076
Senior Bond, 3.5%, 3/01/39	United States	200,000	163,209
Senior Bond, 6.875%, 3/15/39	United States	100,000	111,973
Senior Bond, 5.705%, 5/01/40	United States	350,000	356,080
Senior Bond, 3.9%, 5/01/49	United States	30,000	22,530
Senior Note, 6.528%, 5/01/34	United States	195,000	212,213
[c]Honeywell Aerospace, Inc.,			
Senior Bond, 144A, 4.95%, 3/16/36	United States	65,000	64,032
Senior Bond, 144A, 5.732%, 3/16/56	United States	285,000	285,187
Senior Bond, 144A, 5.852%, 3/16/66	United States	25,000	25,209
Senior Note, 144A, 4.6%, 3/16/33	United States	35,000	34,369
Howmet Aerospace, Inc.,			
Senior Bond, 4.75%, 4/15/36	United States	85,000	82,747
Senior Bond, 5.95%, 2/01/37	United States	260,000	275,981
Senior Note, 4.85%, 10/15/31	United States	50,000	50,189
Lockheed Martin Corp., Senior Bond, 4.07%, 12/15/42	United States	130,000	110,244
Northrop Grumman Corp., Senior Bond, 4.95%, 3/15/53	United States	220,000	197,101
Spirit AeroSystems, Inc., Senior Bond, 4.6%, 6/15/28	United States	235,000	234,382
			2,609,201
Automobiles 0.1%			
[c]Hyundai Capital America,			
Senior Note, 144A, 5.35%, 3/19/29	United States	510,000	517,156
Senior Note, 144A, 4.5%, 9/18/30	United States	55,000	54,027
Senior Note, 144A, 5.4%, 1/08/31	United States	200,000	203,351
			774,534
Banks 2.7%			
Bank of America Corp.,			
Senior Bond, 3.974% to 2/06/29, FRN thereafter, 2/07/30	United States	200,000	196,263
Senior Bond, 1.922% to 10/23/30, FRN thereafter, 10/24/31	United States	200,000	177,503
Senior Bond, 2.687% to 4/21/31, FRN thereafter, 4/22/32	United States	200,000	181,203
Senior Bond, 4.571% to 4/26/32, FRN thereafter, 4/27/33	United States	540,000	529,494
Senior Bond, 5.468% to 1/22/34, FRN thereafter, 1/23/35	United States	225,000	229,488
Senior Note, 6.204% to 11/09/27, FRN thereafter, 11/10/28	United States	1,280,000	1,307,093
Sub. Bond, 5.744% to 2/11/35, FRN thereafter, 2/12/36	United States	150,000	153,101
Sub. Bond, 3.846% to 3/07/32, FRN thereafter, 3/08/37	United States	58,000	53,916

Franklin Allocation VIP Fund (continued)

	Country	Principal Amount*	Value
Corporate Bonds (continued)			
Banks (continued)			
Barclays plc, Senior Note, 5.086% to 2/24/28, FRN thereafter, 2/25/29	United Kingdom	230,000	$231,324
[c]BPCE SA, Senior Non-Preferred Note, 144A, 2.045% to 10/18/26, FRN thereafter, 10/19/27	France	250,000	248,096
[c]CaixaBank SA, Senior Non-Preferred Note, 144A, 4.885% to 7/02/30, FRN thereafter, 7/03/31	Spain	200,000	199,317
Citibank NA, Senior Note, 4.914%, 5/29/30	United States	500,000	506,257
Citigroup, Inc.,			
[g] Junior Sub. Bond, 6.625% to 2/14/31, FRN thereafter, Perpetual	United States	125,000	127,410
Senior Bond, 3.668% to 7/23/27, FRN thereafter, 7/24/28	United States	465,000	460,966
Senior Bond, 2.572% to 6/02/30, FRN thereafter, 6/03/31	United States	400,000	367,607
Senior Bond, 3.057% to 1/24/32, FRN thereafter, 1/25/33	United States	285,000	258,264
Senior Note, 5.174% to 2/12/29, FRN thereafter, 2/13/30	United States	360,000	363,885
Cooperatieve Rabobank UA, Senior Bond, 5.25%, 5/24/41	Netherlands	105,000	103,498
[c]Danske Bank A/S,			
Senior Non-Preferred Note, 144A, 5.705% to 2/28/29, FRN thereafter, 3/01/30	Denmark	200,000	204,616
Senior Preferred Note, 144A, 5.427% to 2/28/27, FRN thereafter, 3/01/28	Denmark	400,000	402,585
Fifth Third Bancorp, Senior Note, 5.631% to 1/28/31, FRN thereafter, 1/29/32	United States	200,000	205,827
Huntington Bancshares, Inc., Senior Bond, 2.55%, 2/04/30	United States	200,000	184,904
JPMorgan Chase & Co.,			
Senior Bond, 3.54% to 4/30/27, FRN thereafter, 5/01/28	United States	1,030,000	1,021,671
Senior Bond, 1.953% to 2/03/31, FRN thereafter, 2/04/32	United States	150,000	132,065
Senior Bond, 5.35% to 5/31/33, FRN thereafter, 6/01/34	United States	535,000	544,135
Senior Bond, 5.336% to 1/22/34, FRN thereafter, 1/23/35	United States	100,000	101,531
Senior Bond, 5.148% to 4/22/36, FRN thereafter, 4/23/37	United States	145,000	144,011
Senior Note, 5.14% to 1/23/30, FRN thereafter, 1/24/31	United States	400,000	404,563
Sub. Bond, 2.956% to 5/12/30, FRN thereafter, 5/13/31	United States	200,000	186,779
Sub. Bond, 5.576% to 7/22/35, FRN thereafter, 7/23/36	United States	190,000	192,966
Mitsubishi UFJ Financial Group, Inc., Senior Note, 5.159% to 4/23/30, FRN thereafter, 4/24/31	Japan	200,000	202,137
Mizuho Financial Group, Inc.,			
Senior Note, 5.778% to 7/05/28, FRN thereafter, 7/06/29	Japan	200,000	204,364
Senior Note, 5.098% to 5/12/30, FRN thereafter, 5/13/31	Japan	200,000	201,618
Morgan Stanley Bank NA, Senior Note, 4.788% to 5/09/29, FRN thereafter, 5/10/30	United States	500,000	500,561
NatWest Group plc,			
Senior Note, 5.808% to 9/12/28, FRN thereafter, 9/13/29	United Kingdom	200,000	204,419
Senior Note, 4.964% to 8/14/29, FRN thereafter, 8/15/30	United Kingdom	200,000	200,624
PNC Financial Services Group, Inc. (The),			
[g] T, Junior Sub. Bond, 3.4% to 9/14/26, FRN thereafter, Perpetual	United States	230,000	229,958
Senior Bond, 5.676% to 1/21/34, FRN thereafter, 1/22/35	United States	50,000	51,544
Senior Bond, 5.373% to 7/20/35, FRN thereafter, 7/21/36	United States	70,000	70,680
Senior Note, 5.222% to 1/28/30, FRN thereafter, 1/29/31	United States	210,000	213,438
Royal Bank of Canada, Senior Note, 4.97% to 5/01/30, FRN thereafter, 5/02/31	Canada	260,000	261,890
Sumitomo Mitsui Financial Group, Inc., Senior Bond, 5.754% to 7/06/46, FRN thereafter, 7/07/47	Japan	200,000	198,180
Toronto-Dominion Bank (The), Senior Note, 4.568%, 12/17/26	Canada	200,000	200,370
Truist Financial Corp.,			
Senior Note, 7.161% to 10/29/28, FRN thereafter, 10/30/29	United States	365,000	384,488

Franklin Allocation VIP Fund (continued)

	Country	Principal Amount*	Value
Corporate Bonds (continued)			
Banks (continued)			
Truist Financial Corp., (continued)			
Senior Note, 5.153% to 8/04/31, FRN thereafter, 8/05/32	United States	200,000	$201,539
I, Senior Note, 4.597% to 1/26/31, FRN thereafter, 1/27/32	United States	225,000	221,949
US Bancorp, Senior Note, 5.1% to 7/22/29, FRN thereafter, 7/23/30	United States	275,000	278,420
Wells Fargo & Co.,			
Senior Bond, 2.879% to 10/29/29, FRN thereafter, 10/30/30	United States	350,000	329,516
Senior Bond, 3.35% to 3/01/32, FRN thereafter, 3/02/33	United States	200,000	183,896
Senior Bond, 5.389% to 4/23/33, FRN thereafter, 4/24/34	United States	430,000	436,691
Senior Note, 4.808% to 7/24/27, FRN thereafter, 7/25/28	United States	550,000	551,567
Senior Note, 5.198% to 1/22/29, FRN thereafter, 1/23/30	United States	100,000	101,136
			14,849,323
Beverages 0.2%			
Anheuser-Busch InBev Worldwide, Inc.,			
Senior Bond, 3.5%, 6/01/30	Belgium	350,000	337,816
Senior Bond, 5.8%, 1/23/59	Belgium	150,000	152,861
Keurig Dr. Pepper, Inc.,			
Senior Bond, 5.3%, 3/15/34	United States	136,000	136,389
Senior Note, 4.05%, 4/15/32	United States	300,000	284,815
			911,881
Biotechnology 0.4%			
AbbVie, Inc.,			
Senior Bond, 4.75%, 3/15/36	United States	15,000	14,681
Senior Bond, 4.85%, 6/15/44	United States	430,000	394,919
Senior Note, 4.4%, 3/15/33	United States	50,000	48,939
Amgen, Inc.,			
Senior Bond, 2.45%, 2/21/30	United States	200,000	185,529
Senior Bond, 5.25%, 3/02/33	United States	100,000	101,792
Senior Bond, 5.6%, 3/02/43	United States	290,000	288,408
Biogen, Inc., Senior Bond, 2.25%, 5/01/30	United States	45,000	41,088
[c]CSL Finance plc,			
Senior Bond, 144A, 4.25%, 4/27/32	Australia	300,000	288,477
Senior Bond, 144A, 5.106%, 4/03/34	Australia	255,000	255,587
Regeneron Pharmaceuticals, Inc.,			
Senior Bond, 1.75%, 9/15/30	United States	200,000	176,925
Senior Bond, 2.8%, 9/15/50	United States	400,000	244,803
			2,041,148
Broadline Retail 0.1%			
Amazon.com, Inc.,			
Senior Bond, 4.875%, 3/13/36	United States	62,000	61,056
Senior Bond, 2.875%, 5/12/41	United States	60,000	44,459
Senior Bond, 5.8%, 3/13/56	United States	240,000	238,636
Senior Bond, 6.05%, 3/13/76	United States	52,000	51,883
Senior Note, 4.55%, 3/13/33	United States	40,000	39,364
			435,398
Building Products 0.0%†			
Carlisle Cos., Inc., Senior Bond, 5.25%, 9/15/35	United States	25,000	24,942
Owens Corning, Senior Bond, 5.7%, 6/15/34	United States	150,000	155,087
			180,029

Franklin Allocation VIP Fund (continued)

	Country	Principal Amount*	Value
Corporate Bonds (continued)			
Capital Markets 0.8%			
Charles Schwab Corp. (The), Senior Bond, 5.493% to 5/20/36, FRN thereafter, 5/21/37	United States	60,000	$60,832
Goldman Sachs Group, Inc. (The),			
Senior Bond, 2.615% to 4/21/31, FRN thereafter, 4/22/32	United States	100,000	89,834
Senior Bond, 5.851% to 4/24/34, FRN thereafter, 4/25/35	United States	450,000	466,809
Senior Bond, 5.536% to 1/27/35, FRN thereafter, 1/28/36	United States	100,000	101,599
Senior Bond, 5.065% to 1/20/36, FRN thereafter, 1/21/37	United States	150,000	146,507
Senior Bond, 5.425% to 6/02/36, FRN thereafter, 6/03/37	United States	35,000	35,134
Senior Note, 5.727% to 4/24/29, FRN thereafter, 4/25/30	United States	540,000	553,502
Senior Note, 5.218% to 4/22/30, FRN thereafter, 4/23/31	United States	100,000	101,014
Senior Note, 5.094% to 4/19/33, FRN thereafter, 4/20/34	United States	30,000	29,888
Morgan Stanley,			
Senior Bond, 3.622% to 3/31/30, FRN thereafter, 4/01/31	United States	500,000	478,917
Senior Bond, 1.794% to 2/12/31, FRN thereafter, 2/13/32	United States	200,000	174,021
Senior Bond, 5.25% to 4/20/33, FRN thereafter, 4/21/34	United States	735,000	739,837
Senior Bond, 5.466% to 1/17/34, FRN thereafter, 1/18/35	United States	50,000	50,780
Senior Bond, 5.073% to 1/29/36, FRN thereafter, 1/30/37	United States	50,000	48,915
Senior Bond, 5.9% to 3/12/46, FRN thereafter, 3/13/47	United States	115,000	116,300
Senior Note, 4.654% to 10/17/29, FRN thereafter, 10/18/30	United States	260,000	258,639
Senior Note, 4.493% to 1/15/31, FRN thereafter, 1/16/32	United States	50,000	49,039
Senior Note, 4.708% to 3/11/31, FRN thereafter, 3/12/32	United States	75,000	74,091
Sub. Bond, 5.948% to 1/18/33, FRN thereafter, 1/19/38	United States	22,000	22,644
[c]MSCI, Inc., Senior Bond, 144A, 4%, 11/15/29	United States	200,000	193,557
[c]UBS Group AG,			
Senior Bond, 144A, 2.095% to 2/10/31, FRN thereafter, 2/11/32	Switzerland	425,000	374,775
Senior Note, 144A, 6.246% to 9/21/28, FRN thereafter, 9/22/29	Switzerland	200,000	206,302
			4,372,936
Commercial Services & Supplies 0.0%†			
Waste Connections, Inc.,			
Senior Bond, 5%, 3/01/34	United States	45,000	45,084
Senior Bond, 4.8%, 7/15/36	United States	65,000	63,276
			108,360
Communications Equipment 0.1%			
Cisco Systems, Inc., Senior Bond, 5.05%, 2/26/34	United States	330,000	332,909
Motorola Solutions, Inc.,			
Senior Bond, 4.6%, 5/23/29	United States	130,000	129,675
Senior Bond, 5.4%, 4/15/34	United States	150,000	151,923
Senior Note, 4.85%, 8/15/30	United States	70,000	70,278
			684,785
Construction Materials 0.0%†			
Martin Marietta Materials, Inc., Senior Bond, 5.15%, 12/01/34	United States	30,000	30,008
Consumer Finance 0.3%			
AerCap Ireland Capital DAC / AerCap Global Aviation Trust, Senior Bond, 3.4%, 10/29/33	Ireland	150,000	133,378
American Express Co.,			
Senior Bond, 4.804% to 10/23/35, FRN thereafter, 10/24/36	United States	125,000	121,091
Senior Note, 5.016% to 4/24/30, FRN thereafter, 4/25/31	United States	225,000	227,342
[c]Avolon Holdings Funding Ltd.,			
Senior Note, 144A, 4.9%, 10/10/30	Ireland	390,000	386,756
Senior Note, 144A, 4.95%, 10/15/32	Ireland	200,000	195,244

Franklin Allocation VIP Fund (continued)

	Country	Principal Amount*	Value
Corporate Bonds (continued)			
Consumer Finance (continued)			
Capital One Financial Corp.,			
Senior Note, 5.463% to 7/25/29, FRN thereafter, 7/26/30	United States	200,000	$203,318
Sub. Bond, 6.183% to 1/29/35, FRN thereafter, 1/30/36	United States	200,000	204,671
[c]Gabx Leasing LLC, Senior Note, 144A, 4.625%, 4/15/31	United States	35,000	34,525
General Motors Financial Co., Inc.,			
Senior Bond, 5.45%, 9/06/34	United States	320,000	320,728
Senior Note, 4.2%, 10/27/28	United States	30,000	29,681
			1,856,734
Consumer Staples Distribution & Retail 0.0%†			
[c]7-Eleven, Inc.,			
Senior Bond, 144A, 1.8%, 2/10/31	United States	44,000	38,302
Senior Note, 144A, 1.3%, 2/10/28	United States	126,000	119,720
			158,022
Containers & Packaging 0.0%†			
AptarGroup, Inc., Senior Note, 4.75%, 3/30/31	United States	55,000	54,497
Diversified REITs 0.1%			
Equinix Asia Financing Corp. Pte. Ltd., Senior Note, 4.4%, 3/15/31	United States	45,000	43,998
Simon Property Group LP,			
Senior Bond, 2.2%, 2/01/31	United States	100,000	89,964
Senior Note, 3.375%, 12/01/27	United States	190,000	187,304
VICI Properties LP, Senior Note, 4.95%, 2/15/30	United States	200,000	199,498
[c]VICI Properties LP / VICI Note Co., Inc., Senior Bond, 144A, 4.125%, 8/15/30	United States	225,000	216,016
			736,780
Diversified Telecommunication Services 0.5%			
AT&T, Inc.,			
Senior Bond, 2.55%, 12/01/33	United States	500,000	420,089
Senior Bond, 5.125%, 4/30/36	United States	45,000	44,118
Senior Bond, 3.5%, 6/01/41	United States	740,000	569,754
Senior Bond, 6.2%, 10/30/56	United States	35,000	34,622
[c]Beacon Point DC LLC, Senior Secured Bond, 144A, 6.129%, 11/30/42	United States	140,000	141,259
Comcast Corp., Senior Bond, 4.049%, 11/01/52	United States	235,000	164,867
Orange SA, Senior Bond, 9%, 3/01/31	France	100,000	116,818
[c]RD Michigan Property Owner I LLC, Senior Secured Bond, 144A, 7.5%, 3/30/45	United States	300,000	299,173
[c]Space Exploration Technologies Corp., Senior Note, 144A, 5.35%, 7/15/31	United States	285,000	284,331
Verizon Communications, Inc.,			
Junior Sub. Bond, 6.05% to 5/13/33, FRN thereafter, 5/14/58	United States	110,000	111,047
Senior Bond, 5.25%, 4/02/35	United States	175,000	175,014
Senior Bond, 3.4%, 3/22/41	United States	320,000	247,467
			2,608,559
Electric Utilities 1.1%			
American Electric Power Co., Inc.,			
C, Junior Sub. Bond, 5.8% to 3/14/31, FRN thereafter, 3/15/56	United States	100,000	99,494
D, Junior Sub. Bond, 6.05% to 3/14/36, FRN thereafter, 3/15/56	United States	35,000	34,814

Franklin Allocation VIP Fund (continued)

	Country	Principal Amount*	Value
Corporate Bonds (continued)			
Electric Utilities (continued)			
Baltimore Gas and Electric Co., Senior Bond, 4.55%, 6/01/52	United States	200,000	$166,316
Commonwealth Edison Co., Senior Bond, 4%, 3/01/48	United States	225,000	176,567
DTE Electric Co.,			
Senior Bond, 5.25%, 5/15/35	United States	25,000	25,299
A, Senior Bond, 4.85%, 3/01/36	United States	50,000	48,887
Duke Energy Florida LLC, Senior Bond, 6.4%, 6/15/38	United States	200,000	218,036
Duke Energy Indiana LLC,			
Senior Bond, 5.4%, 4/01/53	United States	350,000	329,411
DDDD, Senior Bond, 4.95%, 3/15/36	United States	40,000	39,334
Duke Energy Ohio, Inc., Senior Bond, 5.25%, 4/01/33	United States	230,000	234,183
[c]Enel Finance International NV, Senior Bond, 144A, 2.5%, 7/12/31	Italy	200,000	178,205
Entergy Mississippi LLC, Senior Bond, 5.05%, 4/15/36	United States	55,000	54,095
Exelon Corp., Senior Bond, 4.05%, 4/15/30	United States	325,000	317,329
Georgia Power Co., Senior Bond, 4.3%, 3/15/42	United States	400,000	347,610
NextEra Energy Capital Holdings, Inc.,			
Senior Bond, 2.44%, 1/15/32	United States	300,000	264,676
Senior Bond, 5.9%, 3/15/55	United States	205,000	203,090
AA, Senior Bond, 6% to 9/30/31, FRN thereafter, 10/01/56	United States	40,000	39,992
Senior Note, 5.3%, 3/15/32	United States	95,000	96,848
Pacific Gas and Electric Co.,			
Senior Bond, 5.2%, 5/01/36	United States	10,000	9,717
Senior Note, 3.3%, 12/01/27	United States	350,000	343,527
Senior Note, 5.05%, 11/15/31	United States	115,000	114,919
Senior Secured Bond, 3.25%, 6/01/31	United States	300,000	276,841
PECO Energy Co., Senior Bond, 4.875%, 9/15/35	United States	100,000	99,065
Public Service Electric and Gas Co., Senior Bond, 5.45%, 3/01/54	United States	135,000	130,585
Virginia Electric and Power Co.,			
Senior Bond, 2.4%, 3/30/32	United States	725,000	640,415
Senior Bond, 5%, 4/01/33	United States	200,000	201,090
Senior Bond, 4.95%, 3/15/36	United States	95,000	93,025
C, Senior Bond, 4.9%, 9/15/35	United States	250,000	244,805
[c]Vistra Operations Co. LLC,			
Senior Bond, 144A, 5.25%, 10/15/35	United States	105,000	102,186
Senior Note, 144A, 5.05%, 12/30/26	United States	75,000	75,114
Senior Secured Bond, 144A, 4.3%, 7/15/29	United States	300,000	294,045
Xcel Energy, Inc.,			
Senior Bond, 4.6%, 6/01/32	United States	200,000	196,493
Senior Bond, 5.45%, 8/15/33	United States	150,000	152,876
			5,848,889
Electrical Equipment 0.1%			
Regal Rexnord Corp.,			
Senior Note, 6.3%, 2/15/30	United States	150,000	156,592
Senior Note, 6.4%, 4/15/33	United States	64,000	67,964
[c]Vertiv Group Corp., Senior Secured Note, 144A, 4.125%, 11/15/28	United States	50,000	49,537
Vertiv Holdings Co.,			
Senior Bond, 4.85%, 3/15/36	United States	86,000	83,558
Senior Bond, 5.8%, 3/15/56	United States	20,000	19,698
Senior Bond, 5.95%, 3/15/66	United States	140,000	138,723
			516,072

Franklin Allocation VIP Fund (continued)

	Country	Principal Amount*	Value
Corporate Bonds (continued)			
Electronic Equipment, Instruments & Components 0.0%†			
Amphenol Corp., Senior Note, 4.4%, 2/15/33	United States	100,000	$97,263
Energy Equipment & Services 0.0%†			
Baker Hughes Holdings LLC / Baker Hughes Co-Obligor, Inc., Senior Bond, 4.08%, 12/15/47	United States	285,000	226,259
Financial Services 0.1%			
Corebridge Financial, Inc., Senior Note, 6.05%, 9/15/33	United States	150,000	156,934
[c]EDP Finance BV, Senior Note, 144A, 1.71%, 1/24/28	Portugal	200,000	191,591
Global Payments, Inc., Senior Note, 5.4%, 8/15/32	United States	135,000	134,523
Woodside Finance Ltd., Senior Bond, 6%, 5/19/35	Australia	42,000	43,642
			526,690
Food Products 0.3%			
JBS NV / JBS USA Foods Group Holdings, Inc. / JBS USA Food Co. Holdings, Senior Bond, 5.5%, 1/15/36	United States	55,000	54,954
[c] Senior Bond, 144A, 5.625%, 3/10/37	United States	80,000	79,716
[c] Senior Bond, 144A, 6.4%, 5/10/57	United States	20,000	19,967
Senior Note, 3.625%, 1/15/32	United States	400,000	370,906
Senior Note, 5.75%, 4/01/33	United States	200,000	205,459
Kellanova, Senior Bond, 4.5%, 4/01/46	United States	30,000	25,885
Kraft Heinz Foods Co., Senior Bond, 5%, 6/04/42	United States	235,000	210,665
Senior Bond, 4.375%, 6/01/46	United States	22,000	17,628
[c]Mars, Inc., Senior Bond, 144A, 3.2%, 4/01/30	United States	100,000	95,112
Senior Bond, 144A, 4.75%, 4/20/33	United States	210,000	208,626
Senior Bond, 144A, 5.7%, 5/01/55	United States	90,000	88,728
Senior Note, 144A, 5.2%, 3/01/35	United States	190,000	190,820
Pilgrim's Pride Corp., Senior Note, 3.5%, 3/01/32	United States	140,000	127,713
			1,696,179
Gas Utilities 0.0%†			
Southern California Gas Co., Senior Bond, 5.75%, 6/01/53	United States	200,000	195,880
Ground Transportation 0.2%			
[c]Ashtead Capital, Inc., Senior Bond, 144A, 5.8%, 4/15/34	United Kingdom	200,000	203,838
Burlington Northern Santa Fe LLC, Senior Bond, 5.75%, 5/01/40	United States	300,000	313,620
Senior Bond, 5.55%, 3/15/56	United States	45,000	44,102
CSX Corp., Senior Bond, 4.75%, 11/15/48	United States	215,000	190,593
[c]SMBC Aviation Capital Finance DAC, Senior Note, 144A, 5.1%, 4/01/30	Ireland	200,000	201,159
			953,312
Health Care Equipment & Supplies 0.1%			
Abbott Laboratories, Senior Bond, 5.5%, 3/15/56	United States	180,000	176,411
[c]Medline Borrower LP, Senior Secured Note, 144A, 3.875%, 4/01/29	United States	230,000	223,478
[c]Medline Borrower LP / Medline Co-Issuer, Inc., Senior Secured Note, 144A, 5.25%, 6/15/33	United States	55,000	54,707
[c]VSP Optical Group, Inc., Senior Bond, 144A, 5.65%, 6/01/36	United States	10,000	10,052

Franklin Allocation VIP Fund (continued)

	Country	Principal Amount*	Value
Corporate Bonds (continued)			
Health Care Equipment & Supplies (continued)			
[c]VSP Optical Group, Inc., (continued)			
Senior Note, 144A, 5.4%, 6/01/33	United States	40,000	$40,120
			504,768
Health Care Providers & Services 0.7%			
Ascension Health, Senior Bond, 3.945%, 11/15/46	United States	170,000	136,804
Cigna Group (The),			
Senior Bond, 2.375%, 3/15/31	United States	200,000	180,101
Senior Bond, 3.2%, 3/15/40	United States	250,000	195,320
CVS Health Corp.,			
Senior Bond, 1.875%, 2/28/31	United States	35,000	30,708
Senior Bond, 5.3%, 12/05/43	United States	435,000	405,958
Senior Bond, 5.125%, 7/20/45	United States	100,000	90,622
Elevance Health, Inc., Senior Bond, 5.1%, 1/15/44	United States	100,000	93,004
HCA, Inc.,			
Senior Bond, 3.5%, 9/01/30	United States	365,000	346,354
Senior Note, 3.625%, 3/15/32	United States	200,000	186,244
Senior Note, 4.6%, 11/15/32	United States	300,000	292,291
[c]Horseshoe Funding Trust I, Senior Note, 144A, 6.062%, 2/15/36	United States	230,000	233,737
Humana, Inc.,			
Junior Sub. Bond, 6.625% to 9/14/31, FRN thereafter, 9/15/56	United States	135,000	134,641
Senior Bond, 5.95%, 3/15/34	United States	260,000	269,232
Senior Note, 5.375%, 4/15/31	United States	25,000	25,346
Icon Investments Six DAC, Senior Secured Bond, 6%, 5/08/34	United States	200,000	205,629
Kaiser Foundation Hospitals, Senior Bond, 4.15%, 5/01/47	United States	225,000	185,604
UnitedHealth Group, Inc.,			
Senior Bond, 3.05%, 5/15/41	United States	585,000	441,619
Senior Note, 5.15%, 7/15/34	United States	100,000	100,943
Senior Note, 5.3%, 6/15/35	United States	95,000	96,790
			3,650,947
Health Care Technology 0.0%†			
IQVIA, Inc., Senior Secured Note, 6.25%, 2/01/29	United States	100,000	103,366
Hotels, Restaurants & Leisure 0.2%			
[c]1011778 BC ULC / New Red Finance, Inc., Senior Secured Note, 144A, 3.5%, 2/15/29	Canada	216,000	207,693
Airbnb, Inc.,			
Senior Bond, 5.25%, 3/16/36	United States	20,000	19,925
Senior Note, 4.65%, 3/16/31	United States	40,000	39,752
[c]Carnival Corp. Ltd.,			
Senior Note, 144A, 5.75%, 3/15/30	United States	120,000	121,538
Senior Secured Note, 144A, 4%, 8/01/28	United States	210,000	206,219
[c]Flutter Treasury DAC, Senior Secured Note, 144A, 5.875%, 6/04/31	United Kingdom	200,000	199,396
Marriott International, Inc., Senior Note, 4.5%, 5/01/33	United States	55,000	53,258
Royal Caribbean Cruises Ltd.,			
Senior Bond, 5.375%, 1/15/36	United States	100,000	99,314
[c] Senior Note, 144A, 5.5%, 4/01/28	United States	200,000	201,934
			1,149,029
Independent Power and Renewable Electricity Producers 0.2%			
Constellation Energy Generation LLC,			
Senior Bond, 5.8%, 3/01/33	United States	300,000	313,234

Franklin Allocation VIP Fund (continued)

	Country	Principal Amount*	Value
Corporate Bonds (continued)			
Independent Power and Renewable Electricity Producers (continued)			
Constellation Energy Generation LLC, (continued)			
Senior Bond, 6.125%, 1/15/34	United States	350,000	$371,812
Senior Note, 4.4%, 1/15/31	United States	35,000	34,418
Southern Power Co., B, Senior Bond, 4.9%, 10/01/35	United States	105,000	101,910
			821,374
Industrial Conglomerates 0.0%†			
[c]Siemens Funding BV, Senior Bond, 144A, 5.8%, 5/28/55	Germany	200,000	207,112
Insurance 0.5%			
Allstate Corp. (The), Senior Bond, 4.2%, 12/15/46	United States	200,000	162,075
Aon North America, Inc., Senior Bond, 5.75%, 3/01/54	United States	70,000	68,730
Arch Capital Group Ltd., Senior Bond, 5.95%, 6/15/56	United States	130,000	131,284
Arthur J Gallagher & Co.,			
Senior Bond, 6.5%, 2/15/34	United States	150,000	161,967
Senior Bond, 5.45%, 7/15/34	United States	200,000	203,165
Senior Bond, 5.15%, 2/15/35	United States	260,000	258,245
[c]Athene Global Funding,			
Senior Secured Bond, 144A, 2.673%, 6/07/31	United States	200,000	176,728
Senior Secured Bond, 144A, 5.543%, 8/22/35	United States	150,000	147,699
Athene Holding Ltd.,			
Senior Bond, 6.25%, 4/01/54	United States	115,000	106,043
Senior Bond, 6.625%, 5/19/55	United States	110,000	107,052
Berkshire Hathaway Finance Corp., Senior Bond, 3.85%, 3/15/52	United States	125,000	94,650
Brown & Brown, Inc., Senior Bond, 2.375%, 3/15/31	United States	100,000	88,814
Marsh & McLennan Cos., Inc., Senior Bond, 4.9%, 3/15/49	United States	200,000	178,120
MetLife, Inc., Junior Sub. Bond, 6.4%, 12/15/36	United States	200,000	204,550
[c]Nippon Life Insurance Co., Sub. Bond, 144A, 6.5% to 4/29/35, FRN thereafter, 4/30/55	Japan	200,000	209,877
Progressive Corp. (The), Senior Bond, 4.125%, 4/15/47	United States	175,000	141,950
			2,440,949
Interactive Media & Services 0.1%			
Alphabet, Inc.,			
Senior Bond, 5.45%, 11/15/55	United States	200,000	191,855
Senior Note, 4.4%, 2/15/33	United States	220,000	215,341
Meta Platforms, Inc.,			
Senior Bond, 5.25%, 5/15/36	United States	55,000	54,632
Senior Bond, 6.3%, 5/15/56	United States	165,000	164,354
			626,182
IT Services 0.1%			
[c]Beignet Investor LLC, Senior Secured Bond, 144A, 6.581%, 5/30/49	United States	241,000	245,976
Leisure Products 0.1%			
Brunswick Corp.,			
Senior Bond, 4.4%, 9/15/32	United States	200,000	190,003
Senior Note, 5.85%, 3/18/29	United States	200,000	204,665
			394,668
Life Sciences Tools & Services 0.0%†			
Thermo Fisher Scientific, Inc., Senior Bond, 4.902%, 2/12/36	United States	45,000	44,487

Franklin Allocation VIP Fund (continued)

	Country	Principal Amount*	Value
Corporate Bonds (continued)			
Machinery 0.0%†			
Westinghouse Air Brake Technologies Corp., Senior Bond, 4.7%, 9/15/28	United States	150,000	$150,160
Media 0.2%			
Charter Communications Operating LLC / Charter Communications Operating Capital Corp.,			
Senior Secured Bond, 4.4%, 4/01/33	United States	100,000	92,120
Senior Secured Bond, 6.55%, 6/01/34	United States	400,000	408,513
Senior Secured Bond, 5.85%, 12/01/35	United States	50,000	48,421
Senior Secured Bond, 5.375%, 4/01/38	United States	300,000	268,891
Senior Secured Bond, 3.5%, 6/01/41	United States	45,000	31,524
Senior Secured Bond, 3.5%, 3/01/42	United States	100,000	69,154
			918,623
Metals & Mining 0.1%			
[c]Anglo American Capital plc, Senior Note, 144A, 5%, 3/21/33	South Africa	200,000	198,495
Freeport-McMoRan, Inc., Senior Bond, 5.45%, 3/15/43	United States	90,000	87,068
[c]Glencore Funding LLC, Senior Bond, 144A, 5.508%, 4/01/36	Australia	200,000	201,298
Newmont Corp. / Newcrest Finance Pty. Ltd., Senior Note, 5.35%, 3/15/34	United States	40,000	41,059
			527,920
Multi-Utilities 0.1%			
Berkshire Hathaway Energy Co.,			
Senior Bond, 1.65%, 5/15/31	United States	300,000	259,907
Senior Bond, 5.15%, 11/15/43	United States	200,000	188,438
Public Service Enterprise Group, Inc., Senior Bond, 5.4%, 3/15/35	United States	50,000	50,700
Southern Co. Gas Capital Corp., Senior Bond, 4.95%, 9/15/34	United States	260,000	256,920
			755,965
Oil, Gas & Consumable Fuels 0.8%			
[c]Aker BP ASA, Senior Bond, 144A, 5.8%, 10/01/54	Norway	150,000	139,739
Cheniere Energy, Inc.,			
[c] Senior Bond, 144A, 5.2%, 7/30/36	United States	15,000	14,775
Senior Note, 5.65%, 4/15/34	United States	50,000	51,332
[c]DT Midstream, Inc., Senior Bond, 144A, 5.8%, 12/15/34	United States	100,000	102,235
Eastern Energy Gas Holdings LLC, Senior Bond, 5.8%, 1/15/35	United States	290,000	300,223
Energy Transfer LP,			
Senior Bond, 5.55%, 5/15/34	United States	300,000	304,865
Senior Bond, 5.15%, 3/15/45	United States	525,000	468,587
[c]Eni SpA, Senior Bond, 144A, 5.25%, 5/18/36	Italy	420,000	413,199
Hess Corp.,			
Senior Bond, 7.125%, 3/15/33	United States	150,000	168,643
Senior Bond, 5.6%, 2/15/41	United States	250,000	253,262
MPLX LP,			
Senior Bond, 5.4%, 4/01/35	United States	200,000	200,042
Senior Bond, 5.5%, 2/15/49	United States	145,000	133,735
Occidental Petroleum Corp., Senior Bond, 6.6%, 3/15/46	United States	160,000	170,863
Targa Resources Corp.,			
Senior Bond, 6.5%, 2/15/53	United States	215,000	225,190
Senior Bond, 6.05%, 5/15/56	United States	70,000	69,286
Senior Note, 4.35%, 4/15/31	United States	40,000	39,090

Franklin Allocation VIP Fund (continued)

	Country	Principal Amount*	Value
Corporate Bonds (continued)			
Oil, Gas & Consumable Fuels (continued)			
Targa Resources Partners LP / Targa Resources Partners Finance Corp., Senior Bond, 4%, 1/15/32	United States	300,000	$284,614
TotalEnergies Capital SA, Senior Bond, 5.275%, 9/10/54	France	220,000	207,409
Transcontinental Gas Pipe Line Co. LLC, Senior Note, 5.1%, 3/15/36	United States	85,000	84,181
[c]Var Energi ASA, Senior Bond, 144A, 8%, 11/15/32	Norway	200,000	227,172
Viper Energy Partners LLC,			
Senior Bond, 5.7%, 8/01/35	United States	168,000	170,760
Senior Note, 4.9%, 8/01/30	United States	75,000	74,792
Williams Cos., Inc. (The),			
Senior Bond, 2.6%, 3/15/31	United States	200,000	181,052
Senior Bond, 5.1%, 9/15/45	United States	100,000	91,038
			4,376,084
Paper & Forest Products 0.0%†			
[c]Georgia-Pacific LLC, Senior Note, 144A, 4.9%, 5/15/33	United States	115,000	114,429
Personal Care Products 0.1%			
Haleon US Capital LLC, Senior Note, 3.625%, 3/24/32	United States	800,000	749,568
Pharmaceuticals 0.4%			
[c]Bayer US Finance II LLC, Senior Bond, 144A, 4.375%, 12/15/28	Germany	400,000	395,794
Bristol-Myers Squibb Co., Senior Bond, 4.25%, 10/26/49	United States	150,000	121,989
Eli Lilly & Co.,			
Senior Bond, 5.65%, 10/15/65	United States	90,000	90,186
Senior Bond, 5.7%, 5/20/66	United States	100,000	100,624
Merck & Co., Inc.,			
Senior Bond, 4.75%, 12/04/35	United States	40,000	39,213
Senior Bond, 5.2%, 5/22/36	United States	55,000	55,703
Novartis Capital Corp.,			
Senior Bond, 4.9%, 3/18/36	United States	60,000	59,652
Senior Bond, 5.7%, 3/18/56	United States	130,000	132,566
Senior Note, 4.1%, 11/05/30	United States	200,000	196,541
Senior Note, 4.6%, 3/18/33	United States	50,000	49,554
Pfizer Investment Enterprises Pte. Ltd.,			
Senior Bond, 4.75%, 5/19/33	United States	290,000	287,302
Senior Bond, 5.3%, 5/19/53	United States	70,000	65,991
Royalty Pharma plc,			
Senior Bond, 2.15%, 9/02/31	United States	300,000	263,520
Senior Bond, 5.2%, 9/25/35	United States	65,000	64,427
Senior Bond, 3.35%, 9/02/51	United States	185,000	124,353
			2,047,415
Residential REITs 0.1%			
Essex Portfolio LP, Senior Bond, 2.65%, 3/15/32	United States	400,000	355,159
Semiconductors & Semiconductor Equipment 0.6%			
Analog Devices, Inc., Senior Bond, 2.8%, 10/01/41	United States	185,000	134,492
Broadcom, Inc.,			
Senior Bond, 4.95%, 1/15/36	United States	40,000	39,303
Senior Bond, 5.7%, 1/15/56	United States	5,000	4,964
Senior Note, 4.6%, 7/15/30	United States	285,000	284,098
[c]Foundry JV Holdco LLC,			
Senior Secured Bond, 144A, 6.25%, 1/25/35	United States	200,000	212,502
Senior Secured Note, 144A, 5.9%, 1/25/33	United States	400,000	417,232

Franklin Allocation VIP Fund (continued)

	Country	Principal Amount*	Value
Corporate Bonds (continued)			
Semiconductors & Semiconductor Equipment (continued)			
Intel Corp.,			
Senior Bond, 4.15%, 8/05/32	United States	15,000	$14,390
Senior Bond, 5.3%, 5/15/36	United States	41,521	41,332
Senior Bond, 3.734%, 12/08/47	United States	260,000	187,335
Senior Bond, 6.125%, 5/15/56	United States	175,005	174,902
Marvell Technology, Inc.,			
Senior Bond, 5.3%, 4/15/36	United States	50,000	49,770
Senior Note, 4.75%, 7/15/30	United States	200,000	199,612
Senior Note, 5.95%, 9/15/33	United States	230,000	241,928
NVIDIA Corp.,			
Senior Bond, 5.55%, 6/15/46	United States	450,000	446,924
Senior Bond, 5.625%, 6/15/56	United States	245,000	243,363
Senior Note, 4.75%, 6/15/33	United States	70,000	69,820
Senior Note, 4.95%, 6/15/36	United States	290,000	287,569
			3,049,536
Software 0.3%			
Oracle Corp.,			
Senior Bond, 2.875%, 3/25/31	United States	300,000	268,108
Senior Bond, 3.9%, 5/15/35	United States	49,000	41,591
Senior Bond, 5.7%, 2/04/36	United States	46,000	44,565
Senior Bond, 3.95%, 3/25/51	United States	200,000	128,064
Senior Bond, 6.7%, 2/04/56	United States	30,000	28,254
Senior Note, 2.3%, 3/25/28	United States	325,000	311,146
Senior Note, 4.45%, 9/26/30	United States	135,000	130,367
Senior Note, 4.8%, 9/26/32	United States	35,000	33,317
Salesforce, Inc., Senior Note, 5.2%, 3/15/33	United States	285,000	285,581
Synopsys, Inc.,			
Senior Bond, 5.15%, 4/01/35	United States	134,000	133,296
Senior Bond, 5.7%, 4/01/55	United States	80,000	77,651
Senior Note, 5%, 4/01/32	United States	100,000	100,210
			1,582,150
Specialized REITs 0.1%			
American Tower Corp.,			
Senior Bond, 5.35%, 3/15/35	United States	200,000	201,383
Senior Note, 4.7%, 12/15/32	United States	120,000	118,085
Crown Castle, Inc., Senior Note, 4.9%, 9/01/29	United States	45,000	45,180
			364,648
Specialty Retail 0.2%			
Dick's Sporting Goods, Inc.,			
Senior Bond, 3.15%, 1/15/32	United States	200,000	182,686
Senior Bond, 4.1%, 1/15/52	United States	225,000	164,225
Home Depot, Inc. (The), Senior Bond, 3.625%, 4/15/52	United States	410,000	296,839
Lowe's Cos., Inc., Senior Bond, 5.75%, 7/01/53	United States	210,000	206,112
			849,862
Technology Hardware, Storage & Peripherals 0.1%			
Apple, Inc., Senior Bond, 2.8%, 2/08/61	United States	205,000	117,384
Dell International LLC / EMC Corp.,			
Senior Bond, 5.25%, 2/15/37	United States	120,000	118,180

Franklin Allocation VIP Fund (continued)

	Country	Principal Amount*		Value
Corporate Bonds (continued)				
Technology Hardware, Storage & Peripherals (continued)				
Dell International LLC / EMC Corp., (continued)				
Senior Note, 4.75%, 7/15/31	United States	20,000		$19,884
				255,448
Textiles, Apparel & Luxury Goods 0.0%†				
Tapestry, Inc., Senior Bond, 5.5%, 3/11/35	United States	125,000		125,934
Tobacco 0.2%				
BAT Capital Corp.,				
Senior Bond, 4.39%, 8/15/37	United Kingdom	193,000		176,599
Senior Note, 4.625%, 3/22/33	United Kingdom	380,000		372,014
Philip Morris International, Inc., Senior Bond, 5.375%, 2/15/33	United States	515,000		528,822
				1,077,435
Water Utilities 0.0%†				
Essential Utilities, Inc., Senior Bond, 5.125%, 3/15/36	United States	60,000		59,170
Wireless Telecommunication Services 0.2%				
Rogers Communications, Inc., Senior Note, 3.8%, 3/15/32	Canada	45,000		41,977
T-Mobile USA, Inc.,				
Senior Bond, 5.3%, 5/15/35	United States	247,000		248,244
Senior Bond, 5%, 2/15/36	United States	80,000		78,287
Senior Note, 3.375%, 4/15/29	United States	530,000		512,471
Senior Note, 2.55%, 2/15/31	United States	300,000		272,281
Vodafone Group plc,				
Senior Bond, 6.15%, 2/27/37	United Kingdom	36,000		38,071
Senior Bond, 5.75%, 6/28/54	United Kingdom	50,000		47,233
				1,238,564
Total Corporate Bonds (Cost $72,122,619)				**71,259,667**
Foreign Government and Agency Securities 1.4%				
Brazil Notas do Tesouro Nacional,				
10%, 1/01/33	Brazil	730,000	BRL	117,493
10%, 1/01/35	Brazil	4,070,000	BRL	633,874
Colombia Titulos de Tesoreria,				
B, 11.5%, 7/25/46	Colombia	1,770,000,000	COP	502,160
B, 12%, 3/13/58	Colombia	180,000,000	COP	52,207
[c]Corp. Andina de Fomento, Senior Bond, 144A, 7.25%, 3/06/36	Supranational[h]	11,500,000	INR	116,361
[c]Electricite de France SA,				
Senior Bond, 144A, 5.25%, 4/22/36	France	300,000		294,625
Senior Note, 144A, 5.7%, 5/23/28	France	200,000		203,756
Inter-American Development Bank, Senior Bond, 6.85%, 2/18/36	Supranational[h]	27,000,000	INR	272,090
[c]Italy Buoni Poliennali del Tesoro, Senior Bond, Reg S, 3.45%, 2/01/36	Italy	630,000	EUR	713,825
Mexican Bonos Desarr Fixed Rate,				
M, 8%, 11/07/47	Mexico	4,330,000[i]	MXN	212,787
M, 8%, 7/31/53	Mexico	16,430,000[i]	MXN	798,233
M, 8%, 4/29/55	Mexico	6,900,000[i]	MXN	334,239

Franklin Allocation VIP Fund (continued)

	Country	Principal Amount*		Value
Foreign Government and Agency Securities (continued)				
[c]New South Wales Treasury Corp., Senior Bond, Reg S, 4.25%, 2/20/36	Australia	740,000	AUD	$472,802
[c]Queensland Treasury Corp., Senior Bond, 144A, Reg S, 5.25%, 7/21/36	Australia	680,000	AUD	467,592
Treasury Corp. of Victoria, Senior Bond, 4.75%, 9/15/36	Australia	730,000	AUD	480,670
[c]United Kingdom Gilt,				
Reg S, 4.5%, 3/07/35	United Kingdom	540,000	GBP	706,169
Reg S, 4.75%, 10/22/35	United Kingdom	570,000	GBP	755,360
Reg S, 1.25%, 7/31/51	United Kingdom	120,000	GBP	67,544
Reg S, 4.375%, 7/31/54	United Kingdom	570,000	GBP	635,036
Total Foreign Government and Agency Securities (Cost $7,650,307)				**7,836,823**
U.S. Government and Agency Securities 17.6%				
FFCB, 2.1%, 2/25/36	United States	150,000		119,911
U.S. Treasury Bonds,				
1.125%, 5/15/40	United States	765,000		484,356
4.375%, 5/15/40	United States	500,000		483,574
1.125%, 8/15/40	United States	332,000		208,077
1.375%, 11/15/40	United States	1,771,000		1,145,512
2.75%, 8/15/42	United States	80,000		61,137
3.875%, 5/15/43	United States	2,000,000		1,768,398
4.75%, 11/15/43	United States	460,000		452,597
3.125%, 8/15/44	United States	725,000		567,511
4.625%, 2/15/46	United States	170,000		163,226
2.5%, 5/15/46	United States	945,000		649,374
5%, 5/15/46	United States	380,000		382,880
2.25%, 8/15/46	United States	818,000		533,777
2.75%, 11/15/47	United States	90,000		63,468
3.375%, 11/15/48	United States	2,690,000		2,104,820
3%, 2/15/49	United States	6,671,000		4,865,661
2.25%, 8/15/49	United States	525,000		326,669
1.25%, 5/15/50	United States	1,285,000		611,805
1.375%, 8/15/50	United States	1,505,000		738,626
2.375%, 5/15/51	United States	950,000		594,381
2%, 8/15/51	United States	1,350,000		768,920
1.875%, 11/15/51	United States	1,810,000		995,076
2.25%, 2/15/52	United States	710,000		427,678
3.625%, 2/15/53	United States	605,000		483,976
3.625%, 5/15/53	United States	1,755,000		1,402,972
4.125%, 8/15/53	United States	20,000		17,475
4.25%, 2/15/54	United States	175,000		156,177
4.75%, 8/15/55	United States	1,295,000		1,256,706
4.75%, 2/15/56	United States	130,000		126,313
5%, 5/15/56	United States	80,000		80,856
U.S. Treasury Notes,				
1.25%, 12/31/26	United States	2,075,000		2,047,611
0.5%, 6/30/27	United States	6,535,000		6,307,350
3.25%, 6/30/27	United States	2,560,000		2,538,766
1.125%, 2/29/28	United States	8,360,000		7,955,552
3.875%, 3/31/28	United States	2,840,000		2,826,355
3.5%, 4/30/28	United States	223,000		220,400
3.75%, 4/30/28	United States	470,000		466,659
3.125%, 11/15/28	United States	820,000		800,958
1.375%, 12/31/28	United States	150,000		140,168
3.75%, 12/31/28	United States	490,000		485,186
2.625%, 2/15/29	United States	4,000,000		3,848,359
3.5%, 3/15/29	United States	300,000		294,984

Franklin Allocation VIP Fund (continued)

	Country	Principal Amount*	Value
U.S. Government and Agency Securities (continued)			
U.S. Treasury Notes, (continued)			
[j] Index Linked, 2.125%, 4/15/29	United States	1,000,000	$1,079,987
3.875%, 4/15/29	United States	4,740,000	4,704,635
3.875%, 5/15/29	United States	4,330,000	4,297,018
3.125%, 8/31/29	United States	735,000	712,405
4%, 10/31/29	United States	1,340,000	1,332,777
[j] Index Linked, 1.625%, 4/15/30	United States	750,000	775,299
3.75%, 6/30/30	United States	50,000	49,194
0.625%, 8/15/30	United States	4,400,000	3,811,070
4.125%, 8/31/30	United States	3,000,000	2,992,031
3.75%, 1/31/31	United States	670,000	657,411
3.875%, 4/30/31	United States	1,580,000	1,557,534
4.125%, 5/31/31	United States	190,000	189,332
1.375%, 11/15/31	United States	7,180,000	6,201,865
4.125%, 11/15/32	United States	4,500,000	4,460,449
3.5%, 2/15/33	United States	500,000	477,129
4.125%, 4/30/33	United States	640,000	633,100
3.375%, 5/15/33	United States	1,750,000	1,653,135
3.875%, 8/15/33	United States	1,500,000	1,458,838
4.375%, 5/15/34	United States	1,000,000	1,000,488
4.25%, 5/15/35	United States	2,500,000	2,470,801
[j] Index Linked, 1.875%, 7/15/35	United States	445,000	451,433
4.375%, 5/15/36	United States	3,630,000	3,610,999
[k] FRN, 3.966%, (3-month U.S. Treasury Bill Rate + 0.19%), 10/31/27	United States	660,000	660,967
[k] FRN, 3.875%, (3-month U.S. Treasury Bill Rate + 0.099%), 1/31/28	United States	460,000	460,123
[k] FRN, 3.879%, (3-month U.S. Treasury Bill Rate + 0.103%), 4/30/28	United States	570,000	570,018
Total U.S. Government and Agency Securities (Cost $101,798,350)			**96,242,295**
Asset-Backed Securities 1.5%			
Automobiles 0.1%			
Ford Credit Floorplan Master Owner Trust A, 2026-1, A, 4.42%, 5/15/31	United States	524,000	523,352
Consumer Finance 0.1%			
GM Financial Consumer Automobile Receivables Trust, 2026-2, A3, 4.15%, 8/18/31	United States	190,000	188,958
Toyota Auto Receivables Owner Trust, 2026-B, A3, 4.13%, 12/16/30	United States	243,000	241,743
World Omni Auto Receivables Trust, 2026-B, A3, 4.37%, 6/16/31	United States	319,000	318,600
			749,301
Financial Services 1.2%			
[c,l] Balboa Bay Loan Funding Ltd., 2022-1A, AR, 144A, FRN, 4.865%, (3-month SOFR + 1.19%), 4/20/37	United States	500,000	500,607
[c,l] Barings CLO Ltd., 2024-3A, A, 144A, FRN, 5.075%, (3-month SOFR + 1.4%), 7/20/37	United States	500,000	500,275
[c,l] Barrow Hanley CLO III Ltd., 2024-3A, AR, 144A, FRN, 4.891%, (3-month SOFR + 1.27%), 4/20/38	United States	500,000	500,695
[c,l] Birch Grove CLO Ltd., 19A, A1RR, 144A, FRN, 5.27%, (3-month SOFR + 1.59%), 7/17/37	United States	500,000	501,426
[c] BofA Auto Trust, 2026-1A, A3, 144A, 4.18%, 10/15/30	United States	100,000	99,400
CarMax Auto Owner Trust,			
2026-2, A2A, 4.11%, 8/15/29	United States	258,000	257,558
2026-2, A3, 4.22%, 6/16/31	United States	158,000	157,188

Franklin Allocation VIP Fund (continued)

	Country	Principal Amount*	Value
Asset-Backed Securities (continued)			
Financial Services (continued)			
[c] Chase Auto Owner Trust, 2026-1A, A3, 144A, 4.53%, 6/25/31	United States	136,000	$136,254
[c,l] CIFC Funding Ltd., 2022-1A, A, 144A, FRN, 5%, (3-month SOFR + 1.32%), 4/17/35	United States	500,000	500,000
[c,l] Columbia Cent CLO 33 Ltd., 2024-33A, A1R, 144A, FRN, 4.878%, (3-month SOFR + 1.26%), 4/20/37	United States	500,000	500,428
[c] Compass Datacenters Issuer II LLC,			
2024-1A, A1, 144A, 5.25%, 2/25/49	United States	145,000	145,646
2025-2A, A1, 144A, 4.926%, 11/25/50	United States	192,000	188,112
[c] Compass Datacenters Issuer III LLC, 2026-1A, A21, 144A, 4.897%, 2/25/56	United States	97,000	95,932
[c,l] J.P. Morgan Mortgage Trust, 2026-HE1, A1, 144A, FRN, 4.859%, (30-day SOFR Average + 1.25%), 9/20/56	United States	43,621	43,809
[c,l] Madison Park Funding XXX Ltd., 2018-30A, A1R, 144A, FRN, 5.04%, (3-month SOFR + 1.36%), 7/16/37	United States	500,000	501,451
[c,l] Mountain View CLO XV Ltd., 2019-2A, A1R2, 144A, FRN, 4.918%, (3-month SOFR + 1.29%), 7/15/37	United States	400,000	400,197
[c] New Economy Assets - Phase 1 Sponsor LLC, 2021-1, A1, 144A, 1.91%, 10/20/61	United States	490,000	405,046
[c] RCKT Mortgage Trust,			
2024-CES5, A1A, 144A, 5.846%, 8/25/44	United States	387,823	389,237
2024-CES7, A1A, 144A, 5.158%, 10/25/44	United States	84,701	84,503
[c,l] Signal Peak CLO 5 Ltd., 2018-5A, A1R2, 144A, FRN, 4.861%, (3-month SOFR + 1.23%), 4/25/37	United States	300,000	300,300
[c,l] Towd Point Mortgage Trust, 2025-HE2, A1A, 144A, FRN, 4.978%, (30-day SOFR Average + 1.35%), 9/25/65	United States	210,191	210,572
			6,418,636
Passenger Airlines 0.1%			
American Airlines Pass-Through Trust, 2016-3, A, 3.25%, 10/15/28	United States	301,997	288,705
United Airlines Pass-Through Trust,			
2016-1, A, 3.45%, 7/07/28	United States	55,149	53,479
2019-2, A, 2.9%, 5/01/28	United States	69,968	67,170
			409,354
Real Estate Management & Development 0.0%†			
[c] Zayo Issuer LLC, 2026-1A, A2, 144A, 5.546%, 4/20/56	United States	90,000	90,265
Total Asset-Backed Securities (Cost $8,255,360)			**8,190,908**
Commercial Mortgage-Backed Securities 0.8%			
Financial Services 0.8%			
[c,m] 1301 Trust, 2025-1301, A, 144A, FRN, 5.227%, 8/11/42	United States	130,000	129,961
BANK, 2019-BN18, A2, 3.474%, 5/15/62	United States	45,460	44,141
BANK5 Trust,			
[c,m,n] 2025-5YR13, XA, IO, 144A, FRN, 1.284%, 1/15/58	United States	2,797,529	94,240
[m,n] 2025-5YR15, XA, IO, FRN, 1.438%, 7/15/58	United States	625,196	27,044
[m] 2025-5YR17, AS, FRN, 5.626%, 11/15/58	United States	80,000	81,108
2026-5YR20, AS, 5.336%, 2/15/59	United States	52,000	52,159
Barclays Commercial Mortgage Trust, 2019-C3, A2, 3.438%, 5/15/52	United States	31,279	30,695
BBCMS Mortgage Trust,			
[m] 2023-C21, A3, FRN, 6.506%, 9/15/56	United States	60,000	62,174
[m] 2025-5C37, AS, FRN, 5.382%, 9/15/58	United States	127,000	127,641
2026-5C42, AS, 5.902%, 6/15/59	United States	91,000	93,684

Franklin Allocation VIP Fund (continued)

	Country	Principal Amount*	Value
Commercial Mortgage-Backed Securities (continued)			
Financial Services (continued)			
Benchmark Mortgage Trust,			
2019-B13, A2, 2.889%, 8/15/57	United States	193,585	$187,128
2019-B14, A2, 2.915%, 12/15/62	United States	49,390	48,123
2020-B17, A2, 2.211%, 3/15/53	United States	45,974	43,531
[m] 2025-V16, B, FRN, 6.339%, 8/15/58	United States	125,000	128,123
[c,m,n] 2025-V18, XA, IO, 144A, FRN, 1.472%, 10/15/58	United States	999,526	47,408
2026-V21, AS, 5.506%, 3/15/59	United States	88,000	88,781
[m,n] 2026-V21, XA, IO, FRN, 1.648%, 3/15/59	United States	999,848	59,022
BMO Mortgage Trust,			
[m] 2024-5C8, AS, FRN, 5.94%, 12/15/57	United States	82,000	83,768
2025-5C11, AS, 5.938%, 7/15/58	United States	103,000	104,942
[m,n] 2025-5C11, XA, IO, FRN, 1.332%, 7/15/58	United States	1,846,978	73,933
[c,m] BRCK Trust, 2025-830B, A, 144A, FRN, 4.956%, 12/10/42	United States	130,000	128,785
[c,l] BX Commercial Mortgage Trust,			
2025-JDI, B, 144A, FRN, 5.175%, (1-month SOFR + 1.55%), 11/15/42	United States	86,658	86,947
2026-CSMO, A, 144A, FRN, 5.025%, (1-month SOFR + 1.4%), 2/15/43	United States	125,000	125,446
[c,l] BX Mortgage Trust, 2021-PAC, A, 144A, FRN, 4.429%, (1-month SOFR + 0.804%), 10/15/36	United States	230,000	229,990
[c] BX Trust,			
[l] 2022-IND, A, 144A, FRN, 5.116%, (1-month SOFR + 1.491%), 4/15/37	United States	113,281	113,424
[m] 2025-ARIA, B, 144A, FRN, 5.35%, 12/13/42	United States	100,000	99,903
CD Mortgage Trust, 2016-CD1, A4, 2.724%, 8/10/49	United States	82,914	82,562
CFCRE Commercial Mortgage Trust, 2016-C7, A3, 3.839%, 12/10/54	United States	70,000	69,709
Citigroup Commercial Mortgage Trust, 2020-GC46, A2, 2.708%, 2/15/53	United States	92,770	87,934
[c,m] CONE Commercial Mortgage Trust, 2026-DFW3, A, 144A, FRN, 5.751%, 5/15/43	United States	120,000	119,739
CSAIL Commercial Mortgage Trust, 2017-CX10, A3, 3.398%, 11/15/50	United States	15,865	15,853
[c,m] CSTL Commercial Mortgage Trust, 2025-GATE2, A, 144A, FRN, 4.712%, 11/10/42	United States	140,000	137,481
[c,m] GS Mortgage Securities Corp. Trust, 2017-375H, A, 144A, FRN, 3.591%, 9/10/37	United States	140,000	136,224
GS Mortgage Securities Trust,			
2016-GS2, A4, 3.05%, 5/10/49	United States	1,432	1,430
2019-GC42, A2, 2.933%, 9/10/52	United States	95,565	91,419
J.P. Morgan Chase Commercial Mortgage Securities Trust, 2016-JP3, AS, 3.144%, 8/15/49	United States	91,000	88,521
JPMDB Commercial Mortgage Securities Trust, 2017-C5, A4, 3.414%, 3/15/50	United States	59,973	59,649
[c,m] MAD Commercial Mortgage Trust,			
2025-11MD, A, 144A, FRN, 4.912%, 10/15/42	United States	100,000	99,203
2025-11MD, C, 144A, FRN, 5.818%, 10/15/42	United States	125,000	125,618
[m] Morgan Stanley Bank of America Merrill Lynch Trust,			
2016-C32, AS, FRN, 3.994%, 12/15/49	United States	75,000	73,904
[n] 2025-5C2, XA, IO, FRN, 1.455%, 11/15/58	United States	1,993,000	95,195
Morgan Stanley Capital I Trust,			
2016-BNK2, A4, 3.049%, 11/15/49	United States	84,000	82,891
[m,n] 2019-H7, XA, IO, FRN, 1.363%, 7/15/52	United States	2,858,962	86,761

Franklin Allocation VIP Fund (continued)

	Country	Principal Amount*	Value
Commercial Mortgage-Backed Securities (continued)			
Financial Services (continued)			
[c]One Bryant Park Trust, 2019-OBP, A, 144A, 2.516%, 9/15/54	United States	100,000	$92,398
[c,l]SHRN Trust, 2025-MF18, A, 144A, FRN, 4.825%, (1-month SOFR + 1.2%), 10/15/40	United States	130,000	130,071
UBS Commercial Mortgage Trust, 2019-C18, A2, 2.994%, 12/15/52	United States	96,073	95,000
Wells Fargo Commercial Mortgage Trust, 2016-LC24, AS, 3.367%, 10/15/49	United States	120,000	119,061
[m,n] 2026-5C10, XA, IO, FRN, 0.985%, 6/15/59	United States	1,161,000	55,422
2026-5C8, AS, 5.25%, 3/15/59	United States	127,000	126,547
[m,n] 2026-5C8, XA, IO, FRN, 1.584%, 3/15/59	United States	1,749,962	96,084
			4,560,777
Total Commercial Mortgage-Backed Securities (Cost $4,587,743)			**4,560,777**
Mortgage-Backed Securities 4.1%			
Federal Home Loan Mortgage Corp. (FHLMC) Fixed Rate 0.2%			
FHLMC Gold Pool, 30 Year, 4.5%, 1/01/49	United States	248,445	243,342
FHLMC Pool, 15 Year, 1.5%, 12/01/36	United States	360,281	321,369
FHLMC Pool, 15 Year, 2%, 4/01/37	United States	146,112	133,376
FHLMC Pool, 15 Year, 3%, 8/01/34	United States	23,408	22,390
FHLMC Pool, 15 Year, 4.5%, 10/01/40	United States	87,937	86,979
			807,456
Federal National Mortgage Association (FNMA) Fixed Rate 2.8%			
FNMA, 15 Year, 2%, 8/01/36 - 12/01/36	United States	353,586	322,441
FNMA, 15 Year, 2.5%, 7/01/37	United States	170,955	160,139
FNMA, 15 Year, 5%, 8/01/39	United States	171,800	172,805
FNMA, 30 Year, 2%, 10/01/51	United States	296,534	238,485
FNMA, 30 Year, 6.5%, 8/01/55	United States	349,152	363,087
[o]Uniform Mortgage-Backed Securities, 2%, TBA, 8/25/56	United States	3,380,000	2,698,703
[o]Uniform Mortgage-Backed Securities, 2.5%, TBA, 8/25/56	United States	2,570,000	2,146,954
[o]Uniform Mortgage-Backed Securities, 3%, TBA, 8/25/56	United States	1,530,000	1,333,491
[o]Uniform Mortgage-Backed Securities, 3.5%, TBA, 8/25/56	United States	1,070,000	970,147
[o]Uniform Mortgage-Backed Securities, 4%, TBA, 8/25/56	United States	1,000,000	934,060
[o]Uniform Mortgage-Backed Securities, 4.5%, TBA, 8/25/56	United States	2,020,000	1,933,598
[o]Uniform Mortgage-Backed Securities, 5%, TBA, 8/25/56	United States	2,120,000	2,080,916
[o]Uniform Mortgage-Backed Securities, 5.5%, TBA, 8/25/56	United States	990,000	991,848
[o]Uniform Mortgage-Backed Securities, 6%, TBA, 8/25/56	United States	1,160,000	1,182,138
			15,528,812
Government National Mortgage Association (GNMA) Fixed Rate 1.1%			
GNMA II, Single-family, 30 Year, 2%, 10/20/50	United States	111,449	91,696
[o]GNMA II, Single-family, 30 Year, 2%, 8/15/56	United States	670,000	548,638
GNMA II, Single-family, 30 Year, 2.5%, 4/20/50 - 6/20/52	United States	830,453	710,769
GNMA II, Single-family, 30 Year, 3%, 8/20/47 - 11/20/51	United States	584,732	521,006
GNMA II, Single-family, 30 Year, 3.5%, 5/20/52 - 6/20/55	United States	589,630	533,598
GNMA II, Single-family, 30 Year, 4%, 11/20/52	United States	377,855	355,305
GNMA II, Single-family, 30 Year, 4.5%, 5/20/53	United States	415,710	402,496
GNMA II, Single-family, 30 Year, 5%, 7/20/53 - 10/20/54	United States	607,944	601,771
GNMA II, Single-family, 30 Year, 5.5%, 5/20/53 - 11/20/54	United States	590,212	595,644
GNMA II, Single-family, 30 Year, 6%, 8/20/53 - 1/20/56	United States	1,293,055	1,328,234
[o]GNMA II, Single-family, 30 Year, 6%, 8/15/56	United States	410,000	417,893
			6,107,050
Total Mortgage-Backed Securities (Cost $22,665,457)			**22,443,318**

Franklin Allocation VIP Fund (continued)

	Country	Principal Amount*	Value
Residential Mortgage-Backed Securities 0.8%			
Financial Services 0.8%			
[c,l]FHLMC STACR REMIC Trust, 2021-HQA3, M2, 144A, FRN, 5.728%, (30-day SOFR Average + 2.1%), 9/25/41	United States	639,000	$640,828
2021-HQA4, M2, 144A, FRN, 5.978%, (30-day SOFR Average + 2.35%), 12/25/41	United States	484,000	486,610
[c,l]FNMA Connecticut Avenue Securities Trust, 2023-R08, 1M1, 144A, FRN, 5.128%, (30-day SOFR Average + 1.5%), 10/25/43	United States	303,385	303,609
2026-R03, 2A1, 144A, FRN, 4.728%, (30-day SOFR Average + 1.1%), 4/25/46	United States	260,503	261,312
[c]GS Mortgage-Backed Securities Trust, 2025-NQM2, A1, 144A, 5.648%, 6/25/65	United States	241,470	241,758
[l] 2025-PJ10, A27, 144A, FRN, 4.978%, (30-day SOFR Average + 1.35%), 4/25/56	United States	371,268	372,216
[c]J.P. Morgan Mortgage Trust, 2024-NQM1, A1, 144A, 5.592%, 2/25/64	United States	271,944	271,862
2026-NQX2, A1FC, 144A, 5.628%, 10/25/66	United States	157,000	157,000
[c,l]OBX Trust, 2026-INV3, AF, 144A, FRN, 5.178%, (30-day SOFR Average + 1.55%), 4/25/56	United States	117,659	117,642
2026-INV3, AF2, 144A, FRN, 4.978%, (30-day SOFR Average + 1.35%), 4/25/56	United States	280,421	280,564
[c,m]Onity Loan Investment Trust, 2026-HB3, A, 144A, FRN, 3%, 6/25/39	United States	134,000	131,263
[c]PMT Loan Trust, [l] 2025-INV10, A36, 144A, FRN, 4.978%, (30-day SOFR Average + 1.35%), 10/01/56	United States	411,028	411,654
[m] 2025-INV3, A3, 144A, FRN, 5.5%, 3/25/56	United States	87,648	87,686
[c,l]Radian Mortgage Capital Trust, 2025-J4, A25, 144A, FRN, 5.178%, (30-day SOFR Average + 1.55%), 3/25/56	United States	232,932	233,805
[c,m]Verus Securitization Trust, 2024-7, A1, 144A, FRN, 5.095%, 9/25/69	United States	393,753	392,743
2026-R5, A1, 144A, FRN, 5.457%, 3/25/68	United States	108,000	108,140
			4,498,692
Total Residential Mortgage-Backed Securities (Cost $4,501,909)			**4,498,692**
Agency Commercial Mortgage-Backed Securities 0.4%			
Financial Services 0.4%			
[l]FHLMC, 5397, NF, FRN, 4.678%, (30-day SOFR Average + 1.05%), 4/25/54	United States	309,190	311,693
5419, AF, FRN, 4.728%, (30-day SOFR Average + 1.1%), 6/25/54	United States	111,721	112,853
5438, FC, FRN, 4.728%, (30-day SOFR Average + 1.1%), 8/25/54	United States	115,155	116,179
5526, FB, FRN, 4.678%, (30-day SOFR Average + 1.05%), 9/25/54	United States	264,100	266,389
[l]FNMA, 2022-70, FA, FRN, 4.488%, (30-day SOFR Average + 0.86%), 10/25/52	United States	37,469	37,413
2024-95, KF, FRN, 4.728%, (30-day SOFR Average + 1.1%), 12/25/54	United States	133,289	134,553
2025-55, FG, FRN, 4.728%, (30-day SOFR Average + 1.1%), 7/25/55	United States	479,679	484,245
2025-92, FA, FRN, 4.828%, (30-day SOFR Average + 1.2%), 11/25/55	United States	252,688	255,802

Franklin Allocation VIP Fund (continued)

	Country	Principal Amount*	Value
Agency Commercial Mortgage-Backed Securities (continued)			
Financial Services (continued)			
[l]FNMA, (continued)			
2026-43, FD, FRN, 4.558%, (30-day SOFR Average + 0.93%), 6/25/56	United States	190,941	$191,673
GNMA,			
[m,n] 2020-103, IO, FRN, 0.855%, 1/16/63	United States	1,256,501	79,994
[l] 2025-169, FB, FRN, 4.609%, (30-day SOFR Average + 1%), 10/20/55	United States	158,967	160,196
[l] 2025-210, FA, FRN, 4.859%, (30-day SOFR Average + 1.25%), 12/20/55	United States	36,047	36,136
			2,187,126
Total Agency Commercial Mortgage-Backed Securities (Cost $2,180,373)			**2,187,126**
Municipal Bonds 0.2%			
California 0.1%			
California Health Facilities Financing Authority, State of California Personal Income Tax, Revenue, 2022, 4.19%, 6/01/37	United States	70,000	65,485
City of Orange, Revenue, 2021, Refunding, 2.65%, 6/01/34	United States	30,000	25,623
City of Pomona, Revenue, 2020 BJ, 3.716%, 8/01/40	United States	20,000	17,007
County of Fresno, Revenue, 2004 A, NATL Insured, 4.82%, 8/15/32	United States	40,000	29,974
County of Tulare, Revenue, 2018, 4.445%, 6/01/37	United States	70,000	66,490
San Bernardino Community College District, GO, 2021, Refunding, 2.856%, 8/01/49	United States	285,000	189,233
State of California, GO, 4.35%, 11/01/32	United States	90,000	89,090
			482,902
Florida 0.0%†			
State Board of Administration Finance Corp., Florida Hurricane Catastrophe Fund, Revenue, 2024 A, 5.526%, 7/01/34	United States	60,000	62,445
Georgia 0.0%†			
Georgia Higher Education Facilities Authority, University System of Georgia, Revenue, 2026 A, 5.273%, 1/01/40	United States	15,000	15,049
Illinois 0.0%†			
State of Illinois, GO, 2026 A, 4.954%, 4/01/33	United States	60,000	60,230
New Jersey 0.0%†			
New Jersey Transportation Trust Fund Authority, State of New Jersey, Revenue, 2010 B, 6.561%, 12/15/40	United States	15,000	16,455
New York 0.0%†			
New York City Transitional Finance Authority, Future Tax Secured, Revenue, 2026 F-2, 4.66%, 2/01/36	United States	50,000	48,906
Ohio 0.1%			
Greenville City School District, GO, 2019, Refunding, 3.541%, 1/01/51	United States	160,000	121,661
JobsOhio Beverage System, Revenue, Senior Lien, 2020 A, ETM, 2.833%, 1/01/38	United States	40,000	33,715
			155,376

Franklin Allocation VIP Fund (continued)

	Country	Principal Amount*		Value
Municipal Bonds (continued)				
Pennsylvania 0.0%†				
Pennsylvania Economic Development Financing Authority, Revenue, 2025, 5.689%, 6/01/54	United States	45,000		$45,141
Redevelopment Authority of the City of Philadelphia, City of Philadelphia, Revenue, 2026 A, 5.002%, 11/01/38	United States	70,000		69,115
				114,256
Total Municipal Bonds (Cost $1,105,120)				**955,619**
Total Long Term Investments (Cost $414,996,688)				**536,541,440**

Short Term Investments 4.0%

	Country	Principal Amount*		Value
Foreign Government and Agency Securities 0.0%†				
[p]Egypt Treasury Bills, 17.18%, 8/18/26	Egypt	8,200,000	EGP	163,091
20.85%, 10/20/26	Egypt	11,200,000	EGP	214,078
				377,169
Total Foreign Government and Agency Securities (Cost $390,246)				**377,169**
		Shares		
Money Market Funds 4.0%				
[e,q]Franklin Institutional U.S. Government Money Market Fund, 3.597%	United States	18,194,010		18,194,010
[q]JPMorgan 100% U.S. Treasury Securities Money Market Fund, Class Institutional, 3.509%	United States	3,504,352		3,504,352
Total Money Market Funds (Cost $21,698,362)				**21,698,362**
Total Short Term Investments (Cost $22,088,608)				**22,075,531**
Total Investments (Cost $437,085,296) 102.2%				**$558,616,971**
Other Assets, less Liabilities (2.2)%				**(12,339,331)**
Net Assets 100.0%				**$546,277,640**

Franklin Allocation VIP Fund (continued)

* The principal amount is stated in U.S. dollars unless otherwise indicated.
† Rounds to less than 0.1% of net assets.
[a] Non-income producing.
[b] Variable interest entity (VIE). See Note 6 regarding investments made through a VIE structure. At June 30, 2026, the aggregate value of these securities was $505,869, representing 0.1% of net assets.
[c] Security was purchased pursuant to Rule 144A or Regulation S under the Securities Act of 1933. 144A securities may be sold in transactions exempt from registration only to qualified institutional buyers or in a public offering registered under the Securities Act of 1933. Regulation S securities cannot be sold in the United States without either an effective registration statement filed pursuant to the Securities Act of 1933, or pursuant to an exemption from registration. At June 30, 2026, the aggregate value of these securities was $30,732,455, representing 5.6% of net assets.
[d] Fair valued using significant unobservable inputs. See Note 9 regarding fair value measurements.
[e] See Note 3(e) regarding investments in affiliated management investment companies.
[f] Variable rate security. The rate shown represents the yield at period end.
[g] Perpetual security with no stated maturity date.
[h] A supranational organization is an entity formed by two or more central governments through international treaties.
[i] Principal amount is stated in 100 Mexican Peso Units.
[j] Principal amount of security, redemption price at maturity, and/or coupon payments are adjusted for inflation. See Note 1(f).
[k] The coupon rate shown represents the rate at period end.
[l] The coupon rate shown represents the rate inclusive of any caps or floors, if applicable, in effect at period end.
[m] Adjustable rate security with an interest rate that is not based on a published reference index and spread. The rate is based on the structure of the agreement and current market conditions. The coupon rate shown represents the rate at period end.
[n] Investment in an interest-only security entitles holders to receive only the interest payment on the underlying instruments. The principal amount shown is the notional amount of the underlying instruments.
[o] Security purchased on a to-be-announced (TBA) basis. See Note 1(c).
[p] The rate shown represents the yield at period end.
[q] The rate shown is the annualized seven-day effective yield at period end.

At June 30, 2026, the Fund had the following futures contracts outstanding. See Note 1(d).

Futures Contracts

Description	Type	Number of Contracts	Notional Amount*	Expiration Date	Value/ Unrealized Appreciation (Depreciation)
Equity contracts					
S&P 500 E-Mini Index	Long	51	$19,248,038	9/18/26	$(133,572)
Interest rate contracts					
U.S. Treasury 10 Year Notes	Short	125	13,736,328	9/21/26	(36,709)
U.S. Treasury 10 Year Notes	Long	36	3,956,062	9/21/26	6,477
Total Futures Contracts					$(163,804)

* As of period end.

Franklin Allocation VIP Fund (continued)

At June 30, 2026, the Fund had the following forward exchange contracts outstanding. See Note 1(d).

Forward Exchange Contracts

Currency	Counter-party[a]	Type	Quantity	Contract Amount*	Settlement Date	Unrealized Appreciation	Unrealized Depreciation
OTC Forward Exchange Contracts							
Canadian Dollar	CITI	Buy	1,600,000	1,156,706	7/21/26	$—	$(27,554)
Canadian Dollar	UBSW	Buy	710,000	523,325	7/21/26	—	(22,264)
British Pound	GSCO	Sell	550,000	747,384	7/23/26	17,848	—
British Pound	HSBK	Sell	500,000	672,967	7/23/26	9,753	—
British Pound	WFLA	Sell	530,000	715,343	7/23/26	12,336	—
Chilean Peso	HSBK	Buy	330,000,000	370,024	7/23/26	—	(11,958)
Chilean Peso	HSBK	Sell	320,000,000	349,147	7/23/26	1,933	—
Japanese Yen	GSCO	Buy	53,000,000	341,016	7/24/26	—	(14,456)
Japanese Yen	JPHQ	Buy	187,000,000	1,191,751	7/24/26	—	(39,547)
Japanese Yen	UBSW	Sell	81,000,000	512,017	7/24/26	12,934	—
South Korean Won	CITI	Buy	1,130,000,000	767,486	7/28/26	—	(36,790)
South Korean Won	CITI	Sell	360,000,000	231,551	7/28/26	—	(1,237)
South Korean Won	CITI	Buy	1,290,000,000	876,942	7/31/26	—	(42,756)
Columbian Peso	JPHQ	Buy	1,280,000,000	362,754	8/05/26	8,664	—
Columbian Peso	JPHQ	Sell	1,810,000,000	481,066	8/05/26	—	(44,141)
Euro	JPHQ	Sell	80,000	94,058	8/10/26	2,496	—
Euro	UBSW	Sell	510,000	594,850	8/10/26	11,145	—
Mexican Peso	GSCO	Sell	14,900,000	853,468	8/10/26	4,532	(236)
New Zealand Dollar	MSCO	Buy	970,000	576,584	8/14/26	—	(24,836)
New Zealand Dollar	MSCO	Sell	970,000	555,156	8/14/26	3,408	—
Chilean Peso	HSBK	Buy	200,000,000	222,153	8/26/26	—	(5,033)
Australian Dollar	MSCO	Sell	1,890,000	1,329,985	8/31/26	22,903	—
Chinese Yuan	JPHQ	Buy	2,940,000	437,640	9/04/26	—	(2,749)
Chilean Peso	HSBK	Buy	330,000,000	368,789	9/08/26	—	(10,501)
Egyptian Pound	MSCO	Buy	13,200,000	231,173	12/01/26	21,041	—
Total Forward Exchange Contracts						$128,993	$(284,058)
Net unrealized appreciation (depreciation)							$(155,065)

[a]May be comprised of multiple contracts with the same counterparty, currency and settlement date.
*In U.S. dollars unless otherwise indicated.

See Note 7 regarding other derivative information.

See Abbreviations on page 56.

Statement of Assets and Liabilities

June 30, 2026 (unaudited)

	Franklin Allocation VIP Fund
Assets:	
Investments in securities:	
Cost - Unaffiliated issuers	$411,209,832
Cost - Non-controlled affiliates (Note 3e)	25,875,464
Value - Unaffiliated issuers	$532,577,073
Value - Non-controlled affiliates (Note 3e)	26,039,898
Cash	232,389
Receivables:	
Investment securities sold	4,653,863
Capital shares sold	47,290
Dividends and interest	2,414,202
European Union tax reclaims (Note 1e)	57,735
Deposits with brokers for:	
Futures contracts	1,579,193
Variation margin on futures contracts	152,347
Unrealized appreciation on OTC forward exchange contracts	128,993
Total assets	567,882,983
Liabilities:	
Payables:	
Investment securities purchased	5,370,352
Payable for purchases of TBA securities (Note 1c)	15,198,247
Capital shares redeemed	250,490
Management fees	233,563
Distribution fees	140,155
Trustees' fees and expenses	379
Unrealized depreciation on OTC forward exchange contracts	284,058
Deferred taxes on unrealized appreciation	8,397
Accrued expenses and other liabilities	119,702
Total liabilities	21,605,343
Net assets, at value	$546,277,640
Net assets consist of:	
Paid-in capital	$407,479,045
Total distributable earnings (losses)	138,798,595
Net assets, at value	$546,277,640

Statement of Assets and Liabilities (continued)

June 30, 2026 (unaudited)

	Franklin Allocation VIP Fund
Class 1:	
Net assets, at value	$1,139,557
Shares outstanding	206,506
Net asset value and maximum offering price per share[a]	$5.52
Class 2:	
Net assets, at value	$195,629,614
Shares outstanding	35,809,090
Net asset value and maximum offering price per share[a]	$5.46
Class 4:	
Net assets, at value	$349,508,469
Shares outstanding	61,050,764
Net asset value and maximum offering price per share[a]	$5.72

[a]Net asset value per share may not recalculate due to rounding.

Statement of Operations

for the six months ended June 30, 2026 (unaudited)

	Franklin Allocation VIP Fund
Investment income:	
Dividends: (net of foreign taxes of $136,898)	
Unaffiliated issuers	$2,647,885
Non-controlled affiliates (Note 3e)	270,249
Interest: (net of foreign taxes of $2,403)	
Unaffiliated issuers	4,699,729
Other income (Note 1e)	313
Total investment income	7,618,176
Expenses:	
Management fees (Note 3a)	1,490,089
Distribution fees: (Note 3c)	
Class 2	245,147
Class 4	603,046
Custodian fees	5,137
Reports to shareholders fees	7,501
Professional fees	63,821
Trustees' fees and expenses	3,158
Other	41,392
Total expenses	2,459,291
Expenses waived/paid by affiliates (Note 3e and 3f)	(86,331)
Net expenses	2,372,960
Net investment income	5,245,216
Realized and unrealized gains (losses):	
Net realized gain (loss) from:	
Investments: (net of foreign taxes of $50,113)	
Unaffiliated issuers	18,338,610
Non-controlled affiliates (Note 3e)	94,287
Foreign currency transactions	(15,820)
Forward exchange contracts	(239,677)
Futures contracts	939,922
TBA sale commitments	4,769
Swap contracts	18,323
Net realized gain (loss)	19,140,414
Net change in unrealized appreciation (depreciation) on:	
Investments:	
Unaffiliated issuers	2,901,852
Non-controlled affiliates (Note 3e)	164,434
Translation of other assets and liabilities denominated in foreign currencies	(10,106)
Forward exchange contracts	(18,848)
Futures contracts	(205,738)
Change in deferred taxes on unrealized appreciation	52,403
Net change in unrealized appreciation (depreciation)	2,883,997
Net realized and unrealized gain (loss)	22,024,411
Net increase (decrease) in net assets resulting from operations	$27,269,627

Statements of Changes in Net Assets

	Franklin Allocation VIP Fund	
	Six Months Ended June 30, 2026 (unaudited)	Year Ended December 31, 2025
Increase (decrease) in net assets:		
Operations:		
Net investment income	$5,245,216	$10,347,033
Net realized gain (loss)	19,140,414	20,789,670
Net change in unrealized appreciation (depreciation)	2,883,997	33,818,087
Net increase (decrease) in net assets resulting from operations	27,269,627	64,954,790
Distributions to shareholders:		
Class 1	(72,106)	(66,881)
Class 2	(12,146,559)	(12,249,745)
Class 4	(20,346,348)	(19,802,794)
Total distributions to shareholders	(32,565,013)	(32,119,420)
Capital share transactions: (Note 2)		
Class 1	1,941	18,367
Class 2	(3,097,234)	(18,457,859)
Class 4	2,757,476	(15,367,597)
Total capital share transactions	(337,817)	(33,807,089)
Net increase (decrease) in net assets	(5,633,203)	(971,719)
Net assets:		
Beginning of period	551,910,843	552,882,562
End of period	$546,277,640	$551,910,843

Notes to Financial Statements (unaudited)

Franklin Allocation VIP Fund

1. Organization and Significant Accounting Policies

Franklin Templeton Variable Insurance Products Trust (Trust) is registered under the Investment Company Act of 1940 (1940 Act) as an open-end management investment company, consisting of eighteen separate funds. The Trust follows the accounting and reporting guidance in Financial Accounting Standards Board (FASB) Accounting Standards Codification Topic 946, Financial Services – Investment Companies (ASC 946) and applies the specialized accounting and reporting guidance in U.S. Generally Accepted Accounting Principles (U.S. GAAP), including, but not limited to, ASC 946. Franklin Allocation VIP Fund (Fund) is included in this report. Shares of the Fund are generally sold only to insurance company separate accounts to fund the benefits of variable life insurance policies or variable annuity contracts. At June 30, 2026, 48.3% of the Fund's shares were held through one insurance company. Investment activities of these insurance company separate accounts could have a material impact on the Fund. The Fund offers three classes of shares: Class 1, Class 2 and Class 4. Each class of shares may differ by its distribution fees, voting rights on matters affecting a single class and its exchange privilege.

The following summarizes the Fund's significant accounting policies.

a. Financial Instrument Valuation

The Fund's investments in financial instruments are carried at fair value daily. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. The Fund calculates the net asset value (NAV) per share each business day as of 4 p.m. Eastern time or the regularly scheduled close of the New York Stock Exchange (NYSE), whichever is earlier. Under compliance policies and procedures approved by the Trust's Board of Trustees (the Board), the Board has designated the Fund’s investment manager as the valuation designee and has responsibility for oversight of valuation. The investment manager is assisted by the Fund’s administrator in performing this responsibility, including leading the cross-functional Valuation Committee (VC). The Fund may utilize independent pricing services, quotations from securities and financial instrument dealers, and other market sources to determine fair value.

Equity securities, exchange traded funds, and derivative financial instruments listed on an exchange or on the NASDAQ National Market System are valued at the last quoted sale price or the official closing price of the day, respectively. Foreign equity securities are valued as of the close of trading on the foreign stock exchange on which the security is primarily traded, or as of 4 p.m. Eastern time. The value is then converted into its U.S. dollar equivalent at the foreign exchange rate in effect at 4 p.m. Eastern time on the day that the value of the security is determined. Over-the-counter (OTC) securities are valued within the range of the most recent quoted bid and ask prices. Securities that trade in multiple markets or on multiple exchanges are valued according to the broadest and most representative market. Certain equity securities are valued based upon fundamental characteristics or relationships to similar securities.

Debt securities generally trade in the OTC market rather than on a securities exchange. The Fund's pricing services use multiple valuation techniques to determine fair value. In instances where sufficient market activity exists, the pricing services may utilize a market-based approach through which quotes from market makers are used to determine fair value. In instances where sufficient market activity may not exist or is limited, the pricing services also utilize proprietary valuation models which may consider market characteristics such as benchmark yield curves, credit spreads, estimated default rates, anticipated market interest rate volatility, coupon rates, anticipated timing of principal repayments, underlying collateral, and other unique security features in order to estimate the relevant cash flows, which are then discounted to calculate the fair value. Securities denominated in a foreign currency are converted into their U.S. dollar equivalent at the foreign exchange rate in effect at 4 p.m. Eastern time on the date that the values of the foreign debt securities are determined.

Investments in open-end mutual funds are valued at the closing NAV.

Certain derivative financial instruments trade in the OTC market. The Fund's pricing services use various techniques including industry standard option pricing models and proprietary discounted cash flow models to determine the fair value of those instruments. The Fund's net benefit or obligation under the derivative contract, as measured by the fair value of the contract, is included in net assets.

Franklin Allocation VIP Fund (continued)

1. Organization and Significant Accounting Policies (continued)

a. Financial Instrument Valuation (continued)

The Fund has procedures to determine the fair value of financial instruments for which market prices are not reliable or readily available. Under these procedures, the Fund primarily employs a market-based approach which may use related or comparable assets or liabilities, recent transactions, market multiples, and other relevant information for the investment to determine the fair value of the investment. An income-based valuation approach may also be used in which the anticipated future cash flows of the investment are discounted to calculate fair value. Discounts may also be applied due to the nature or duration of any restrictions on the disposition of the investments. Due to the inherent uncertainty of valuations of such investments, the fair values may differ significantly from the values that would have been used had an active market existed.

Trading in securities on foreign securities stock exchanges and OTC markets may be completed before 4 p.m. Eastern time. In addition, trading in certain foreign markets may not take place on every Fund's business day. Events can occur between the time at which trading in a foreign security is completed and 4 p.m. Eastern time that might call into question the reliability of the value of a portfolio security held by the Fund. As a result, differences may arise between the value of the Fund's portfolio securities as determined at the foreign market close and the latest indications of value at 4 p.m. Eastern time. In order to minimize the potential for these differences, an independent pricing service may be used to adjust the value of the Fund's portfolio securities to the latest indications of fair value at 4 p.m. Eastern time. At June 30, 2026, certain securities may have been fair valued using these procedures, in which case the securities were categorized as Level 2 within the fair value hierarchy (referred to as “market level fair value”). See the Fair Value Measurements note for more information.

When the last day of the reporting period is a non-business day, certain foreign markets may be open on those days that the Fund's NAV is not calculated, which could result in differences between the value of the Fund's portfolio securities on the last business day and the last calendar day of the reporting period. Any security valuation changes due to an open foreign market are adjusted and reflected by the Fund for financial reporting purposes.

b. Foreign Currency Translation

Portfolio securities and other assets and liabilities denominated in foreign currencies are translated into U.S. dollars based on the exchange rate of such currencies against U.S. dollars on the date of valuation. The Fund may enter into foreign currency exchange contracts to facilitate transactions denominated in a foreign currency. Purchases and sales of securities, income and expense items denominated in foreign currencies are translated into U.S. dollars at the exchange rate in effect on the transaction date. Portfolio securities and assets and liabilities denominated in foreign currencies contain risks that those currencies will decline in value relative to the U.S. dollar. Occasionally, events may impact the availability or reliability of foreign exchange rates used to convert the U.S. dollar equivalent value. If such an event occurs, the foreign exchange rate will be valued at fair value using procedures established and approved by the Board.

The Fund does not separately report the effect of changes in foreign exchange rates from changes in market prices on securities held. Such changes are included in net realized and unrealized gain or loss from investments in the Statement of Operations.

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 and the difference between the recorded amounts of dividends, interest, and foreign withholding taxes and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign exchange gains and losses arise from changes in foreign exchange rates on foreign denominated assets and liabilities other than investments in securities held at the end of the reporting period.

c. Securities Purchased on a When-Issued, Forward Commitment or Delayed Delivery Basis

The Fund may purchase securities on a when-issued, forward commitment or delayed delivery basis, with payment and delivery scheduled for a future date. These transactions are subject to market fluctuations and are subject to the risk that the value at delivery may be more or less than the trade date purchase price. Although the Fund will generally purchase these securities with the intention of holding the securities, it may sell the securities before the settlement date.

Franklin Allocation VIP Fund (continued)

1. Organization and Significant Accounting Policies (continued)

d. Derivative Financial Instruments

The Fund invested in derivative financial instruments in order to manage risk or gain exposure to various other investments or markets. Derivatives are financial contracts based on an underlying or notional amount, require no initial investment or an initial net investment that is smaller than would normally be required to have a similar response to changes in market factors, and require or permit net settlement. Derivatives contain various risks including the potential inability of the counterparty to fulfill their obligations under the terms of the contract, the potential for an illiquid secondary market, and/or the potential for market movements which expose the Fund to gains or losses in excess of the amounts shown in the Statement of Assets and Liabilities. Realized gain and loss and unrealized appreciation and depreciation on these contracts for the period are included in the Statement of Operations.

Derivative counterparty credit risk is managed through a formal evaluation of the creditworthiness of all potential counterparties. The Fund attempts to reduce its exposure to counterparty credit risk on OTC derivatives, whenever possible, by entering into International Swaps and Derivatives Association (ISDA) master agreements with certain counterparties. These agreements contain various provisions, including but not limited to collateral requirements, events of default, or early termination. Termination events applicable to the counterparty include certain deteriorations in the credit quality of the counterparty. Termination events applicable to the Fund include failure of the Fund to maintain certain net asset levels and/or limit the decline in net assets over various periods of time. In the event of default or early termination, the ISDA master agreement gives the non-defaulting party the right to net and close-out all transactions traded, whether or not arising under the ISDA agreement, to one net amount payable by one counterparty to the other. However, absent an event of default or early termination, OTC derivative assets and liabilities are presented gross and not offset in the Statement of Assets and Liabilities. Early termination by the counterparty may result in an immediate payment by the Fund of any net liability owed to that counterparty under the ISDA agreement. At June 30, 2026, the Fund had OTC derivatives in a net liability position by counterparty of $199,420.

Collateral requirements differ by type of derivative. Collateral or initial margin requirements are set by the broker or exchange clearing house for exchange traded and centrally cleared derivatives. Initial margin deposited is held at the exchange or at the broker and can be in the form of cash and/or securities. For OTC derivatives traded under an ISDA master agreement, posting of collateral is required by either the Fund or the applicable counterparty if the total net exposure of all OTC derivatives with the applicable counterparty exceeds the minimum transfer amount, which typically ranges from $100,000 to $250,000, and can vary depending on the counterparty and the type of agreement. Generally, collateral is determined at the close of Fund business each day and any additional collateral required due to changes in derivative values may be delivered by the Fund or the counterparty the next business day, or within a few business days. Collateral pledged and/or received by the Fund for OTC derivatives, if any, is held in segregated accounts with the Fund's custodian/counterparty broker and can be in the form of cash and/or securities. Unrestricted cash may be invested according to the Fund's investment objectives. To the extent that the amounts due to the Fund from its counterparties are not subject to collateralization or are not fully collateralized, the Fund bears the risk of loss from counterparty non-performance.

The Fund entered into exchange traded futures contracts primarily to manage and/or gain exposure to interest rate and equity price risk. A futures contract is an agreement between the Fund and a counterparty to buy or sell an asset at a specified price on a future date. Required initial margins are pledged by the Fund, and the daily change in fair value is accounted for as a variation margin payable or receivable in the Statement of Assets and Liabilities. Futures contracts outstanding at period end, if any, are listed in the Fund's Schedule of Investments.

The Fund entered into OTC forward exchange contracts primarily to manage and/or gain exposure to certain foreign currencies. A forward exchange contract is an agreement between the Fund and a counterparty to buy or sell a foreign currency at a specific exchange rate on a future date. Forward exchange contracts outstanding at period end, if any, are listed in the Fund's Schedule of Investments.

The Fund entered into credit default swap contracts primarily to manage and/or gain exposure to credit risk. A credit default swap is an agreement between the Fund and a counterparty whereby the buyer of the contract receives

Franklin Allocation VIP Fund (continued)

1. Organization and Significant Accounting Policies (continued)

d. Derivative Financial Instruments (continued)

credit protection and the seller of the contract guarantees the credit worthiness of a referenced debt obligation. These agreements may be privately negotiated in the over-the-counter market (OTC credit default swaps) or may be executed in a multilateral trade facility platform, such as a registered exchange (centrally cleared credit default swaps). The underlying referenced debt obligation may be a single issuer of corporate or sovereign debt, a credit index, a basket of issuers or indices, or a tranche of a credit index or basket of issuers or indices. In the event of a default of the underlying referenced debt obligation, the buyer is entitled to receive the notional amount of the credit default swap contract from the seller in exchange for the referenced debt obligation, a net settlement amount equal to the notional amount of the credit default swap less the recovery value of the referenced debt obligation, or other agreed upon amount. For centrally cleared credit default swaps, required initial margins are pledged by the Fund, and the daily change in fair value is accounted for as a variation margin payable or receivable in the Statement of Assets and Liabilities. Over the term of the contract, the buyer pays the seller a periodic stream of payments, provided that no event of default has occurred. Such periodic payments are accrued daily as an unrealized appreciation or depreciation until the payments are made, at which time they are realized. Upfront payments and receipts are reflected in the Statement of Assets and Liabilities and represent compensating factors between stated terms of the credit default swap agreement and prevailing market conditions (credit spreads and other relevant factors). These upfront payments and receipts are amortized over the term of the contract as a realized gain or loss in the Statement of Operations. Credit default swap contracts outstanding at period end, if any, are listed in the Fund's Schedule of Investments.

See Note 7 regarding other derivative information.

e. Income and Deferred Taxes

It is the Fund's policy to qualify as a regulated investment company under the Internal Revenue Code. The Fund intends to distribute to shareholders substantially all of its taxable income and net realized gains to relieve it from federal income and if applicable, excise taxes. As a result, no provision for U.S. federal income taxes is required.

The Fund may be subject to foreign taxation related to income received, capital gains on the sale of securities and certain foreign currency transactions in the foreign jurisdictions in which it invests. Foreign taxes, if any, are recorded based on the tax regulations and rates that exist in the foreign markets in which the Fund invests. In some cases, the Fund may be entitled to reclaim all or a portion of such taxes, and such reclaim amounts, if any, are reflected as a dividend receivable in the Statement of Assets and Liabilities and dividend income in the Statement of Operations. In many cases, however, the Fund may not receive such amounts for an extended period of time, depending on the country of investment. When a capital gain tax is determined to apply, the Fund records an estimated deferred tax liability in an amount that would be payable if the securities were disposed of on the valuation date.

As a result of several court cases, in certain countries across the European Union, the Fund filed additional tax reclaims for previously withheld taxes on dividends earned in those countries (EU reclaims). Income recognized, if any, for EU reclaims is reflected as other income in the Statement of Operations and any related receivable, if any, is reflected as European Union tax reclaims in the Statement of Assets and Liabilities. Any fees associated with these filings are reflected in other expenses in the Statement of Operations. When uncertainty exists as to the ultimate resolution of these proceedings, the likelihood of receipt of these EU reclaims, and the potential timing of payment, no amounts are reflected in the financial statements. For U.S. income tax purposes, when EU reclaims are received by the Fund and the Fund previously passed foreign tax credit on to its shareholders, the Fund will enter into a closing agreement with the Internal Revenue Service (IRS) in order to pay the associated tax liability on behalf of the Fund's shareholders.

The Fund may recognize an income tax liability related to its uncertain tax positions under U.S. GAAP when the uncertain tax position has a less than 50% probability that it will be sustained upon examination by the tax authorities based on its technical merits. As of June 30, 2026, the Fund has determined that no tax liability is required in its financial statements related to uncertain tax positions for any open tax years (or expected to be taken in future tax years). The Fund's federal and state income and federal excise tax returns for the prior three fiscal years are subject to examination by the Internal Revenue Service and state departments of revenue.

Franklin Allocation VIP Fund (continued)

1. Organization and Significant Accounting Policies (continued)

f. Security Transactions, Investment Income, Expenses and Distributions

Security transactions are accounted for on trade date. Realized gains and losses on security transactions are determined on a specific identification basis. Interest income (including interest income from payment-in-kind securities, if any) and estimated expenses are accrued daily. Amortization of premium and accretion of discount on debt securities are included in interest income. Paydown gains and losses are recorded as an adjustment to interest income. Dividend income and capital gain distributions are recorded on the ex-dividend date except for certain dividends from securities where the dividend rate is not available. In such cases, the dividend is recorded as soon as the information is received by the Fund. Distributions to shareholders are recorded on the ex-dividend date. Distributable earnings are determined according to income tax regulations (tax basis) and may differ from earnings recorded in accordance with U.S. GAAP. These differences may be permanent or temporary. Permanent differences are reclassified among capital accounts to reflect their tax character. These reclassifications have no impact on net assets or the results of operations. Temporary differences are not reclassified, as they may reverse in subsequent periods.

Common expenses incurred by the Trust are allocated among the Funds based on the ratio of net assets of each Fund to the combined net assets of the Trust or based on the ratio of number of shareholders of each Fund to the combined number of shareholders of the Trust. Fund specific expenses are charged directly to the Fund that incurred the expense.

Realized and unrealized gains and losses and net investment income, excluding class specific expenses, are allocated daily to each class of shares based upon the relative proportion of net assets of each class. Differences in per share distributions by class are generally due to differences in class specific expenses.

Inflation-indexed bonds are adjusted for inflation through periodic increases or decreases in the security's interest accruals, face amount, or principal redemption value, by amounts corresponding to the rate of inflation as measured by an index. Any increase or decrease in the face amount or principal redemption value will be included as interest income in the Statement of Operations.

g. Accounting Estimates

The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

h. Guarantees and Indemnifications

Under the Trust's organizational documents, its officers and trustees are indemnified by the Trust against certain liabilities arising out of the performance of their duties to the Trust. Additionally, in the normal course of business, the Trust, on behalf of the Fund, enters into contracts with service providers that contain general indemnification clauses. The Trust's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Trust that have not yet occurred. Currently, the Trust expects the risk of loss to be remote.

Franklin Allocation VIP Fund (continued)

2. Shares of Beneficial Interest

At June 30, 2026, there were an unlimited number of shares authorized (without par value). Transactions in the Fund's shares were as follows:

	Six Months Ended June 30, 2026		Year Ended December 31, 2025	
	Shares	Amount	Shares	Amount
Class 1 Shares:				
Shares sold	3,183	$17,957	6,035	$32,606
Shares issued in reinvestment of distributions	13,063	72,106	12,911	66,881
Shares redeemed	(15,375)	(88,122)	(15,004)	(81,120)
Net increase (decrease)	871	$1,941	3,942	$18,367
Class 2 Shares:				
Shares sold	543,757	$3,046,609	957,405	$5,113,362
Shares issued in reinvestment of distributions	2,220,518	12,146,234	2,387,865	12,249,745
Shares redeemed	(3,261,355)	(18,290,077)	(6,693,564)	(35,820,966)
Net increase (decrease)	(497,080)	$(3,097,234)	(3,348,294)	$(18,457,859)
Class 4 Shares:				
Shares sold	1,692,290	$9,911,382	3,179,491	$17,697,232
Shares issued in reinvestment of distributions	3,550,846	20,346,348	3,687,671	19,802,794
Shares redeemed	(4,690,235)	(27,500,254)	(9,460,457)	(52,867,623)
Net increase (decrease)	552,901	$2,757,476	(2,593,295)	$(15,367,597)

3. Transactions with Affiliates

Effective August 17, 2026, Franklin Resources, Inc. was renamed Franklin Templeton, Inc. Franklin Templeton, Inc. is the holding company for various subsidiaries. Certain officers and trustees of the Fund are also officers and/or directors of the following subsidiaries:

Subsidiary	Affiliation
Franklin Advisers, Inc. (Advisers)	Investment manager
Brandywine Global Investment Management, LLC (Brandywine)	Subadvisor
ClearBridge Investments, LLC (ClearBridge)	Subadvisor
Franklin Templeton Institutional, LLC (FT Institutional)	Subadvisor
Templeton Global Advisors Limited (Global Advisors)	Subadvisor
Franklin Templeton Services, LLC (FT Services)	Administrative manager
Franklin Distributors, LLC (Distributors)	Principal underwriter
Franklin Templeton Investor Services, LLC (Investor Services)	Transfer agent

a. Management Fees

The Fund pays an investment management fee, calculated daily and paid monthly, to Advisers of 0.55% per year of the average daily net assets of the Fund.

Franklin Allocation VIP Fund (continued)

3. Transactions with Affiliates (continued)

a. Management Fees (continued)

Under each subadvisory agreement, the below entities provide subadvisory services to the Fund. The subadvisory fees are paid by Advisers and are not an additional expense of the Fund. Each subadvisor is compensated for managing its respective portion of the Fund's average daily net assets.

Subadvisors
Brandywine
ClearBridge
FT Institutional
Global Advisors

b. Administrative Fees

Under an agreement with Advisers, FT Services provides administrative services to the Fund. The fee is paid by Advisers based on the Fund's average daily net assets, and is not an additional expense of the Fund.

c. Distribution Fees

The Board has adopted distribution plans for Class 2 and Class 4 shares pursuant to Rule 12b-1 under the 1940 Act. Under the Fund's compensation distribution plans, the Fund pays Distributors for costs incurred in connection with the servicing, sale and distribution of the Fund's shares up to 0.35% per year of its average daily net assets of each class. The Board has agreed to limit the current rate to 0.25% per year for Class 2. The plan year, for purposes of monitoring compliance with the maximum annual plan rates, is February 1 through January 31.

d. Transfer Agent Fees

Investor Services, under terms of an agreement, performs shareholder servicing for the Fund and is not paid by the Fund for the services.

e. Investments in Affiliated Management Investment Companies

The Fund invests in one or more affiliated management investment companies. As defined in the 1940 Act, an investment is deemed to be a “Controlled Affiliate” of a fund when a fund owns, either directly or indirectly, 25% or more of the affiliated fund’s outstanding shares or has the power to exercise control over management or policies of such fund. The Fund does not invest for purposes of exercising a controlling influence over the management or policies. Management fees paid by the Fund are waived on assets invested in the affiliated management investment companies, as noted in the Statement of Operations, in an amount not to exceed the management and administrative fees, if applicable, paid directly or indirectly by each affiliate. During the period ended June 30, 2026, the Fund held investments in affiliated management investment companies as follows:

Franklin Allocation VIP Fund (continued)

3. Transactions with Affiliates (continued)

e. Investments in Affiliated Management Investment Companies (continued)

	Value at Beginning of Period	Purchases	Sales	Realized Gain (Loss)	Net Change in Unrealized Appreciation (Depreciation)	Value at End of Period	Number of Shares Held at End of Period	Investment Income
Franklin Allocation VIP Fund								
Non-Controlled Affiliates								
								Dividends
Franklin FTSE Japan ETF	$—	$13,676,115	$(7,810,011)	$94,287	$164,090	$6,124,481	154,075	$25,994
Franklin Institutional U.S. Government Money Market Fund, 3.597%	10,913,142	87,650,987	(80,370,119)	—	—	18,194,010	18,194,010	244,255
Franklin Ultra Short Bond ETF	—	1,721,063	—	—	344	1,721,407	68,760	—
Total Non-Controlled Affiliates	$10,913,142	$103,048,165	$(88,180,130)	$94,287	$164,434	$26,039,898		$270,249
Total Affiliated Securities	$10,913,142	$103,048,165	$(88,180,130)	$94,287	$164,434	$26,039,898		$270,249

f. Waiver and Expense Reimbursements

Advisers has contractually agreed in advance to waive or limit its fees and to assume as its own expense certain expenses otherwise payable by the Fund so that the operating expenses (excluding interest expense, distribution fees, and certain non-routine expenses or costs, including those relating to litigation, indemnification, reorganizations, and liquidations) and acquired fund fees and expenses for each class of the Fund do not exceed 0.57% based on the average net assets of each class until April 30, 2027. Total expenses waived or paid are not subject to recapture subsequent to the Fund's fiscal year end.

4. Income Taxes

At June 30, 2026, the cost of investments and net unrealized appreciation (depreciation) for income tax purposes were as follows:

Cost of investments	$443,302,507
Unrealized appreciation	$134,487,491
Unrealized depreciation	(19,491,896)
Net unrealized appreciation (depreciation)	$114,995,595

Differences between income and/or capital gains as determined on a book basis and a tax basis are primarily due to differing treatments of wash sales, passive foreign investment company shares, pass-through entity income and bond discounts and premiums.

5. Investment Transactions

Purchases and sales of investments (excluding short term securities) for the period ended June 30, 2026, aggregated $230,454,812 and $246,735,953, respectively.

Franklin Allocation VIP Fund (continued)

6. Concentration of Risk

Certain investments in Chinese companies are made through a special structure known as a VIE. In a VIE structure, foreign investors, such as the Fund, will only own stock in a shell company rather than directly in the VIE, which must be owned by Chinese nationals (and/or Chinese companies) to obtain the licenses and/or assets required to operate in a restricted or prohibited sector in China. The value of the shell company is derived from its ability to consolidate the VIE into its financials pursuant to contractual arrangements that allow the shell company to exert a degree of control over, and obtain economic benefits arising from, the VIE without formal legal ownership. While VIEs are a longstanding industry practice and are well known by Chinese officials and regulators, the structure historically has not been formally recognized under Chinese law and it is uncertain whether Chinese officials or regulators will withdraw their implicit acceptance of the structure. It is also uncertain whether the contractual arrangements, which may be subject to conflicts of interest between the legal owners of the VIE and foreign investors, would be enforced by Chinese courts or arbitration bodies. Prohibitions of these structures by the Chinese government, or the inability to enforce such contracts, from which the shell company derives its value, would likely cause the VIE-structured holding(s) to suffer significant, detrimental, and possibly permanent losses, and in turn, adversely affect the Fund's returns and net asset value.

7. Other Derivative Information

At June 30, 2026, investments in derivative contracts are reflected in the Statement of Assets and Liabilities as follows:

	Asset Derivatives		Liability Derivatives	
Derivative Contracts Not Accounted for as Hedging Instruments	**Statement of Assets and Liabilities Location**	**Fair Value**	**Statement of Assets and Liabilities Location**	**Fair Value**
Franklin Allocation VIP Fund				
Interest rate contracts	Variation margin on futures contracts	$6,477[a]	Variation margin on futures contracts	$36,709[a]
Foreign exchange contracts	Unrealized appreciation on OTC forward exchange contracts	128,993	Unrealized depreciation on OTC forward exchange contracts	284,058
Equity contracts	Variation margin on futures contracts	—	Variation margin on futures contracts	133,572[a]
Total		$135,470		$454,339

[a]This amount reflects the cumulative appreciation (depreciation) of futures contracts as reported in the Schedule of Investments. Only the variation margin receivable/payable at period end is separately reported within the Statement of Assets and Liabilities. Prior variation margin movements were recorded to cash upon receipt or payment.

Franklin Allocation VIP Fund (continued)

7. Other Derivative Information (continued)

For the period ended June 30, 2026, the effect of derivative contracts in the Statement of Operations was as follows:

Derivative Contracts Not Accounted for as Hedging Instruments	Statement of Operations Location	Net Realized Gain (Loss) for the Period	Statement of Operations Location	Net Change in Unrealized Appreciation (Depreciation) for the Period
Franklin Allocation VIP Fund				
	Net realized gain (loss) from:		Net change in unrealized appreciation (depreciation) on:	
Interest rate contracts				
	Futures contracts	$347,172	Futures contracts	$(73,585)
Foreign exchange contracts				
	Forward exchange contracts	(239,677)	Forward exchange contracts	(18,848)
Credit contracts				
	Swap contracts	18,323	Swap contracts	—
Equity contracts				
	Futures contracts	592,750	Futures contracts	(132,153)
Total		$718,568		$(224,586)

For the period ended June 30, 2026, the average month end notional amount of futures contracts represented $39,293,716. The daily average notional amount of swap contracts represented $101,436. The average month end contract value of forward exchange contracts was $15,644,227.

See Note 1(d) regarding derivative financial instruments.

8. Credit Facility

The Fund, together with other U.S. registered and foreign investment funds (collectively, Borrowers), managed by Franklin Templeton, are borrowers in a joint syndicated senior unsecured credit facility totaling $2.995 billion (Global Credit Facility) which matures on January 29, 2027. This Global Credit Facility provides a source of funds to the Borrowers for temporary and emergency purposes, including the ability to meet future unanticipated or unusually large redemption requests.

Under the terms of the Global Credit Facility, the Fund may, in addition to interest charged on any borrowings made by the Fund and other costs incurred by the Fund, pay its share of fees and expenses incurred in connection with the implementation and maintenance of the Global Credit Facility, based upon its relative share of the aggregate net assets of all of the Borrowers, including an annual commitment fee of 0.15% based upon the unused portion of the Global Credit Facility. These fees are reflected in other expenses in the Statement of Operations. During the period ended June 30, 2026, the Fund did not use the Global Credit Facility.

9. Fair Value Measurements

The Fund follows a fair value hierarchy that distinguishes between market data obtained from independent sources (observable inputs) and the Fund's own market assumptions (unobservable inputs). These inputs are used in determining the value of the Fund's financial instruments and are summarized in the following fair value hierarchy:

- Level 1 – quoted prices in active markets for identical financial instruments

Franklin Allocation VIP Fund (continued)

9. Fair Value Measurements (continued)

- Level 2 – other significant observable inputs (including quoted prices for similar financial instruments, interest rates, prepayment speed, credit risk, etc.)
- Level 3 – significant unobservable inputs (including the Fund's own assumptions in determining the fair value of financial instruments)

The input levels are not necessarily an indication of the risk or liquidity associated with financial instruments at that level.

A summary of inputs used as of June 30, 2026, in valuing the Fund's assets and liabilities carried at fair value, is as follows:

	Level 1	Level 2	Level 3	Total
Franklin Allocation VIP Fund				
Assets:				
Investments in Securities:[a]				
Common Stocks:				
Aerospace & Defense	$8,088,208	$2,166,333	$—	$10,254,541
Air Freight & Logistics	—	783,025	—	783,025
Automobile Components	22,643	209,100	—	231,743
Automobiles	3,908,914	1,149,238	—	5,058,152
Banks	9,461,077	8,211,464	—	17,672,541
Beverages	2,992,297	652,633	—	3,644,930
Biotechnology	5,882,792	—	—	5,882,792
Broadline Retail	11,291,474	959,761	—	12,251,235
Building Products	1,519,943	1,174,752	—	2,694,695
Capital Markets	5,086,858	2,697,743	—	7,784,601
Chemicals	7,473,661	918,637	—	8,392,298
Commercial Services & Supplies	1,112,609	330,328	—	1,442,937
Communications Equipment	3,227,954	414,619	—	3,642,573
Construction & Engineering	—	521,861	—	521,861
Construction Materials	2,180,603	456,314	—	2,636,917
Consumer Finance	2,388,376	—	—	2,388,376
Consumer Staples Distribution & Retail	2,409,260	493,935	—	2,903,195
Containers & Packaging	598,375	—	—	598,375
Diversified Consumer Services	4,140	—	—	4,140
Diversified Telecommunication Services	1,607,753	1,062,966	—	2,670,719
Electric Utilities	1,518,635	1,428,321	—	2,946,956
Electrical Equipment	2,517,082	1,674,457	—	4,191,539
Electronic Equipment, Instruments & Components	1,445,648	743,276	—	2,188,924
Energy Equipment & Services	35,938	—	—	35,938
Entertainment	2,992,214	348,701	—	3,340,915
Financial Services	10,299,737	1,026,105	—	11,325,842
Food Products	507,694	1,284,618	—	1,792,312
Gas Utilities	15,456	212,048	—	227,504
Ground Transportation	4,587,573	150,581	—	4,738,154
Health Care Equipment & Supplies	3,170,492	1,035,931	—	4,206,423
Health Care Providers & Services	6,843,310	57,675	—	6,900,985
Health Care Technology	—	71,111	—	71,111
Hotels, Restaurants & Leisure	3,326,286	866,190	—	4,192,476
Household Durables	128,838	1,040,693	—	1,169,531
Household Products	1,735,215	40,643	—	1,775,858
Independent Power and Renewable Electricity Producers	97,558	261,784	—	359,342
Industrial Conglomerates	567,586	694,079	—	1,261,665
Industrial REITs	202,392	—	—	202,392
Insurance	4,676,968	2,684,460	—	7,361,428
Interactive Media & Services	17,545,760	481,802	—	18,027,562

Franklin Allocation VIP Fund (continued)

9. Fair Value Measurements (continued)

	Level 1	Level 2	Level 3	Total
Franklin Allocation VIP Fund (continued)				
Assets: (continued)				
Investments in Securities:[a] (continued)				
Common Stocks: (continued)				
IT Services	$853,179	$168,996	$—	$1,022,175
Leisure Products	—	62,589	—	62,589
Life Sciences Tools & Services	4,929,294	609,717	—	5,539,011
Machinery	6,710,571	2,099,151	—	8,809,722
Marine Transportation	—	104,300	—	104,300
Media	26,445	—	—	26,445
Metals & Mining	1,052,355	1,315,247	—	2,367,602
Multi-Utilities	3,602,228	—	—	3,602,228
Oil, Gas & Consumable Fuels	4,989,652	1,863,167	—	6,852,819
Passenger Airlines	12,239	—	—	12,239
Personal Care Products	—	960,355	—	960,355
Pharmaceuticals	10,075,408	5,481,753	—	15,557,161
Professional Services	216,377	1,276,131	—	1,492,508
Real Estate Management & Development	58,845	411,459	—	470,304
Residential REITs	197,372	—	—	197,372
Retail REITs	8,133	163,413	—	171,546
Semiconductors & Semiconductor Equipment	44,408,115	5,886,673	—	50,294,788
Software	16,508,069	566,550	65,250	17,139,869
Specialized REITs	353,726	—	—	353,726
Specialty Retail	3,984,000	1,093,202	—	5,077,202
Technology Hardware, Storage & Peripherals	13,910,026	704,414	—	14,614,440
Textiles, Apparel & Luxury Goods	166,044	1,201,126	—	1,367,170
Tobacco	928,731	235,391	—	1,164,122
Trading Companies & Distributors	1,791,114	436,777	—	2,227,891
Transportation Infrastructure	—	179,910	—	179,910
Wireless Telecommunication Services	618,923	415,849	—	1,034,772
Management Investment Companies	7,845,888	—	—	7,845,888
Preferred Stocks	—	446,280	—	446,280
Rights	4,893	—	—	4,893
Limited Partnerships	1,590,385	—	—	1,590,385
Corporate Bonds	—	71,259,667	—	71,259,667
Foreign Government and Agency Securities	—	7,836,823	—	7,836,823
U.S. Government and Agency Securities	—	96,242,295	—	96,242,295
Asset-Backed Securities	—	8,190,908	—	8,190,908
Commercial Mortgage-Backed Securities	—	4,560,777	—	4,560,777
Mortgage-Backed Securities	—	22,443,318	—	22,443,318
Residential Mortgage-Backed Securities	—	4,498,692	—	4,498,692
Agency Commercial Mortgage-Backed Securities	—	2,187,126	—	2,187,126
Municipal Bonds	—	955,619	—	955,619
Short Term Investments	21,698,362	377,169	—	22,075,531
Total Investments in Securities	$278,011,693	$280,540,028[b]	$65,250	$558,616,971
Other Financial Instruments:				
Forward Exchange Contracts	$—	$128,993	$—	$128,993
Futures Contracts	6,477	—	—	6,477
Total Other Financial Instruments	$6,477	$128,993	$—	$135,470
Liabilities:				
Other Financial Instruments:				
Forward Exchange Contracts	$—	$284,058	$—	$284,058
Futures Contracts	170,281	—	—	170,281
Total Other Financial Instruments	$170,281	$284,058	$—	$454,339

Franklin Allocation VIP Fund (continued)

9. Fair Value Measurements (continued)

[a]For detailed categories, see the accompanying Schedule of Investments.
[b]Includes foreign securities valued at $61,987,634, which were categorized as Level 2 as a result of the application of market level fair value procedures. See the Financial Instrument Valuation note for more information.

A reconciliation in which Level 3 inputs are used in determining fair value is presented when there are significant Level 3 assets and/or liabilities at the beginning and/or end of the period.

10. Operating Segments

The Fund operates as a single operating segment, which is an investment portfolio. The portfolio managers assigned to the Fund within the Fund's investment manager serve as the Chief Operating Decision Maker ("CODM") and are responsible for evaluating the Fund's operating results and allocating resources in accordance with the Fund's investment strategy. Internal reporting provided to the CODM aligns with the accounting policies and measurement principles used in the financial statements.

For information regarding segment assets, segment profit or loss, and significant expenses, refer to the Statement of Assets and Liabilities and the Statement of Operations, along with the related notes to the financial statements. The Schedule of Investments provides details of the Fund's investments that generate returns such as interest, dividends, and realized and unrealized gains or losses. Performance metrics, including portfolio turnover and expense ratios, are disclosed in the Financial Highlights.

11. Subsequent Events

The Fund has evaluated subsequent events through the issuance of the financial statements and determined that no events have occurred that require disclosure other than those already disclosed in the financial statements.

Abbreviations

Counterparty	
CITI	Citibank NA
GSCO	Goldman Sachs Group, Inc.
HSBK	HSBC Bank plc
JPHQ	JPMorgan Chase Bank NA
MSCO	Morgan Stanley
UBSW	UBS AG
WFLA	Wells Fargo Bank NA

Currency	
AUD	Australian Dollar
BRL	Brazilian Real
COP	Colombian Peso
EGP	Egyptian Pound
EUR	Euro
GBP	British Pound
INR	Indian Rupee
MXN	Mexican Peso
USD	United States Dollar

Selected Portfolio	
ADR	American Depositary Receipt
CLO	Collateralized Loan Obligation
ETF	Exchange-Traded Fund
ETM	Escrowed to Maturity
FFCB	Federal Farm Credit Banks Funding Corp.
FHLMC	Federal Home Loan Mortgage Corp.
FNMA	Federal National Mortgage Association
FRN	Floating Rate Note
GNMA	Government National Mortgage Association
GO	General Obligation
IO	Interest Only
NATL	National Reinsurance Corp.
REIT	Real Estate Investment Trust
REMIC	Real Estate Mortgage Investment Conduit
SOFR	Secured Overnight Financing Rate
STACR	Structured Agency Credit Risk

Changes In and Disagreements with Accountants

For the period covered by this report

Not applicable.

Results of Meeting(s) of Shareholders

For the period covered by this report

Not applicable.

Remuneration Paid to Directors, Officers and Others

For the period covered by this report

Refer to the financial statements included herein. Remuneration to officers is paid by the Fund's investment manager according to the terms of the agreement.

Board Approval of Management and Subadvisory Agreements

For the period covered by this report

FRANKLIN TEMPLETON VARIABLE INSURANCE PRODUCTS TRUST
(unaudited)

Franklin Allocation VIP Fund
Franklin DynaTech VIP Fund
Franklin Global Real Estate VIP Fund
Franklin Growth and Income VIP Fund
Franklin Income VIP Fund
Franklin Large Cap Growth VIP Fund
Franklin Mutual Global Discovery VIP Fund
Franklin Mutual Shares VIP Fund
Franklin Rising Dividends VIP Fund
Franklin Small Cap Value VIP Fund
Franklin Small-Mid Cap Growth VIP Fund
Franklin Strategic Income VIP Fund
Franklin U.S. Government Securities VIP Fund
Templeton Emerging Markets VIP Fund
(formerly Templeton Developing Markets VIP Fund)
Templeton Foreign VIP Fund
Templeton Global Bond VIP Fund
Templeton Growth VIP Fund
(each a Fund)

At an in-person meeting held on April 14, 2026 (Meeting), the Board of Trustees (Board) of Franklin Templeton Variable Insurance Products Trust (Trust), including a majority of the trustees who are not "interested persons" as defined in the Investment Company Act of 1940 (Independent Trustees), reviewed and approved the continuance of the (i) investment management agreement between Franklin Advisers, Inc. (FAV) and the Trust, on behalf of each of Franklin Allocation VIP Fund, Franklin DynaTech VIP Fund, Franklin Global Real Estate VIP Fund, Franklin Growth and Income VIP Fund, Franklin Income VIP Fund, Franklin Large Cap Growth VIP Fund, Franklin Rising Dividends VIP Fund, Franklin Small-Mid Cap Growth

VIP Fund, Franklin Strategic Income VIP Fund, Franklin U.S. Government Securities VIP Fund and Templeton Global Bond VIP Fund; (ii) the investment sub-advisory agreement between FAV and Franklin Templeton Institutional, LLC (FTIL), an affiliate of FAV, on behalf of Franklin Allocation VIP Fund; (iii) the investment sub-advisory agreement between FAV and Templeton Global Advisors Limited (TGAL), an affiliate of FAV, on behalf of Franklin Allocation VIP Fund; (iv) the investment sub-advisory agreement between FAV and Brandywine Global Investment Management, LLC (BGIM), an affiliate of FAV, on behalf of Franklin Allocation VIP Fund; (v) the investment sub-advisory agreement between FAV and ClearBridge Investments, LLC (CIL), an affiliate of FAV, on behalf of Franklin Allocation VIP Fund; (vi) the investment management agreement between Franklin Mutual Advisers, LLC (FMA) and the Trust, on behalf of each of Franklin Mutual Global Discovery VIP Fund, Franklin Mutual Shares VIP Fund and Franklin Small Cap Value VIP Fund; (vii) the investment management agreement between Templeton Asset Management Limited (TAML) and the Trust, on behalf of Templeton Emerging Markets VIP Fund; (viii) the investment sub-advisory agreement between TAML and Franklin Templeton Investment Management Limited (FTIML), on behalf of Templeton Emerging Markets VIP Fund; (ix) the investment management agreement between Templeton Investment Counsel, LLC (TICL) and the Trust, on behalf of Templeton Foreign VIP Fund; and (x) the investment management agreement between TGAL and the Trust, on behalf of Templeton Growth VIP Fund (each a Management Agreement) for an additional one-year period. The Independent Trustees received advice from and met separately with Independent Trustee counsel in considering whether to approve the continuation of each Management Agreement. Although the Management Agreements for the Funds were considered at the same Board meeting, the Board considered the information provided to it about the Funds together and with respect to each Fund separately as the Board deemed appropriate. BGIM, CIL, FAV, FMA, FTIL, FTIML, TAML, TGAL and TICL are each referred to herein as a Manager.

In considering the continuation of each Management Agreement, the Board reviewed and considered information provided by each Manager at the Meeting and throughout the year at meetings of the Board and its committees. The Board also reviewed and considered information provided in response to a detailed set of requests for information submitted to each Manager by Independent Trustee counsel on behalf of the Independent Trustees in connection with the annual contract renewal process. In addition, prior to the Meeting, the Independent Trustees held a virtual contract renewal meeting at which the Independent Trustees first conferred amongst themselves and Independent Trustee counsel about contract renewal matters, and then met with management to request additional information that the Independent Trustees reviewed and considered prior to and at the Meeting. The Board reviewed and considered all of the factors it deemed relevant in approving the continuance of each Management Agreement, including, but not limited to: (i) the nature, extent and quality of the services provided by each Manager; (ii) the investment performance of each Fund; (iii) the costs of the services provided and profits realized by each Manager and its affiliates from the relationship with each Fund; (iv) the extent to which economies of scale are realized as each Fund grows; and (v) whether fee levels reflect these economies of scale for the benefit of Fund investors.

In approving the continuance of each Management Agreement, the Board, including a majority of the Independent Trustees, determined, through the exercise of its business judgment, that the terms of each Management Agreement are fair and reasonable and that the continuance of the Management Agreement is in the best interests of the applicable Fund and its shareholders. While attention was given to all information furnished, the following discusses some primary factors relevant to the Board's determination.

Nature, Extent and Quality of Services

The Board reviewed and considered information it received regarding the nature, extent and quality of investment management services provided by the Managers and their affiliates to the Funds and their shareholders. This information included, among other things, the qualifications, background and experience of the senior management and investment personnel of each Manager; as well as information on succession planning where appropriate; the structure of investment personnel compensation; oversight of third-party service providers; investment performance reports and related financial information for each Fund; reports on expenses and shareholder services; legal and compliance matters; risk controls; pricing and other services provided by each Manager and its affiliates; and management fees charged by each Manager and its affiliates to US funds and other accounts, including management's explanation of differences among accounts where relevant. The Board also reviewed and considered an annual report on payments made by Franklin Templeton (FT) or the Funds to financial intermediaries, as well as a memorandum relating to third-party servicing arrangements. The Board acknowledged

FT's regular updates to the Board on strategic initiatives, ongoing attention to the service level quality of third-party service providers, ongoing efforts to modernize its mutual fund lineup, mutual fund to ETF conversions, integration of private market investments into existing mutual funds, creation of additional blockchain-compatible money market funds, and sharpening of its active, income-oriented offerings, along with the impact on FT of team integrations and staff reductions.

The Board also reviewed and considered the benefits provided to Fund shareholders of investing in a fund that is part of the FT family of funds. The Board noted the financial position of the Manager's parent, Franklin Templeton, Inc. (FTI), FTI's continued growth of its global, multi-asset franchise, and its commitment to the mutual fund business. The Board further noted FTI's continued reassessment of fund offerings in response to FT acquisitions and the market environment, FTI's focus on technology-driven transformation, expansion of its private market investment capabilities and global alternatives platform, and leveraging artificial intelligence (AI), blockchain and digital wealth platforms.

Following consideration of such information, the Board was satisfied with the nature, extent and quality of services provided by each Manager and its affiliates to the Funds and their shareholders.

Fund Performance

The Board reviewed and considered the performance results of each Fund over various time periods ended December 31, 2025. The Board considered the performance returns for each Fund in comparison to the performance returns of mutual funds deemed comparable to the Fund included in a universe (Performance Universe) selected by Broadridge Financial Solutions, Inc. (Broadridge), an independent provider of investment company data. The Board received a description of the methodology used by Broadridge to select the mutual funds included in a Performance Universe. The Board also reviewed and considered Fund performance reports provided and discussions that occurred with portfolio managers at Board meetings throughout the year. A summary of each Fund's performance results is below.

Franklin Allocation VIP Fund - The Performance Universe for the Fund included the Fund and all mixed-asset target allocation growth funds underlying variable insurance products (VIPs). The Board noted that the Fund's annualized total return for the one-, three-, five- and 10-year periods was below the median of its Performance Universe. The Board discussed the Fund's performance with management and management explained that the Fund was positioned defensively in 2023 with an underweight to equity securities relative to many of the funds in the Performance Universe, which adversely impacted the Fund's performance due to strong equity market performance that year. Management further explained that stock selection in equities and an underweight position to international equities in favor of US equities hindered relative performance for the one-year period. Management discussed with the Board the actions that are being taken/have been taken in an effort to improve the overall performance of the Fund, including, among others, ongoing review of manager holdings and ongoing enhancements to the Fund's investment processes. The Board noted that the annualized total return was positive for all periods and greater than 12% for the one- and three-year periods. The Board concluded that the Fund's Management Agreements should be continued for an additional one-year period, while management's efforts continue to be closely monitored.

Franklin DynaTech VIP Fund - The Performance Universe for the Fund included the Fund and all large-cap growth funds underlying VIPs. The Board noted that the Fund's annualized total return for the one- and three-year periods was above the median of its Performance Universe, but for the five- and 10-year periods was below the median of its Performance Universe. The Board noted that the annualized total return for the one-year period was 18.13% and for the three-year period was 30.36%. The Board concluded that the Fund's performance was satisfactory.

Franklin Global Real Estate VIP Fund - The Performance Universe for the Fund included the Fund and all global real estate funds underlying VIPs. The Board noted that the Fund's annualized total return for the one-year period was above the median of its Performance Universe, but for the three-, five- and 10-year periods was below the median of its Performance Universe. The Board discussed the Fund's performance with management and management explained that the Fund is intentionally oriented toward defensive growth, which management believes investors are seeking when investing into a real estate sector fund but proved to be a detractor of Fund performance during the three- and five-year periods as the economy remained more resilient than expected despite tighter monetary conditions. Management also explained that, during these time

periods, the Fund invested at least 40% of its assets in non-US domiciled securities pursuant to its investment strategy, which led to the Fund having an underweight position in US investments, which outperformed non-US investments by a substantial margin given the strength of the US dollar and relatively stronger earnings. Management discussed with the Board the actions that are being taken/have been taken in an effort to improve the overall performance of the Fund, including, among others, investment criteria amendments in May 2025 to provide the Fund with flexibility to invest more of its assets in US investments if market conditions warrant and ongoing enhancements to the Fund's investment team and processes. The Board concluded that the Fund's Management Agreement should be continued for an additional one-year period, while management's efforts continue to be closely monitored.

Franklin Growth and Income VIP Fund - The Performance Universe for the Fund included the Fund and all equity income funds underlying VIPs. The Board noted that the Fund's annualized income return and annualized total return for the one-, three-, five- and 10-year periods were above the medians of its Performance Universe. The Board further noted management's view regarding the income-related attributes of the Fund (e.g., a fund's investment objective) as set forth in the Fund's registration statement and that the evaluation of the Fund's performance relative to its peers on an income return basis was appropriate given these attributes. The Board concluded that the Fund's performance was satisfactory.

Franklin Income VIP Fund - The Performance Universe for the Fund included the Fund and all flexible portfolio funds underlying VIPs. The Board noted that the Fund's annualized income return for the one-, three-, five- and 10-year periods was above the median and in the first quintile (best) of its Performance Universe. The Board also noted that the Fund's annualized total return for the five- and 10-year periods was above the median of its Performance Universe, but for the one- and three-year periods was below the median of its Performance Universe. The Board further noted management's view regarding the income-related attributes of the Fund (e.g., a fund's investment objective) as set forth in the Fund's registration statement and that the evaluation of the Fund's performance relative to its peers on an income return basis was appropriate given these attributes. The Board also noted that, although below the median, the Fund's annualized total return was 12.87% for the one-year period and 9.71% for the three-year period. The Board concluded that the Fund's performance was satisfactory.

Franklin Large Cap Growth VIP Fund - The Performance Universe for the Fund included the Fund and all large-cap growth funds underlying VIPs. The Board noted that the Fund's annualized total return for the one-, three-, five- and 10-year periods was below the median and in the fifth quintile (worst) of its Performance Universe. The Board discussed the Fund's performance with management and management explained that the Fund has historically maintained a higher growth bias, lower average market cap and applied a broader investment universe relative to its benchmark, the S&P 500 Index, and Performance Universe, both of which have become increasingly concentrated in select mega-capitalization names such as the "Magnificent Seven." Management further explained that the Fund's underweight positioning compared to its Performance Universe peers in these mega-capitalization names adversely impacted the Fund's relative performance over the one-year period. Management also explained that a significant portion of the Fund's underperformance occurred in late 2021 and 2022 as high inflation and rising interest rates weighed on the performance of growth equities relative to blend or value-oriented equities. The Board noted that the Fund outperformed its benchmark for the three-year period. Management discussed with the Board the actions that are being taken/have been taken in an effort to improve the overall performance of the Fund, including, among others, the portfolio management team's continued focus on investing in high-quality growth companies and ongoing enhancements to the Fund's investment team and processes. The Board also noted that, although below the median, the Fund's annualized total return for the one-year period was 7.48% and for the three-year period was 24.20%. The Board concluded that the Fund's Management Agreement should be continued for an additional one-year period, while management's efforts continue to be closely monitored.

Franklin Mutual Global Discovery VIP Fund - The Performance Universe for the Fund included the Fund and all global large-cap value funds underlying VIPs. The Board noted that the Fund's annualized total return for the one-, three-, five- and 10-year periods was above the median of its Performance Universe. The Board concluded that the Fund's performance was satisfactory.

Franklin Mutual Shares VIP Fund - The Performance Universe for the Fund included the Fund and all multi-cap value funds underlying VIPs. The Board noted that the Fund's annualized total return for the one-, three-, five- and 10-year periods was below the median of its Performance Universe. The Board discussed the Fund's performance with management, and management explained that the Fund is more value oriented in comparison to its peers in the Performance Universe. Management also explained that this value orientation adversely impacted the Fund's relative performance over the one-, three- and five-year periods when value underperformed growth. Management further explained that, unlike its Performance Universe peers, the Fund uses special situations investments, including distressed/stressed debt and merger arbitrage, which occasionally may not be aligned with the broader equity market and peers. Management then discussed with the Board the actions that are being taken in an effort to improve the overall performance of the Fund, including enhancements to investment research coverage. The Board concluded that the Fund's Management Agreement should be continued for an additional one-year period, while management's efforts continue to be closely monitored.

Franklin Rising Dividends VIP Fund - The Performance Universe for the Fund included the Fund and all large-cap core funds underlying VIPs. The Board noted that the Fund's annualized total return for the one-, three-, five- and 10-year periods was below the median of its Performance Universe. The Board discussed the Fund's performance with management and management explained that the Fund's underperformance for the one-year period was largely due to the strong outperformance of a number of technology-oriented companies, collectively known as the "Magnificent Seven." Management further explained that the Fund seeks to invest at least 80% of its assets in companies that have paid consistently rising dividends and that the Fund was underweight the "Magnificent Seven" as most were non-dividend paying companies. Management noted that the Fund's performance was positively impacted by an underweight to the "Magnificent Seven" in 2022. Management discussed with the Board the actions that are being taken/have been taken in an effort to improve the overall performance of the Fund, including, among others, enhancements to its investment team and processes and a change in its benchmark that management believes better represents the Fund's investment universe. The Board noted that effective May 1, 2026, the Fund's tailored benchmark will change from the S&P 500 Index to the Nasdaq US Broad Dividend Achievers Index to provide shareholders with a more useful comparison that reflects the Fund's strategy of investing in companies that have paid consistently rising dividends. The Board concluded that the Fund's Management Agreement should be continued for an additional one-year period, while management's efforts continue to be closely monitored.

Franklin Small Cap Value VIP Fund - The Performance Universe for the Fund included the Fund and all small-cap value funds underlying VIPs. The Board noted that the Fund's annualized total return for the one-, three-, five- and 10-year periods was above the median of its Performance Universe. The Board concluded that the Fund's performance was satisfactory.

Franklin Small-Mid Cap Growth VIP Fund - The Performance Universe for the Fund included the Fund and all mid-cap growth funds underlying VIPs. The Board noted that the Fund's annualized total return for the one-, three-, five- and 10-year periods was below the median of its Performance Universe. The Board discussed the Fund's performance with management and management explained that a source of underperformance was due to stock selection, relative to its Performance Universe, and that the Fund was underweight the Information Technology sector, which posted higher returns than the Consumer Discretionary sector for the one-year period. Management further explained that stock selection in the Information Technology, Health Care, and Financials sectors was the primary driver of underperformance for the five-year period. Management discussed with the Board the actions that are being taken/have been taken in an effort to improve the overall performance of the Fund, including, among others, enhancements to its investment processes. The Board concluded that the Fund's Management Agreement should be continued for an additional one-year period, while management's efforts continue to be closely monitored.

Franklin Strategic Income VIP Fund - The Performance Universe for the Fund included the Fund and all multi-sector income funds underlying VIPs. The Board noted that the Fund's annualized income return for the one-, three-, five- and 10-year periods was above the median of its Performance Universe. The Board also noted that the Fund's annualized total return for the five-year period was above the median of its Performance Universe, but for the one-, three- and 10-year periods

was below the median of its Performance Universe. The Board further noted management's view regarding the income-related attributes of the Fund (e.g., a fund's investment objective) as set forth in the Fund's registration statement and that the evaluation of the Fund's performance relative to its peers on an income return basis was appropriate given these attributes. The Board concluded that the Fund's performance was satisfactory.

Franklin U.S. Government Securities VIP Fund - The Performance Universe for the Fund included the Fund and all intermediate US government funds underlying VIPs. The Board noted that the Fund's annualized income return for the three-, five- and 10-year periods was above the median of its Performance Universe, but for the one-year period was below the median of its Performance Universe. The Board also noted that the Fund's annualized total return for the one-, three- and five-year periods was above the median of its Performance Universe, but for the 10-year period was 0.01% below the median of its Performance Universe. The Board noted management's view regarding the income-related attributes of the Fund (e.g., a fund's investment objective) as set forth in the Fund's registration statement and that the evaluation of the Fund's performance relative to its peers on an income return basis was appropriate given these attributes. The Board concluded that the Fund's performance was satisfactory.

Templeton Emerging Markets VIP Fund - The Performance Universe for the Fund included the Fund and all retail and institutional emerging markets funds. The Board noted that the Fund's annualized total return for the one-, three-, five- and 10-year periods was above the median of its Performance Universe. The Board also noted that, effective June 1, 2026, the Fund changed its name from the Templeton Developing Markets VIP Fund to the Templeton Emerging Markets VIP Fund. The Board concluded that the Fund's performance was satisfactory.

Templeton Foreign VIP Fund - The Performance Universe for the Fund included the Fund and all international multi-cap value funds underlying VIPs. The Board noted that the Fund's annualized total return for the one-, three-, five- and 10-year periods was below the median and in the fifth quintile (worst) of its Performance Universe. The Board discussed the Fund's performance with management and management explained that, relative to its Performance Universe, the Fund was overweight in weaker defensive sectors such as Health Care and Utilities, which negatively impacted performance. Management further explained that the Fund's one- and three-year underperformance versus its Performance Universe was primarily attributable to stock selection in the Materials, Utilities, and Communication Services sectors. Management discussed with the Board the actions that are being taken/have been taken in an effort to improve the overall performance of the Fund, including, among others, enhancements to its investment processes. The Board noted that, although below the median, the annualized total return for each period was positive, and 29.51% for the one-year period and 15.87% for the three-year period. The Board concluded that the Fund's Management Agreement should be continued for an additional one-year period, while management's efforts continue to be closely monitored.

Templeton Global Bond VIP Fund - The Performance Universe for the Fund included the Fund and all global income funds underlying VIPs. The Board noted that the Fund's annualized total return for the one-year period was above the median and in the first quintile (best) of its Performance Universe, but for the three-, five- and 10-year periods was below the median of its Performance Universe. The Board discussed the Fund's performance with management and management explained that the funds in the Performance Universe generally maintained substantially greater US dollar exposures and longer developed market duration than the Fund which adversely impacted the Fund's performance over each time period. Management also noted that the Fund's underperformance relative to its benchmark, the JP Morgan Global Government Bond Index, and Performance Universe over the three- and five-year periods was largely attributable to underperformance specifically in calendar years 2023 and 2024, as a result of the Fund's currency positioning in non-USD assets as the US dollar reached historical highs compared to many currencies in recent years. Management discussed with the Board the actions that are being taken/have been taken in an effort to improve the overall performance of the Fund, including, among others, enhancements to its investment team and processes and the investment team's view that the Fund is well positioned to benefit from its outlook expectations. The Board noted that the Fund outperformed its benchmark for the one-year period. The Board also noted that the annualized total return was 16.09% for the one-year period. The Board concluded that the Fund's performance was acceptable.

Templeton Growth VIP Fund - The Performance Universe for the Fund included the Fund and all global multi-cap value funds underlying VIPs. The Board noted that the Fund's annualized total return for the one- and three-year periods was above the median of its Performance Universe, but for the five- and 10-year periods was below the median of its Performance Universe. The Board concluded that the Fund's performance was satisfactory.

Comparative Fees and Expenses

The Board reviewed and considered information regarding each Fund's actual total expense ratio and its various components, including, as applicable, management fees; transfer agent expenses; underlying fund expenses; Rule 12b-1 and non-Rule 12b-1 service fees; and other non-management fees. The Board also noted the quarterly and annual reports it receives on all marketing support payments made by FT to financial intermediaries. The Board considered the actual total expense ratio and, separately, the contractual management fee rate, without the effect of fee waivers, if any (Management Rate) of each Fund in comparison to the median expense ratio and median Management Rate, respectively, of other mutual funds deemed comparable to and with a similar expense structure to the Fund selected by Broadridge (Expense Group). Broadridge fee and expense data is based upon information taken from each fund's most recent annual or semi-annual report, which reflects historical asset levels that may be quite different from those currently existing, particularly in a period of market volatility. While recognizing such inherent limitation and the fact that expense ratios and Management Rates generally increase as assets decline and decrease as assets grow, the Board believed the independent analysis conducted by Broadridge to be an appropriate measure of comparative fees and expenses. The Broadridge Management Rate includes administrative charges. The Board received a description of the methodology used by Broadridge to select the mutual funds included in an Expense Group.

Franklin Allocation VIP Fund, Franklin DynaTech VIP Fund, Franklin Growth and Income VIP Fund, Franklin Income VIP Fund, Franklin Small Cap Value VIP Fund, Franklin U.S. Government Securities VIP Fund and Templeton Global Bond VIP Fund - The Expense Group for the Franklin Allocation VIP Fund included the Fund and eight other mixed-asset target allocation growth funds underlying VIPs. The Expense Group for the Franklin DynaTech VIP Fund included the Fund and six other large-cap growth funds underlying VIPs. The Expense Group for the Franklin Growth and Income VIP Fund included the Fund and 13 other equity income funds underlying VIPs. The Expense Group for the Franklin Income VIP Fund included the Fund and eight other flexible portfolio funds underlying VIPs. The Expense Group for the Franklin Small Cap Value VIP Fund included the Fund and seven other small-cap value funds underlying VIPs. The Expense Group for the Franklin U.S. Government Securities VIP Fund included the Fund and six other intermediate US government funds underlying VIPs. The Expense Group for the Templeton Global Bond VIP Fund included the Fund and eight other global income funds underlying VIPs. The Board noted that the Management Rates and actual total expense ratios for the Funds were below the medians of their respective Expense Groups. The Board further noted that the Franklin Allocation VIP Fund's sub-advisers are paid by FAV out of the management fee FAV receives from the Fund and that the allocation of the fee between FAV and each sub-adviser reflected the services provided by each to the Fund. The Board also noted that the Franklin Allocation VIP Fund's, Franklin DynaTech VIP Fund's and Franklin Growth and Income VIP Fund's actual total expense ratio reflected an expense cap on operating expenses. The Board concluded that the Management Rate charged to each Fund and the sub-advisory fee paid to each sub-adviser of the Franklin Allocation VIP Fund are reasonable.

Franklin Global Real Estate VIP Fund, Franklin Large Cap Growth VIP Fund, Franklin Mutual Global Discovery VIP Fund, Franklin Mutual Shares VIP Fund, Franklin Rising Dividends VIP Fund, Franklin Strategic Income VIP Fund and Templeton Growth VIP Fund - The Expense Group for the Franklin Global Real Estate VIP Fund included the Fund and eight other global real estate funds underlying VIPs. The Expense Group for the Franklin Large Cap Growth VIP Fund included the Fund and eight other large-cap growth funds underlying VIPs. The Expense Group for the Franklin Mutual Global Discovery VIP Fund included the Fund, two other global large-cap value funds underlying VIPs and four global large-cap core funds underlying VIPs. The Expense Group for the Franklin Mutual Shares VIP Fund included the Fund and 11 other multi-cap value funds underlying VIPs. The Expense Group for the Franklin Rising Dividends VIP Fund included the Fund and 13 other large-cap core funds underlying VIPs. The Expense Group for the Franklin Strategic Income VIP Fund included the Fund and seven

other multi-sector income funds underlying VIPs. The Expense Group for the Templeton Growth VIP Fund included the Fund, currently classified as a global multi-cap value fund underlying VIPs, two global multi-cap core funds underlying VIPs and one global multi-cap growth fund underlying VIPs. The Board noted that the Management Rates and actual total expense ratios for the Funds were above the medians of their respective Expense Groups. The Board further noted:

Franklin Global Real Estate VIP Fund - management's explanation that the current investment process requires a more differentiated core-plus strategy with selective idiosyncratic exposure, supported by deeper country-level research. Management further explained the Fund is among the smallest funds within the Expense Group with most Expense Group peers more than two times as large with respect to assets under management (AUM), noting that the Expense Group peers with the largest AUM realize greater operating efficiencies, contributing to lower overall expenses. The Board also noted that the Fund's actual total expense ratio reflected an expense cap on operating expenses.

Franklin Large Cap Growth VIP Fund - management's explanation that the Fund's AUM is less than $100 million, meaningfully below the Expense Group median AUM. Management further explained that the Expense Group peers with larger AUM benefit from their larger scale and stronger operating leverage. Management also explained that of the two funds in the Expense Group with less than $100 million in AUM, the Fund had the lowest total expenses.

Franklin Mutual Global Discovery VIP Fund - management's explanation that, unlike other funds in the Fund's Expense Group, the Fund utilizes special situations such as merger arbitrage, restructurings and distressed credit in pursuit of its investment objective. Management further explained that identifying such opportunities requires a more in-depth analysis and a more rigorous research due diligence process. The Board also noted that the Fund's actual total expense ratio was approximately four basis points above the median.

Franklin Mutual Shares VIP Fund - management's explanation that the Fund's Management Rate was approximately three basis points above the median of the Fund's Expense Group and the actual total expense ratio was one basis point above the median of the Fund's Expense Group. Management further explained that the portfolio management team has taken steps to enhance its investment process, including the development of additional quantitative tools, refining the focus of research efforts, and realigning research coverage.

Franklin Rising Dividends VIP Fund - management's explanation that the Fund's Management Rate and actual total expense ratio were each only 0.5 basis points above the respective median of the Fund's Expense Group. Management further explained that it believes the Fund is priced in line with peers considering the Fund's asset size and the breadth of research, portfolio construction, and risk-management resources supporting the strategy.

Franklin Strategic Income VIP Fund - management's explanation that the Fund's Management Rate was only 0.2 basis points above the median of the Fund's Expense Group.

Templeton Growth VIP Fund – management's explanation regarding the small size of the Fund's Expense Group (four funds) and that therefore no quintile information was provided for the Fund. The Board also noted management's explanation that two of the peers in the Expense Group had significantly higher AUM compared to the Fund, which can provide these larger peers with cost advantages through better economies of scale and more favorable expense ratios. Management further explained that in this context, the Fund's expenses reflect both its size and the research-intensive nature of its global, value-oriented investment approach. The Board also noted that the Fund's actual total expense ratio reflected an expense cap on operating expenses.

The Board concluded that the Management Rate charged to each Fund is reasonable.

Franklin Small-Mid Cap Growth VIP Fund - The Expense Group for the Franklin Small-Mid Cap Growth VIP Fund included the Fund and 13 other mid-cap growth funds underlying VIPs. The Board noted that the Management Rate for the Fund was equal to the median of its Expense Group and the actual total expense ratio for the Fund was below the median of its Expense Group. The Board concluded that the Management Rate charged to the Fund is reasonable.

Templeton Emerging Markets VIP Fund - The Expense Group for the Fund included the Fund and 12 other emerging markets funds. The Board noted that the Management Rate for the Fund was five basis points above the median of its Expense Group and the actual total expense ratio for the Fund was below the median and in the second quintile of its Expense Group. The Board further noted that the Fund's sub-adviser is paid by TAML out of the management fee TAML receives from the Fund and that the allocation of the fee between TAML and the sub-adviser reflected the services provided by each to the Fund. The Board concluded that the Management Rate charged to the Fund and the sub-advisory fee paid to the Fund's sub-adviser are reasonable.

Templeton Foreign VIP Fund - The Expense Group for the Fund included the Fund, five other international multi-cap value funds underlying VIPs and three international large-cap value funds underlying VIPs. The Board noted that the Management Rate for the Fund was approximately five basis points above the median of its Expense Group and the actual total expense ratio for the Fund was equal to the median of its Expense Group. The Board concluded that the Management Rate charged to the Fund is reasonable.

Profitability

The Board reviewed and considered information regarding the profits realized by the Managers and their affiliates in connection with the operation of each Fund. In this respect, the Board considered the Fund profitability analysis that addresses the overall profitability of FT's US fund business, as well as its profits in providing investment management and other services to each of the individual funds during the 12-month period ended September 30, 2025, being the most recent fiscal year-end for FTI. The Board noted that although management continually makes refinements to its methodologies used in calculating profitability in response to organizational and product-related changes, the overall methodology has remained consistent with that used in the Funds' profitability report presentations from prior years. The Board also noted that an independent registered public accounting firm has been engaged to periodically review and assess the allocation methodologies to be used solely by the Funds' Board with respect to the profitability analysis.

The Board noted management's belief that costs incurred in establishing the infrastructure necessary for the type of mutual fund operations conducted by each Manager and its affiliates may not be fully reflected in the expenses allocated to each Fund in determining its profitability, as well as the fact that the level of profits, to a certain extent, reflected operational cost savings and efficiencies initiated by management. As part of this evaluation, the Board considered management's outsourcing of certain operations, which effort has required considerable up-front expenditures by the Managers but, over the long run is expected to result in greater efficiencies. The Board also noted management's expenditures in improving shareholder services provided to the Funds, as well as the need to implement systems and meet additional regulatory and compliance requirements resulting from recent US Securities and Exchange Commission and other regulatory requirements.

The Board also considered the extent to which each Manager and its affiliates might derive ancillary benefits from fund operations, including revenues generated from transfer agent services, potential benefits resulting from personnel and systems enhancements necessitated by fund growth, as well as increased leverage with service providers and counterparties. Based upon its consideration of all these factors, the Board concluded that the level of profits realized by the Managers and their affiliates from providing services to each Fund was not excessive in view of the nature, extent and quality of services provided to each Fund.

Economies of Scale

The Board reviewed and considered the extent to which each Manager may realize economies of scale, if any, as each Fund grows larger and whether each Fund's management fee structure reflects any economies of scale for the benefit of shareholders. With respect to possible economies of scale, the Board noted the existence of management fee breakpoints for each Fund (except for the Franklin Allocation VIP Fund), which operate generally to share any economies of scale with a Fund's shareholders by reducing the Fund's effective management fees as the Fund grows in size. The Board considered each Manager's view that any analyses of potential economies of scale in managing a particular fund are inherently limited in light of the joint and common costs and investments each Manager incurs across the FT family of funds as a whole. The Board noted that the Franklin DynaTech VIP Fund, Franklin Global Real Estate VIP Fund, Franklin Growth and Income VIP Fund

and Franklin Large Cap Growth VIP Fund do not currently have an asset size that would likely enable these Funds to achieve economies of scale. The Board also noted that the Franklin U.S. Government Securities VIP Fund and Templeton Global Bond VIP Fund had experienced a significant decrease in assets and would not be expected to demonstrate additional economies of scale in the near term. The Board concluded that to the extent economies of scale may be realized by each Manager and its affiliates, each Fund's management fee structure provided a sharing of benefits with the Fund and its shareholders as the Fund grows.

Conclusion

Based on its review, consideration and evaluation of all factors it believed relevant, including the above-described factors and conclusions, the Board unanimously approved the continuation of each Management Agreement for an additional one-year period.

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