

Templeton Foreign VIP Fund

Financial Statements and Other Important Information

Annual | December 31, 2024

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Financial Highlights

Templeton Foreign VIP Fund

	Year Ended December 31,				
	2024	2023	2022	2021	2020
Class 1					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$14.57	\$12.44	\$13.90	\$13.57	\$14.23
Income from investment operations ^a :					
Net investment income ^b	0.32	0.33	0.30	0.23	0.32 ^c
Net realized and unrealized gains (losses)	(0.42)	2.27	(1.33)	0.39	(0.54)
Total from investment operations	(0.10)	2.60	(1.03)	0.62	(0.22)
Less distributions from:					
Net investment income	(0.39)	(0.47)	(0.43)	(0.29)	(0.44)
Net asset value, end of year	\$14.08	\$14.57	\$12.44	\$13.90	\$13.57
Total return ^d	(0.79)%	21.09%	(7.39)%	4.44%	(0.92)%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	0.81%	0.82%	0.79%	0.87%	0.86%
Expenses net of waiver and payments by affiliates	0.80%	0.80%	0.78%	0.86%	0.84%
Net investment income	2.18%	2.39%	2.41%	1.58%	2.68% ^c
Supplemental data					
Net assets, end of year (000's)	\$101,005	\$107,439	\$95,961	\$114,563	\$113,317
Portfolio turnover rate	25.29%	15.07%	19.38%	26.13%	40.07%

^aThe 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.

^bBased on average daily shares outstanding.

^cNet investment income per share includes approximately \$0.14 per share related to an adjustment for EU reclaims in connection with certain Fund holdings. Excluding this amount, the ratio of net investment income to average net assets would have been 1.54%.

^dTotal 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.

Templeton Foreign VIP Fund (continued)

	Year Ended December 31,				
	2024	2023	2022	2021	2020
Class 2					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$14.24	\$12.17	\$13.59	\$13.28	\$13.93
Income from investment operations ^a :					
Net investment income ^b	0.28	0.29	0.27	0.19	0.28 ^c
Net realized and unrealized gains (losses)	(0.41)	2.21	(1.31)	0.38	(0.53)
Total from investment operations	(0.13)	2.50	(1.04)	0.57	(0.25)
Less distributions from:					
Net investment income	(0.35)	(0.43)	(0.38)	(0.26)	(0.40)
Net asset value, end of year	\$13.76	\$14.24	\$12.17	\$13.59	\$13.28
Total return ^d	(1.00)%	20.76%	(7.61)%	4.16%	(1.16)%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	1.06%	1.07%	1.04%	1.11%	1.11%
Expenses net of waiver and payments by affiliates	1.05%	1.05%	1.03%	1.11% ^e	1.09%
Net investment income	1.96%	2.14%	2.17%	1.35%	2.42% ^e
Supplemental data					
Net assets, end of year (000's)	\$618,695	\$707,601	\$691,189	\$831,031	\$1,084,789
Portfolio turnover rate	25.29%	15.07%	19.38%	26.13%	40.07%

^aThe 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.

^bBased on average daily shares outstanding.

^cNet investment income per share includes approximately \$0.13 per share related to an adjustment for EU reclaims in connection with certain Fund holdings. Excluding this amount, the ratio of net investment income to average net assets would have been 1.28%.

^dTotal 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.

^eBenefit of waiver and payments by affiliates rounds to less than 0.01%.

Templeton Foreign VIP Fund (continued)

	Year Ended December 31,				
	2024	2023	2022	2021	2020
Class 4					
Per share operating performance					
(for a share outstanding throughout the year)					
Net asset value, beginning of year	\$14.55	\$12.42	\$13.87	\$13.54	\$14.20
Income from investment operations ^a :					
Net investment income ^b	0.27	0.28	0.26	0.18	0.28 ^c
Net realized and unrealized gains (losses)	(0.41)	2.27	(1.34)	0.39	(0.55)
Total from investment operations	(0.14)	2.55	(1.08)	0.57	(0.27)
Less distributions from:					
Net investment income	(0.34)	(0.42)	(0.37)	(0.24)	(0.39)
Net asset value, end of year	\$14.07	\$14.55	\$12.42	\$13.87	\$13.54
Total return ^d	(1.08)%	20.69%	(7.75)%	4.10%	(1.34)%
Ratios to average net assets					
Expenses before waiver and payments by affiliates	1.16%	1.17%	1.14%	1.21%	1.21%
Expenses net of waiver and payments by affiliates	1.15%	1.15%	1.12%	1.21% ^e	1.19%
Net investment income	1.84%	2.03%	2.06%	1.22%	2.33% ^e
Supplemental data					
Net assets, end of year (000's)	\$70,777	\$77,354	\$76,110	\$91,428	\$106,224
Portfolio turnover rate	25.29%	15.07%	19.38%	26.13%	40.07%

^aThe 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.

^bBased on average daily shares outstanding.

^cNet investment income per share includes approximately \$0.13 per share related to an adjustment for EU reclaims in connection with certain Fund holdings. Excluding this amount, the ratio of net investment income to average net assets would have been 1.19%.

^dTotal 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.

^eBenefit of waiver and payments by affiliates rounds to less than 0.01%.

Schedule of Investments, December 31, 2024

Templeton Foreign VIP Fund

	Country	Shares	Value
Common Stocks 93.6%			
Aerospace & Defense 1.8%			
Dassault Aviation SA.	France	68,387	\$13,973,915
Automobile Components 3.1%			
Continental AG	Germany	250,136	16,855,033
Forvia SE	France	817,984	7,357,858
			24,212,891
Automobiles 1.9%			
Honda Motor Co. Ltd.	Japan	1,538,100	14,643,956
Banks 16.6%			
HDFC Bank Ltd.	India	869,949	17,990,813
ING Groep NV	Netherlands	1,347,198	21,112,734
KB Financial Group, Inc., ADR	South Korea	135,986	7,737,603
Lloyds Banking Group plc	United Kingdom	29,411,083	20,085,674
Shinhan Financial Group Co. Ltd.	South Korea	392,131	12,715,565
Standard Chartered plc	United Kingdom	2,030,087	24,992,820
Sumitomo Mitsui Financial Group, Inc.	Japan	1,124,000	26,976,275
			131,611,484
Broadline Retail 6.2%			
^a Alibaba Group Holding Ltd.	China	2,297,500	24,315,263
Prosus NV	China	616,743	24,500,021
			48,815,284
Chemicals 2.4%			
^b Albemarle Corp.	United States	101,297	8,719,646
^c LG Chem Ltd.	South Korea	60,012	10,053,918
			18,773,564
Commercial Services & Supplies 3.0%			
Securitas AB, B.	Sweden	1,921,962	23,763,047
Construction Materials 2.6%			
CRH plc	United States	225,516	20,876,064
Consumer Staples Distribution & Retail 2.1%			
Carrefour SA.	France	1,156,376	16,458,492
Containers & Packaging 3.3%			
Smurfit WestRock plc	United States	484,636	26,142,127
Energy Equipment & Services 1.2%			
SBM Offshore NV	Netherlands	559,401	9,851,067
Household Durables 4.1%			
Barratt Redrow plc	United Kingdom	2,891,803	15,852,534
Persimmon plc	United Kingdom	1,113,334	16,630,348
			32,482,882
Independent Power and Renewable Electricity Producers 2.6%			
^{c,d} Orsted A/S, 144A, Reg S.	Denmark	459,926	20,767,389
Insurance 6.4%			
AIA Group Ltd.	Hong Kong	1,779,800	12,784,059
Prudential plc	Hong Kong	2,020,195	16,032,325
Swiss Re AG.	United States	148,744	21,543,272
			50,359,656
Machinery 3.5%			
^b CNH Industrial NV.	United States	2,411,013	27,316,777

Templeton Foreign VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Media 1.2%			
TBS Holdings, Inc.	Japan	371,900	\$9,451,864
Metals & Mining 1.6%			
Antofagasta plc.	Chile	626,825	12,417,090
Oil, Gas & Consumable Fuels 9.3%			
BP plc.	United States	8,014,807	39,616,945
Galp Energia SGPS SA, B	Portugal	416,554	6,904,249
Shell plc	United States	878,452	27,382,229
			73,903,423
Pharmaceuticals 3.2%			
AstraZeneca plc	United Kingdom	191,901	25,019,993
Professional Services 1.4%			
Adecco Group AG.	Switzerland	450,622	11,131,598
Semiconductors & Semiconductor Equipment 9.6%			
Infineon Technologies AG	Germany	689,424	22,504,007
NXP Semiconductors NV	China	50,618	10,520,951
STMicroelectronics NV	Singapore	158,833	3,978,268
Taiwan Semiconductor Manufacturing Co. Ltd.	Taiwan	1,188,000	38,610,062
			75,613,288
Specialty Retail 1.5%			
JD Sports Fashion plc.	United Kingdom	10,167,993	12,153,254
Technology Hardware, Storage & Peripherals 3.7%			
Samsung Electronics Co. Ltd.	South Korea	825,657	29,465,066
Textiles, Apparel & Luxury Goods 1.3%			
Kering SA	France	43,067	10,637,353
Total Common Stocks (Cost \$650,050,193)			739,841,524
Convertible Preferred Stocks 0.5%			
Chemicals 0.5%			
Albemarle Corp., 7.25%	United States	100,000	4,069,000
Total Convertible Preferred Stocks (Cost \$5,000,000)			4,069,000
Total Long Term Investments (Cost \$655,050,193)			743,910,524
Short Term Investments 5.8%			
	Country	Shares	Value
Money Market Funds 5.8%			
^e Institutional Fiduciary Trust - Money Market Portfolio, 4.183%	United States	45,660,015	45,660,015
Total Money Market Funds (Cost \$45,660,015)			45,660,015
Total Short Term Investments (Cost \$45,660,015)			45,660,015
Total Investments (Cost \$700,710,208) 99.9%			\$789,570,539
Other Assets, less Liabilities 0.1%			906,409
Net Assets 100.0%			\$790,476,948

Templeton Foreign VIP Fund (continued)

See Abbreviations on page 19.

^aVariable interest entity (VIE). See Note 6 regarding investments made through a VIE structure. At December 31, 2024, the value of this security was \$24,315,263, representing 3.1% of net assets.

^bA portion or all of the security is on loan at December 31, 2024. See Note 1(c).

^cNon-income producing.

^dSecurity 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 December 31, 2024, the value of this security was \$20,767,389, representing 2.6% of net assets.

^eSee Note 3(e) regarding investments in affiliated management investment companies.

^fThe rate shown is the annualized seven-day effective yield at period end.

Statement of Assets and Liabilities

December 31, 2024

	Templeton Foreign VIP Fund
Assets:	
Investments in securities:	
Cost - Unaffiliated issuers	\$655,050,193
Cost - Non-controlled affiliates (Note 3e)	45,660,015
Value - Unaffiliated issuers (Includes securities loaned of \$11,063,369)	\$743,910,524
Value - Non-controlled affiliates (Note 3e)	45,660,015
Foreign currency, at value (cost \$651)	649
Receivables:	
Capital shares sold	715,687
Dividends	2,433,992
European Union tax reclaims (Note 1d)	118,309
Total assets	792,839,176
Liabilities:	
Payables:	
Capital shares redeemed	389,926
Management fees	531,364
Distribution fees	155,003
Trustees' fees and expenses	423
Deferred taxes on unrealized appreciation	1,126,249
Accrued expenses and other liabilities	159,263
Total liabilities	2,362,228
Net assets, at value	\$790,476,948
Net assets consist of:	
Paid-in capital	\$638,160,284
Total distributable earnings (losses)	152,316,664
Net assets, at value	\$790,476,948
	Templeton Foreign VIP Fund
Class 1:	
Net assets, at value	\$101,005,282
Shares outstanding	7,173,660
Net asset value and maximum offering price per share ^a	\$14.08
Class 2:	
Net assets, at value	\$618,694,955
Shares outstanding	44,961,382
Net asset value and maximum offering price per share ^a	\$13.76
Class 4:	
Net assets, at value	\$70,776,711
Shares outstanding	5,031,785
Net asset value and maximum offering price per share ^a	\$14.07

^aNet asset value per share may not recalculate due to rounding.

Statement of Operations

for the year ended December 31, 2024

Templeton Foreign VIP Fund

Investment income:	
Dividends: (net of foreign taxes of \$1,652,502)	
Unaffiliated issuers	\$24,201,475
Non-controlled affiliates (Note 3e)	1,793,462
Income from securities loaned:	
Unaffiliated entities (net of fees and rebates)	(62,360)
Non-controlled affiliates (Note 3e)	130,447
Other income (Note 1d)	2,781
Total investment income	26,065,805
Expenses:	
Management fees (Note 3a)	6,911,452
Distribution fees: (Note 3c)	
Class 2	1,714,460
Class 4	266,621
Custodian fees	48,515
Professional fees	79,190
Trustees' fees and expenses	9,637
Other	16,597
Total expenses	9,046,472
Expenses waived/paid by affiliates (Note 3e)	(138,333)
Net expenses	8,908,139
Net investment income	17,157,666
Realized and unrealized gains (losses):	
Net realized gain (loss) from:	
Investments: (net of foreign taxes of \$121,010)	
Unaffiliated issuers	70,865,236
Foreign currency transactions	(61,067)
Net realized gain (loss)	70,804,169
Net change in unrealized appreciation (depreciation) on:	
Investments:	
Unaffiliated issuers	(91,889,328)
Translation of other assets and liabilities denominated in foreign currencies	(160,336)
Change in deferred taxes on unrealized appreciation	(185,245)
Net change in unrealized appreciation (depreciation)	(92,234,909)
Net realized and unrealized gain (loss)	(21,430,740)
Net increase (decrease) in net assets resulting from operations	\$(4,273,074)

Statements of Changes in Net Assets

	Templeton Foreign VIP Fund	
	Year Ended December 31, 2024	Year Ended December 31, 2023
Increase (decrease) in net assets:		
Operations:		
Net investment income	\$17,157,666	\$19,026,275
Net realized gain (loss)	70,804,169	8,717,255
Net change in unrealized appreciation (depreciation)	(92,234,909)	138,542,572
Net increase (decrease) in net assets resulting from operations	(4,273,074)	166,286,102
Distributions to shareholders:		
Class 1	(2,781,283)	(3,468,679)
Class 2	(16,604,851)	(22,442,150)
Class 4	(1,689,907)	(2,308,315)
Total distributions to shareholders	(21,076,041)	(28,219,144)
Capital share transactions: (Note 2)		
Class 1	(3,059,705)	(4,560,451)
Class 2	(69,100,165)	(93,395,724)
Class 4	(4,408,513)	(10,977,138)
Total capital share transactions	(76,568,383)	(108,933,313)
Net increase (decrease) in net assets	(101,917,498)	29,133,645
Net assets:		
Beginning of year	892,394,446	863,260,801
End of year	\$790,476,948	\$892,394,446

Notes to Financial Statements

Templeton Foreign 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. Templeton Foreign 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. 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 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.

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

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 December 31, 2024, 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.

Templeton Foreign VIP Fund (continued)

1. Organization and Significant Accounting Policies

(continued)

a. Financial Instrument Valuation (continued)

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 Lending

The Fund participates in an agency based securities lending program to earn additional income. The Fund receives collateral in the form of cash and/or U.S. Government and Agency securities against the loaned securities in an amount equal to at least 102% of the fair value of the loaned securities. Collateral is maintained over the life of the loan in an amount not less than 100% of the fair value of loaned securities, as determined at the close of Fund business each day; any additional collateral required due to changes in security values is delivered to the Fund on the next business day. Any cash collateral received is deposited into a joint cash account with other funds and is used to invest in a money market fund managed by Franklin Advisers, Inc., an affiliate of the Fund. Additionally, at December 31, 2024, the Fund held \$11,297,882 in U.S. Government and Agency securities as collateral. These securities are held as collateral in segregated accounts with the Fund's custodian. The Fund cannot repledge or resell these securities held as collateral. As such, the non-cash collateral is excluded from the Statement of Assets and Liabilities. The Fund may receive income from the investment of cash collateral, in addition to lending fees paid by the borrower. Income from securities loaned, net of fees paid to the securities lending agent and/or third-party vendor, is reported separately in the Statement of Operations. The Fund bears the market risk with respect to any cash collateral investment, securities loaned, and the risk that the agent may default on its obligations to the Fund. If the borrower defaults on its obligation to return the securities loaned, the Fund has the right to repurchase the securities in the open market using the collateral received. The securities lending agent has agreed to indemnify the Fund in the event of default by a third party borrower.

d. 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

Templeton Foreign VIP Fund (continued)

1. Organization and Significant Accounting Policies (continued)

d. Income and Deferred Taxes (continued)

in the foreign markets in which the Fund invests. 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.

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. 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 December 31, 2024, 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). Open

tax years are those that remain subject to examination and are based on the statute of limitations in each jurisdiction in which the Fund invests.

e. 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. Estimated expenses are accrued daily. Dividend income is 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.

f. 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.

Templeton Foreign VIP Fund (continued)

1. Organization and Significant Accounting Policies (continued)

g. 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.

2. Shares of Beneficial Interest

At December 31, 2024, there were an unlimited number of shares authorized (without par value). Transactions in the Fund's shares were as follows:

	Year Ended December 31, 2024		Year Ended December 31, 2023	
	Shares	Amount	Shares	Amount
Class 1 Shares:				
Shares sold	176,189	\$2,589,900	201,994	\$2,748,392
Shares issued in reinvestment of distributions	189,849	2,781,283	251,172	3,468,679
Shares redeemed	(568,158)	(8,430,888)	(794,039)	(10,777,522)
Net increase (decrease)	(202,120)	\$(3,059,705)	(340,873)	\$(4,560,451)
Class 2 Shares:				
Shares sold	2,823,604	\$40,396,059	2,942,044	\$39,344,521
Shares issued in reinvestment of distributions	1,157,940	16,604,851	1,659,922	22,442,150
Shares redeemed	(8,698,868)	(126,101,075)	(11,725,832)	(155,182,395)
Net increase (decrease)	(4,717,324)	\$(69,100,165)	(7,123,866)	\$(93,395,724)
Class 4 Shares:				
Shares sold	607,831	\$8,825,001	394,031	\$5,343,483
Shares issued in reinvestment of distributions	115,195	1,689,907	167,027	2,308,315
Shares redeemed	(1,007,285)	(14,923,421)	(1,372,431)	(18,628,936)
Net increase (decrease)	(284,259)	\$(4,408,513)	(811,373)	\$(10,977,138)

3. Transactions with Affiliates

Franklin Resources, Inc. is the holding company for various subsidiaries that together are referred to as Franklin Templeton. Certain officers and trustees of the Fund are also officers and/or directors of the following subsidiaries:

Subsidiary	Affiliation
Templeton Investment Counsel, LLC (TIC)	Investment manager
Franklin Templeton Services, LLC (FT Services)	Administrative manager
Franklin Distributors, LLC (Distributors)	Principal underwriter
Franklin Templeton Investor Services, LLC (Investor Services)	Transfer agent

Templeton Foreign VIP Fund (continued)**3. Transactions with Affiliates** (continued)**a. Management Fees**

The Fund pays an investment management fee, calculated daily and paid monthly, to TIC based on the average daily net assets of the Fund as follows:

Annualized Fee Rate	Net Assets
0.800%	Up to and including \$700 million
0.775%	Over \$700 million, up to and including \$1.2 billion
0.675%	In excess of \$1.2 billion

For the year ended December 31, 2024, the gross effective investment management fee rate was 0.795% of the Fund's average daily net assets.

b. Administrative Fees

Under an agreement with TIC, FT Services provides administrative services to the Fund. The fee is paid by TIC 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 0.25% and 0.35% per year of its average daily net assets of Class 2 and Class 4, respectively. 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 paid directly or indirectly by each affiliate. During the year ended December 31, 2024, the Fund held investments in affiliated management investment companies as follows:

	Value at Beginning of Year	Purchases	Sales	Realized Gain (Loss)	Net Change in Unrealized Appreciation (Depreciation)	Value at End of Year	Number of Shares Held at End of Year	Investment Income
Templeton Foreign VIP Fund								
Non-Controlled Affiliates								
								Dividends
Institutional Fiduciary Trust - Money Market Portfolio, 4.183%	\$68,636,979	\$163,269,368	\$(186,246,332)	\$—	\$—	\$45,660,015	45,660,015	\$1,793,462

Templeton Foreign VIP Fund (continued)

3. Transactions with Affiliates (continued)

e. Investments in Affiliated Management Investment Companies (continued)

	Value at Beginning of Year	Purchases	Sales	Realized Gain (Loss)	Net Change in Unrealized Appreciation (Depreciation)	Value at End of Year	Number of Shares Held at End of Year	Investment Income
Templeton Foreign VIP Fund (continued)								
Non-Controlled Affiliates								
								Income from securities loaned
Institutional Fiduciary Trust - Money Market Portfolio, 4.183%	\$—	\$93,691,528	\$(93,691,528)	\$—	\$—	\$—	—	\$130,447
Total Affiliated Securities . . .	\$68,636,979	\$256,960,896	\$(279,937,860)	\$—	\$—	\$45,660,015		\$1,923,909

4. Income Taxes

For tax purposes, capital losses may be carried over to offset future capital gains. During the year ended December 31, 2024, the Fund utilized \$11,954,387 of capital loss carryforwards.

The tax character of distributions paid during the years ended December 31, 2024 and 2023, was as follows:

	2024	2023
Distributions paid from:		
Ordinary income	\$21,076,041	\$28,219,144

At December 31, 2024, the cost of investments and net unrealized appreciation (depreciation) for income tax purposes were as follows:

Cost of investments	\$710,024,742
Unrealized appreciation.	\$190,371,657
Unrealized depreciation.	(110,825,860)
Net unrealized appreciation (depreciation).	\$79,545,797
Distributable earnings:	
Undistributed ordinary income	\$21,710,555
Undistributed long term capital gains	52,326,773
Total distributable earnings	\$74,037,328

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 and corporate actions.

5. Investment Transactions

Purchases and sales of investments (excluding short term securities) for the year ended December 31, 2024, aggregated \$208,960,954 and \$264,022,372, respectively.

Templeton Foreign VIP Fund (continued)**6. Concentration of Risk**

Investing in foreign securities may include certain risks and considerations not typically associated with investing in U.S. securities, such as fluctuating currency values and changing local, regional and global economic, political and social conditions, which may result in greater market volatility. Political and financial uncertainty in many foreign regions may increase market volatility and the economic risk of investing in foreign securities. In addition, certain foreign securities may not be as liquid as U.S. securities.

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. 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 \$2.675 billion (Global Credit Facility) which matured on January 31, 2025. 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. Effective January 31, 2025, the Borrowers renewed the Global Credit Facility for a one-year term, maturing January 30, 2026, for a total of \$2.995 billion.

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 year ended December 31, 2024, the Fund did not use the Global Credit Facility.

8. 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
- 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)

Templeton Foreign VIP Fund (continued)

8. Fair Value Measurements (continued)

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 December 31, 2024, in valuing the Fund's assets carried at fair value, is as follows:

	Level 1	Level 2	Level 3	Total
Templeton Foreign VIP Fund				
Assets:				
Investments in Securities:				
Common Stocks:				
Aerospace & Defense	\$—	\$13,973,915	\$—	\$13,973,915
Automobile Components	—	24,212,891	—	24,212,891
Automobiles	—	14,643,956	—	14,643,956
Banks	7,737,603	123,873,881	—	131,611,484
Broadline Retail	24,500,021	24,315,263	—	48,815,284
Chemicals	8,719,646	10,053,918	—	18,773,564
Commercial Services & Supplies	—	23,763,047	—	23,763,047
Construction Materials	—	20,876,064	—	20,876,064
Consumer Staples Distribution & Retail	—	16,458,492	—	16,458,492
Containers & Packaging	—	26,142,127	—	26,142,127
Energy Equipment & Services	—	9,851,067	—	9,851,067
Household Durables	—	32,482,882	—	32,482,882
Independent Power and Renewable Electricity Producers	—	20,767,389	—	20,767,389
Insurance	—	50,359,656	—	50,359,656
Machinery	27,316,777	—	—	27,316,777
Media	—	9,451,864	—	9,451,864
Metals & Mining	—	12,417,090	—	12,417,090
Oil, Gas & Consumable Fuels	—	73,903,423	—	73,903,423
Pharmaceuticals	—	25,019,993	—	25,019,993
Professional Services	—	11,131,598	—	11,131,598
Semiconductors & Semiconductor Equipment	10,520,951	65,092,337	—	75,613,288
Specialty Retail	—	12,153,254	—	12,153,254
Technology Hardware, Storage & Peripherals	—	29,465,066	—	29,465,066
Textiles, Apparel & Luxury Goods	—	10,637,353	—	10,637,353
Convertible Preferred Stocks	4,069,000	—	—	4,069,000
Short Term Investments	45,660,015	—	—	45,660,015
Total Investments in Securities	\$128,524,013	\$661,046,526 ^a	\$—	\$789,570,539

^aIncludes foreign securities valued at \$661,046,526, 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.

9. Operating Segments

The Fund has adopted the FASB Accounting Standards Update (ASU) 2023-07, *Segment Reporting (Topic 280) - Improvements to Reportable Segment Disclosures*. The update is limited to disclosure requirements and does not impact the Fund's financial position or results of operations.

The Fund operates as a single operating segment, which is an investment portfolio. The Fund's Investment manager serves as the Chief Operating Decision Maker (CODM), evaluating fund-wide results and performance under a unified investment strategy. The CODM uses these measures to assess fund performance and allocate resources effectively. Internal reporting provided to the CODM aligns with the accounting policies and measurement principles used in the financial statements.

Templeton Foreign VIP Fund (continued)

9. Operating Segments (continued)

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.

10. 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

Selected Portfolio

ADR	American Depositary Receipt
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Report of Independent Registered Public Accounting Firm

To the Board of Trustees of Franklin Templeton Variable Insurance Products Trust and Shareholders of Templeton Foreign VIP Fund

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of Templeton Foreign VIP Fund (one of the funds constituting Franklin Templeton Variable Insurance Products Trust, referred to hereafter as the "Fund") as of December 31, 2024, the related statement of operations for the year ended December 31, 2024, the statements of changes in net assets for each of the two years in the period ended December 31, 2024, including the related notes, and the financial highlights for each of the five years in the period ended December 31, 2024 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of December 31, 2024, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period ended December 31, 2024 and the financial highlights for each of the five years in the period ended December 31, 2024 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on the Fund's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Fund in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of December 31, 2024 by correspondence with the custodian and transfer agent. We believe that our audits provide a reasonable basis for our opinion.

/s/PricewaterhouseCoopers LLP
San Francisco, California
February 20, 2025

We have served as the auditor of one or more investment companies in the Franklin Templeton Group of Funds since 1948.

Tax Information (unaudited)

Templeton Foreign VIP Fund

By mid-February, tax information related to a shareholder's proportionate share of distributions paid during the preceding calendar year will be received, if applicable. Please also refer to www.franklintempleton.com for per share tax information related to any distributions paid during the preceding calendar year. Shareholders are advised to consult with their tax advisors for further information on the treatment of these amounts on their tax returns.

The following tax information for the Fund is required to be furnished to shareholders with respect to income earned and distributions paid during its fiscal year.

The Fund hereby reports the following amount, or if subsequently determined to be different, the maximum allowable amount, for the fiscal year ended December 31, 2024:

	Pursuant to:	Amount Reported
Income Eligible for Dividends Received Deduction (DRD)	\$854(b)(1)(A)	\$307,808

Under Section 853 of the Internal Revenue Code, the Fund intends to elect to pass through to its shareholders the following amounts, or amounts as finally determined, of foreign taxes paid and foreign source income earned by the Fund during the fiscal year ended December 31, 2024:

	Amount Reported
Foreign Taxes Paid	\$1,562,606
Foreign Source Income Earned	\$18,550,744

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.

Board Approval of Management and Subadvisory Agreements

For the period covered by this report

Not applicable.

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