



# **FRANKLIN MUTUAL SHARES VIP FUND FRANKLIN TEMPLETON VARIABLE INSURANCE PRODUCTS TRUST CLASS 1, 2 AND 4**

**Summary Prospectus**

May 1, 2025

Before you invest, you may want to review the Fund's prospectus, which contains more information about the Fund and its risks. You can find the Fund's prospectus, statement of additional information, reports to shareholders and other information about the Fund online at [www.franklintempleton.com/fundreportsvip](http://www.franklintempleton.com/fundreportsvip). You can also get this information at no cost by calling 1-888-FRANKLIN or by sending an e-mail request to: [prospectus@franklintempleton.com](mailto:prospectus@franklintempleton.com). The Fund's prospectus and statement of additional information, both dated May 1, 2025, as may be amended from time to time, are incorporated by reference into this Summary Prospectus, which means that they are legally a part of this Summary Prospectus. Shares of the insurance funds of Franklin Templeton Variable Insurance Products Trust are not offered to the public; they are offered and sold only to: (1) insurance company separate accounts to serve as the underlying investment vehicles for variable contracts; (2) certain qualified plans; and (3) other mutual funds (fund of funds). This Summary Prospectus is not intended for use by other investors. Please check with your insurance company for availability. Please read this Summary Prospectus together with your variable annuity or variable life insurance product prospectus.

**SUPPLEMENT DATED APRIL 17, 2026  
TO THE SUMMARY PROSPECTUS, PROSPECTUS AND  
STATEMENT OF ADDITIONAL INFORMATION (“SAI”)  
OF EACH FUND LISTED IN SCHEDULE A**

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**Effective June 30, 2026, the following supersedes any and all disclosure to the contrary in the Summary Prospectus, Prospectus and SAI of each fund listed in Schedule A:**

- a. The portfolio managers primarily responsible for the day-to-day management of Franklin International Growth Fund are Patrick McKeegan, CFA and Samantha Mathews.
- b. The portfolio managers primarily responsible for the day-to-day management of Franklin Mutual Shares Fund and Franklin Mutual Shares VIP Fund are Grace Hoefig and Aman Gupta, CFA.
- c. The portfolio managers primarily responsible for the day-to-day management of Franklin Mutual U.S. Mid Cap Value Fund are Grace Hoefig, Srini Vijay, CFA, and Oliver H. Wong, CFA.

## SCHEDULE A

<u>Fund</u>	<u>Date of Summary Prospectus, Prospectus and SAI</u>
<b><u>FRANKLIN GLOBAL TRUST</u></b> Franklin International Growth Fund	December 1, 2025
<b><u>FRANKLIN MUTUAL SERIES FUNDS</u></b> Franklin Mutual Shares Fund	May 1, 2025
<b><u>FRANKLIN TEMPLETON VARIABLE INSURANCE PRODUCTS TRUST</u></b> Franklin Mutual Shares VIP Fund	May 1, 2025
<b><u>FRANKLIN VALUE INVESTORS TRUST</u></b> Franklin Mutual U.S. Mid Cap Value Fund	March 1, 2026

Please retain this supplement for future reference.

**SUPPLEMENT DATED MAY 27, 2025  
TO THE SUMMARY PROSPECTUS OF EACH  
FRANKLIN TEMPLETON FUND LISTED IN SCHEDULE A**

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All references to [prospectus@franklintempleton.com](mailto:prospectus@franklintempleton.com) in the Summary Prospectus of each fund listed in Schedule A are replaced with [prospectus.us.franklintempleton@fisglobal.com](mailto:prospectus.us.franklintempleton@fisglobal.com).

**SCHEDULE A**

<b>Fund</b>	<b>Date of Summary Prospectus</b>
<b><u>FRANKLIN ALTERNATIVE STRATEGIES FUNDS</u></b>	
K2 Alternative Strategies Fund	October 1, 2024
<b><u>FRANKLIN CALIFORNIA TAX-FREE INCOME FUND</u></b>	
Franklin California Tax-Free Income Fund	July 1, 2024
<b><u>FRANKLIN CALIFORNIA TAX-FREE TRUST</u></b>	
Franklin California Intermediate-Term Tax-Free Income Fund	November 1, 2024
<b><u>FRANKLIN CUSTODIAN FUNDS</u></b>	
Franklin DynaTech Fund	February 1, 2025
Franklin Growth Fund	February 1, 2025
Franklin Income Fund	February 1, 2025
Franklin U.S. Government Securities Fund	February 1, 2025
Franklin Utilities Fund	February 1, 2025
<b><u>FRANKLIN FEDERAL TAX-FREE INCOME FUND</u></b>	
Franklin Federal Tax-Free Income Fund	September 1, 2024
<b><u>FRANKLIN FUND ALLOCATOR SERIES</u></b>	
Franklin Conservative Allocation Fund	May 1, 2025
Franklin Corefolio Allocation Fund	May 1, 2025
Franklin Global Allocation Fund	May 1, 2025
Franklin Growth Allocation Fund	May 1, 2025
Franklin LifeSmart™ Retirement Income Fund	May 1, 2025
Franklin LifeSmart™ 2020 Retirement Target Fund	May 1, 2025
Franklin LifeSmart™ 2025 Retirement Target Fund	May 1, 2025
Franklin LifeSmart™ 2030 Retirement Target Fund	May 1, 2025

<b>Fund</b>	<b>Date of Summary Prospectus</b>
Franklin LifeSmart™ 2035 Retirement Target Fund	May 1, 2025
Franklin LifeSmart™ 2040 Retirement Target Fund	May 1, 2025
Franklin LifeSmart™ 2045 Retirement Target Fund	May 1, 2025
Franklin LifeSmart™ 2050 Retirement Target Fund	May 1, 2025
Franklin LifeSmart™ 2055 Retirement Target Fund	May 1, 2025
Franklin LifeSmart™ 2060 Retirement Target Fund	May 1, 2025
Franklin Moderate Allocation Fund	May 1, 2025

### **FRANKLIN GLOBAL TRUST**

Franklin International Growth Fund	December 1, 2024
Franklin Emerging Market Debt Opportunities Fund	December 1, 2024

### **FRANKLIN GOLD AND PRECIOUS METALS FUND**

Franklin Gold and Precious Metals Fund	December 1, 2024
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### **FRANKLIN HIGH INCOME TRUST**

Franklin High Income Fund	February 1, 2025
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### **FRANKLIN INVESTORS SECURITIES TRUST**

Franklin Convertible Securities Fund	March 1, 2025
Franklin Equity Income Fund	March 1, 2025
Franklin Floating Rate Daily Access Fund	March 1, 2025
Franklin Long Duration Credit Fund	March 1, 2025
Franklin Low Duration Total Return Fund	March 1, 2025
Franklin Low Duration U.S. Government Securities Fund	March 1, 2025
Franklin Managed Income Fund	March 1, 2025
Franklin Total Return Fund	March 1, 2025

### **FRANKLIN MANAGED TRUST**

Franklin Rising Dividends Fund	February 1, 2025
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### **FRANKLIN MUNICIPAL SECURITIES TRUST**

Franklin California High Yield Municipal Fund	July 1, 2024
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### **FRANKLIN MUTUAL SERIES FUNDS**

Franklin Mutual Beacon Fund	May 1, 2025
Franklin Mutual Global Discovery Fund	May 1, 2025
Franklin Mutual International Value Fund	May 1, 2025
Franklin Mutual Quest Fund	May 1, 2025
Franklin Mutual Shares Fund	May 1, 2025

### **FRANKLIN NEW YORK TAX-FREE INCOME FUND**

Franklin New York Tax-Free Income Fund	July 1, 2024
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### **FRANKLIN NEW YORK TAX-FREE TRUST**

Franklin New York Intermediate-Term Tax-Free Income Fund	February 1, 2025
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<b>Fund</b>	<b>Date of Summary Prospectus</b>
<b><u>FRANKLIN REAL ESTATE SECURITIES TRUST</u></b>	
Franklin Real Estate Securities Fund	September 1, 2024
<b><u>FRANKLIN STRATEGIC SERIES</u></b>	
Franklin Biotechnology Discovery Fund	September 1, 2024
Franklin Growth Opportunities Fund	September 1, 2024
Franklin Natural Resources Fund	September 1, 2024
Franklin Small Cap Growth Fund	September 1, 2024
Franklin Small-Mid Cap Growth Fund	September 1, 2024
Franklin Core Plus Bond Fund	September 1, 2024
Franklin Templeton SMACS: Series CH	January 1, 2025
Franklin Templeton SMACS: Series E	January 1, 2025
Franklin Templeton SMACS: Series I	January 1, 2025
Franklin Templeton SMACS: Series H	January 1, 2025
<b><u>FRANKLIN TAX-FREE TRUST</u></b>	
Franklin Alabama Tax-Free Income Fund	July 1, 2024
Franklin Arizona Tax-Free Income Fund	July 1, 2024
Franklin Colorado Tax-Free Income Fund	July 1, 2024
Franklin Connecticut Tax-Free Income Fund	July 1, 2024
Franklin Federal Intermediate-Term Tax-Free Income Fund	July 1, 2024
Franklin Federal Limited-Term Tax-Free Income Fund	July 1, 2024
Franklin Georgia Tax-Free Income Fund	July 1, 2024
Franklin High Yield Tax-Free Income Fund	July 1, 2024
Franklin Louisiana Tax-Free Income Fund	July 1, 2024
Franklin Maryland Tax-Free Income Fund	July 1, 2024
Franklin Massachusetts Tax-Free Income Fund	July 1, 2024
Franklin Michigan Tax-Free Income Fund	July 1, 2024
Franklin Minnesota Tax-Free Income Fund	July 1, 2024
Franklin Missouri Tax-Free Income Fund	July 1, 2024
Franklin New Jersey Tax-Free Income Fund	July 1, 2024
Franklin North Carolina Tax-Free Income Fund	July 1, 2024
Franklin Ohio Tax-Free Income Fund	July 1, 2024
Franklin Oregon Tax-Free Income Fund	July 1, 2024
Franklin Pennsylvania Tax-Free Income Fund	July 1, 2024
Franklin Virginia Tax-Free Income Fund	July 1, 2024
<b><u>FRANKLIN TEMPLETON TRUST</u></b>	
Franklin OnChain U.S. Government Money Fund	January 3, 2025

<b>Fund</b>	<b>Date of Summary Prospectus</b>
<b><u>FRANKLIN TEMPLETON VARIABLE INSURANCE PRODUCTS TRUST</u></b>	
Franklin Allocation VIP Fund	May 1, 2025
Franklin DynaTech VIP Fund	May 1, 2025
Franklin Global Real Estate VIP Fund	May 1, 2025
Franklin Growth and Income VIP Fund	May 1, 2025
Franklin Income VIP Fund	May 1, 2025
Franklin Large Cap Growth VIP Fund	May 1, 2025
Franklin Mutual Global Discovery VIP Fund	May 1, 2025
Franklin Mutual Shares VIP Fund	May 1, 2025
Franklin Rising Dividends VIP Fund	May 1, 2025
Franklin Small Cap Value VIP Fund	May 1, 2025
Franklin Small-Mid Cap Growth VIP Fund	May 1, 2025
Franklin Strategic Income VIP Fund	May 1, 2025
Franklin U.S. Government Securities VIP Fund	May 1, 2025
Franklin VolSmart Allocation VIP Fund	May 1, 2025
Templeton Developing Markets VIP Fund	May 1, 2025
Templeton Foreign VIP Fund	May 1, 2025
Templeton Global Bond VIP Fund	May 1, 2025
Templeton Growth VIP Fund	May 1, 2025
<b><u>FRANKLIN U.S. GOVERNMENT MONEY FUND</u></b>	
Franklin U.S. Government Money Fund	November 1, 2024
<b><u>FRANKLIN VALUE INVESTORS TRUST</u></b>	
Franklin Mutual Small-Mid Cap Value Fund	March 1, 2025
Franklin Mutual U.S. Mid Cap Value Fund	March 1, 2025
Franklin Small Cap Value Fund	March 1, 2025
<b><u>INSTITUTIONAL FIDUCIARY TRUST</u></b>	
Money Market Portfolio	November 1, 2024
<b><u>TEMPLETON DEVELOPING MARKETS TRUST</u></b>	
Templeton Developing Markets Trust	May 1, 2025
<b><u>TEMPLETON FUNDS</u></b>	
Templeton Foreign Fund	January 1, 2025
Templeton World Fund	January 1, 2025
<b><u>TEMPLETON GLOBAL INVESTMENT TRUST</u></b>	
Franklin Templeton SMACS: Series EM	January 1, 2025
Templeton Emerging Markets Small Cap Fund	January 1, 2025
Templeton Global Balanced Fund	May 1, 2024
<b><u>TEMPLETON GLOBAL SMALLER COMPANIES FUND</u></b>	
Templeton Global Smaller Companies Fund	January 1, 2025
<b><u>TEMPLETON GROWTH FUND, INC.</u></b>	

<b>Fund</b>	<b>Date of Summary Prospectus</b>
Templeton Growth Fund, Inc.	January 1, 2025
<b><u>TEMPLETON INCOME TRUST</u></b>	
Templeton Global Bond Fund	May 1, 2025
Templeton Global Total Return Fund	May 1, 2025
Templeton International Bond Fund	May 1, 2025
Templeton Sustainable Emerging Markets Bond Fund	May 1, 2025
<b><u>TEMPLETON INSTITUTIONAL FUNDS</u></b>	
Foreign Smaller Companies Series	May 1, 2025
International Equity Series	May 1, 2025

**Please retain this supplement for future reference.**

# FRANKLIN MUTUAL SHARES VIP FUND

## Investment Goal

Capital appreciation. Its secondary goal is income.

## Fees and Expenses of the Fund

This table describes the fees and expenses that you may pay if you buy, hold and sell shares of the Fund. **The table and the example do not include any fees or sales charges imposed by variable insurance contracts, qualified retirement plans or funds of funds.** If they were included, your costs would be higher.

### Annual Fund Operating Expenses

(expenses that you pay each year as a percentage of the value of your investment)

	Class 1	Class 2	Class 4
Management fees	0.68%	0.68%	0.68%
Distribution and service (12b-1) fees	None	0.25%	0.35%
Other expenses	0.01%	0.01%	0.01%
<b>Total annual Fund operating expenses</b>	<b>0.69%</b>	<b>0.94%</b>	<b>1.04%</b>

### Example

This Example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The Example assumes that you invest \$10,000 in the Fund for the time periods indicated and then redeem all of your shares at the end of the period. The Example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

	1 Year	3 Years	5 Years	10 Years
<b>Class 1</b>	\$70	\$221	\$384	\$859
<b>Class 2</b>	\$96	\$300	\$520	\$1,155
<b>Class 4</b>	\$106	\$331	\$574	\$1,271

## Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction costs. These costs, which are not reflected in annual Fund operating expenses or in the Example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 32.95% of the average value of its portfolio.

## Principal Investment Strategies

Under normal market conditions, the Fund invests primarily in equity securities (including securities convertible into, or that the investment manager expects to be exchanged for, common or preferred stock) of U.S. and foreign companies that the investment manager believes are available at market prices less than their value based on certain recognized or objective criteria (fundamental value). Following this value-oriented strategy, the Fund invests primarily in undervalued securities (securities trading at a discount to fundamental value). The equity securities in which the Fund invests are primarily common stock. To a lesser extent, the Fund also invests in merger arbitrage securities and the debt and equity of distressed companies.

The Fund may invest a significant portion of its assets (up to 35%) in foreign securities, which may include sovereign debt and participations in foreign government debt. The Fund presently does not intend to invest more than 15% of its assets in foreign securities. Although the investment manager will search for investments across a large number of countries and regions, from time to time, based on economic conditions, the Fund may have significant positions in particular countries or regions.

The Fund is not limited to pre-set maximums or minimums governing the size of the companies in which it may invest. However, the Fund currently invests the equity portion of its portfolio predominantly in large- and mid-cap companies, with the remaining portion of its equity portfolio in smaller companies.

Although the investment manager searches for investments across a large number of sectors, from time to time, based on economic conditions, the Fund may have significant positions in particular sectors.

The Fund regularly attempts to hedge (protect) against currency risks, largely using currency-related derivatives, such as forward contracts and currency futures contracts (including currency index futures contracts) when, in the investment manager's opinion, it would be advantageous to the Fund to do so. The Fund may also, from time to time, attempt to hedge against market risk using a variety of other equity- and credit-related derivatives.

## Portfolio Selection

The investment manager employs a research driven, fundamental value strategy for the Fund. Investments are generally selected based on the investment manager's own analysis of the security's fundamental value, including for equity securities, an analysis of cash flow potential, long-term earnings, multiples of earnings, book value, and

fundamental analysis, including environmental, social and governance (ESG) considerations. The investment manager examines each investment separately and there are no set criteria as to specific value parameters, asset size, earnings or industry type. The investment manager does not assess every investment for ESG factors and, when it does, not every ESG factor may be identified or evaluated. For example, the investment manager's assessment of investments in special situations investments, notably merger arbitrage and distressed debt, generally does not include analysis of ESG factors.

## Principal Risks

You could lose money by investing in the Fund. Mutual fund shares are not deposits or obligations of, or guaranteed or endorsed by, any bank, and are not insured by the Federal Deposit Insurance Corporation, the Federal Reserve Board, or any other agency of the U.S. government.

**Market:** The market values of securities or other investments owned by the Fund will go up or down, sometimes rapidly or unpredictably. The market value of a security or other investment may be reduced by market activity or other results of supply and demand unrelated to the issuer. This is a basic risk associated with all investments. When there are more sellers than buyers, prices tend to fall. Likewise, when there are more buyers than sellers, prices tend to rise. In addition, the value of the Fund's investments may go up or down due to general market or other conditions that are not specifically related to a particular issuer, such as: real or perceived adverse economic changes, including widespread liquidity issues and defaults in one or more industries; changes in interest or exchange rates; unexpected natural and man-made world events, such as diseases or disasters; financial, political or social disruptions, including terrorism and war; and U.S. trade disputes or other disputes with specific countries that could result in tariffs, trade barriers and investment restrictions in certain securities in those countries. Any of these conditions can adversely affect the economies of many companies, sectors, nations, regions and the market in general, in ways that cannot necessarily be foreseen.

Stock prices tend to go up and down more dramatically than those of debt securities. A slower-growth or recessionary economic environment could have an adverse effect on the prices of the various stocks held by the Fund.

**Value Style Investing:** A value stock may not increase in price as anticipated by the investment manager if other investors fail to recognize the company's value and bid up the price, the markets favor faster-growing companies, or the factors that the investment manager believes will increase the price of the security do not occur or do not have the anticipated effect.

**Foreign Securities (non-U.S.):** Investing in foreign securities, including sovereign debt securities, typically involves more risks than investing in U.S. securities,

including risks related to currency exchange rates and policies, country or government specific issues, less favorable trading practices or regulation and greater price volatility. Certain of these risks also may apply to securities of U.S. companies with significant foreign operations.

**Regional:** To the extent that the Fund invests a significant portion of its assets in a specific geographic region or a particular country, including Europe, the Fund will generally have more exposure to the specific regional or country risks. In the event of economic or political turmoil or a deterioration of diplomatic relations in a region or country where a substantial portion of the Fund's assets are invested, the Fund may experience substantial illiquidity or reduction in the value of the Fund's investments. Adverse conditions in a certain region or country can adversely affect securities of issuers in other countries whose economies appear to be unrelated. Current uncertainty concerning the economic consequences of Russia's military invasion of Ukraine in February 2022 has increased market volatility.

**Focus:** To the extent that the Fund focuses on particular countries, regions, industries, sectors or types of investments from time to time, the Fund may be subject to greater risks of adverse developments in such areas of focus than a fund that invests in a wider variety of countries, regions, industries, sectors or investments.

**Small and Mid Capitalization Companies:** Securities issued by small and mid capitalization companies may be more volatile in price than those of larger companies and may involve substantial risks. Such risks may include greater sensitivity to economic conditions, less certain growth prospects, lack of depth of management and funds for growth and development, and limited or less developed product lines and markets. In addition, small and mid capitalization companies may be particularly affected by interest rate increases, as they may find it more difficult to borrow money to continue or expand operations, or may have difficulty in repaying any loans. The markets for securities issued by small and mid capitalization companies also tend to be less liquid than the markets for securities issued by larger companies.

**Derivative Instruments:** The performance of derivative instruments depends largely on the performance of an underlying instrument, such as a currency, security, interest rate or index, and such instruments often have risks similar to their underlying instrument, in addition to other risks. Derivative instruments involve costs and can create economic leverage in the Fund's portfolio which may result in significant volatility and cause the Fund to participate in losses (as well as gains) in an amount that exceeds the Fund's initial investment. Other risks include illiquidity, mispricing or improper valuation of the derivative instrument, and imperfect correlation between the value of the derivative and the underlying instrument so that the Fund may not realize the intended benefits. When a derivative is used for hedging, the change in value of the derivative may also not correlate specifically with the currency, security, interest rate, index or other risk being hedged. With over-the-counter

derivatives, there is the risk that the other party to the transaction will fail to perform.

**Merger Arbitrage Securities and Distressed Companies:**

A merger or other restructuring, or a tender or exchange offer, proposed or pending at the time the Fund invests in merger arbitrage securities may not be completed on the terms or within the time frame contemplated, which may result in losses to the Fund. Debt obligations of distressed companies typically are unrated, lower-rated, in default or close to default and are generally more likely to become worthless than the securities of more financially stable companies.

**Liquidity:** The trading market for a particular security or type of security or other investments in which the Fund invests may become less liquid or even illiquid. Reduced liquidity will have an adverse impact on the Fund's ability to sell such securities or other investments when necessary to meet the Fund's liquidity needs, which may arise or increase in response to a specific economic event or because the investment manager wishes to purchase particular investments or believes that a higher level of liquidity would be advantageous. Reduced liquidity will also generally lower the value of such securities or other investments. Market prices for such securities or other investments may be relatively volatile.

**Management:** The Fund is subject to management risk because it is an actively managed investment portfolio. The Fund's investment manager applies investment techniques and risk analyses in making investment decisions for the Fund, but there can be no guarantee that these decisions will produce the desired results.

**ESG Considerations:** ESG considerations are one of a number of factors that the investment manager examines when considering investments for the Fund's portfolio. In light of this, the issuers in which the Fund invests may not be considered ESG-focused companies. In addition, ESG considerations assessed as part of the Fund's investment process may vary across types of eligible investments and issuers. The investment manager does not assess every investment for ESG factors and, when it does, not every ESG factor may be identified or evaluated. The investment manager's assessment of an issuer may differ from that of investors, third-party service providers, such as ratings providers, and other funds. As a result, securities selected by the investment manager may not reflect the beliefs and values of any particular investor. The investment manager also may be dependent on the availability of timely, complete and accurate ESG data being reported by issuers and/or third-party research providers to evaluate ESG factors. ESG factors are often not uniformly measured or defined, which could impact the investment manager's ability to assess an issuer. While the investment manager views ESG considerations as having the potential to contribute to the Fund's long-term performance, there is no guarantee that such results will be achieved.

**Cybersecurity:** Cybersecurity incidents, both intentional and unintentional, may allow an unauthorized party to gain

access to Fund assets, Fund or customer data (including private shareholder information), or proprietary information, cause the Fund, the investment manager, and/or their service providers (including, but not limited to, Fund accountants, custodians, sub-custodians, transfer agents and financial intermediaries) to suffer data breaches, data corruption or loss of operational functionality or prevent Fund investors from purchasing, redeeming or exchanging shares or receiving distributions. The investment manager has limited ability to prevent or mitigate cybersecurity incidents affecting third party service providers, and such third party service providers may have limited indemnification obligations to the Fund or the investment manager. Cybersecurity incidents may result in financial losses to the Fund and its shareholders, and substantial costs may be incurred in an effort to prevent or mitigate future cybersecurity incidents. Issuers of securities in which the Fund invests are also subject to cybersecurity risks, and the value of these securities could decline if the issuers experience cybersecurity incidents.

Because technology is frequently changing, new ways to carry out cyber attacks are always developing. Therefore, there is a chance that some risks have not been identified or prepared for, or that an attack may not be detected, which puts limitations on the Fund's ability to plan for or respond to a cyber attack. Like other funds and business enterprises, the Fund, the investment manager, and their service providers are subject to the risk of cyber incidents occurring from time to time.

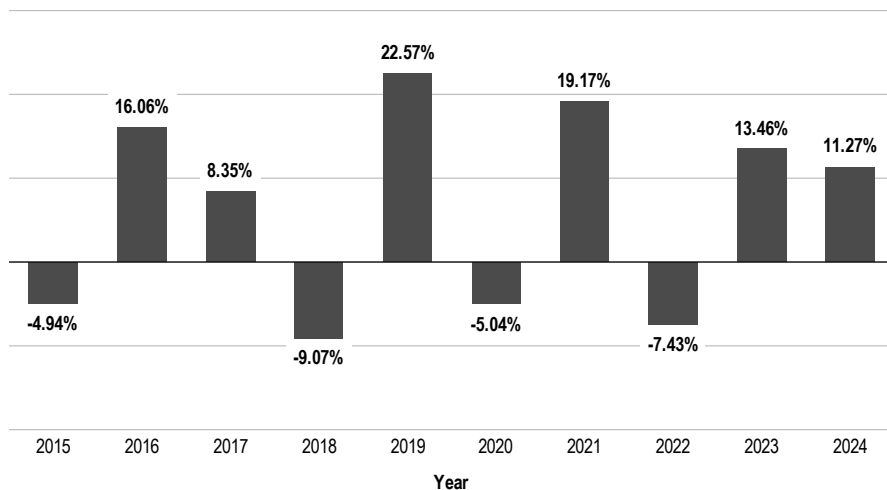
## Performance

The following bar chart and table provide some indication of the risks of investing in the Fund. The bar chart shows changes in the Fund's performance from year to year for Class 2 shares. The table shows how the Fund's average annual returns for 1 year, 5 years, 10 years or since inception, as applicable, compared with those of a broad measure of market performance and an additional index with

characteristics relevant to the Fund. The Fund's past performance is not necessarily an indication of how the Fund will perform in the future.

Performance reflects all Fund expenses but does not include any fees or sales charges imposed by variable insurance contracts, qualified plans or funds of funds. If they had been included, the returns shown below would be lower. Investors should consult the variable insurance contract prospectus, or the disclosure documents for qualified plans or funds of funds for more information.

### Class 2 Annual Total Returns



Best Quarter:	2020, Q4	17.35%
Worst Quarter:	2020, Q1	-29.35%

### Average Annual Total Returns

For periods ended December 31, 2024

	1 Year	5 Years	10 Years
Franklin Mutual Shares VIP Fund - Class 1	11.50%	6.01%	6.10%
Franklin Mutual Shares VIP Fund - Class 2	11.27%	5.75%	5.83%
Franklin Mutual Shares VIP Fund - Class 4	11.16%	5.64%	5.72%
Russell 3000® Index (index reflects no deduction for fees, expenses or taxes)	23.81%	13.86%	12.54%
Russell 1000® Value Index (index reflects no deduction for fees, expenses or taxes)	14.37%	8.68%	8.48%

No one index is representative of the Fund's portfolio.

Important data provider notices and terms are available at [www.franklintempletondatasources.com](http://www.franklintempletondatasources.com). All data is subject to change.

## Investment Manager

Franklin Mutual Advisers, LLC (Franklin Mutual or investment manager)

## Portfolio Managers

### **Christian Correa, CFA**

Portfolio Manager of Franklin Mutual and portfolio manager of the Fund since 2020.

### **Grace Hoefig**

Portfolio Manager of Franklin Mutual and portfolio manager of the Fund since 2020.

### **Aman Gupta, CFA**

Portfolio Manager of Franklin Mutual and portfolio manager of the Fund since March 2025.

## Purchase and Sale of Fund Shares

Shares of the Fund are sold to insurance companies' separate accounts (Insurers) to fund variable annuity or variable life insurance contracts and to qualified plans. Insurance companies offer variable annuity and variable life insurance products through separate accounts. Shares of the Fund may also be sold to other mutual funds, either as underlying funds in a fund of funds or in other structures. In addition, Fund shares are held by a limited number of Insurers, qualified retirement plans and, when applicable, funds of funds. Substantial withdrawals by one or more Insurers, qualified retirement plans or funds of funds could reduce Fund assets, causing total Fund expenses to become higher than the numbers shown in the fees and expenses table above.

The terms of the offering of interests in separate accounts are included in the variable annuity or variable life insurance product prospectus. The terms of offerings of funds of funds are included in those funds' prospectuses. The terms of offering of qualified retirement plans are described in their disclosure documents. Investors should consult the variable contract prospectus, fund of fund prospectus, or plan disclosure documents for more information on fees and expenses imposed by variable insurance contracts, funds of funds or qualified retirement plans, respectively.

## Taxes

Because shares of the Fund are generally purchased through variable annuity contracts or variable life insurance contracts, the Fund's distributions (which the Fund expects, based on its investment goals and strategies to consist of ordinary income, capital gains or some combination of both) will be exempt from current taxation if left to accumulate

within the variable contract. You should refer to your contract prospectus for more information on these tax consequences.

## Payments to Sponsoring Insurance Companies and Other Financial Intermediaries

The Fund or its distributor (and related companies) may pay broker/dealers or other financial intermediaries (such as banks and insurance companies, or their related companies) for the sale and retention of variable contracts which offer Fund shares and/or for other services. These payments may create a conflict of interest for an intermediary or be a factor in the insurance company's decision to include the Fund as an investment option in its variable contract. For more information, ask your insurance company or financial advisor, visit your insurance company's or intermediary's website, or consult the Contract prospectus or this Fund prospectus.

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