



Franklin Allocation VIP Fund

Financial Statements and Other Important Information

Semi-Annual | June 30, 2024

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Financial Highlights

Franklin Allocation VIP Fund

	Six Months Ended June 30, 2024 (unaudited)	Year Ended December 31,				
		2023	2022	2021	2020	2019
Class 1						
Per share operating performance						
(for a share outstanding throughout the period)						
Net asset value, beginning of period	\$4.95	\$4.46	\$6.02	\$5.49	\$6.86	\$6.37
Income from investment operations ^a :						
Net investment income ^b	0.06	0.10	0.08	0.06	0.10	0.11 ^c
Net realized and unrealized gains (losses)	0.25	0.55	(1.03)	0.58	0.45	1.11
Total from investment operations	0.31	0.65	(0.95)	0.64	0.55	1.22
Less distributions from:						
Net investment income	(0.12)	(0.08)	(0.10)	(0.11)	(0.12)	(0.27)
Net realized gains	—	(0.08)	(0.51)	—	(1.80)	(0.46)
Total distributions	(0.12)	(0.16)	(0.61)	(0.11)	(1.92)	(0.73)
Net asset value, end of period	\$5.14	\$4.95	\$4.46	\$6.02	\$5.49	\$6.86
Total return ^d	6.23%	14.77%	(15.68)%	11.81%	12.19%	20.04%
Ratios to average net assets^e						
Expenses before waiver and payments by affiliates	0.59%	0.57%	0.58%	0.60%	0.60%	0.44%
Expenses net of waiver and payments by affiliates	0.56%	0.56% ^f	0.57% ^f	0.56% ^f	0.55% ^f	0.39%
Net investment income	2.22%	2.08%	1.55%	1.04%	1.79%	1.55%
Supplemental data						
Net assets, end of period (000's)	\$1,084	\$791	\$648	\$841	\$811	\$842
Portfolio turnover rate	23.61%	56.04%	107.31%	54.07%	99.02%	170.79%
Portfolio turnover rate excluding mortgage dollar rolls	23.61%	56.04%	107.31%	54.07%	91.62% ^g	158.11% ^g

^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.

^cRecognition of net investment income by the Fund is affected by the timing of declaration of dividends by the Underlying Funds and exchange traded funds in which the Fund invests.

^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. Total return is not annualized for periods less than one year.

^eRatios are annualized for periods less than one year.

^fBenefit of expense reduction rounds to less than 0.01%.

^gSee Note 1(e) regarding mortgage dollar rolls.

Franklin Allocation VIP Fund (continued)

	Six Months Ended June 30, 2024 (unaudited)	Year Ended December 31,				
		2023	2022	2021	2020	2019
Class 2						
Per share operating performance						
(for a share outstanding throughout the period)						
Net asset value, beginning of period	\$4.90	\$4.41	\$5.96	\$5.43	\$6.81	\$6.32
Income from investment operations ^a :						
Net investment income ^b	0.05	0.08	0.06	0.05	0.09	0.09 ^c
Net realized and unrealized gains (losses)	0.26	0.56	(1.02)	0.58	0.43	1.11
Total from investment operations	0.31	0.64	(0.96)	0.63	0.52	1.20
Less distributions from:						
Net investment income	(0.11)	(0.07)	(0.08)	(0.10)	(0.10)	(0.25)
Net realized gains	—	(0.08)	(0.51)	—	(1.80)	(0.46)
Total distributions	(0.11)	(0.15)	(0.59)	(0.10)	(1.90)	(0.71)
Net asset value, end of period	\$5.10	\$4.90	\$4.41	\$5.96	\$5.43	\$6.81
Total return ^d	6.23%	14.61%	(16.00)%	11.68%	11.74%	19.86%
Ratios to average net assets^e						
Expenses before waiver and payments by affiliates	0.83%	0.82%	0.83%	0.85%	0.85%	0.69%
Expenses net of waiver and payments by affiliates	0.81%	0.81% ^f	0.82% ^f	0.81% ^f	0.80% ^f	0.64%
Net investment income	1.95%	1.81%	1.29%	0.80%	1.54%	1.30%
Supplemental data						
Net assets, end of period (000's)	\$218,399	\$222,332	\$223,917	\$302,084	\$398,620	\$403,040
Portfolio turnover rate	23.61%	56.04%	107.31%	54.07%	99.02%	170.79%
Portfolio turnover rate excluding mortgage dollar rolls	23.61%	56.04%	107.31%	54.07%	91.62% ^g	158.11% ^g

^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.

^cRecognition of net investment income by the Fund is affected by the timing of declaration of dividends by the Underlying Funds and exchange traded funds in which the Fund invests.

^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. Total return is not annualized for periods less than one year.

^eRatios are annualized for periods less than one year.

^fBenefit of expense reduction rounds to less than 0.01%.

^gSee Note 1(e) regarding mortgage dollar rolls.

Franklin Allocation VIP Fund (continued)

	Six Months Ended June 30, 2024 (unaudited)	Year Ended December 31,				
		2023	2022	2021	2020	2019
Class 4						
Per share operating performance						
(for a share outstanding throughout the period)						
Net asset value, beginning of period	\$5.10	\$4.58	\$6.17	\$5.62	\$6.97	\$6.46
Income from investment operations ^a :						
Net investment income ^b	0.05	0.08	0.06	0.04	0.08	0.08 ^c
Net realized and unrealized gains (losses)	0.26	0.58	(1.06)	0.60	0.46	1.13
Total from investment operations	0.31	0.66	(1.00)	0.64	0.54	1.21
Less distributions from:						
Net investment income	(0.10)	(0.06)	(0.08)	(0.09)	(0.09)	(0.24)
Net realized gains	—	(0.08)	(0.51)	—	(1.80)	(0.46)
Total distributions	(0.10)	(0.14)	(0.59)	(0.09)	(1.89)	(0.70)
Net asset value, end of period	\$5.31	\$5.10	\$4.58	\$6.17	\$5.62	\$6.97
Total return ^d	6.09%	14.62%	(16.19)%	11.54%	11.75%	19.56%
Ratios to average net assets^e						
Expenses before waiver and payments by affiliates	0.93%	0.92%	0.93%	0.95%	0.95%	0.79%
Expenses net of waiver and payments by affiliates	0.91%	0.91% ^f	0.92% ^f	0.91% ^f	0.90% ^f	0.74%
Net investment income	1.85%	1.71%	1.20%	0.70%	1.44%	1.20%
Supplemental data						
Net assets, end of period (000's)	\$354,815	\$355,128	\$328,741	\$418,751	\$409,388	\$406,693
Portfolio turnover rate	23.61%	56.04%	107.31%	54.07%	99.02%	170.79%
Portfolio turnover rate excluding mortgage dollar rolls	23.61%	56.04%	107.31%	54.07%	91.62% ^g	158.11% ^g

^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.

^cRecognition of net investment income by the Fund is affected by the timing of declaration of dividends by the Underlying Funds and exchange traded funds in which the Fund invests.

^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. Total return is not annualized for periods less than one year.

^eRatios are annualized for periods less than one year.

^fBenefit of expense reduction rounds to less than 0.01%.

^gSee Note 1(e) regarding mortgage dollar rolls.

Schedule of Investments (unaudited), June 30, 2024

Franklin Allocation VIP Fund

	Country	Shares	Value
Common Stocks 57.1%			
Aerospace & Defense 1.4%			
BAE Systems plc	United Kingdom	36,503	\$608,041
BWX Technologies, Inc.	United States	3,285	312,075
Curtiss-Wright Corp.	United States	1,202	325,718
Dassault Aviation SA	France	1,873	339,224
General Electric Co.	United States	5,396	857,802
Kongsberg Gruppen ASA	Norway	1,498	121,999
Leonardo SpA	Italy	1,956	45,325
Lockheed Martin Corp.	United States	912	425,995
MTU Aero Engines AG	Germany	3,100	790,466
Northrop Grumman Corp.	United States	4,103	1,788,703
RTX Corp.	United States	20,034	2,011,213
Saab AB, B	Sweden	2,280	54,789
Safran SA	France	220	46,373
			7,727,723
Air Freight & Logistics 0.4%			
DSV A/S	Denmark	5,774	886,426
^a InPost SA	Poland	2,788	49,063
Nippon Express Holdings, Inc.	Japan	2,100	97,204
United Parcel Service, Inc., B	United States	8,744	1,196,616
			2,229,309
Automobile Components 0.3%			
^a Aptiv plc	United States	3,280	230,978
Cie Generale des Etablissements Michelin SCA	France	4,529	175,075
Continental AG	Germany	8,500	481,483
Forvia SE	France	29,302	349,677
Valeo SE	France	33,484	358,106
			1,595,319
Automobiles 0.7%			
Bayerische Motoren Werke AG	Germany	2,431	229,984
General Motors Co.	United States	18,304	850,404
Honda Motor Co. Ltd.	Japan	44,975	483,556
Mazda Motor Corp.	Japan	16,100	155,244
^a Polestar Automotive Holding UK plc, SDR	Hong Kong	3,964	3,118
Stellantis NV	United States	23,852	471,589
Subaru Corp.	Japan	16,800	357,314
^a Tesla, Inc.	United States	3,666	725,428
Toyota Motor Corp.	Japan	25,500	523,277
^a Volvo Car AB, B	Sweden	18,491	57,187
			3,857,101
Banks 3.0%			
^b ABN AMRO Bank NV, CVA, 144A, Reg S	Netherlands	22,268	365,774
AIB Group plc	Ireland	50,441	266,421
Banco Bilbao Vizcaya Argentaria SA	Spain	58,491	587,244
Bank of America Corp.	United States	60,738	2,415,550
Citigroup, Inc.	United States	1,273	80,785
Commonwealth Bank of Australia	Australia	6,402	542,322
DBS Group Holdings Ltd.	Singapore	2,200	57,947
Erste Group Bank AG	Austria	4,959	234,768
HDFC Bank Ltd.	India	27,064	546,713
ING Groep NV	Netherlands	63,116	1,084,653
Intesa Sanpaolo SpA	Italy	67,545	251,060
JPMorgan Chase & Co.	United States	22,089	4,467,721
KB Financial Group, Inc.	South Korea	4,953	281,024
Lloyds Banking Group plc	United Kingdom	1,164,763	803,387

Franklin Allocation VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Banks (continued)			
Mitsubishi UFJ Financial Group, Inc.	Japan	5,100	\$55,048
NatWest Group plc	United Kingdom	88,246	347,182
Shinhan Financial Group Co. Ltd.	South Korea	11,792	410,066
Standard Chartered plc	United Kingdom	134,310	1,212,795
Sumitomo Mitsui Financial Group, Inc.	Japan	10,600	711,635
Sumitomo Mitsui Financial Group, Inc., ADR	Japan	38,966	522,534
UniCredit SpA	Italy	17,469	646,549
US Bancorp	United States	21,230	842,831
Wells Fargo & Co.	United States	11,131	661,070
			17,395,079
Beverages 0.7%			
Asahi Group Holdings Ltd.	Japan	12,000	424,681
Coca-Cola HBC AG	Italy	6,229	212,008
Constellation Brands, Inc., A	United States	1,161	298,702
Molson Coors Beverage Co., B	United States	2,828	143,747
^a Monster Beverage Corp.	United States	20,220	1,009,989
PepsiCo, Inc.	United States	10,915	1,800,211
			3,889,338
Biotechnology 0.9%			
AbbVie, Inc.	United States	7,497	1,285,886
Amgen, Inc.	United States	1,234	385,563
CSL Ltd.	United States	5,172	1,014,215
^a Exelixis, Inc.	United States	5,175	116,282
^a Genmab A/S	Denmark	2,579	646,373
Gilead Sciences, Inc.	United States	5,072	347,990
^a Regeneron Pharmaceuticals, Inc.	United States	1,087	1,142,470
^a United Therapeutics Corp.	United States	366	116,589
^a Vertex Pharmaceuticals, Inc.	United States	443	207,643
			5,263,011
Broadline Retail 1.9%			
^c Alibaba Group Holding Ltd.	China	74,408	670,627
^a Amazon.com, Inc.	United States	43,236	8,355,357
^a MercadoLibre, Inc.	Brazil	470	772,398
Next plc	United Kingdom	3,085	352,068
Prosus NV	China	17,439	620,191
Wesfarmers Ltd.	Australia	1,849	80,065
			10,850,706
Building Products 0.4%			
Cie de Saint-Gobain SA	France	7,115	553,440
Kingspan Group plc	Ireland	3,009	255,764
Lennox International, Inc.	United States	184	98,436
Masco Corp.	United States	1,046	69,737
Owens Corning	United States	1,383	240,255
Trane Technologies plc	United States	2,456	807,852
			2,025,484
Capital Markets 1.8%			
3i Group plc	United Kingdom	15,532	598,641
Affiliated Managers Group, Inc.	United States	543	84,833
Bank of New York Mellon Corp. (The)	United States	3,043	182,245
BlackRock, Inc.	United States	281	221,237
Blackstone, Inc.	United States	2,067	255,895
Charles Schwab Corp. (The)	United States	38,843	2,862,341

Franklin Allocation VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Capital Markets (continued)			
Deutsche Bank AG	Germany	10,709	\$171,181
Evercore, Inc., A	United States	557	116,095
^{a,c} Futu Holdings Ltd., ADR	Hong Kong	900	59,044
Hargreaves Lansdown plc	United Kingdom	10,174	145,031
Intercontinental Exchange, Inc.	United States	5,323	728,665
Intermediate Capital Group plc	United Kingdom	28,000	767,911
Macquarie Group Ltd.	Australia	6,000	816,428
MSCI, Inc., A	United States	128	61,664
Partners Group Holding AG	Switzerland	240	307,351
S&P Global, Inc.	United States	2,324	1,036,504
SEI Investments Co.	United States	1,601	103,569
Singapore Exchange Ltd.	Singapore	7,800	54,395
State Street Corp.	United States	5,056	374,144
T Rowe Price Group, Inc.	United States	3,856	444,635
Tradeweb Markets, Inc., A	United States	2,995	317,470
UBS Group AG	Switzerland	11,375	334,104
			10,043,383
Chemicals 1.7%			
Air Liquide SA	France	1,283	221,461
Air Products and Chemicals, Inc.	United States	9,596	2,476,248
Albemarle Corp.	United States	4,168	398,127
BASF SE	Germany	1,715	82,919
CF Industries Holdings, Inc.	United States	1,038	76,937
^{a,b} Covestro AG, 144A, Reg S	Germany	8,188	480,022
DSM-Firmenich AG	Switzerland	5,700	641,939
Ecolab, Inc.	United States	1,434	341,292
Givaudan SA	Switzerland	51	241,581
ICL Group Ltd.	Israel	15,468	66,619
LG Chem Ltd.	South Korea	2,189	544,126
Linde plc	United States	1,585	695,514
LyondellBasell Industries NV, A	United States	705	67,440
Mitsubishi Chemical Group Corp.	Japan	8,400	46,810
Nitto Denko Corp.	Japan	3,600	285,585
RPM International, Inc.	United States	722	77,745
Sherwin-Williams Co. (The)	United States	6,080	1,814,454
Shin-Etsu Chemical Co. Ltd.	Japan	12,000	466,652
Sika AG	Switzerland	2,600	742,237
			9,767,708
Commercial Services & Supplies 0.4%			
Brambles Ltd.	Australia	5,242	50,585
Cintas Corp.	United States	126	88,233
Dai Nippon Printing Co. Ltd.	Japan	1,400	47,244
MSA Safety, Inc.	United States	433	81,270
Republic Services, Inc., A	United States	1,547	300,644
Securitas AB, B	Sweden	58,279	577,806
Veralto Corp.	United States	8,790	839,181
Waste Management, Inc.	United States	391	83,416
			2,068,379
Communications Equipment 0.7%			
^a Arista Networks, Inc.	United States	2,351	823,979
Cisco Systems, Inc.	United States	18,697	888,294
^a F5, Inc.	United States	989	170,335
Motorola Solutions, Inc.	United States	4,891	1,888,171

Franklin Allocation VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Communications Equipment (continued)			
Telefonaktiebolaget LM Ericsson, B	Sweden	16,819	\$104,422
			<u>3,875,201</u>
Construction & Engineering 0.1%			
ACS Actividades de Construccion y Servicios SA	Spain	5,675	245,149
Eiffage SA	France	869	79,878
EMCOR Group, Inc.	United States	705	257,381
			<u>582,408</u>
Construction Materials 0.4%			
CRH plc	United States	7,672	568,550
Holcim AG	United States	1,964	173,612
Martin Marietta Materials, Inc.	United States	2,955	1,601,019
			<u>2,343,181</u>
Consumer Finance 0.5%			
American Express Co.	United States	8,340	1,931,127
Capital One Financial Corp.	United States	5,390	746,245
Synchrony Financial	United States	6,425	303,196
			<u>2,980,568</u>
Consumer Staples Distribution & Retail 0.8%			
Carrefour SA	France	58,693	831,811
Costco Wholesale Corp.	United States	758	644,292
Jeronimo Martins SGPS SA	Portugal	3,631	70,974
Koninklijke Ahold Delhaize NV	Netherlands	6,861	201,928
Kroger Co. (The)	United States	11,278	563,110
Target Corp.	United States	3,770	558,111
Tesco plc	United Kingdom	133,266	514,797
Walmart, Inc.	United States	18,752	1,269,698
			<u>4,654,721</u>
Containers & Packaging 0.2%			
SIG Group AG	Switzerland	33,000	606,437
Smurfit Kappa Group plc	Ireland	14,566	648,637
			<u>1,255,074</u>
Diversified Consumer Services 0.0%[†]			
H&R Block, Inc.	United States	2,375	128,796
Pearson plc	United Kingdom	3,792	47,354
			<u>176,150</u>
Diversified REITs 0.0%[†]			
Stockland	Australia	47,460	131,453
Diversified Telecommunication Services 0.2%			
AT&T, Inc.	United States	22,914	437,887
Deutsche Telekom AG	Germany	22,802	573,220
Telenor ASA	Norway	17,375	198,065
			<u>1,209,172</u>
Electric Utilities 0.8%			
BKW AG	Switzerland	616	98,329
Chubu Electric Power Co., Inc.	Japan	18,900	223,307
Edison International	United States	21,940	1,575,511
Endesa SA	Spain	7,384	138,757
Entergy Corp.	United States	693	74,151

Franklin Allocation VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Electric Utilities (continued)			
Kansai Electric Power Co., Inc. (The)	Japan	19,900	\$334,209
NextEra Energy, Inc.	United States	12,572	890,223
NRG Energy, Inc.	United States	3,873	301,552
OGE Energy Corp.	United States	2,055	73,364
^{a,b} Orsted A/S, 144A, Reg S.	Denmark	11,559	614,119
PPL Corp.	United States	3,037	83,973
Southern Co. (The)	United States	1,158	89,826
			4,497,321
Electrical Equipment 0.6%			
ABB Ltd.	Switzerland	6,383	353,963
Acuity Brands, Inc.	United States	490	118,306
AMETEK, Inc.	United States	1,285	214,222
Eaton Corp. plc.	United States	4,851	1,521,031
Emerson Electric Co.	United States	700	77,112
Mitsubishi Electric Corp.	Japan	11,600	185,920
nVent Electric plc	United States	2,400	183,864
Prysmian SpA.	Italy	6,251	385,972
Vertiv Holdings Co., A	United States	5,245	454,060
			3,494,450
Electronic Equipment, Instruments & Components 0.4%			
Amphenol Corp., A	United States	11,985	807,429
Jabil, Inc.	United States	926	100,740
Keyence Corp.	Japan	200	87,549
TD SYNNEX Corp.	United States	939	108,361
TDK Corp.	Japan	4,800	295,207
TE Connectivity Ltd.	United States	4,320	649,858
Vontier Corp.	United States	2,266	86,561
Yokogawa Electric Corp.	Japan	6,100	148,168
			2,283,873
Energy Equipment & Services 0.1%			
SBM Offshore NV	Netherlands	21,492	328,973
TechnipFMC plc	United Kingdom	3,747	97,984
^a Tecnicas Reunidas SA	Spain	14,717	199,292
			626,249
Entertainment 0.8%			
Capcom Co. Ltd.	Japan	9,600	181,630
CTS Eventim AG & Co. KGaA	Germany	9,315	775,577
Electronic Arts, Inc.	United States	4,190	583,793
^a Netflix, Inc.	United States	2,609	1,760,762
Nintendo Co. Ltd.	Japan	1,500	80,115
^a ROBLOX Corp., A	United States	3,735	138,979
^a Spotify Technology SA	United States	2,160	677,787
Walt Disney Co. (The)	United States	5,670	562,974
			4,761,617
Financial Services 1.9%			
^a Berkshire Hathaway, Inc., B.	United States	7,357	2,992,828
Eurazeo SE	France	1,313	104,711
EXOR NV	Netherlands	2,674	279,357
Industrivarden AB, A	Sweden	3,829	130,459
Investor AB, B.	Sweden	6,491	177,912
Mastercard, Inc., A	United States	4,515	1,991,837
MGIC Investment Corp.	United States	4,831	104,108

Franklin Allocation VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Financial Services (continued)			
^a PayPal Holdings, Inc.	United States	8,225	\$477,297
Visa, Inc., A.	United States	17,508	4,595,325
			10,853,834
Food Products 0.4%			
Archer-Daniels-Midland Co.	United States	1,519	91,824
Associated British Foods plc	United Kingdom	1,527	47,681
Bunge Global SA	United States	2,447	261,266
Chocoladefabriken Lindt & Spruengli AG	Switzerland	20	233,629
Ingredion, Inc.	United States	1,065	122,156
MEIJI Holdings Co. Ltd.	Japan	4,900	105,994
Nestle SA	United States	5,506	562,052
Nestle SA, ADR	United States	7,200	737,640
Salmar ASA	Norway	867	45,474
^b WH Group Ltd., 144A, Reg S	Hong Kong	232,000	152,704
			2,360,420
Gas Utilities 0.1%			
Tokyo Gas Co. Ltd.	Japan	9,000	193,782
UGI Corp.	United States	3,272	74,929
			268,711
Ground Transportation 0.8%			
Aurizon Holdings Ltd.	Australia	20,420	49,605
Canadian Pacific Kansas City Ltd.	Canada	3,360	264,533
CSX Corp.	United States	8,257	276,197
JB Hunt Transport Services, Inc.	United States	747	119,520
Landstar System, Inc.	United States	600	110,688
Old Dominion Freight Line, Inc.	United States	346	61,104
Ryder System, Inc.	United States	749	92,786
^a Uber Technologies, Inc.	United States	13,739	998,550
Union Pacific Corp.	United States	6,125	1,385,842
^a XPO, Inc.	United States	10,231	1,086,021
			4,444,846
Health Care Equipment & Supplies 1.6%			
Abbott Laboratories.	United States	2,491	258,840
Alcon, Inc., (CHF Traded)	Switzerland	10,000	888,969
Alcon, Inc., (USD Traded)	Switzerland	6,682	595,232
Asahi Intecc Co. Ltd.	Japan	32,400	454,935
Becton Dickinson & Co.	United States	6,008	1,404,130
^a Boston Scientific Corp.	United States	4,347	334,762
Cochlear Ltd.	Australia	4,490	991,122
^a Demant A/S	Denmark	3,044	131,856
^a Edwards Lifesciences Corp.	United States	2,448	226,122
^a Haemonetics Corp.	United States	1,831	151,479
^a Hologic, Inc.	United States	1,075	79,819
Hoya Corp.	Japan	4,400	514,613
^a IDEXX Laboratories, Inc.	United States	321	156,391
^a Intuitive Surgical, Inc.	United States	4,161	1,851,021
^a Solventum Corp.	United States	1,707	90,266
Straumann Holding AG	Switzerland	309	38,145
Stryker Corp.	United States	3,664	1,246,676
			9,414,378
Health Care Providers & Services 1.6%			
^a Centene Corp.	United States	6,956	461,183

Franklin Allocation VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Health Care Providers & Services (continued)			
CVS Health Corp.	United States	17,780	\$1,050,087
Elevance Health, Inc.	United States	2,168	1,174,752
Fresenius Medical Care AG.	Germany	1,673	63,946
McKesson Corp.	United States	4,957	2,895,086
^a Tenet Healthcare Corp.	United States	1,353	179,989
UnitedHealth Group, Inc.	United States	6,726	3,425,283
			9,250,326
Health Care Technology 0.0%[†]			
^a Veeva Systems, Inc., A	United States	1,349	246,881
Hotels, Restaurants & Leisure 0.6%			
^a Airbnb, Inc., A	United States	1,449	219,712
Amadeus IT Group SA	Spain	11,000	732,091
Aramark	United States	2,504	85,186
Aristocrat Leisure Ltd.	Australia	4,944	163,723
Booking Holdings, Inc.	United States	309	1,224,103
^a Chipotle Mexican Grill, Inc., A	United States	6,148	385,172
Domino's Pizza, Inc.	United States	186	96,037
^a Expedia Group, Inc.	United States	1,248	157,236
InterContinental Hotels Group plc	United Kingdom	4,180	439,237
^b La Francaise des Jeux SAEM, 144A, Reg S	France	2,988	101,786
Zensho Holdings Co. Ltd.	Japan	2,700	102,953
			3,707,236
Household Durables 0.5%			
Barratt Developments plc	United Kingdom	92,539	549,623
Lennar Corp., A.	United States	4,125	618,214
^a NVR, Inc.	United States	30	227,657
Panasonic Holdings Corp.	Japan	25,600	210,477
Persimmon plc	United Kingdom	33,852	574,468
PulteGroup, Inc.	United States	3,579	394,048
Sekisui House Ltd.	Japan	2,800	62,240
Taylor Wimpey plc.	United Kingdom	46,975	84,123
Toll Brothers, Inc.	United States	1,714	197,418
			2,918,268
Household Products 0.2%			
Colgate-Palmolive Co.	United States	8,413	816,397
Kimberly-Clark Corp.	United States	583	80,571
Procter & Gamble Co. (The)	United States	466	76,853
			973,821
Independent Power and Renewable Electricity Producers 0.1%			
RWE AG.	Germany	1,568	53,799
Vistra Corp.	United States	5,388	463,260
			517,059
Industrial Conglomerates 0.2%			
Hitachi Ltd.	Japan	36,500	821,974
Siemens AG	Germany	1,660	309,011
			1,130,985
Industrial REITs 0.1%			
Goodman Group	Australia	14,659	338,182
Prologis, Inc.	United States	2,647	297,284

Franklin Allocation VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Industrial REITs (continued)			
STAG Industrial, Inc.	United States	1,884	\$67,937
			703,403
Insurance 1.4%			
Aegon Ltd.	Netherlands	42,372	262,019
Aflac, Inc.	United States	903	80,647
Ageas SA/NV	Belgium	4,801	219,085
AIA Group Ltd.	Hong Kong	68,732	465,023
Allianz SE	Germany	212	58,887
American International Group, Inc.	United States	1,128	83,743
AXA SA	France	1,612	52,835
Hartford Financial Services Group, Inc. (The)	United States	5,103	513,055
Japan Post Insurance Co. Ltd.	Japan	4,900	95,311
Loews Corp.	United States	3,047	227,733
Marsh & McLennan Cos., Inc.	United States	8,457	1,782,059
Medibank Pvt Ltd.	Australia	25,202	62,458
Muenchener Rueckversicherungs-Gesellschaft AG in Muenchen	Germany	1,196	598,030
NN Group NV	Netherlands	6,874	319,538
Old Republic International Corp.	United States	4,203	129,873
Progressive Corp. (The)	United States	4,818	1,000,747
Prudential plc, (GBP Traded)	Hong Kong	49,125	445,435
Prudential plc, (HKD Traded)	Hong Kong	5,849	52,900
Sompo Holdings, Inc.	Japan	13,500	289,265
Travelers Cos., Inc. (The)	United States	6,567	1,335,334
			8,073,977
Interactive Media & Services 2.3%			
Alphabet, Inc., A	United States	29,095	5,299,654
Alphabet, Inc., C	United States	7,781	1,427,191
^b Auto Trader Group plc, 144A, Reg S	United Kingdom	24,976	251,398
Meta Platforms, Inc., A	United States	11,373	5,734,494
^b Scout24 SE, 144A, Reg S	Germany	3,000	229,243
			12,941,980
IT Services 0.6%			
Accenture plc, A	United States	1,610	488,490
^a GoDaddy, Inc., A	United States	2,225	310,855
Keywords Studios plc	Ireland	52,000	1,519,812
^a MongoDB, Inc., A	United States	324	80,987
NEC Corp.	Japan	2,800	230,914
Otsuka Corp.	Japan	5,100	98,385
^a Shopify, Inc., A	Canada	11,300	746,365
			3,475,808
Leisure Products 0.0%[†]			
Bandai Namco Holdings, Inc.	Japan	4,600	90,134
Life Sciences Tools & Services 1.1%			
Agilent Technologies, Inc.	United States	2,907	376,834
Danaher Corp.	United States	2,757	688,837
^a Evotec SE	Germany	55,000	527,305
^a Medpace Holdings, Inc.	United States	352	144,971
^a Mettler-Toledo International, Inc.	United States	789	1,102,699
Tecan Group AG	Switzerland	1,600	535,737
Thermo Fisher Scientific, Inc.	United States	5,213	2,882,789
West Pharmaceutical Services, Inc.	United States	899	296,122
			6,555,294

Franklin Allocation VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Machinery 1.4%			
Allison Transmission Holdings, Inc.	United States	1,405	\$106,639
Atlas Copco AB, A.	Sweden	30,886	580,049
CNH Industrial NV.	United States	84,386	854,830
Deere & Co.	United States	2,520	941,548
Dover Corp.	United States	673	121,443
Illinois Tool Works, Inc.	United States	6,024	1,427,447
Ingersoll Rand, Inc.	United States	4,661	423,405
Interroll Holding AG.	Switzerland	225	663,299
Komatsu Ltd.	Japan	13,200	385,626
Makita Corp.	Japan	6,200	169,770
Otis Worldwide Corp.	United States	8,709	838,328
Rational AG.	Germany	151	125,215
Schindler Holding AG.	Switzerland	639	159,304
Trelleborg AB, B.	Sweden	3,707	144,294
^b VAT Group AG, 144A, Reg S.	Switzerland	500	282,344
Wartsila OYJ Abp.	Finland	11,773	228,267
Xylem, Inc.	United States	2,662	361,047
			7,812,855
Marine Transportation 0.0%[†]			
Kawasaki Kisen Kaisha Ltd.	Japan	3,800	55,423
Nippon Yusen KK.	Japan	6,100	178,007
			233,430
Media 0.4%			
Comcast Corp., A.	United States	51,095	2,000,880
New York Times Co. (The), A.	United States	1,558	79,785
Publicis Groupe SA.	France	2,528	268,560
			2,349,225
Metals & Mining 0.6%			
ArcelorMittal SA.	Luxembourg	13,858	317,521
BHP Group Ltd.	Australia	9,585	273,958
BlueScope Steel Ltd.	Australia	13,131	178,249
Fortescue Ltd.	Australia	29,724	423,164
Freeport-McMoRan, Inc.	United States	8,126	394,924
JFE Holdings, Inc.	Japan	13,200	190,540
Nucor Corp.	United States	4,126	652,238
Pilbara Minerals Ltd.	Australia	74,768	152,137
Reliance, Inc.	United States	885	252,756
Steel Dynamics, Inc.	United States	2,545	329,578
voestalpine AG.	Austria	3,217	86,983
			3,252,048
Multi-Utilities 0.8%			
Centrica plc.	United Kingdom	142,658	243,170
Engie SA.	France	3,007	43,067
Public Service Enterprise Group, Inc.	United States	2,600	191,620
Sempra.	United States	38,404	2,921,008
WEC Energy Group, Inc.	United States	12,180	955,643
			4,354,508
Oil, Gas & Consumable Fuels 2.2%			
BP plc.	United States	296,680	1,786,315
Cheniere Energy, Inc.	United States	2,870	501,762
Chevron Corp.	United States	9,851	1,540,893
ConocoPhillips.	United States	24,923	2,850,693

Franklin Allocation VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Oil, Gas & Consumable Fuels (continued)			
Diamondback Energy, Inc.	United States	422	\$84,480
Exxon Mobil Corp.	United States	4,337	499,275
Galp Energia SGPS SA, B	Portugal	13,904	293,706
HF Sinclair Corp.	United States	2,131	113,668
Idemitsu Kosan Co. Ltd.	Japan	13,600	88,408
Inpex Corp.	Japan	11,900	174,784
Marathon Oil Corp.	United States	3,005	86,153
Marathon Petroleum Corp.	United States	5,016	870,176
Repsol SA	Spain	29,973	475,399
Shell plc	United States	44,743	1,604,906
TotalEnergies SE	France	7,514	503,161
Valero Energy Corp.	United States	5,545	869,234
			12,343,013
Paper & Forest Products 0.0%[†]			
Mondi plc	Austria	5,844	112,182
Passenger Airlines 0.0%[†]			
Delta Air Lines, Inc.	United States	1,570	74,481
Singapore Airlines Ltd.	Singapore	10,600	53,860
			128,341
Personal Care Products 0.4%			
Beiersdorf AG	Germany	2,459	359,964
Estee Lauder Cos., Inc. (The), A	United States	3,270	347,928
Haleon plc, ADR	United States	114,450	945,357
L'Oreal SA	France	1,463	644,052
			2,297,301
Pharmaceuticals 2.4%			
AstraZeneca plc	United Kingdom	8,412	1,309,237
AstraZeneca plc, ADR	United Kingdom	5,014	391,042
Chugai Pharmaceutical Co. Ltd.	Japan	12,100	430,928
Daiichi Sankyo Co. Ltd.	Japan	23,000	799,460
Eli Lilly & Co.	United States	3,624	3,281,097
GSK plc	United States	28,844	554,814
Hikma Pharmaceuticals plc	Jordan	3,148	75,007
Ipsen SA	France	1,117	137,253
^a Jazz Pharmaceuticals plc	United States	700	74,711
Johnson & Johnson	United States	9,214	1,346,718
Merck & Co., Inc.	United States	11,685	1,446,603
Novartis AG	Switzerland	9,358	996,417
Novo Nordisk A/S, B	Denmark	10,845	1,551,978
Otsuka Holdings Co. Ltd.	Japan	9,700	409,857
Roche Holding AG	United States	1,220	338,031
Shionogi & Co. Ltd.	Japan	7,300	284,369
Zoetis, Inc., A	United States	3,291	570,528
			13,998,050
Professional Services 0.5%			
Adecco Group AG	Switzerland	15,507	514,471
Automatic Data Processing, Inc.	United States	181	43,203
Experian plc	United States	16,500	766,567
Leidos Holdings, Inc.	United States	2,673	389,937
Randstad NV	Netherlands	2,927	132,912
Recruit Holdings Co. Ltd.	Japan	3,200	172,210
RELX plc	United Kingdom	3,041	139,341
Robert Half, Inc.	United States	1,827	116,892

Franklin Allocation VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Professional Services (continued)			
Verisk Analytics, Inc., A	United States	1,156	\$311,600
Wolters Kluwer NV	Netherlands	1,197	197,698
			2,784,831
Real Estate Management & Development 0.1%			
CK Asset Holdings Ltd.	Hong Kong	12,500	46,826
Daiwa House Industry Co. Ltd.	Japan	7,000	178,247
Hulic Co. Ltd.	Japan	9,900	88,008
^a Jones Lang LaSalle, Inc.	United States	399	81,906
Swire Pacific Ltd., A	Hong Kong	13,000	114,772
			509,759
Residential REITs 0.0%[†]			
Camden Property Trust	United States	757	82,596
Essex Property Trust, Inc.	United States	327	89,010
			171,606
Retail REITs 0.2%			
Klepierre SA	France	4,910	131,105
NNN REIT, Inc.	United States	1,946	82,900
Simon Property Group, Inc.	United States	5,177	785,869
			999,874
Semiconductors & Semiconductor Equipment 5.8%			
Applied Materials, Inc.	United States	4,808	1,134,640
^a ARM Holdings plc, ADR	United States	700	114,534
ASM International NV	Netherlands	107	81,800
ASML Holding NV	Netherlands	1,773	1,807,235
ASML Holding NV, ADR	Netherlands	1,721	1,760,118
BE Semiconductor Industries NV.	Netherlands	2,117	353,697
Broadcom, Inc.	United States	548	879,830
^a Cirrus Logic, Inc.	United States	884	112,851
Disco Corp.	Japan	2,900	1,104,781
Infineon Technologies AG	Germany	20,457	750,883
Intel Corp.	United States	75,465	2,337,151
KLA Corp.	United States	811	668,678
Lam Research Corp.	United States	1,981	2,109,468
^a Lattice Semiconductor Corp.	United States	1,726	100,091
Microchip Technology, Inc.	United States	20,580	1,883,070
Monolithic Power Systems, Inc.	United States	1,020	838,114
^a Nova Ltd.	Israel	260	60,978
NVIDIA Corp.	United States	105,048	12,977,630
NXP Semiconductors NV	China	1,737	467,409
QUALCOMM, Inc.	United States	3,754	747,722
SCREEN Holdings Co. Ltd.	Japan	1,800	163,211
STMicroelectronics NV	Singapore	17,890	700,812
Taiwan Semiconductor Manufacturing Co. Ltd.	Taiwan	35,084	1,037,361
Taiwan Semiconductor Manufacturing Co. Ltd., ADR	Taiwan	3,600	625,716
Texas Instruments, Inc.	United States	3,240	630,277
			33,448,057
Software 5.4%			
^a Adobe, Inc.	United States	3,386	1,881,058
^a AppLovin Corp., A	United States	3,143	261,560
^a Atlassian Corp., A	United States	2,077	367,380
^a Autodesk, Inc.	United States	1,962	485,497
^a Cadence Design Systems, Inc.	United States	2,607	802,304

Franklin Allocation VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Software (continued)			
^a Check Point Software Technologies Ltd.	Israel	1,589	\$262,185
^a CrowdStrike Holdings, Inc., A.	United States	550	210,755
^a CyberArk Software Ltd.	United States	2,800	765,576
^a DocuSign, Inc., A	United States	3,197	171,040
^a Dropbox, Inc., A	United States	4,303	96,688
^a Fair Isaac Corp.	United States	402	598,441
Intuit, Inc.	United States	3,239	2,128,703
^a Kinaxis, Inc.	Canada	6,600	761,012
^a Manhattan Associates, Inc.	United States	885	218,312
Microsoft Corp.	United States	27,916	12,477,056
^a Monday.com Ltd.	United States	3,300	794,508
^a Nice Ltd., ADR	Israel	2,900	498,713
Oracle Corp.	United States	5,839	824,467
^a Palo Alto Networks, Inc.	United States	2,637	893,969
^a Procore Technologies, Inc.	United States	193	12,798
^a PTC, Inc.	United States	2,682	487,239
Sage Group plc (The)	United Kingdom	25,205	345,330
Salesforce, Inc.	United States	4,707	1,210,170
SAP SE	Germany	3,581	719,436
^a ServiceNow, Inc.	United States	1,557	1,224,845
^a Synopsys, Inc.	United States	1,477	878,904
^a Tyler Technologies, Inc.	United States	275	138,265
^a Workday, Inc., A	United States	4,182	934,928
^a Xero Ltd.	New Zealand	3,185	288,040
^a Zoom Video Communications, Inc., A	United States	1,248	73,869
			30,813,048
Specialized REITs 0.3%			
American Tower Corp.	United States	4,616	897,258
Equinix, Inc.	United States	842	637,057
VICI Properties, Inc., A	United States	4,346	124,470
			1,658,785
Specialty Retail 0.6%			
^a AutoZone, Inc.	United States	28	82,995
Bath & Body Works, Inc.	United States	2,560	99,968
Best Buy Co., Inc.	United States	1,048	88,336
Dick's Sporting Goods, Inc.	United States	367	78,850
Gap, Inc. (The)	United States	2,999	71,646
Home Depot, Inc. (The)	United States	3,355	1,154,925
Industria de Diseno Textil SA.	Spain	12,206	605,788
JD Sports Fashion plc.	United Kingdom	279,637	419,930
Murphy USA, Inc.	United States	293	137,552
^a O'Reilly Automotive, Inc.	United States	376	397,079
TJX Cos., Inc. (The)	United States	832	91,603
^a Ulta Beauty, Inc.	United States	166	64,054
Williams-Sonoma, Inc.	United States	967	273,052
			3,565,778
Technology Hardware, Storage & Peripherals 1.9%			
Apple, Inc.	United States	39,375	8,293,163
HP, Inc.	United States	9,496	332,550
Logitech International SA	Switzerland	807	77,671
NetApp, Inc.	United States	3,040	391,552
Samsung Electronics Co. Ltd.	South Korea	25,750	1,511,702
Seiko Epson Corp.	Japan	5,900	92,249
			10,698,887

Franklin Allocation VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Textiles, Apparel & Luxury Goods 0.6%			
adidas AG	Germany	926	\$221,129
Burberry Group plc	United Kingdom	8,347	92,698
^a Deckers Outdoor Corp.	United States	391	378,468
Hermes International SCA	France	96	221,755
Kering SA	France	1,509	548,968
LVMH Moet Hennessy Louis Vuitton SE	France	521	400,075
NIKE, Inc., B.	United States	4,578	345,044
Pandora A/S	Denmark	2,457	369,864
Puma SE	Germany	15,000	689,047
PVH Corp.	United States	643	68,074
Ralph Lauren Corp., A.	United States	583	102,060
Swatch Group AG (The), N.	Switzerland	1,506	61,663
			3,498,845
Tobacco 0.3%			
Altria Group, Inc.	United States	19,314	879,753
Imperial Brands plc	United Kingdom	18,557	474,871
Japan Tobacco, Inc.	Japan	9,900	268,128
			1,622,752
Trading Companies & Distributors 0.5%			
^a Core & Main, Inc., A.	United States	2,063	100,963
Fastenal Co.	United States	7,882	495,305
Mitsubishi Corp.	Japan	29,000	570,167
RS Group plc	United Kingdom	61,000	539,103
Toyota Tsusho Corp.	Japan	18,300	357,695
WW Grainger, Inc.	United States	1,075	969,908
			3,033,141
Transportation Infrastructure 0.0%†			
^b Aena SME SA, 144A, Reg S	Spain	516	104,503
Getlink SE	France	2,793	46,251
			150,754
Water Utilities 0.0%†			
American Water Works Co., Inc.	United States	1,453	187,669
Wireless Telecommunication Services 0.0%†			
Vodafone Group plc	United Kingdom	80,405	71,148
Total Common Stocks (Cost \$223,697,133)			327,607,226
Preferred Stocks 0.1%			
Household Products 0.0%†			
^d Henkel AG & Co. KGaA, 2.23%	Germany	2,738	243,817
Life Sciences Tools & Services 0.1%			
^d Sartorius AG, 0.34%	Germany	1,278	299,204
Total Preferred Stocks (Cost \$639,240)			543,021

Franklin Allocation VIP Fund (continued)

	Country	Units	Value
Limited Partnerships 0.3%			
Oil, Gas & Consumable Fuels 0.3%			
Enterprise Products Partners LP	United States	65,264	\$1,891,351
			1,891,351
Total Limited Partnerships (Cost \$1,678,488)			1,891,351
		Principal Amount*	
Corporate Bonds 11.5%			
Aerospace & Defense 0.1%			
Boeing Co. (The),			
Senior Bond, 3.2%, 3/01/29	United States	20,000	17,752
Senior Bond, 3.25%, 2/01/35	United States	10,000	7,640
Senior Bond, 3.5%, 3/01/39	United States	200,000	142,556
Senior Note, 4.875%, 5/01/25	United States	40,000	39,583
Senior Note, 5.15%, 5/01/30	United States	30,000	28,818
General Dynamics Corp., Senior Bond, 4.25%, 4/01/50	United States	10,000	8,431
Howmet Aerospace, Inc., Senior Note, 3%, 1/15/29	United States	150,000	136,349
Lockheed Martin Corp.,			
Senior Bond, 3.9%, 6/15/32	United States	10,000	9,331
Senior Bond, 4.15%, 6/15/53	United States	50,000	40,378
Senior Bond, 5.2%, 2/15/64	United States	10,000	9,463
Northrop Grumman Corp.,			
Senior Bond, 3.25%, 1/15/28	United States	10,000	9,422
Senior Bond, 5.25%, 5/01/50	United States	190,000	180,413
Senior Note, 2.93%, 1/15/25	United States	20,000	19,719
RTX Corp.,			
Senior Bond, 4.125%, 11/16/28	United States	20,000	19,259
Senior Bond, 4.15%, 5/15/45	United States	20,000	16,210
Senior Bond, 3.125%, 7/01/50	United States	30,000	19,722
Senior Bond, 3.03%, 3/15/52	United States	200,000	127,623
Senior Note, 6%, 3/15/31	United States	20,000	20,842
			853,511
Air Freight & Logistics 0.0%†			
FedEx Corp., Senior Bond, 2.4%, 5/15/31	United States	200,000	169,459
United Parcel Service, Inc., Senior Bond, 3.75%, 11/15/47	United States	100,000	76,896
			246,355
Automobiles 0.1%			
Ford Motor Co., Senior Bond, 6.1%, 8/19/32	United States	20,000	19,985
General Motors Co., Senior Bond, 6.6%, 4/01/36	United States	20,000	20,939
^b Hyundai Capital America,			
Senior Note, 144A, 5.35%, 3/19/29	United States	250,000	249,689
Senior Note, 144A, 5.4%, 1/08/31	United States	200,000	198,751
			489,364
Banks 2.4%			
^b ABN AMRO Bank NV, Senior Non-Preferred Note, 144A, 6.339% to 9/17/26, FRN thereafter, 9/18/27			
	Netherlands	200,000	202,715
Bank of America Corp.,			
Senior Bond, 3.419% to 12/19/27, FRN thereafter, 12/20/28	United States	80,000	75,249
Senior Bond, 3.974% to 2/06/29, FRN thereafter, 2/07/30	United States	230,000	217,874
Senior Bond, 1.922% to 10/23/30, FRN thereafter, 10/24/31	United States	200,000	163,692
Senior Bond, 2.572% to 10/19/31, FRN thereafter, 10/20/32	United States	90,000	74,629

Franklin Allocation VIP Fund (continued)

	Country	Principal Amount [†]	Value
Corporate Bonds (continued)			
Banks (continued)			
Bank of America Corp., (continued)			
Senior Bond, 4.571% to 4/26/32, FRN thereafter, 4/27/33	United States	70,000	\$66,040
Senior Bond, 5.468% to 1/22/34, FRN thereafter, 1/23/35	United States	240,000	239,846
Senior Bond, 5%, 1/21/44	United States	20,000	18,831
Senior Bond, 4.083% to 3/19/50, FRN thereafter, 3/20/51	United States	100,000	79,923
Senior Note, 1.319% to 6/18/25, FRN thereafter, 6/19/26	United States	150,000	143,753
Senior Note, 6.204% to 11/09/27, FRN thereafter, 11/10/28	United States	1,030,000	1,061,073
Sub. Bond, 4%, 1/22/25	United States	20,000	19,813
Sub. Bond, 4.25%, 10/22/26	United States	100,000	97,546
Sub. Bond, 2.482% to 9/20/31, FRN thereafter, 9/21/36	United States	10,000	7,980
L. Sub. Bond, 4.183%, 11/25/27	United States	200,000	193,152
Bank of Montreal, Senior Note, 1.85%, 5/01/25	Canada	30,000	29,106
Bank of Nova Scotia (The),			
Senior Note, 3.45%, 4/11/25	Canada	50,000	49,185
Sub. Bond, 4.588% to 5/03/32, FRN thereafter, 5/04/37	Canada	10,000	9,011
^b BNP Paribas SA,			
Senior Non-Preferred Note, 144A, 2.819% to 11/18/24, FRN thereafter, 11/19/25	France	200,000	197,533
Senior Non-Preferred Note, 144A, 1.675% to 6/29/26, FRN thereafter, 6/30/27	France	200,000	184,848
Senior Preferred Note, 144A, 5.176% to 1/08/29, FRN thereafter, 1/09/30	France	250,000	247,457
^b BPCE SA,			
Senior Non-Preferred Note, 144A, 2.045% to 10/18/26, FRN thereafter, 10/19/27	France	250,000	229,599
Sub. Bond, 144A, 5.15%, 7/21/24	France	400,000	399,636
Citibank NA, Senior Note, 5.438%, 4/30/26	United States	750,000	752,896
Citigroup, Inc.,			
Senior Bond, 2.572% to 6/02/30, FRN thereafter, 6/03/31	United States	510,000	437,929
Senior Bond, 4.91% to 5/23/32, FRN thereafter, 5/24/33	United States	80,000	76,848
Senior Bond, 2.904% to 11/02/41, FRN thereafter, 11/03/42	United States	30,000	20,940
Senior Note, 3.29% to 3/16/25, FRN thereafter, 3/17/26	United States	40,000	39,293
Senior Note, 4.658% to 5/23/27, FRN thereafter, 5/24/28	United States	120,000	118,121
Senior Note, 5.174% to 2/12/29, FRN thereafter, 2/13/30	United States	300,000	298,313
Sub. Bond, 5.5%, 9/13/25	United States	10,000	9,993
Sub. Bond, 4.45%, 9/29/27	United States	40,000	39,000
Sub. Bond, 5.3%, 5/06/44	United States	20,000	18,657
Commonwealth Bank of Australia,			
^{b,e} Senior Note, 144A, FRN, 6.092%, (SOFR + 1.48%), 3/14/25	Australia	250,000	250,688
^b Cooperatieve Rabobank UA, Senior Non-Preferred Note, 144A, 3.649% to 4/05/27, FRN thereafter, 4/06/28			
	Netherlands	250,000	238,708
^b Danske Bank A/S,			
Senior Non-Preferred Note, 144A, 5.705% to 2/28/29, FRN thereafter, 3/01/30	Denmark	200,000	200,637
Senior Preferred Note, 144A, 5.427% to 2/28/27, FRN thereafter, 3/01/28	Denmark	200,000	200,209
HSBC Holdings plc,			
Senior Note, 1.645% to 8/17/25, FRN thereafter, 4/18/26	United Kingdom	525,000	508,230
Senior Note, 4.755% to 6/08/27, FRN thereafter, 6/09/28	United Kingdom	200,000	196,656
JPMorgan Chase & Co.,			
Senior Bond, 3.54% to 4/30/27, FRN thereafter, 5/01/28	United States	1,200,000	1,145,570
Senior Bond, 4.452% to 12/04/28, FRN thereafter, 12/05/29	United States	60,000	58,263
Senior Bond, 2.545% to 11/07/31, FRN thereafter, 11/08/32	United States	30,000	24,991
Senior Bond, 5.35% to 5/31/33, FRN thereafter, 6/01/34	United States	200,000	199,222
Senior Bond, 5.336% to 1/22/34, FRN thereafter, 1/23/35	United States	100,000	99,445

Franklin Allocation VIP Fund (continued)

	Country	Principal Amount ^f	Value
Corporate Bonds (continued)			
Banks (continued)			
JPMorgan Chase & Co., (continued)			
Senior Bond, 3.109% to 4/21/50, FRN thereafter, 4/22/51	United States	20,000	\$13,628
Senior Note, 2.083% to 4/21/25, FRN thereafter, 4/22/26	United States	80,000	77,702
Senior Note, 4.565% to 6/13/29, FRN thereafter, 6/14/30	United States	60,000	58,255
Sub. Bond, 3.625%, 12/01/27	United States	60,000	57,421
Sub. Bond, 2.956% to 5/12/30, FRN thereafter, 5/13/31	United States	200,000	175,353
Sub. Bond, 4.95%, 6/01/45	United States	10,000	9,368
KeyBank NA, Senior Note, 4.15%, 8/08/25	United States	250,000	245,224
Mizuho Financial Group, Inc., Senior Note, 5.778% to 7/05/28, FRN thereafter, 7/06/29	Japan	200,000	202,740
PNC Financial Services Group, Inc. (The),			
^f T, Junior Sub. Bond, 3.4% to 9/14/26, FRN thereafter, Perpetual	United States	230,000	206,924
Senior Bond, 5.676% to 1/21/34, FRN thereafter, 1/22/35	United States	50,000	50,288
Senior Note, 5.812% to 6/11/25, FRN thereafter, 6/12/26	United States	10,000	10,012
Senior Note, 5.582% to 6/11/28, FRN thereafter, 6/12/29	United States	30,000	30,337
Royal Bank of Canada,			
Senior Bond, 3.875%, 5/04/32	Canada	50,000	45,823
Senior Bond, 5.15%, 2/01/34	Canada	20,000	19,854
Senior Note, 1.15%, 6/10/25	Canada	20,000	19,209
Santander UK Group Holdings plc, Senior Note, 1.673% to 6/23/26, FRN thereafter, 6/14/27	United Kingdom	200,000	184,982
^b Societe Generale SA,			
Senior Non-Preferred Note, 144A, 2.625%, 1/22/25	France	250,000	245,183
Senior Non-Preferred Note, 144A, 1.792% to 6/08/26, FRN thereafter, 6/09/27	France	200,000	184,552
^b Standard Chartered plc, Senior Bond, 144A, 4.05%, 4/12/26	United Kingdom	250,000	244,638
Toronto-Dominion Bank (The),			
Senior Bond, 4.456%, 6/08/32	Canada	10,000	9,428
Senior Note, 1.15%, 6/12/25	Canada	20,000	19,215
Senior Note, 4.693%, 9/15/27	Canada	200,000	197,080
Truist Financial Corp.,			
Senior Note, 5.9% to 10/27/25, FRN thereafter, 10/28/26	United States	150,000	150,427
Senior Note, 6.047% to 6/07/26, FRN thereafter, 6/08/27	United States	20,000	20,149
^b UniCredit SpA, Senior Preferred Note, 144A, 1.982% to 6/02/26, FRN thereafter, 6/03/27	Italy	300,000	279,848
US Bancorp,			
Senior Bond, 5.836% to 6/09/33, FRN thereafter, 6/12/34	United States	10,000	10,144
Senior Note, 1.45%, 5/12/25	United States	30,000	28,980
Senior Note, 5.727% to 10/20/25, FRN thereafter, 10/21/26	United States	50,000	50,102
Senior Note, 5.775% to 6/11/28, FRN thereafter, 6/12/29	United States	20,000	20,308
Wells Fargo & Co.,			
Senior Bond, 2.879% to 10/29/29, FRN thereafter, 10/30/30	United States	440,000	390,425
Senior Bond, 3.35% to 3/01/32, FRN thereafter, 3/02/33	United States	230,000	199,530
Senior Bond, 5.389% to 4/23/33, FRN thereafter, 4/24/34	United States	450,000	445,034
Senior Bond, 5.013% to 4/03/50, FRN thereafter, 4/04/51	United States	200,000	182,309
Senior Note, 2.188% to 4/29/25, FRN thereafter, 4/30/26	United States	60,000	58,274
Senior Note, 4.54% to 8/14/25, FRN thereafter, 8/15/26	United States	100,000	98,787
Senior Note, 4.808% to 7/24/27, FRN thereafter, 7/25/28	United States	390,000	384,706
Senior Note, 5.198% to 1/22/29, FRN thereafter, 1/23/30	United States	100,000	99,600
Sub. Bond, 4.3%, 7/22/27	United States	60,000	58,433
Sub. Bond, 4.9%, 11/17/45	United States	80,000	69,629
			13,797,001

Franklin Allocation VIP Fund (continued)

	Country	Principal Amount ¹	Value
Corporate Bonds (continued)			
Beverages 0.2%			
Anheuser-Busch Cos. LLC / Anheuser-Busch InBev Worldwide, Inc., Senior Bond, 4.9%, 2/01/46	Belgium	100,000	\$92,255
Anheuser-Busch InBev Worldwide, Inc., Senior Bond, 4.75%, 1/23/29	Belgium	60,000	59,679
Senior Bond, 3.5%, 6/01/30	Belgium	420,000	390,337
Senior Bond, 4.35%, 6/01/40	Belgium	30,000	26,459
Senior Bond, 5.8%, 1/23/59	Belgium	150,000	156,227
Coca-Cola Co. (The), Senior Bond, 2.5%, 6/01/40	United States	10,000	7,027
Constellation Brands, Inc., Senior Bond, 4.9%, 5/01/33	United States	200,000	193,206
Senior Note, 4.35%, 5/09/27	United States	10,000	9,757
PepsiCo, Inc., Senior Bond, 1.625%, 5/01/30	United States	10,000	8,372
			943,319
Biotechnology 0.4%			
AbbVie, Inc., Senior Bond, 5.05%, 3/15/34	United States	20,000	19,949
Senior Bond, 4.85%, 6/15/44	United States	400,000	370,705
Senior Bond, 4.75%, 3/15/45	United States	100,000	90,835
Senior Bond, 4.25%, 11/21/49	United States	40,000	33,358
Senior Note, 2.6%, 11/21/24	United States	100,000	98,905
Senior Note, 2.95%, 11/21/26	United States	40,000	38,138
Senior Note, 4.8%, 3/15/29	United States	20,000	19,927
Senior Note, 3.2%, 11/21/29	United States	90,000	82,606
Senior Note, 4.95%, 3/15/31	United States	10,000	9,977
Amgen, Inc., Senior Bond, 2.45%, 2/21/30	United States	200,000	174,485
Senior Bond, 5.25%, 3/02/33	United States	100,000	99,758
Senior Bond, 5.6%, 3/02/43	United States	420,000	414,193
^b CSL Finance plc, Senior Bond, 144A, 5.106%, 4/03/34	Australia	190,000	187,455
Gilead Sciences, Inc., Senior Bond, 5.25%, 10/15/33	United States	140,000	141,086
Senior Bond, 4.75%, 3/01/46	United States	10,000	8,920
Regeneron Pharmaceuticals, Inc., Senior Bond, 1.75%, 9/15/30	United States	200,000	164,786
Senior Bond, 2.8%, 9/15/50	United States	340,000	208,573
			2,163,656
Broadline Retail 0.1%			
Amazon.com, Inc., Senior Bond, 1.5%, 6/03/30	United States	30,000	24,998
Senior Bond, 3.6%, 4/13/32	United States	70,000	64,319
Senior Bond, 3.875%, 8/22/37	United States	30,000	26,506
Senior Bond, 2.5%, 6/03/50	United States	110,000	67,331
Senior Bond, 4.25%, 8/22/57	United States	10,000	8,376
Senior Note, 1.2%, 6/03/27	United States	60,000	54,180
^b Prosus NV, Senior Bond, 144A, 3.68%, 1/21/30	China	200,000	177,802
			423,512
Building Products 0.1%			
Owens Corning, Senior Bond, 5.7%, 6/15/34	United States	525,000	530,079

Franklin Allocation VIP Fund (continued)

	Country	Principal Amount ¹	Value
Corporate Bonds (continued)			
Capital Markets 0.9%			
BlackRock Funding, Inc., Senior Bond, 5.25%, 3/14/54	United States	100,000	\$96,708
Charles Schwab Corp. (The),			
Senior Bond, 6.136% to 8/23/33, FRN thereafter, 8/24/34	United States	10,000	10,417
Senior Note, 5.875%, 8/24/26	United States	40,000	40,472
Deutsche Bank AG, Senior Preferred Note, 5.371%, 9/09/27	Germany	150,000	150,302
Goldman Sachs Group, Inc. (The),			
Senior Bond, 3.5%, 1/23/25	United States	225,000	222,273
Senior Bond, 3.691% to 6/04/27, FRN thereafter, 6/05/28	United States	140,000	133,963
Senior Bond, 2.65% to 10/20/31, FRN thereafter, 10/21/32	United States	70,000	58,222
Senior Bond, 5.851% to 4/24/34, FRN thereafter, 4/25/35	United States	235,000	240,811
Senior Bond, 2.908% to 7/20/41, FRN thereafter, 7/21/42	United States	40,000	28,110
Senior Note, 3.5%, 4/01/25	United States	40,000	39,397
Senior Note, 1.948% to 10/20/26, FRN thereafter, 10/21/27	United States	200,000	184,727
Senior Note, 2.64% to 2/23/27, FRN thereafter, 2/24/28	United States	200,000	186,581
Senior Note, 5.727% to 4/24/29, FRN thereafter, 4/25/30	United States	200,000	203,596
Sub. Bond, 4.25%, 10/21/25	United States	200,000	196,582
Sub. Bond, 5.15%, 5/22/45	United States	50,000	46,810
Intercontinental Exchange, Inc., Senior Bond, 4.6%, 3/15/33	United States	10,000	9,559
Jefferies Financial Group, Inc., Senior Note, 6.2%, 4/14/34	United States	125,000	126,672
Morgan Stanley,			
Senior Bond, 3.591%, 7/22/28	United States	860,000	818,012
Senior Bond, 3.772% to 1/23/28, FRN thereafter, 1/24/29	United States	40,000	38,090
Senior Bond, 3.622% to 3/31/30, FRN thereafter, 4/01/31	United States	520,000	477,338
Senior Bond, 2.511% to 10/19/31, FRN thereafter, 10/20/32	United States	100,000	82,689
Senior Bond, 5.25% to 4/20/33, FRN thereafter, 4/21/34	United States	250,000	246,203
Senior Bond, 5.466% to 1/17/34, FRN thereafter, 1/18/35	United States	50,000	49,888
Senior Note, 2.188% to 4/27/25, FRN thereafter, 4/28/26	United States	50,000	48,566
Nasdaq, Inc., Senior Bond, 5.55%, 2/15/34	United States	70,000	70,129
^b Prologis Targeted US Logistics Fund LP, Senior Note, 144A, 5.25%, 4/01/29	United States	100,000	100,104
UBS AG, Senior Note, 1.25%, 8/07/26	Switzerland	250,000	229,878
^b UBS Group AG,			
Senior Bond, 144A, 2.095% to 2/10/31, FRN thereafter, 2/11/32	Switzerland	225,000	180,891
Senior Note, 144A, 4.488% to 5/11/25, FRN thereafter, 5/12/26	Switzerland	200,000	197,678
Senior Note, 144A, 1.305% to 2/01/26, FRN thereafter, 2/02/27	Switzerland	250,000	233,280
Senior Note, 144A, 6.327% to 12/21/26, FRN thereafter, 12/22/27	Switzerland	300,000	305,075
			5,053,023
Chemicals 0.2%			
Albemarle Corp., Senior Note, 4.65%, 6/01/27	United States	150,000	147,647
FMC Corp., Senior Bond, 5.65%, 5/18/33	United States	125,000	123,177
Huntsman International LLC, Senior Bond, 4.5%, 5/01/29	United States	100,000	94,799
Nutrien Ltd., Senior Bond, 2.95%, 5/13/30	Canada	200,000	177,128
Westlake Corp.,			
Senior Bond, 3.375%, 6/15/30	United States	200,000	180,653
Senior Bond, 3.125%, 8/15/51	United States	250,000	157,682
			881,086
Commercial Services & Supplies 0.1%			
Cintas Corp. No. 2,			
Senior Bond, 3.7%, 4/01/27	United States	10,000	9,630
Senior Bond, 4%, 5/01/32	United States	10,000	9,401

Franklin Allocation VIP Fund (continued)

	Country	Principal Amount [†]	Value
Corporate Bonds (continued)			
Commercial Services & Supplies (continued)			
RELX Capital, Inc., Senior Bond, 3%, 5/22/30	United Kingdom	300,000	\$269,282
Republic Services, Inc., Senior Bond, 5%, 4/01/34	United States	200,000	195,861
^b Veralto Corp., Senior Note, 144A, 5.5%, 9/18/26	United States	250,000	250,108
Waste Connections, Inc., Senior Bond, 5%, 3/01/34	United States	20,000	19,559
			753,841
Communications Equipment 0.1%			
Cisco Systems, Inc., Senior Bond, 5.05%, 2/26/34	United States	230,000	229,915
Motorola Solutions, Inc., Senior Bond, 4.6%, 5/23/29	United States	280,000	272,945
Senior Bond, 5.4%, 4/15/34	United States	150,000	148,765
			651,625
Consumer Finance 0.3%			
AerCap Ireland Capital DAC / AerCap Global Aviation Trust, Senior Bond, 3.4%, 10/29/33	Ireland	150,000	125,897
Senior Note, 2.45%, 10/29/26	Ireland	150,000	139,976
Senior Note, 3%, 10/29/28	Ireland	300,000	272,736
American Express Co., Senior Note, 2.5%, 7/30/24	United States	70,000	70,000
Senior Note, 4.05%, 5/03/29	United States	20,000	19,308
Capital One Financial Corp., Senior Bond, 3.75%, 3/09/27	United States	435,000	417,906
General Motors Financial Co., Inc., Senior Note, 5.4%, 4/06/26	United States	240,000	239,582
John Deere Capital Corp., Senior Bond, 4.35%, 9/15/32	United States	200,000	191,298
Toyota Motor Credit Corp., Senior Note, 4.45%, 5/18/26	United States	220,000	217,274
			1,693,977
Consumer Staples Distribution & Retail 0.1%			
Costco Wholesale Corp., Senior Bond, 1.75%, 4/20/32	United States	20,000	16,071
Dollar Tree, Inc., Senior Bond, 2.65%, 12/01/31	United States	200,000	166,237
Sysco Corp., Senior Bond, 6%, 1/17/34	United States	200,000	210,026
Target Corp., Senior Bond, 2.95%, 1/15/52	United States	350,000	225,651
Walmart, Inc., Senior Note, 1.5%, 9/22/28	United States	10,000	8,836
			626,821
Containers & Packaging 0.0%[†]			
WRKCo, Inc., Senior Bond, 3%, 6/15/33	United States	135,000	113,608
Diversified REITs 0.1%			
Simon Property Group LP, Senior Note, 3.375%, 12/01/27	United States	395,000	373,831
VICI Properties LP, Senior Note, 4.95%, 2/15/30	United States	200,000	193,096
^b VICI Properties LP / VICI Note Co., Inc., Senior Bond, 144A, 4.125%, 8/15/30	United States	150,000	136,538
			703,465
Diversified Telecommunication Services 0.3%			
AT&T, Inc., Senior Bond, 2.55%, 12/01/33	United States	690,000	548,873
Senior Bond, 3.5%, 9/15/53	United States	20,000	13,587
Senior Bond, 3.55%, 9/15/55	United States	30,000	20,243
Senior Bond, 3.65%, 9/15/59	United States	10,000	6,712
Senior Note, 1.65%, 2/01/28	United States	20,000	17,765

Franklin Allocation VIP Fund (continued)

	Country	Principal Amount [†]	Value
Corporate Bonds (continued)			
Diversified Telecommunication Services (continued)			
Orange SA, Senior Bond, 9%, 3/01/31	France	100,000	\$119,319
Verizon Communications, Inc.,			
Senior Bond, 2.625%, 8/15/26	United States	40,000	37,943
Senior Bond, 2.55%, 3/21/31	United States	200,000	169,973
Senior Bond, 4.5%, 8/10/33	United States	70,000	65,842
Senior Bond, 2.85%, 9/03/41	United States	200,000	140,219
Senior Bond, 3.85%, 11/01/42	United States	100,000	79,405
Senior Note, 2.1%, 3/22/28	United States	40,000	35,982
Senior Note, 2.355%, 3/15/32	United States	640,000	523,405
			1,779,268
Electric Utilities 0.6%			
^b American Transmission Systems, Inc., Senior Bond, 144A, 2.65%, 1/15/32	United States	20,000	16,649
^b Cleveland Electric Illuminating Co. (The), Senior Bond, 144A, 3.5%, 4/01/28	United States	10,000	9,378
Commonwealth Edison Co., Senior Bond, 4%, 3/01/48	United States	200,000	155,552
Duke Energy Corp., Senior Bond, 3.15%, 8/15/27	United States	10,000	9,434
Duke Energy Florida LLC, Senior Bond, 6.4%, 6/15/38	United States	200,000	214,457
Duke Energy Indiana LLC, Senior Bond, 5.4%, 4/01/53	United States	250,000	237,061
Duke Energy Ohio, Inc., Senior Bond, 5.25%, 4/01/33	United States	230,000	228,196
^b Enel Finance International NV, Senior Bond, 144A, 2.25%, 7/12/31 Exelon Corp.,	Italy	200,000	163,212
Senior Bond, 4.05%, 4/15/30	United States	650,000	610,322
Senior Bond, 5.625%, 6/15/35	United States	10,000	9,988
Georgia Power Co., Senior Bond, 4.3%, 3/15/42	United States	420,000	356,638
MidAmerican Energy Co., Senior Bond, 3.65%, 4/15/29	United States	20,000	18,922
^b Mid-Atlantic Interstate Transmission LLC, Senior Bond, 144A, 4.1%, 5/15/28	United States	10,000	9,615
NextEra Energy Capital Holdings, Inc., Senior Note, 6.051%, 3/01/25	United States	50,000	50,108
Pacific Gas and Electric Co.,			
Senior Bond, 2.5%, 2/01/31	United States	10,000	8,248
Senior Bond, 3.3%, 8/01/40	United States	10,000	7,130
Senior Bond, 3.5%, 8/01/50	United States	10,000	6,535
Senior Note, 2.1%, 8/01/27	United States	10,000	9,027
Senior Note, 3.3%, 12/01/27	United States	250,000	233,166
Southern Co. (The), A, Senior Bond, 3.7%, 4/30/30	United States	300,000	276,704
Virginia Electric and Power Co., Senior Bond, 2.4%, 3/30/32	United States	520,000	427,573
^b Vistra Operations Co. LLC, Senior Secured Note, 144A, 3.55%, 7/15/24	United States	235,000	234,730
Xcel Energy, Inc., Senior Bond, 5.45%, 8/15/33	United States	150,000	147,444
			3,440,089
Electrical Equipment 0.0%[†]			
Eaton Corp., Senior Bond, 4.15%, 11/02/42	United States	10,000	8,504
Emerson Electric Co., Senior Bond, 2.8%, 12/21/51	United States	60,000	37,765
			46,269

Franklin Allocation VIP Fund (continued)

	Country	Principal Amount ¹	Value
Corporate Bonds (continued)			
Energy Equipment & Services 0.1%			
Baker Hughes Holdings LLC / Baker Hughes Co-Obligor, Inc., Senior Bond, 4.08%, 12/15/47	United States	485,000	\$388,228
^b Schlumberger Holdings Corp., Senior Note, 144A, 5%, 11/15/29	United States	120,000	119,139
			<u>507,367</u>
Entertainment 0.1%			
^b Netflix, Inc., Senior Bond, 144A, 5.375%, 11/15/29	United States	225,000	227,270
Warnermedia Holdings, Inc., Senior Bond, 5.05%, 3/15/42	United States	390,000	317,401
Senior Bond, 5.141%, 3/15/52	United States	10,000	7,791
Senior Note, 6.412%, 3/15/26	United States	10,000	10,001
Senior Note, 3.755%, 3/15/27	United States	10,000	9,497
Senior Note, 4.054%, 3/15/29	United States	10,000	9,237
Senior Note, 4.279%, 3/15/32	United States	10,000	8,732
			<u>589,929</u>
Financial Services 0.2%			
^b Corebridge Financial, Inc., Senior Bond, 144A, 6.05%, 9/15/33	United States	150,000	153,937
^b EDP Finance BV, Senior Note, 144A, 1.71%, 1/24/28	Portugal	200,000	176,791
Fiserv, Inc., Senior Bond, 3.5%, 7/01/29	United States	270,000	249,729
Senior Bond, 2.65%, 6/01/30	United States	200,000	174,082
Global Payments, Inc., Senior Note, 5.4%, 8/15/32	United States	100,000	98,029
Mastercard, Inc., Senior Bond, 3.35%, 3/26/30	United States	10,000	9,257
Senior Bond, 3.85%, 3/26/50	United States	40,000	31,574
^b NTT Finance Corp., Senior Bond, 144A, 2.065%, 4/03/31	Japan	250,000	206,387
PayPal Holdings, Inc., Senior Bond, 2.3%, 6/01/30	United States	10,000	8,626
Senior Bond, 4.4%, 6/01/32	United States	10,000	9,519
Shell International Finance BV, Senior Bond, 2.75%, 4/06/30	United States	50,000	44,601
Senior Bond, 4%, 5/10/46	United States	20,000	16,099
Senior Bond, 3.25%, 4/06/50	United States	30,000	20,843
Visa, Inc., Senior Bond, 4.3%, 12/14/45	United States	10,000	8,680
			<u>1,208,154</u>
Food Products 0.3%			
^b Bimbo Bakeries USA, Inc., Senior Bond, 144A, 4%, 5/17/51	Mexico	200,000	151,432
Campbell Soup Co., Senior Note, 5.2%, 3/21/29	United States	100,000	100,091
Conagra Brands, Inc., Senior Bond, 5.4%, 11/01/48	United States	250,000	230,473
General Mills, Inc., Senior Note, 5.241%, 11/18/25	United States	175,000	174,420
JBS USA Holding Lux SARL / JBS USA Food Co. / JBS Lux Co. SARL, Senior Note, 3.625%, 1/15/32	United States	200,000	172,781
Senior Note, 5.75%, 4/01/33	United States	200,000	199,913
Kraft Heinz Foods Co., Senior Note, 3.75%, 4/01/30	United States	100,000	93,401
^b Mars, Inc., Senior Bond, 144A, 3.2%, 4/01/30	United States	30,000	27,451
Senior Bond, 144A, 4.75%, 4/20/33	United States	150,000	145,621
Senior Bond, 144A, 2.375%, 7/16/40	United States	10,000	6,738
Mondelez International, Inc., Senior Note, 1.5%, 5/04/25	United States	20,000	19,333

Franklin Allocation VIP Fund (continued)

	Country	Principal Amount ^a	Value
Corporate Bonds (continued)			
Food Products (continued)			
Mondelez International, Inc., (continued)			
Senior Note, 4.75%, 2/20/29	United States	250,000	\$247,090
			1,568,744
Gas Utilities 0.1%			
Southern California Gas Co., Senior Bond, 6.35%, 11/15/52	United States	350,000	377,810
Ground Transportation 0.1%			
^b Ashtead Capital, Inc., Senior Bond, 144A, 5.8%, 4/15/34	United Kingdom	200,000	198,588
Burlington Northern Santa Fe LLC,			
Senior Bond, 4.9%, 4/01/44	United States	200,000	184,654
Senior Bond, 2.875%, 6/15/52	United States	10,000	6,324
CSX Corp.,			
Senior Bond, 3.8%, 11/01/46	United States	100,000	77,368
Senior Bond, 4.75%, 11/15/48	United States	275,000	245,811
Union Pacific Corp.,			
Senior Bond, 2.4%, 2/05/30	United States	10,000	8,756
Senior Bond, 2.891%, 4/06/36	United States	10,000	8,063
Senior Bond, 3.839%, 3/20/60	United States	10,000	7,355
Senior Bond, 3.75%, 2/05/70	United States	10,000	6,987
Senior Note, 3.75%, 7/15/25	United States	10,000	9,850
Senior Note, 2.15%, 2/05/27	United States	10,000	9,320
			763,076
Health Care Equipment & Supplies 0.1%			
Baxter International, Inc., Senior Bond, 2.539%, 2/01/32	United States	500,000	410,286
Medtronic Global Holdings SCA, Senior Note, 4.25%, 3/30/28	United States	200,000	195,471
^b Solventum Corp.,			
Senior Bond, 144A, 5.6%, 3/23/34	United States	100,000	98,260
Senior Bond, 144A, 5.9%, 4/30/54	United States	40,000	38,262
Senior Note, 144A, 5.4%, 3/01/29	United States	20,000	19,943
Senior Note, 144A, 5.45%, 3/13/31	United States	30,000	29,631
			791,853
Health Care Providers & Services 0.6%			
Ascension Health, Senior Bond, 3.945%, 11/15/46	United States	200,000	166,860
Centene Corp., Senior Bond, 3%, 10/15/30	United States	250,000	213,951
Cigna Group (The),			
Senior Bond, 2.375%, 3/15/31	United States	100,000	83,932
Senior Bond, 4.8%, 8/15/38	United States	20,000	18,390
Senior Bond, 4.9%, 12/15/48	United States	20,000	17,591
Senior Note, 3.05%, 10/15/27	United States	55,000	51,658
Senior Note, 4.375%, 10/15/28	United States	60,000	58,278
CVS Health Corp.,			
Senior Bond, 3.875%, 7/20/25	United States	10,000	9,823
Senior Bond, 4.3%, 3/25/28	United States	30,000	28,975
Senior Bond, 3.75%, 4/01/30	United States	30,000	27,618
Senior Bond, 2.125%, 9/15/31	United States	50,000	40,160
Senior Bond, 4.78%, 3/25/38	United States	40,000	35,733
Senior Bond, 5.3%, 12/05/43	United States	500,000	455,565
Senior Bond, 5.125%, 7/20/45	United States	100,000	88,083
Senior Bond, 5.05%, 3/25/48	United States	40,000	34,490
Senior Bond, 4.25%, 4/01/50	United States	20,000	15,233

Franklin Allocation VIP Fund (continued)

	Country	Principal Amount [†]	Value
Corporate Bonds (continued)			
Health Care Providers & Services (continued)			
Elevance Health, Inc.,			
Senior Bond, 3.65%, 12/01/27	United States	20,000	\$19,123
Senior Bond, 4.1%, 5/15/32	United States	10,000	9,283
Senior Bond, 5.1%, 1/15/44	United States	400,000	371,588
Senior Bond, 4.55%, 5/15/52	United States	10,000	8,391
HCA, Inc.,			
Senior Bond, 4.5%, 2/15/27	United States	408,000	398,786
Senior Note, 3.625%, 3/15/32	United States	200,000	176,230
Humana, Inc., Senior Bond, 3.125%, 8/15/29			
	United States	90,000	81,573
Icon Investments Six DAC, Senior Secured Bond, 6%, 5/08/34 . . .			
	United States	200,000	204,399
Kaiser Foundation Hospitals, Senior Bond, 4.15%, 5/01/47			
	United States	175,000	146,408
Quest Diagnostics, Inc., Senior Bond, 2.8%, 6/30/31			
	United States	300,000	256,936
UnitedHealth Group, Inc.,			
Senior Bond, 2.75%, 5/15/40	United States	30,000	21,569
Senior Bond, 3.05%, 5/15/41	United States	395,000	291,721
Senior Bond, 3.25%, 5/15/51	United States	10,000	6,873
Senior Bond, 3.875%, 8/15/59	United States	30,000	22,220
Senior Note, 4%, 5/15/29	United States	20,000	19,241
Senior Note, 4.2%, 5/15/32	United States	30,000	28,246
			3,408,927
Health Care REITs 0.0%[†]			
Alexandria Real Estate Equities, Inc.,			
Senior Bond, 2.95%, 3/15/34	United States	225,000	182,324
Senior Bond, 5.25%, 5/15/36	United States	50,000	48,154
			230,478
Health Care Technology 0.0%[†]			
IQVIA, Inc., Senior Secured Note, 6.25%, 2/01/29			
	United States	100,000	102,856
Hotels, Restaurants & Leisure 0.1%			
Las Vegas Sands Corp., Senior Note, 6%, 8/15/29			
	United States	10,000	10,055
Marriott International, Inc., Senior Bond, 5.3%, 5/15/34			
	United States	250,000	245,552
McDonald's Corp.,			
Senior Bond, 4.875%, 12/09/45	United States	10,000	8,997
Senior Bond, 4.2%, 4/01/50	United States	30,000	23,933
Senior Note, 1.45%, 9/01/25	United States	40,000	38,280
Senior Note, 2.125%, 3/01/30	United States	30,000	25,761
			352,578
Household Durables 0.0%[†]			
Toll Brothers Finance Corp., Senior Bond, 3.8%, 11/01/29			
	United States	150,000	138,899
Household Products 0.1%			
^b Kimberly-Clark de Mexico SAB de CV, Senior Bond, 144A, 2.431%, 7/01/31			
	Mexico	500,000	424,981
Procter & Gamble Co. (The), Senior Bond, 3%, 3/25/30			
	United States	10,000	9,205
			434,186
Independent Power and Renewable Electricity Producers 0.1%			
Constellation Energy Generation LLC, Senior Bond, 6.125%, 1/15/34			
	United States	325,000	338,878
Industrial Conglomerates 0.0%[†]			
Honeywell International, Inc., Senior Bond, 5%, 3/01/35			
	United States	30,000	29,754

Franklin Allocation VIP Fund (continued)

	Country	Principal Amount [†]	Value
Corporate Bonds (continued)			
Insurance 0.5%			
Aflac, Inc., Senior Bond, 4.75%, 1/15/49	United States	130,000	\$114,976
^b AIA Group Ltd., Senior Bond, 144A, 4.95%, 4/04/33	Hong Kong	200,000	196,383
Allstate Corp. (The), Senior Bond, 4.2%, 12/15/46	United States	260,000	210,266
American International Group, Inc., Senior Bond, 5.125%, 3/27/33.	United States	200,000	197,122
Aon Corp., Senior Bond, 2.8%, 5/15/30	United States	350,000	306,946
Aon North America, Inc., Senior Bond, 5.45%, 3/01/34.	United States	40,000	39,840
Arch Capital Group Ltd., Senior Bond, 3.635%, 6/30/50	United States	300,000	216,297
Arthur J Gallagher & Co.,			
Senior Bond, 6.5%, 2/15/34	United States	150,000	158,865
Senior Bond, 5.45%, 7/15/34	United States	200,000	198,522
Athene Holding Ltd., Senior Bond, 6.25%, 4/01/54.	United States	125,000	125,190
Berkshire Hathaway Finance Corp.,			
Senior Bond, 4.25%, 1/15/49	United States	20,000	17,093
Senior Bond, 3.85%, 3/15/52	United States	200,000	154,752
Brown & Brown, Inc., Senior Bond, 2.375%, 3/15/31	United States	230,000	190,108
^b Guardian Life Global Funding, Secured Note, 144A, 1.1%, 6/23/25	United States	10,000	9,583
Marsh & McLennan Cos., Inc., Senior Bond, 4.9%, 3/15/49	United States	250,000	223,924
MetLife, Inc., Junior Sub. Bond, 6.4%, 12/15/36.	United States	270,000	273,681
^b Metropolitan Life Global Funding I, Secured Note, 144A, 4.3%, 8/25/29	United States	150,000	144,447
^b New York Life Global Funding, Senior Secured Note, 144A, 0.95%, 6/24/25	United States	10,000	9,574
^b RGA Global Funding, Secured Note, 144A, 5.5%, 1/11/31	United States	150,000	149,860
^b Sammons Financial Group, Inc., Senior Bond, 144A, 6.875%, 4/15/34	United States	100,000	102,600
^b Teachers Insurance & Annuity Association of America, Sub. Bond, 144A, 4.9%, 9/15/44	United States	10,000	8,852
			3,048,881
Interactive Media & Services 0.0%[†]			
Alphabet, Inc.,			
Senior Bond, 1.1%, 8/15/30	United States	10,000	8,170
Senior Bond, 1.9%, 8/15/40	United States	10,000	6,517
Meta Platforms, Inc., Senior Bond, 4.45%, 8/15/52	United States	250,000	215,678
			230,365
Machinery 0.1%			
Deere & Co.,			
Senior Bond, 3.1%, 4/15/30	United States	10,000	9,099
Senior Bond, 3.75%, 4/15/50	United States	10,000	7,847
Ingersoll Rand, Inc., Senior Note, 5.176%, 6/15/29	United States	140,000	140,042
Otis Worldwide Corp., Senior Note, 2.056%, 4/05/25	United States	10,000	9,733
Westinghouse Air Brake Technologies Corp., Senior Bond, 4.7%, 9/15/28	United States	180,000	176,521
			343,242
Media 0.4%			
Charter Communications Operating LLC / Charter Communications Operating Capital,			
Senior Secured Bond, 5.05%, 3/30/29	United States	80,000	76,968
Senior Secured Bond, 2.8%, 4/01/31	United States	320,000	261,681
Senior Secured Bond, 4.4%, 4/01/33	United States	130,000	114,672
Senior Secured Bond, 6.55%, 6/01/34	United States	10,000	10,009

Franklin Allocation VIP Fund (continued)

	Country	Principal Amount ^a	Value
Corporate Bonds (continued)			
Media (continued)			
Charter Communications Operating LLC / Charter Communications Operating Capital, (continued)			
Senior Secured Bond, 5.375%, 4/01/38	United States	120,000	\$104,570
Senior Secured Bond, 3.5%, 3/01/42	United States	130,000	86,568
Senior Secured Bond, 3.9%, 6/01/52	United States	70,000	43,937
Senior Secured Bond, 5.5%, 4/01/63	United States	40,000	31,028
Senior Secured Note, 4.908%, 7/23/25	United States	14,000	13,870
Comcast Corp.,			
Senior Bond, 4.15%, 10/15/28	United States	70,000	67,784
Senior Bond, 3.4%, 4/01/30	United States	10,000	9,196
Senior Bond, 4.25%, 10/15/30	United States	60,000	57,561
Senior Bond, 4.25%, 1/15/33	United States	300,000	280,603
Senior Bond, 3.75%, 4/01/40	United States	30,000	24,418
Senior Bond, 3.969%, 11/01/47	United States	30,000	23,416
Senior Bond, 2.887%, 11/01/51	United States	40,000	24,976
Senior Bond, 4.049%, 11/01/52	United States	500,000	387,650
Senior Bond, 2.937%, 11/01/56	United States	20,000	12,074
Fox Corp.,			
Senior Bond, 6.5%, 10/13/33	United States	220,000	230,548
Senior Bond, 5.476%, 1/25/39	United States	40,000	38,161
Senior Note, 4.709%, 1/25/29	United States	300,000	294,754
Time Warner Cable LLC, Senior Secured Bond, 6.55%, 5/01/37	United States	10,000	9,476
			2,203,920
Metals & Mining 0.1%			
^b Anglo American Capital plc, Senior Note, 144A, 3.625%, 9/11/24	South Africa	200,000	199,022
Barrick North America Finance LLC, Senior Bond, 5.7%, 5/30/41	Canada	20,000	19,785
BHP Billiton Finance USA Ltd., Senior Bond, 5%, 9/30/43	Australia	20,000	18,674
Freeport-McMoRan, Inc., Senior Bond, 5.45%, 3/15/43	United States	20,000	19,011
^b Glencore Funding LLC,			
Senior Bond, 144A, 4%, 3/27/27	Australia	20,000	19,289
Senior Note, 144A, 5.371%, 4/04/29	Australia	200,000	199,136
Southern Copper Corp., Senior Bond, 5.25%, 11/08/42	Mexico	100,000	93,443
Vale Overseas Ltd., Senior Bond, 6.25%, 8/10/26	Brazil	130,000	132,154
			700,514
Multi-Utilities 0.1%			
Consolidated Edison Co. of New York, Inc.,			
20A, Senior Bond, 3.35%, 4/01/30	United States	10,000	9,186
20B, Senior Bond, 3.95%, 4/01/50	United States	10,000	7,811
Dominion Energy, Inc., Senior Note, 4.25%, 6/01/28	United States	300,000	289,958
DTE Energy Co., Senior Note, 4.875%, 6/01/28	United States	150,000	147,701
^b Engie SA, Senior Note, 144A, 5.25%, 4/10/29	France	200,000	199,732
			654,388
Oil, Gas & Consumable Fuels 1.0%			
^b Aker BP ASA, Senior Bond, 144A, 3.75%, 1/15/30	Norway	300,000	274,887
BP Capital Markets America, Inc.,			
Senior Bond, 1.749%, 8/10/30	United States	40,000	33,223
Senior Bond, 4.812%, 2/13/33	United States	200,000	193,987
Senior Bond, 4.893%, 9/11/33	United States	200,000	194,578
Senior Bond, 2.939%, 6/04/51	United States	40,000	25,414
^b Cameron LNG LLC,			
Senior Secured Bond, 144A, 2.902%, 7/15/31	United States	20,000	17,223

Franklin Allocation VIP Fund (continued)

	Country	Principal Amount ^a	Value
Corporate Bonds (continued)			
Oil, Gas & Consumable Fuels (continued)			
^b Cameron LNG LLC, (continued)			
Senior Secured Bond, 144A, 3.302%, 1/15/35	United States	40,000	\$32,952
Canadian Natural Resources Ltd.,			
Senior Bond, 2.95%, 7/15/30	Canada	250,000	219,415
Senior Bond, 6.25%, 3/15/38	Canada	140,000	143,737
^b Cheniere Energy, Inc., Senior Bond, 144A, 5.65%, 4/15/34	United States	50,000	50,071
Chevron Corp.,			
Senior Bond, 3.078%, 5/11/50	United States	20,000	13,663
Senior Note, 1.995%, 5/11/27	United States	30,000	27,728
^b Columbia Pipelines Operating Co. LLC, Senior Bond, 144A, 6.036%, 11/15/33	United States	50,000	51,120
ConocoPhillips Co., Senior Bond, 5.3%, 5/15/53	United States	250,000	237,515
Continental Resources, Inc.,			
Senior Bond, 4.9%, 6/01/44	United States	110,000	90,012
Senior Note, 4.375%, 1/15/28	United States	40,000	38,476
^b Senior Note, 144A, 2.268%, 11/15/26	United States	40,000	37,149
Coterra Energy, Inc.,			
Senior Note, 3.9%, 5/15/27	United States	30,000	28,869
Senior Note, 4.375%, 3/15/29	United States	60,000	57,408
Devon Energy Corp.,			
Senior Bond, 5.85%, 12/15/25	United States	10,000	10,030
Senior Bond, 4.75%, 5/15/42	United States	30,000	25,142
Senior Bond, 5%, 6/15/45	United States	120,000	102,369
Diamondback Energy, Inc.,			
Senior Bond, 3.125%, 3/24/31	United States	10,000	8,794
Senior Bond, 4.4%, 3/24/51	United States	60,000	47,986
Senior Note, 3.5%, 12/01/29	United States	60,000	55,357
Energy Transfer LP,			
Senior Bond, 4.95%, 6/15/28	United States	40,000	39,486
Senior Bond, 3.75%, 5/15/30	United States	50,000	46,012
Senior Bond, 5.55%, 5/15/34	United States	310,000	306,995
Senior Bond, 5.15%, 3/15/45	United States	375,000	329,926
Senior Bond, 6.25%, 4/15/49	United States	50,000	49,783
Senior Note, 2.9%, 5/15/25	United States	20,000	19,516
Enterprise Products Operating LLC,			
Senior Bond, 4.15%, 10/16/28	United States	30,000	29,015
Senior Bond, 2.8%, 1/31/30	United States	60,000	53,613
Senior Bond, 4.85%, 1/31/34	United States	30,000	29,144
Senior Bond, 6.125%, 10/15/39	United States	375,000	395,166
Senior Bond, 4.45%, 2/15/43	United States	20,000	17,176
Senior Bond, 3.7%, 1/31/51	United States	50,000	36,889
Senior Bond, 5.375% to 2/14/28, FRN thereafter, 2/15/78	United States	10,000	9,365
H, Senior Bond, 6.65%, 10/15/34	United States	10,000	10,977
EOG Resources, Inc.,			
Senior Bond, 4.375%, 4/15/30	United States	30,000	29,289
Senior Bond, 3.9%, 4/01/35	United States	20,000	17,918
Senior Bond, 4.95%, 4/15/50	United States	30,000	27,524
EQT Corp., Senior Bond, 7%, 2/01/30	United States	10,000	10,618
Exxon Mobil Corp.,			
Senior Bond, 3.482%, 3/19/30	United States	50,000	46,634
Senior Bond, 4.227%, 3/19/40	United States	10,000	8,794
Senior Bond, 3.452%, 4/15/51	United States	20,000	14,445
Kinder Morgan, Inc.,			
Senior Bond, 4.3%, 3/01/28	United States	40,000	38,847

Franklin Allocation VIP Fund (continued)

	Country	Principal Amount [†]	Value
Corporate Bonds (continued)			
Oil, Gas & Consumable Fuels (continued)			
Kinder Morgan, Inc., (continued)			
Senior Bond, 5.55%, 6/01/45	United States	300,000	\$280,064
MPLX LP,			
Senior Bond, 4%, 3/15/28	United States	20,000	19,143
Senior Bond, 4.5%, 4/15/38	United States	10,000	8,726
Senior Bond, 5.5%, 2/15/49	United States	190,000	175,451
Senior Note, 2.65%, 8/15/30	United States	300,000	258,638
Occidental Petroleum Corp., Senior Bond, 6.6%, 3/15/46	United States	60,000	62,631
ONEOK, Inc.,			
Senior Bond, 6.05%, 9/01/33	United States	30,000	30,901
Senior Bond, 6.625%, 9/01/53	United States	30,000	32,039
Senior Note, 5.8%, 11/01/30	United States	10,000	10,242
Pioneer Natural Resources Co., Senior Note, 2.15%, 1/15/31	United States	60,000	50,399
Sabine Pass Liquefaction LLC, Senior Secured Bond, 4.2%, 3/15/28	United States	250,000	241,279
Targa Resources Corp.,			
Senior Bond, 4.95%, 4/15/52	United States	10,000	8,528
Senior Bond, 6.5%, 2/15/53	United States	155,000	162,984
^b Tennessee Gas Pipeline Co. LLC, Senior Bond, 144A, 2.9%, 3/01/30	United States	30,000	26,228
Transcontinental Gas Pipe Line Co. LLC, Senior Note, 3.25%, 5/15/30	United States	50,000	45,140
^b Var Energi ASA,			
Senior Bond, 144A, 8%, 11/15/32	Norway	200,000	224,242
Senior Note, 144A, 7.5%, 1/15/28	Norway	200,000	210,577
Western Midstream Operating LP, Senior Note, 3.1%, 2/01/25	United States	10,000	9,835
Williams Cos., Inc. (The),			
Senior Bond, 3.75%, 6/15/27	United States	60,000	57,609
Senior Bond, 2.6%, 3/15/31	United States	200,000	169,031
Senior Bond, 5.15%, 3/15/34	United States	30,000	29,281
Senior Bond, 5.1%, 9/15/45	United States	30,000	27,051
			5,724,256
Passenger Airlines 0.0%[†]			
^b Delta Air Lines, Inc. / SkyMiles IP Ltd.,			
Senior Secured Note, 144A, 4.5%, 10/20/25	United States	125,252	123,758
Senior Secured Note, 144A, 4.75%, 10/20/28	United States	30,000	29,229
			152,987
Personal Care Products 0.0%[†]			
Haleon US Capital LLC, Senior Note, 3.625%, 3/24/32	United States	250,000	224,069
Kenvue, Inc., Senior Note, 4.9%, 3/22/33	United States	20,000	19,787
			243,856
Pharmaceuticals 0.3%			
AstraZeneca plc,			
Senior Bond, 4%, 9/18/42	United Kingdom	200,000	168,361
Senior Bond, 4.375%, 11/16/45	United Kingdom	450,000	391,193
^b Bayer US Finance II LLC, Senior Bond, 144A, 4.375%, 12/15/28	Germany	200,000	190,012
Bristol-Myers Squibb Co.,			
Senior Bond, 5.2%, 2/22/34	United States	20,000	19,967
Senior Bond, 4.55%, 2/20/48	United States	10,000	8,576
Senior Bond, 5.55%, 2/22/54	United States	10,000	9,866
Senior Bond, 5.65%, 2/22/64	United States	10,000	9,776
Senior Note, 2.9%, 7/26/24	United States	30,000	29,941
Senior Note, 3.4%, 7/26/29	United States	10,000	9,321

Franklin Allocation VIP Fund (continued)

	Country	Principal Amount ¹	Value
Corporate Bonds (continued)			
Pharmaceuticals (continued)			
Bristol-Myers Squibb Co., (continued)			
Senior Note, 5.1%, 2/22/31	United States	10,000	\$10,041
Eli Lilly & Co.,			
Senior Bond, 4.7%, 2/09/34	United States	30,000	29,427
Senior Bond, 5.1%, 2/09/64	United States	30,000	28,680
Johnson & Johnson, Senior Bond, 2.1%, 9/01/40	United States	30,000	20,033
Merck & Co., Inc.,			
Senior Bond, 1.45%, 6/24/30	United States	10,000	8,276
Senior Bond, 2.75%, 12/10/51	United States	30,000	18,773
Pfizer Investment Enterprises Pte. Ltd., Senior Bond, 4.75%, 5/19/33	United States	280,000	272,940
Pfizer, Inc.,			
Senior Bond, 1.7%, 5/28/30	United States	30,000	25,262
Senior Bond, 2.55%, 5/28/40	United States	30,000	20,897
Senior Bond, 2.7%, 5/28/50	United States	30,000	19,289
Royalty Pharma plc, Senior Note, 1.2%, 9/02/25	United States	225,000	213,750
			1,504,381
Residential REITs 0.1%			
Essex Portfolio LP, Senior Bond, 2.65%, 3/15/32	United States	480,000	398,150
Semiconductors & Semiconductor Equipment 0.1%			
Applied Materials, Inc., Senior Bond, 1.75%, 6/01/30	United States	20,000	16,853
^b Broadcom, Inc., Senior Bond, 144A, 3.137%, 11/15/35	United States	50,000	40,058
Intel Corp.,			
Senior Bond, 5.2%, 2/10/33	United States	10,000	9,989
Senior Bond, 3.05%, 8/12/51	United States	20,000	12,697
Senior Note, 1.6%, 8/12/28	United States	10,000	8,756
Senior Note, 5.125%, 2/10/30	United States	10,000	10,046
KLA Corp., Senior Bond, 4.65%, 7/15/32	United States	10,000	9,766
Micron Technology, Inc.,			
Senior Bond, 5.875%, 2/09/33	United States	10,000	10,221
Senior Note, 5.3%, 1/15/31	United States	10,000	9,980
NVIDIA Corp., Senior Bond, 3.7%, 4/01/60	United States	20,000	15,144
NXP BV / NXP Funding LLC / NXP USA, Inc., Senior Note, 2.7%, 5/01/25	China	10,000	9,765
Texas Instruments, Inc.,			
Senior Bond, 1.75%, 5/04/30	United States	10,000	8,451
Senior Bond, 3.875%, 3/15/39	United States	10,000	8,734
Senior Bond, 4.15%, 5/15/48	United States	20,000	16,598
TSMC Arizona Corp., Senior Bond, 2.5%, 10/25/31	Taiwan	200,000	169,366
			356,424
Software 0.2%			
Adobe, Inc., Senior Bond, 2.3%, 2/01/30	United States	20,000	17,530
Microsoft Corp., Senior Bond, 2.921%, 3/17/52	United States	270,000	183,441
Oracle Corp.,			
Senior Bond, 2.875%, 3/25/31	United States	50,000	43,192
Senior Bond, 3.95%, 3/25/51	United States	200,000	147,987
Senior Note, 1.65%, 3/25/26	United States	40,000	37,514
Senior Note, 4.65%, 5/06/30	United States	210,000	205,857
Salesforce, Inc.,			
Senior Bond, 3.7%, 4/11/28	United States	20,000	19,286
Senior Bond, 1.95%, 7/15/31	United States	250,000	205,251

Franklin Allocation VIP Fund (continued)

	Country	Principal Amount [†]	Value
Corporate Bonds (continued)			
Software (continued)			
ServiceNow, Inc., Senior Bond, 1.4%, 9/01/30	United States	150,000	\$121,835
Workday, Inc., Senior Bond, 3.8%, 4/01/32	United States	175,000	157,323
			1,139,216
Specialty Retail 0.1%			
Dick's Sporting Goods, Inc.,			
Senior Bond, 3.15%, 1/15/32	United States	200,000	170,046
Senior Bond, 4.1%, 1/15/52	United States	200,000	141,161
Home Depot, Inc. (The),			
Senior Bond, 2.7%, 4/15/30	United States	10,000	8,913
Senior Bond, 3.3%, 4/15/40	United States	20,000	15,589
Senior Bond, 3.35%, 4/15/50	United States	30,000	21,323
Senior Note, 2.5%, 4/15/27	United States	10,000	9,368
Senior Note, 4.5%, 9/15/32	United States	120,000	116,396
Lowe's Cos., Inc.,			
Senior Bond, 4.5%, 4/15/30	United States	10,000	9,708
Senior Bond, 5.75%, 7/01/53	United States	200,000	197,216
Senior Note, 1.7%, 9/15/28	United States	20,000	17,482
			707,202
Technology Hardware, Storage & Peripherals 0.1%			
Apple, Inc., Senior Bond, 2.8%, 2/08/61	United States	500,000	306,994
Dell International LLC / EMC Corp., Senior Bond, 5.4%, 4/15/34	United States	200,000	197,972
			504,966
Textiles, Apparel & Luxury Goods 0.0%[†]			
NIKE, Inc.,			
Senior Bond, 2.85%, 3/27/30	United States	10,000	9,007
Senior Bond, 3.25%, 3/27/40	United States	10,000	7,784
Senior Note, 2.75%, 3/27/27	United States	10,000	9,473
Tapestry, Inc., Senior Bond, 7.85%, 11/27/33	United States	100,000	105,377
			131,641
Tobacco 0.2%			
Altria Group, Inc.,			
Senior Bond, 4.8%, 2/14/29	United States	30,000	29,520
Senior Bond, 6.875%, 11/01/33	United States	30,000	32,445
Senior Bond, 5.8%, 2/14/39	United States	20,000	20,030
Senior Bond, 5.95%, 2/14/49	United States	50,000	49,072
BAT Capital Corp.,			
Senior Bond, 6%, 2/20/34	United Kingdom	20,000	20,242
Senior Bond, 4.54%, 8/15/47	United Kingdom	20,000	15,415
Senior Note, 3.557%, 8/15/27	United Kingdom	14,000	13,302
^h Imperial Brands Finance plc, Senior Bond, 144A, 4.25%, 7/21/25	United Kingdom	285,000	280,768
Philip Morris International, Inc.,			
Senior Bond, 2.1%, 5/01/30	United States	20,000	16,943
Senior Bond, 5.375%, 2/15/33	United States	425,000	422,223
Senior Bond, 5.25%, 2/13/34	United States	10,000	9,815
Senior Bond, 4.5%, 3/20/42	United States	10,000	8,557
Senior Note, 4.875%, 2/13/29	United States	10,000	9,892
			928,224

Franklin Allocation VIP Fund (continued)

	Country	Principal Amount ^a	Value
Corporate Bonds (continued)			
Trading Companies & Distributors 0.0%[†]			
Air Lease Corp.,			
Senior Note, 3.375%, 7/01/25	United States	20,000	\$19,549
Senior Note, 5.3%, 2/01/28	United States	10,000	9,983
			29,532
Transportation Infrastructure 0.0%[†]			
^b DP World Ltd., Senior Bond, 144A, 5.625%, 9/25/48	United Arab Emirates	200,000	190,337
Wireless Telecommunication Services 0.2%			
T-Mobile USA, Inc.,			
Senior Bond, 2.25%, 11/15/31	United States	50,000	40,881
Senior Bond, 5.15%, 4/15/34	United States	10,000	9,832
Senior Bond, 3%, 2/15/41	United States	20,000	14,320
Senior Bond, 3.3%, 2/15/51	United States	100,000	67,569
Senior Note, 3.5%, 4/15/25	United States	20,000	19,667
Senior Note, 3.375%, 4/15/29	United States	450,000	415,916
Senior Note, 3.875%, 4/15/30	United States	80,000	74,805
Vodafone Group plc,			
Senior Bond, 6.15%, 2/27/37	United Kingdom	100,000	106,272
Senior Bond, 5.75%, 6/28/54	United Kingdom	220,000	213,209
			962,471
			66,188,311
Total Corporate Bonds (Cost \$70,019,716)			
Foreign Government and Agency Securities 1.1%			
^b African Export-Import Bank (The), Senior Bond, 144A, 3.994%, 9/21/29	Supranational ^g	200,000	179,772
Brazil Notas do Tesouro Nacional,			
10%, 1/01/31	Brazil	630,000 BRL	101,991
10%, 1/01/33	Brazil	780,000 BRL	124,067
China Government Bond, 3%, 10/15/53	China	840,000 CNY	129,124
Colombia Government Bond, Senior Bond, 3.25%, 4/22/32	Colombia	200,000	153,646
Colombia Titulos de Tesoreria,			
B, 7%, 3/26/31	Colombia	850,000,000 COP	172,502
B, 9.25%, 5/28/42	Colombia	2,170,000,000 COP	436,243
B, 7.25%, 10/26/50	Colombia	390,000,000 COP	61,124
^b Comision Federal de Electricidad, Senior Bond, 144A, 3.348%, 2/09/31	Mexico	300,000	248,149
Ecopetrol SA, Senior Bond, 5.875%, 5/28/45	Colombia	150,000	107,626
^b Electricite de France SA,			
Senior Note, 144A, 5.7%, 5/23/28	France	200,000	202,096
Senior Note, 144A, 5.65%, 4/22/29	France	200,000	201,820
Israel Government Bond, Senior Bond, 2.75%, 7/03/30	Israel	200,000	169,049
Mexican Bonos Desarr Fixed Rate,			
M, 8%, 11/07/47	Mexico	4,700,000 ^h MXN	209,981
M, 8%, 7/31/53	Mexico	7,600,000 ^h MXN	335,684
M, Senior Bond, 8.5%, 11/18/38	Mexico	6,900,000 ^h MXN	334,560
M, Senior Bond, 7.75%, 11/13/42	Mexico	6,800,000 ^h MXN	299,750

Franklin Allocation VIP Fund (continued)

	Country	Principal Amount ¹	Value
Foreign Government and Agency Securities (continued)			
Mexico Government Bond, Senior Bond, 4.75%, 3/08/44	Mexico	300,000	\$241,346
New Zealand Government Bond, 2.75%, 5/15/51	New Zealand	210,000 NZD	86,013
^b Pertamina Persero PT, Senior Bond, 144A, 4.7%, 7/30/49	Indonesia	200,000	168,521
Peru Government Bond, Senior Bond, 2.783%, 1/23/31	Peru	200,000	172,211
^b Perusahaan Perseroan Persero PT Perusahaan Listrik Negara, Senior Bond, Reg S, 5.25%, 10/24/42	Indonesia	200,000	180,870
^b Petroleos del Peru SA, Senior Bond, 144A, 4.75%, 6/19/32	Peru	200,000	149,928
Petroleos Mexicanos, Senior Bond, 6.95%, 1/28/60	Mexico	170,000	112,570
South Africa Government Bond, Senior Bond, 6.5%, 2/28/41	South Africa	6,400,000 ZAR	215,124
Senior Bond, 8.75%, 2/28/48	South Africa	8,900,000 ZAR	365,411
^b United Kingdom Gilt, Reg S, 3.25%, 1/31/33	United Kingdom	560,000 GBP	663,611
Reg S, 1.25%, 7/31/51	United Kingdom	920,000 GBP	562,319
Uruguay Government Bond, Senior Bond, 7.625%, 3/21/36	Uruguay	50,000	59,223
Total Foreign Government and Agency Securities (Cost \$6,669,098)			6,444,331
U.S. Government and Agency Securities 18.8%			
FFCB, 2.1%, 2/25/36	United States	150,000	112,868
U.S. Treasury Bonds,			
4.375%, 5/15/40	United States	500,000	493,418
1.125%, 8/15/40	United States	332,000	202,274
1.375%, 11/15/40	United States	1,771,000	1,118,151
2%, 11/15/41	United States	50,000	34,369
2.75%, 8/15/42	United States	885,000	680,966
4%, 11/15/42	United States	1,000,000	921,836
3.875%, 2/15/43	United States	10,000	9,042
2.875%, 5/15/43	United States	2,760,000	2,144,175
3.875%, 5/15/43	United States	3,090,000	2,788,906
4.375%, 8/15/43	United States	130,000	125,521
4.75%, 11/15/43	United States	1,580,000	1,601,478
3.125%, 8/15/44	United States	725,000	579,632
3%, 11/15/44	United States	100,000	78,129
3%, 5/15/45	United States	280,000	217,722
2.5%, 5/15/46	United States	945,000	664,453
2.25%, 8/15/46	United States	3,109,000	2,073,071
2.75%, 11/15/47	United States	90,000	65,461
3.375%, 11/15/48	United States	3,300,000	2,680,863
3%, 2/15/49	United States	3,578,000	2,710,894
2.25%, 8/15/49	United States	150,000	96,979
1.25%, 5/15/50	United States	1,710,000	847,853
1.375%, 8/15/50	United States	1,705,000	872,847
2.375%, 5/15/51	United States	950,000	625,924
2%, 8/15/51	United States	1,350,000	811,266
1.875%, 11/15/51	United States	1,885,000	1,094,478
2.25%, 2/15/52	United States	710,000	452,431
3%, 8/15/52	United States	680,000	511,700
3.625%, 2/15/53	United States	155,000	131,889
3.625%, 5/15/53	United States	1,755,000	1,493,738
4.125%, 8/15/53	United States	660,000	614,754
4.75%, 11/15/53	United States	300,000	310,195
4.25%, 2/15/54	United States	420,000	400,017
U.S. Treasury Notes,			
1.5%, 10/31/24	United States	1,100,000	1,085,895
2.125%, 11/30/24	United States	4,500,000	4,442,302
0.375%, 11/30/25	United States	4,400,000	4,128,351

Franklin Allocation VIP Fund (continued)

	Country	Principal Amount [†]	Value
U.S. Government and Agency Securities (continued)			
U.S. Treasury Notes, (continued)			
0.375%, 1/31/26	United States	9,430,000	\$8,789,607
0.75%, 3/31/26	United States	300,000	279,814
3.75%, 4/15/26	United States	3,920,000	3,850,481
4.875%, 5/31/26	United States	250,000	250,527
0.875%, 6/30/26	United States	1,175,000	1,090,180
1.875%, 7/31/26	United States	389,000	367,392
1.25%, 12/31/26	United States	3,415,000	3,148,537
2.375%, 5/15/27	United States	3,140,000	2,957,733
0.5%, 6/30/27	United States	6,535,000	5,807,726
3.25%, 6/30/27	United States	1,330,000	1,283,476
2.25%, 11/15/27	United States	3,500,000	3,256,504
ⁱ Index Linked, 0.5%, 1/15/28	United States	1,300,000	1,557,513
0.75%, 1/31/28	United States	310,000	272,231
1.25%, 4/30/28	United States	2,575,000	2,288,280
3.5%, 4/30/28	United States	223,000	215,731
3.125%, 11/15/28	United States	1,055,000	1,001,941
1.5%, 11/30/28	United States	250,000	221,279
1.375%, 12/31/28	United States	200,000	175,672
3.25%, 6/30/29	United States	1,500,000	1,425,264
1.625%, 8/15/29	United States	3,565,000	3,124,806
4%, 10/31/29	United States	1,975,000	1,941,980
3.75%, 6/30/30	United States	600,000	580,863
0.625%, 8/15/30	United States	4,400,000	3,527,219
4.125%, 8/31/30	United States	415,000	409,772
4.625%, 9/30/30	United States	1,200,000	1,217,039
4%, 1/31/31	United States	110,000	107,809
1.125%, 2/15/31	United States	800,000	654,406
4.25%, 2/28/31	United States	240,000	238,617
4.625%, 5/31/31	United States	100,000	101,641
1.25%, 8/15/31	United States	435,000	353,106
1.375%, 11/15/31	United States	9,100,000	7,404,059
2.75%, 8/15/32	United States	870,000	774,317
4.125%, 11/15/32	United States	1,420,000	1,396,370
ⁱ Index Linked, 1.125%, 1/15/33	United States	100,000	97,434
3.5%, 2/15/33	United States	650,000	609,299
3.375%, 5/15/33	United States	1,750,000	1,622,168
3.875%, 8/15/33	United States	3,500,000	3,367,930
4%, 2/15/34	United States	760,000	737,853
4.375%, 5/15/34	United States	1,000,000	1,000,391
^e FRN, 5.43%, (3-month U.S. Treasury Bill Rate + 0.125%), 7/31/25	United States	2,000,000	2,000,579
^e FRN, 5.475%, (3-month U.S. Treasury Bill Rate + 0.17%), 10/31/25	United States	990,000	990,833
Total U.S. Government and Agency Securities (Cost \$119,019,590)			107,722,227
Asset-Backed Securities 0.8%			
Consumer Finance 0.0%[†]			
^h Northstar Education Finance, Inc., 2007-1, A4, FRN, 6.699%, 1/29/46	United States	125,000	124,760

Franklin Allocation VIP Fund (continued)

	Country	Principal Amount ¹	Value
Asset-Backed Securities (continued)			
Financial Services 0.7%			
^{b,k} AB BSL CLO 4 Ltd., 2023-4A, A, 144A, FRN, 7.325%, (3-month SOFR + 2%), 4/20/36.	United States	100,000	\$100,917
^{b,k} Apex Credit CLO Ltd., 2020-1A, A1RR, 144A, FRN, 6.773%, (3-month SOFR + 1.45%), 4/20/35.	United States	100,000	99,993
^k Asset-Backed Securities Corp. Home Equity Loan Trust, 2006-HE3, A5, FRN, 2.894%, (1-month SOFR + 0.654%), 3/25/36.	United States	67,836	65,422
^{b,k} Birch Grove CLO 7 Ltd., 2023-7A, A1, 144A, FRN, 7.177%, (3-month SOFR + 1.8%), 10/20/36.	United States	100,000	100,734
^{b,k} Carlyle Global Market Strategies CLO Ltd., 2013-4A, A1RR, 144A, FRN, 6.59%, (3-month SOFR + 1.262%), 1/15/31.	United States	154,386	154,513
^k Centex Home Equity Loan Trust, 2004-B, M1, FRN, 6.105%, (1-month SOFR + 0.759%), 3/25/34.	United States	127,211	124,054
^{b,k} Columbia Cent CLO 33 Ltd., 2024-33A, A1, 144A, FRN, 6.926%, (3-month SOFR + 1.6%), 4/20/37.	United States	120,000	120,461
^b Dividend Solar Loans LLC, 2018-1, B, 144A, 4.29%, 7/20/38.	United States	91,389	81,266
^{b,k} Elmwood CLO I Ltd., 2019-1A, A1RR, 144A, FRN, 6.831%, (3-month SOFR + 1.52%), 4/20/37.	United States	100,000	100,228
^k First Franklin Mortgage Loan Trust, 2006-FF4, A3, FRN, 5.013%, (1-month SOFR + 0.674%), 3/25/36.	United States	17,318	17,231
^b Ford Credit Auto Owner Trust, 2023-1, A, 144A, 4.85%, 8/15/35.	United States	120,000	119,140
^b Jimmy Johns Funding LLC, 2017-1A, A2II, 144A, 4.846%, 7/30/47.	United States	118,500	113,914
^{b,k} MF1 Ltd., 2021-FL7, A, 144A, FRN, 6.526%, (1-month SOFR + 1.194%), 10/16/36.	United States	82,529	82,168
^b Mosaic Solar Loan Trust, 2021-3A, B, 144A, 1.92%, 6/20/52.	United States	133,481	99,694
^b MVW LLC, 2021-1WA, A, 144A, 1.14%, 1/22/41.	United States	45,777	42,757
^{b,k} Neuberger Berman Loan Advisers CLO 40 Ltd., 2021-40A, A, 144A, FRN, 6.649%, (3-month SOFR + 1.322%), 4/16/33.	United States	500,000	500,293
^{b,k} New Century Home Equity Loan Trust, 2003-A, A, 144A, FRN, 3.882%, (1-month SOFR + 0.834%), 10/25/33.	United States	135,832	131,905
^b New Economy Assets Phase 1 Sponsor LLC, 2021-1, A1, 144A, 1.91%, 10/20/61.	United States	490,000	437,163
^{b,k} Octagon Investment Partners XXI Ltd., 2014-1A, AAR3, 144A, FRN, 6.584%, (3-month SOFR + 1.262%), 2/14/31.	United States	238,965	239,127
^{b,k} Palmer Square CLO Ltd., 2014-1A, A1R2, 144A, FRN, 6.709%, (3-month SOFR + 1.392%), 1/17/31.	United States	89,099	89,173
^{b,k} Point Au Roche Park CLO Ltd., 2021-1A, A, 144A, FRN, 6.666%, (3-month SOFR + 1.342%), 7/20/34.	United States	100,000	100,159
^{b,k} Reese Park CLO Ltd., 2020-1A, AR, 144A, FRN, 6.72%, (3-month SOFR + 1.392%), 10/15/34.	United States	180,000	180,320
^{b,k} Stratus Static CLO Ltd., 2022-3A, AR, 144A, FRN, 6.625%, (3-month SOFR + 1.3%), 10/20/31.	United States	82,849	82,939
^{b,k} Symphony CLO 40 Ltd., 2023-40A, A1, 144A, FRN, 6.969%, (3-month SOFR + 1.64%), 1/14/34.	United States	160,000	160,357
^{b,k} Symphony CLO XV Ltd., 2014-15A, AR3, 144A, FRN, 6.659%, (3-month SOFR + 1.342%), 1/17/32.	United States	240,430	240,682
			<u>3,584,610</u>
Passenger Airlines 0.1%			
American Airlines Pass-Through Trust, 2016-3, A, 3.25%, 10/15/28.	United States	356,254	324,633
United Airlines Pass-Through Trust, 2016-1, A, 3.45%, 7/07/28.	United States	65,702	60,338
2019-2, A, 2.9%, 5/01/28.	United States	80,208	72,391
2020-1, B, 4.875%, 7/15/27.	United States	151,200	149,056
			<u>606,418</u>
Total Asset-Backed Securities (Cost \$4,319,830)			<u>4,315,788</u>

Franklin Allocation VIP Fund (continued)

	Country	Principal Amount ¹	Value
Commercial Mortgage-Backed Securities 0.5%			
Financial Services 0.5%			
BANK, 2021-BN33, A5, 2.556%, 5/15/64	United States	210,000	\$177,146
^l Benchmark Mortgage Trust, 2023-V3, A3, FRN, 6.363%, 7/15/56	United States	20,000	20,658
^{b,k} BPR Trust, 2022-OANA, A, 144A, FRN, 7.227%, (1-month SOFR + 1.898%), 4/15/37	United States	150,000	150,237
^{b,k} BX Commercial Mortgage Trust, 2021-21M, A, 144A, FRN, 6.173%, (1-month SOFR + 0.844%), 10/15/36	United States	107,986	106,553
2021-VINO, A, 144A, FRN, 6.096%, (1-month SOFR + 0.767%), 5/15/38	United States	108,143	106,878
2021-VOLT, B, 144A, FRN, 6.393%, (1-month SOFR + 1.064%), 9/15/36	United States	250,000	246,564
2022-LP2, A, 144A, FRN, 6.342%, (1-month SOFR + 1.013%), 2/15/39	United States	181,868	179,982
2023-XL3, A, 144A, FRN, 7.09%, (1-month SOFR + 1.761%), 12/09/40	United States	100,000	100,231
2024-XL5, A, 144A, FRN, 6.72%, (1-month SOFR + 1.392%), 3/15/41	United States	95,898	95,508
^{b,k} BX Mortgage Trust, 2021-PAC, A, 144A, FRN, 6.133%, (1-month SOFR + 0.804%), 10/15/36	United States	230,000	227,232
2022-MVRK, A, 144A, FRN, 6.796%, (1-month SOFR + 1.467%), 3/15/39	United States	114,040	112,647
^b BX Trust, ^k 2021-BXMF, A, 144A, FRN, 6.079%, (1-month SOFR + 0.75%), 10/15/26	United States	93,262	92,106
2022-CLS, A, 144A, 5.76%, 10/13/27	United States	100,000	99,016
^k 2022-IND, A, 144A, FRN, 6.82%, (1-month SOFR + 1.491%), 4/15/37	United States	296,356	295,825
^k 2024-VLT4, B, 144A, FRN, 7.261%, (1-month SOFR + 1.941%), 7/15/29	United States	100,000	99,786
^{b,k} INTOWN Mortgage Trust, 2022-STAY, A, 144A, FRN, 7.818%, (1-month SOFR + 2.489%), 8/15/39	United States	130,000	130,459
^{b,k} J.P. Morgan Chase Commercial Mortgage Securities Trust, 2022- ACB, A, 144A, FRN, 6.733%, (30-day SOFR Average + 1.4%), 3/15/39	United States	150,000	148,307
JPMBB Commercial Mortgage Securities Trust, 2015-C33, A4, 3.77%, 12/15/48	United States	122,000	118,747
^l MSWF Commercial Mortgage Trust, 2023-2, A5, FRN, 6.014%, 12/15/56	United States	100,000	105,285
^{b,k} MTN Commercial Mortgage Trust, 2022-LPFL, A, 144A, FRN, 6.727%, (1-month SOFR + 1.397%), 3/15/39	United States	100,000	98,896
^{b,l} NJ Trust, 2023-GSP, A, 144A, FRN, 6.697%, 1/06/29	United States	100,000	103,226
^{b,k} SREIT Trust, 2021-MFP, A, 144A, FRN, 6.174%, (1-month SOFR + 0.845%), 11/15/38	United States	133,961	132,798
2021-MFP2, A, 144A, FRN, 6.265%, (1-month SOFR + 0.936%), 11/15/36	United States	100,000	98,831
WFRBS Commercial Mortgage Trust, 2014-C23, A5, 3.917%, 10/15/57	United States	106,000	104,806
			3,151,724
Total Commercial Mortgage-Backed Securities (Cost \$3,154,028)			3,151,724
Mortgage-Backed Securities 5.8%			
Federal Home Loan Mortgage Corp. (FHLMC) Fixed Rate 2.1%			
FHLMC Gold Pool, 30 Year, 4.5%, 1/01/49	United States	309,386	298,029
FHLMC Pool, 15 Year, 3%, 8/01/34	United States	34,232	31,888

Franklin Allocation VIP Fund (continued)

	Country	Principal Amount ¹	Value
Mortgage-Backed Securities (continued)			
Federal Home Loan Mortgage Corp. (FHLMC) Fixed Rate (continued)			
FHLMC Pool, 15 Year, 4%, 11/01/37	United States	156,879	\$150,985
FHLMC Pool, 20 Year, 1.5%, 11/01/40 - 7/01/41	United States	227,880	184,480
FHLMC Pool, 20 Year, 2%, 10/01/40 - 4/01/42	United States	567,176	476,742
FHLMC Pool, 20 Year, 3%, 5/01/42 - 9/01/42	United States	258,433	227,134
FHLMC Pool, 30 Year, 2%, 6/01/50 - 8/01/52	United States	2,489,199	1,953,279
FHLMC Pool, 30 Year, 2.5%, 12/01/50 - 4/01/52	United States	2,807,744	2,320,747
FHLMC Pool, 30 Year, 3%, 3/01/50 - 7/01/52	United States	988,269	847,082
FHLMC Pool, 30 Year, 3.5%, 4/01/50 - 8/01/52	United States	2,228,750	1,992,971
FHLMC Pool, 30 Year, 4%, 5/01/47 - 1/01/54	United States	1,557,136	1,436,261
FHLMC Pool, 30 Year, 4.5%, 10/01/48 - 10/01/52	United States	863,997	821,405
FHLMC Pool, 30 Year, 5%, 8/01/52 - 11/01/52	United States	643,422	625,432
FHLMC Pool, 30 Year, 5.5%, 12/01/52 - 6/01/53	United States	358,962	355,037
FHLMC Pool, 30 Year, 6%, 3/01/53	United States	89,008	89,663
FHLMC Pool, 30 Year, 6.5%, 5/01/53	United States	169,114	173,448
			11,984,583
Federal National Mortgage Association (FNMA) Fixed Rate 2.4%			
FNMA, 2.5%, 9/01/61 - 6/01/62	United States	255,076	205,258
FNMA, 4.76%, 6/01/29	United States	100,000	99,896
FNMA, 15 Year, 2%, 8/01/36 - 12/01/36	United States	465,222	410,707
FNMA, 20 Year, 1.5%, 11/01/41	United States	82,682	66,688
FNMA, 20 Year, 2%, 10/01/40 - 8/01/42	United States	462,857	388,761
FNMA, 20 Year, 2.5%, 12/01/40 - 5/01/42	United States	281,051	243,872
FNMA, 20 Year, 3.5%, 8/01/42	United States	88,445	80,637
FNMA, 30 Year, 1.5%, 3/01/51 - 9/01/51	United States	261,090	195,880
FNMA, 30 Year, 2%, 6/01/50 - 3/01/52	United States	3,139,971	2,473,474
FNMA, 30 Year, 2.5%, 9/01/51 - 3/01/52	United States	3,250,084	2,672,297
FNMA, 30 Year, 3%, 9/01/50 - 6/01/52	United States	2,393,215	2,054,482
FNMA, 30 Year, 3.5%, 6/01/49 - 9/01/52	United States	435,318	388,058
FNMA, 30 Year, 4%, 2/01/49 - 6/01/52	United States	463,624	429,275
FNMA, 30 Year, 4.5%, 2/01/50 - 11/01/52	United States	713,787	676,255
FNMA, 30 Year, 5%, 10/01/52 - 5/01/53	United States	464,323	449,726
FNMA, 30 Year, 5.5%, 11/01/52 - 9/01/53	United States	882,483	871,523
FNMA, 30 Year, 6%, 6/01/53 - 8/01/53	United States	689,070	693,245
FNMA, 30 Year, 6.5%, 4/01/54	United States	94,973	97,190
¹ FNMA, Single-family, 30 Year, 2%, 7/25/54	United States	100,000	78,227
¹ FNMA, Single-family, 30 Year, 3%, 7/25/54	United States	300,000	255,234
¹ FNMA, Single-family, 30 Year, 5%, 7/25/54	United States	100,000	96,656
¹ FNMA, Single-family, 30 Year, 5.5%, 7/25/54	United States	400,000	394,547
¹ FNMA, Single-family, 30 Year, 6%, 7/25/54	United States	300,000	300,879
¹ FNMA, Single-family, 30 Year, 6.5%, 7/25/54	United States	100,000	101,789
			13,724,556
Government National Mortgage Association (GNMA) Fixed Rate 1.3%			
GNMA II, 2%, 2/20/51 - 4/20/51	United States	150,377	118,136
GNMA II, 30 Year, 2%, 3/20/51	United States	92,141	73,233
GNMA II, 30 Year, 2.5%, 12/20/51	United States	80,686	67,357
GNMA II, 30 Year, 4.5%, 9/20/52	United States	88,233	84,135
GNMA II, 30 Year, 5%, 8/20/53	United States	93,895	91,903
GNMA II, 30 Year, 5.5%, 3/20/53 - 8/20/53	United States	284,388	284,607
GNMA II, 30 Year, 6%, 1/20/54	United States	96,659	98,401
GNMA II, Single-family, 30 Year, 2%, 10/20/50 - 5/20/52	United States	1,542,054	1,249,656
GNMA II, Single-family, 30 Year, 2.5%, 2/20/50 - 6/20/52	United States	854,614	719,181
GNMA II, Single-family, 30 Year, 3%, 2/20/51 - 10/20/51	United States	517,275	451,078
GNMA II, Single-family, 30 Year, 3.5%, 4/20/52 - 7/15/54	United States	386,928	347,473
GNMA II, Single-family, 30 Year, 4%, 8/20/46 - 8/20/48	United States	320,789	300,617
GNMA II, Single-family, 30 Year, 4.5%, 6/20/48	United States	167,631	161,582

Franklin Allocation VIP Fund (continued)

	Country	Principal Amount ^a	Value
Mortgage-Backed Securities (continued)			
Government National Mortgage Association (GNMA) Fixed Rate (continued)			
GNMA II, Single-family, 30 Year, 5%, 8/20/52 - 7/20/53	United States	854,990	\$833,400
GNMA II, Single-family, 30 Year, 5.5%, 2/20/53 - 9/20/53	United States	1,486,819	1,476,385
GNMA II, Single-family, 30 Year, 6%, 5/20/54 - 7/15/54	United States	738,647	742,292
GNMA II, Single-family, 30 Year, 6.5%, 5/20/54 - 7/15/54	United States	449,219	455,991
			<u>7,555,427</u>
Total Mortgage-Backed Securities (Cost \$35,611,389)			33,264,566
Municipal Bonds 0.2%			
California 0.2%			
Golden State Tobacco Securitization Corp., Revenue, 2021 B-1, Refunding, 3.85%, 6/01/50	United States	395,000	370,724
San Bernardino Community College District, GO, 2021, Refunding, 2.686%, 8/01/41	United States	485,000	354,398
GO, 2021, Refunding, 2.856%, 8/01/49	United States	285,000	189,894
			<u>915,016</u>
Ohio 0.0%[†]			
Greenville City School District, GO, 2019, Refunding, 3.541%, 1/01/51	United States	160,000	123,810
Total Municipal Bonds (Cost \$1,308,731)			1,038,826
Residential Mortgage-Backed Securities 0.2%			
Financial Services 0.2%			
^b BRAVO Residential Funding Trust, ^j 2022-NQM3, A1, 144A, FRN, 5.108%, 7/25/62	United States	79,444	78,458
2023-NQM1, A1, 144A, 5.757%, 1/25/63	United States	81,635	81,095
^{b,k} Connecticut Avenue Securities Trust, 2022-R04, 1M2, 144A, FRN, 8.435%, (30-day SOFR Average + 3.1%), 3/25/42	United States	120,000	125,149
^b Ellington Financial Mortgage Trust, 2023-1, A3, 144A, 6.544%, 2/25/68	United States	122,457	122,081
^{b,k} FHLMC STACR REMIC Trust, 2021-DNA5, M2, 144A, FRN, 6.985%, (30-day SOFR Average + 1.65%), 1/25/34	United States	79,959	80,503
2022-DNA3, M1A, 144A, FRN, 7.335%, (30-day SOFR Average + 2%), 4/25/42	United States	62,038	62,985
^{b,j} GCAT Trust, 2024-INV1, 1A2, 144A, FRN, 5.5%, 1/25/54	United States	96,298	94,092
^b Legacy Mortgage Asset Trust, 2021-GS3, A1, 144A, 4.75%, 7/25/61	United States	97,548	95,046
^{b,j} Morgan Stanley Residential Mortgage Loan Trust, 2024-INV2, A1, 144A, FRN, 6.5%, 2/25/54	United States	95,650	96,266
2024-INV3, A1, 144A, FRN, 6.5%, 6/25/54	United States	100,000	101,494
^{b,j} New Residential Mortgage Loan Trust, 2018-3A, A1, 144A, FRN, 4.5%, 5/25/58	United States	72,926	70,027
^b OBX Trust, 2023-NQM7, A1, 144A, 6.844%, 4/25/63	United States	87,984	89,172
^{b,j} PRKCM Trust, 2021-AFC2, A1, 144A, FRN, 2.071%, 11/25/56	United States	79,128	66,837
^b SG Residential Mortgage Trust, 2022-2, A1, 144A, 5.353%, 8/25/62	United States	110,987	109,521
^b Verus Securitization Trust, 2022-6, A3, 144A, 4.91%, 6/25/67	United States	79,736	77,688
			<u>1,350,414</u>
Total Residential Mortgage-Backed Securities (Cost \$1,335,838)			1,350,414

Franklin Allocation VIP Fund (continued)

	Country	Principal Amount [†]	Value
Agency Commercial Mortgage-Backed Securities 0.1%			
Financial Services 0.1%			
^m FHLMC, Multi-family Structured Pass-Through Certificates, K105, X1, IO, FRN, 1.643%, 1/25/30	United States	2,285,726	\$156,391
FNMA,			
2014-6, Z, 2.5%, 2/25/44	United States	129,712	109,630
2022-29, KZ, 1.5%, 6/25/42	United States	103,172	72,152
^m 427, C73, IO, 3%, 12/25/48	United States	510,246	81,570
GNMA,			
2021-21, AH, 1.4%, 6/16/63	United States	85,754	63,628
2021-77, LC, 1.25%, 7/20/50	United States	113,842	87,902
2023-92, AH, 2%, 6/16/64	United States	99,976	77,358
			648,631
Total Agency Commercial Mortgage-Backed Securities (Cost \$657,001)			648,631
Total Long Term Investments (Cost \$468,110,082)			554,166,416
Short Term Investments 2.0%			
	Country	Shares	Value
Money Market Funds 2.0%			
^{n,o} Institutional Fiduciary Trust - Money Market Portfolio, 4.972%	United States	7,415,081	7,415,081
^o JPMorgan 100% U.S. Treasury Securities Money Market Fund, 4.94%	United States	3,225,657	3,225,657
^o JPMorgan Prime Money Market Fund, 5.29%	United States	912,600	912,761
Total Money Market Funds (Cost \$11,553,499)			11,553,499
Total Short Term Investments (Cost \$11,553,499)			11,553,499
Total Investments (Cost \$479,663,581) 98.5%			\$565,719,915
Other Assets, less Liabilities 1.5%			8,578,779
Net Assets 100.0%			\$574,298,694

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.

‡Non-income producing.

§ 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, 2024, the aggregate value of these securities was \$23,491,104, representing 4.1% of net assets.

¶ Variable interest entity (VIE). See the Fund's notes to financial statements regarding investments made through a VIE structure. At June 30, 2024, the aggregate value of these securities was \$729,671, representing 0.1% of net assets.

⌘ Variable rate security. The rate shown represents the yield at period end.

⌘ The coupon rate shown represents the rate at period end.

⌘ Perpetual security with no stated maturity date.

⌘ A supranational organization is an entity formed by two or more central governments through international treaties.

⌘ Principal amount is stated in 100 Mexican Peso Units.

⌘ Principal amount of security, redemption price at maturity, and/or coupon payments are adjusted for inflation. See Note 1(g).

⌘ 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.

⌘ The coupon rate shown represents the rate inclusive of any caps or floors, if applicable, in effect at period end.

⌘ Security purchased on a to-be-announced (TBA) basis. See Note 1(c).

⌘ 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.

⌘ See Note 3(e) regarding investments in affiliated management investment companies.

⌘ The rate shown is the annualized seven-day effective yield at period end.

At June 30, 2024, 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	54	\$14,908,050	9/20/24	\$(58,009)
Interest rate contracts					
3-month SOFR	Long	2	475,725	3/18/25	(2,047)
3-month SOFR	Long	18	4,321,350	3/17/26	4,069
U.S. Treasury 10 Year Notes	Short	94	10,338,531	9/19/24	(176,407)
U.S. Treasury 10 Year Notes	Long	60	6,599,062	9/19/24	33,341
U.S. Treasury 10 Year Ultra Notes	Long	8	908,250	9/19/24	13,875
U.S. Treasury 2 Year Notes	Long	7	1,429,531	9/30/24	5,528
U.S. Treasury 5 Year Notes	Long	58	6,181,531	9/30/24	33,407
U.S. Treasury Long Bonds	Long	10	1,183,125	9/19/24	14,722
U.S. Treasury Ultra Bonds	Short	6	752,062	9/19/24	(20,822)
U.S. Treasury Ultra Bonds	Long	6	752,062	9/19/24	(20,280)
Total Futures Contracts					\$(172,623)

*As of period end.

Franklin Allocation VIP Fund (continued)

At June 30, 2024, 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							
New Zealand Dollar	BZWS	Sell	90,000	54,275	7/16/24	\$—	\$(546)
New Zealand Dollar	CITI	Buy	530,000	322,208	7/16/24	628	—
New Zealand Dollar	HSBK	Buy	40,000	24,697	7/16/24	—	(332)
Chilean Peso	HSBK	Buy	220,000,000	231,816	7/17/24	2,044	—
Norwegian Krone	CITI	Buy	500,000	47,769	7/25/24	—	(907)
Norwegian Krone	JPHQ	Buy	6,000,000	554,611	7/25/24	7,735	—
Mexican Peso	CITI	Buy	9,800,000	556,994	7/29/24	—	(23,615)
Mexican Peso	CITI	Sell	24,600,000	1,418,521	7/29/24	80,067	(438)
Mexican Peso	HSBK	Sell	1,100,000	61,646	7/29/24	1,777	—
Columbian Peso	JPHQ	Sell	1,850,000,000	450,785	7/30/24	8,667	(1,521)
Hungarian Forint	MSCO	Buy	194,000,000	530,485	7/31/24	—	(5,066)
Hungarian Forint	UBSW	Buy	16,000,000	44,564	7/31/24	—	(1,230)
Euro	HSBK	Buy	110,000	120,203	8/07/24	—	(2,179)
Euro	JPHQ	Buy	1,730,000	1,862,024	8/07/24	217	(6,056)
Chilean Peso	HSBK	Buy	200,000,000	216,296	8/14/24	—	(3,726)
South African Rand	HSBK	Sell	8,900,000	474,826	8/15/24	—	(12,635)
South African Rand	UBSW	Sell	800,000	42,562	8/15/24	—	(1,255)
Yuan Renminbi	JPHQ	Sell	730,000	101,407	8/28/24	—	(860)
Australian Dollar	MSCO	Buy	2,030,000	1,352,317	9/06/24	5,320	(911)
Australian Dollar	UBSW	Buy	130,000	86,935	9/06/24	—	(51)
British Pound	CITI	Sell	380,000	486,052	9/10/24	5,459	—
British Pound	HSBK	Sell	560,000	716,330	9/10/24	8,086	—
Indian Rupee	BZWS	Buy	30,000,000	357,978	9/11/24	1,005	—
Swiss Franc	UBSW	Buy	310,000	352,695	9/12/24	—	(4,545)
Japanese Yen	JPHQ	Buy	284,000,000	1,835,515	9/13/24	—	(49,886)
Japanese Yen	JPHQ	Sell	92,000,000	583,507	9/13/24	5,064	—
Chilean Peso	HSBK	Buy	260,000,000	282,386	9/17/24	—	(6,225)
Total Forward Exchange Contracts						\$126,069	\$(121,984)
Net unrealized appreciation (depreciation)						\$4,085	

^aMay be comprised of multiple contracts with the same counterparty, currency and settlement date.

*In U.S. dollars unless otherwise indicated.

Franklin Allocation VIP Fund (continued)

At June 30, 2024, the Fund had the following credit default swap contracts outstanding. See Note 1(d).

Credit Default Swap Contracts

Description	Periodic Payment Rate Received (Paid)	Payment Frequency	Counter-party	Maturity Date	Notional Amount ^(a)	Value	Upfront Payments (Receipts)	Unrealized Appreciation (Depreciation)	Rating ^(b)
Centrally Cleared Swap Contracts									
Contracts to Sell Protection^{(c)(d)}									
Traded Index									
CDX.NA.IG.42	1.00%	Quarterly		6/20/29	1,782,000	\$36,915	\$7,023	\$29,892	Investment Grade
CDX.NA.IG.42	1.00%	Quarterly		6/20/34	1,511,000	7,121	—	7,121	Investment Grade
Total Centrally Cleared Swap Contracts						\$44,036	\$7,023	\$37,013	
Total Credit Default Swap Contracts						\$44,036	\$7,023	\$37,013	

^(a)In U.S. dollars unless otherwise indicated. For contracts to sell protection, the notional amount is equal to the maximum potential amount of the future payments and no recourse provisions have been entered into in association with the contracts.

^(b)Based on Standard and Poor's (S&P) Rating for single name swaps and internal ratings for index swaps. Internal ratings based on mapping into equivalent ratings from external vendors.

^(c)Performance triggers for settlement of contract include default, bankruptcy or restructuring for single name swaps, and failure to pay or bankruptcy of the underlying securities for traded index swaps.

^(d)The fund enters contracts to sell protection to create a long credit position.

At June 30, 2024, the Fund had the following interest rate swap contracts outstanding. See Note 1(d).

Interest Rate Swap Contracts

Description	Payment Frequency	Counter-party	Maturity Date	Notional Amount*	Value	Upfront Payments (Receipts)	Unrealized Appreciation (Depreciation)
Centrally Cleared Swap Contracts							
Receive Floating 1-day SOFR	Annual						
Pay Fixed 3.87%	Annual		2/28/31	1,176,000	\$9,808	\$(3,915)	\$13,722
Receive Floating 1-day SOFR	Annual						
Pay Fixed 4.2%	Annual		4/30/31	2,152,000	(31,432)	(16,655)	(14,776)
Receive Floating 1-day SOFR	Annual						
Pay Fixed 3.15%	Annual		5/15/48	1,055,000	118,005	1,568	116,437
Total Interest Rate Swap Contracts					\$96,381	\$(19,002)	\$115,383

*In U.S. dollars unless otherwise indicated.

See Note 7 regarding other derivative information.

See Abbreviations on page 62.

Statement of Assets and Liabilities

June 30, 2024 (unaudited)

**Franklin
Allocation VIP
Fund**

Assets:

Investments in securities:

Cost - Unaffiliated issuers	\$472,248,500
Cost - Non-controlled affiliates (Note 3e)	7,415,081
Value - Unaffiliated issuers	\$558,304,834
Value - Non-controlled affiliates (Note 3e)	7,415,081

Cash	462,132
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Receivables:

Investment securities sold	7,589,714
Capital shares sold	85,835
Dividends and interest	2,155,197
European Union tax reclaims (Note 1f)	54,528
Deposits with brokers for:	
Futures contracts	1,068,825
Centrally cleared swap contracts	287,000
Variation margin on centrally cleared swap contracts	27,211
Unrealized appreciation on OTC forward exchange contracts	126,069

Total assets	<u>\$577,576,426</u>
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Liabilities:

Payables:

Investment securities purchased	2,385,910
Capital shares redeemed	203,582
Management fees	251,054
Distribution fees	147,044
Trustees' fees and expenses	1,023
Variation margin on futures contracts	65,805
Unrealized depreciation on OTC forward exchange contracts	121,984
Deferred tax	17,293
Accrued expenses and other liabilities	84,037

Total liabilities	<u>3,277,732</u>
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Net assets, at value	<u>\$574,298,694</u>
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Net assets consist of:

Paid-in capital	\$478,993,418
Total distributable earnings (losses)	95,305,276
Net assets, at value	<u>\$574,298,694</u>

Statement of Assets and Liabilities (continued)

June 30, 2024 (unaudited)

	Franklin Allocation VIP Fund
Class 1:	
Net assets, at value	\$1,084,202
Shares outstanding	210,818
Net asset value and maximum offering price per share ^a	\$5.14
Class 2:	
Net assets, at value	\$218,399,106
Shares outstanding	42,858,731
Net asset value and maximum offering price per share ^a	\$5.10
Class 4:	
Net assets, at value	\$354,815,386
Shares outstanding	66,813,012
Net asset value and maximum offering price per share ^a	\$5.31

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

Statement of Operations

for the six months ended June 30, 2024 (unaudited)

**Franklin
Allocation VIP
Fund**

Investment income:	
Dividends: (net of foreign taxes of \$165,532)	
Unaffiliated issuers	\$3,254,705
Non-controlled affiliates (Note 3e)	301,337
Interest: (net of foreign taxes of \$1,766)	
Unaffiliated issuers	4,345,596
Other income (Note 1f)	4,149
Total investment income	<u>7,905,787</u>
Expenses:	
Management fees (Note 3a)	1,576,127
Distribution fees: (Note 3c)	
Class 2	273,650
Class 4	618,097
Custodian fees	9,154
Reports to shareholders fees	7,074
Professional fees	39,954
Trustees' fees and expenses	3,449
Interest expense	1,012
Other	39,175
Total expenses	<u>2,567,692</u>
Expenses waived/paid by affiliates (Note 3e and 3f)	(65,121)
Net expenses	<u>2,502,571</u>
Net investment income	<u>5,403,216</u>
Realized and unrealized gains (losses):	
Net realized gain (loss) from:	
Investments:(net of foreign taxes of \$5,700)	
Unaffiliated issuers	12,674,468
Written options	18,916
Foreign currency transactions	(53,134)
Forward exchange contracts	(313,827)
Futures contracts	2,696,436
TBA sale commitments	(20,566)
Swap contracts	132,198
Net realized gain (loss)	<u>15,134,491</u>
Net change in unrealized appreciation (depreciation) on:	
Investments:	
Unaffiliated issuers	14,239,963
Translation of other assets and liabilities denominated in foreign currencies	(19,971)
Written options	(307)
Forward exchange contracts	(156,819)
Futures contracts	(605,265)
Swap contracts	39,534
Change in deferred taxes on unrealized appreciation	11,395
Net change in unrealized appreciation (depreciation)	<u>13,508,530</u>
Net realized and unrealized gain (loss)	<u>28,643,021</u>
Net increase (decrease) in net assets resulting from operations	<u>\$34,046,237</u>

Statements of Changes in Net Assets

	Franklin Allocation VIP Fund	
	Six Months Ended June 30, 2024 (unaudited)	Year Ended December 31, 2023
Increase (decrease) in net assets:		
Operations:		
Net investment income	\$5,403,216	\$9,843,624
Net realized gain (loss)	15,134,491	(2,235,032)
Net change in unrealized appreciation (depreciation)	13,508,530	68,899,250
Net increase (decrease) in net assets resulting from operations	34,046,237	76,507,842
Distributions to shareholders:		
Class 1	(24,453)	(25,224)
Class 2	(4,459,886)	(6,929,031)
Class 4	(6,636,366)	(9,970,207)
Total distributions to shareholders	(11,120,705)	(16,924,462)
Capital share transactions: (Note 2)		
Class 1	253,233	64,532
Class 2	(12,526,827)	(24,866,650)
Class 4	(14,604,161)	(9,836,275)
Total capital share transactions	(26,877,755)	(34,638,393)
Net increase (decrease) in net assets	(3,952,223)	24,944,987
Net assets:		
Beginning of period	578,250,917	553,305,930
End of period	\$574,298,694	\$578,250,917

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, 2024, 47.0% 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 are centrally cleared or 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, 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.

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 and TBA Basis

The Fund may purchase securities on a when-issued, forward commitment or delayed delivery and to-be-announced (TBA) 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.

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, 2024, the Fund had OTC derivatives in a net liability of \$57,568.

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 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.

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.

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 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

Franklin Allocation VIP Fund (continued)

1. Organization and Significant Accounting Policies (continued)

d. Derivative Financial Instruments (continued)

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.

The Fund entered into interest rate swap contracts primarily to manage interest rate risk. An interest rate swap is an agreement between the Fund and a counterparty to exchange cash flows based on the difference between two interest rates, applied to a notional amount. These agreements may be privately negotiated in the over-the-counter market (OTC interest rate swaps) or may be executed on a registered exchange (centrally cleared interest rate swaps). For centrally cleared interest rate 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, contractually required payments to be paid and to be received are

accrued daily and recorded as unrealized appreciation or depreciation until the payments are made, at which time they are realized.

The Fund purchased or wrote exchange traded option contracts primarily to manage and/or gain exposure to interest rate risk. An option is a contract entitling the holder to purchase or sell a specific amount of shares or units of an asset or notional amount of a swap (swaption), at a specified price. When an option is purchased or written, an amount equal to the premium paid or received is recorded as an asset or liability, respectively. Upon exercise of an option, the acquisition cost or sales proceeds of the underlying investment is adjusted by any premium received or paid. Upon expiration of an option, any premium received or paid is recorded as a realized gain or loss. Upon closing an option other than through expiration or exercise, the difference between the premium received or paid and the cost to close the position is recorded as a realized gain or loss. At June 30, 2024, the Fund had no option contracts.

See Note 7 regarding other derivative information.

e. Mortgage Dollar Rolls

The Fund enters into mortgage dollar rolls, typically on a TBA basis. Mortgage dollar rolls are agreements between the Fund and a financial institution where the Fund sells (or buys) mortgage-backed securities for delivery on a specified date and simultaneously contracts to repurchase (or sell) substantially similar (same type, coupon, and maturity) securities at a future date and at a predetermined price. Gains or losses are realized on the initial sale, and the difference between the repurchase price and the sale price is recorded as an unrealized gain or loss to the Fund upon entering into the mortgage dollar roll. In addition, the Fund may invest the cash proceeds that are received from the initial sale. During the period between the sale and repurchase, the Fund is not entitled to principal and interest paid on the mortgage backed securities. Transactions in mortgage dollar rolls are accounted for as purchases and sales and may result in an increase to the Fund's portfolio turnover rate. The risks of mortgage dollar roll transactions include the potential inability of the counterparty to fulfill its obligations.

Franklin Allocation VIP Fund (continued)**1. Organization and Significant Accounting Policies**
(continued)**f. 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. 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, 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.

g. 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

Franklin Allocation VIP Fund (continued)

1. Organization and Significant Accounting Policies
(continued)

g. Security Transactions, Investment Income, Expenses and Distributions (continued)

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.

h. 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.

i. 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 June 30, 2024, 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, 2024		Year Ended December 31, 2023	
	Shares	Amount	Shares	Amount
Class 1 Shares:				
Shares sold	50,984	\$252,063	43,100	\$199,467
Shares issued in reinvestment of distributions	4,748	24,453	5,378	25,224
Shares redeemed	(4,559)	(23,283)	(34,224)	(160,159)
Net increase (decrease)	51,173	\$253,233	14,254	\$64,532
Class 2 Shares:				
Shares sold	474,722	\$2,391,309	1,588,699	\$7,371,791
Shares issued in reinvestment of distributions	872,776	4,459,886	1,490,114	6,929,031
Shares redeemed	(3,850,867)	(19,378,022)	(8,496,769)	(39,167,472)
Net increase (decrease)	(2,503,369)	\$(12,526,827)	(5,417,956)	\$(24,866,650)
Class 4 Shares:				
Shares sold	1,175,765	\$6,197,985	4,245,776	\$20,475,219
Shares issued in reinvestment of distributions	1,247,437	6,636,366	2,059,960	9,970,207
Shares redeemed	(5,221,994)	(27,438,512)	(8,395,238)	(40,281,701)
Net increase (decrease)	(2,798,792)	\$(14,604,161)	(2,089,502)	\$(9,836,275)

Franklin Allocation VIP Fund (continued)**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
Franklin Advisers, Inc. (Advisers)	Investment manager
Brandywine Global Investment Management, LLC (Brandywine)	Investment manager
ClearBridge Investments, LLC (ClearBridge)	Investment manager
Franklin Templeton Institutional, LLC (FT Institutional)	Investment manager
Templeton Global Advisors Limited (Global Advisors)	Investment manager
Western Asset Management Company, LLC (Western)	Investment manager
Western Asset Management Company, Limited (Western London)	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

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.

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

Western

Western London

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.

Franklin Allocation VIP Fund (continued)

3. Transactions with Affiliates (continued)

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 period ended June 30, 2024, the Fund held investments in affiliated management investment companies as follows:

	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
Institutional Fiduciary Trust - Money Market Portfolio, 4.972%	\$13,390,903	\$33,770,913	\$(39,746,735)	\$—	\$—	\$7,415,081	7,415,081	\$301,337
Total Affiliated Securities . . .	\$13,390,903	\$33,770,913	\$(39,746,735)	\$—	\$—	\$7,415,081		\$301,337

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, 2025. Total expenses waived or paid are not subject to recapture subsequent to the Fund’s fiscal year end.

4. Income Taxes

For tax purposes, capital losses may be carried over to offset future capital gains.

At December 31, 2023, the capital loss carryforwards were as follows:

Capital loss carryforwards not subject to expiration:

Short term	\$3,249,093
Long term	121,904
Total capital loss carryforwards	\$3,370,997

At June 30, 2024, the cost of investments and net unrealized appreciation (depreciation) for income tax purposes were as follows:

Cost of investments	\$486,505,991
Unrealized appreciation	\$113,200,991
Unrealized depreciation	(34,015,188)
Net unrealized appreciation (depreciation)	\$79,185,803

Franklin Allocation VIP Fund (continued)

4. Income Taxes (continued)

Differences between income and/or capital gains as determined on a book basis and a tax basis are primarily due to differing treatments of foreign currency transactions, wash sales, passive foreign investment company shares, bond discounts and premiums and derivative financial instruments.

5. Investment Transactions

Purchases and sales of investments (excluding short term securities) for the period ended June 30, 2024, aggregated \$131,709,002 and \$166,596,656, respectively.

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, 2024, investments in derivative contracts are reflected in the Statement of Assets and Liabilities as follows:

Derivative Contracts Not Accounted for as Hedging Instruments	Asset Derivatives		Liability Derivatives	
	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	\$104,942 ^a	Variation margin on futures contracts	\$219,556 ^a
	Variation margin on centrally cleared swap contracts	130,159 ^b	Variation margin on centrally cleared swap contracts	14,776 ^b
Foreign exchange contracts . . .				
	Unrealized appreciation on OTC forward exchange contracts	126,069	Unrealized depreciation on OTC forward exchange contracts	121,984
Credit contracts				
	Variation margin on centrally cleared swap contracts	37,013 ^b	Variation margin on centrally cleared swap contracts	—

Franklin Allocation VIP Fund (continued)

7. Other Derivative Information (continued)

Derivative Contracts Not Accounted for as Hedging Instruments	Asset Derivatives		Liability Derivatives	
	Statement of Assets and Liabilities Location	Fair Value	Statement of Assets and Liabilities Location	Fair Value
Franklin Allocation VIP Fund (continued)				
Equity contracts	Variation margin on futures contracts	\$—	Variation margin on futures contracts	\$58,009 ^a
Total		<u>\$398,183</u>		<u>\$414,325</u>

^aThis 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.

^bThis amount reflects the cumulative appreciation (depreciation) of centrally cleared swap 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.

For the period ended June 30, 2024, 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	Investments	\$(17,784) ^a	Investments	\$150 ^a
	Written options	18,916	Written options	(307)
	Futures contracts	216,310	Futures contracts	(319,556)
	Swap contracts	108,019	Swap contracts	33,900
Foreign exchange contracts	Forward exchange contracts	(313,827)	Forward exchange contracts	(156,819)
Credit contracts	Swap contracts	24,179	Swap contracts	5,634
Equity contracts	Futures contracts	2,480,126	Futures contracts	(285,709)
Total		<u>\$2,515,939</u>		<u>\$(722,707)</u>

^aPurchased option contracts are included in net realized gain (loss) from investments and net change in unrealized appreciation (depreciation) on investments in the Statement of Operations.

Franklin Allocation VIP Fund (continued)

7. Other Derivative Information (continued)

For the period ended June 30, 2024, the average month end notional amount of futures contracts, swap contracts and options, and the average month end contract value for forward exchange contracts, were as follows:

	Franklin Allocation VIP Fund
Futures contracts	\$58,259,845
Swap contracts	6,620,143
Forwards exchange contracts	12,897,742
Options	1,157,143

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 \$2.675 billion (Global Credit Facility) which matures 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.

Under the terms of the Global Credit Facility, the Fund shall, 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, 2024, 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
- 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, 2024, 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:				
Common Stocks:				
Aerospace & Defense	\$5,721,506	\$2,006,217	\$—	\$7,727,723

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:				
Common Stocks:				
Air Freight & Logistics	\$1,196,616	\$1,032,693	\$—	\$2,229,309
Automobile Components	230,978	1,364,341	—	1,595,319
Automobiles	1,575,832	2,281,269	—	3,857,101
Banks	8,990,491	8,404,588	—	17,395,079
Beverages	3,252,649	636,689	—	3,889,338
Biotechnology	3,602,423	1,660,588	—	5,263,011
Broadline Retail	9,127,755	1,722,951	—	10,850,706
Building Products	1,216,280	809,204	—	2,025,484
Capital Markets	6,848,341	3,195,042	—	10,043,383
Chemicals	5,947,757	3,819,951	—	9,767,708
Commercial Services & Supplies	1,392,744	675,635	—	2,068,379
Communications Equipment	3,770,779	104,422	—	3,875,201
Construction & Engineering	257,381	325,027	—	582,408
Construction Materials	1,601,019	742,162	—	2,343,181
Consumer Finance	2,980,568	—	—	2,980,568
Consumer Staples Distribution & Retail	3,035,211	1,619,510	—	4,654,721
Containers & Packaging	—	1,255,074	—	1,255,074
Diversified Consumer Services	128,796	47,354	—	176,150
Diversified REITs	—	131,453	—	131,453
Diversified Telecommunication Services	635,952	573,220	—	1,209,172
Electric Utilities	3,088,600	1,408,721	—	4,497,321
Electrical Equipment	2,568,595	925,855	—	3,494,450
Electronic Equipment, Instruments & Components	1,752,949	530,924	—	2,283,873
Energy Equipment & Services	97,984	528,265	—	626,249
Entertainment	3,724,295	1,037,322	—	4,761,617
Financial Services	10,161,395	692,439	—	10,853,834
Food Products	1,212,886	1,147,534	—	2,360,420
Gas Utilities	74,929	193,782	—	268,711
Ground Transportation	4,395,241	49,605	—	4,444,846
Health Care Equipment & Supplies	6,394,738	3,019,640	—	9,414,378
Health Care Providers & Services	9,186,380	63,946	—	9,250,326
Health Care Technology	246,881	—	—	246,881
Hotels, Restaurants & Leisure	2,167,446	1,539,790	—	3,707,236
Household Durables	1,437,337	1,480,931	—	2,918,268
Household Products	973,821	—	—	973,821
Independent Power and Renewable Electricity Producers	463,260	53,799	—	517,059
Industrial Conglomerates	—	1,130,985	—	1,130,985
Industrial REITs	365,221	338,182	—	703,403
Insurance	5,153,191	2,920,786	—	8,073,977
Interactive Media & Services	12,461,339	480,641	—	12,941,980
IT Services	3,146,509	329,299	—	3,475,808
Leisure Products	—	90,134	—	90,134
Life Sciences Tools & Services	5,492,252	1,063,042	—	6,555,294
Machinery	5,074,687	2,738,168	—	7,812,855
Marine Transportation	—	233,430	—	233,430
Media	2,080,665	268,560	—	2,349,225
Metals & Mining	1,629,496	1,622,552	—	3,252,048
Multi-Utilities	4,068,271	286,237	—	4,354,508
Oil, Gas & Consumable Fuels	7,416,334	4,926,679	—	12,343,013
Paper & Forest Products	112,182	—	—	112,182
Passenger Airlines	74,481	53,860	—	128,341
Personal Care Products	1,293,285	1,004,016	—	2,297,301

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:				
Common Stocks:				
Pharmaceuticals	\$7,110,699	\$6,887,351	\$—	\$13,998,050
Professional Services	861,632	1,923,199	—	2,784,831
Real Estate Management & Development	81,906	427,853	—	509,759
Residential REITs	171,606	—	—	171,606
Retail REITs	868,769	131,105	—	999,874
Semiconductors & Semiconductor Equipment	27,448,277	5,999,780	—	33,448,057
Software	29,460,242	1,352,806	—	30,813,048
Specialized REITs	1,658,785	—	—	1,658,785
Specialty Retail	2,540,060	1,025,718	—	3,565,778
Technology Hardware, Storage & Peripherals	9,017,265	1,681,622	—	10,698,887
Textiles, Apparel & Luxury Goods	893,646	2,605,199	—	3,498,845
Tobacco	879,753	742,999	—	1,622,752
Trading Companies & Distributors	1,566,176	1,466,965	—	3,033,141
Transportation Infrastructure	—	150,754	—	150,754
Water Utilities	187,669	—	—	187,669
Wireless Telecommunication Services	—	71,148	—	71,148
Preferred Stocks	—	543,021	—	543,021
Limited Partnerships	1,891,351	—	—	1,891,351
Corporate Bonds	—	66,188,311	—	66,188,311
Foreign Government and Agency Securities	—	6,444,331	—	6,444,331
U.S. Government and Agency Securities	—	107,722,227	—	107,722,227
Asset-Backed Securities	—	4,315,788	—	4,315,788
Commercial Mortgage-Backed Securities	—	3,151,724	—	3,151,724
Mortgage-Backed Securities	—	33,264,566	—	33,264,566
Municipal Bonds	—	1,038,826	—	1,038,826
Residential Mortgage-Backed Securities	—	1,350,414	—	1,350,414
Agency Commercial Mortgage-Backed Securities	—	648,631	—	648,631
Short Term Investments	11,553,499	—	—	11,553,499
Total Investments in Securities	\$254,019,063	\$311,700,852 ^a	\$—	\$565,719,915
Other Financial Instruments:				
Forward Exchange Contracts	\$—	\$126,069	\$—	\$126,069
Futures Contracts	104,942	—	—	104,942
Swap Contracts	—	167,172	—	167,172
Total Other Financial Instruments	\$104,942	\$293,241	\$—	\$398,183
Liabilities:				
Other Financial Instruments:				
Forward Exchange Contracts	\$—	\$121,984	\$—	\$121,984
Futures Contracts	277,565	—	—	277,565
Swap Contracts	—	14,776	—	14,776
Total Other Financial Instruments	\$277,565	\$136,760	\$—	\$414,325

^aIncludes foreign securities valued at \$87,572,916, 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.

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.

Franklin Allocation VIP Fund (continued)

Abbreviations

Counterparty

BZWS	Barclays Bank plc
CITI	Citibank NA
HSBK	HSBC Bank plc
JPHQ	JPMorgan Chase Bank NA
MSCO	Morgan Stanley
UBSW	UBS AG

Currency

BRL	Brazilian Real
CHF	Swiss Franc
CNY	Chinese Yuan
COP	Colombian Peso
GBP	British Pound
HKD	Hong Kong Dollar
MXN	Mexican Peso
NZD	New Zealand Dollar
USD	United States Dollar
ZAR	South African Rand

Index

CDX.NA.IG.

Series number CDX North America Investment Grade Index

The following reference rates, and their values as of period end, are used for security descriptions:

Reference Index	Reference Rate
1-day SOFR	5.33%

Selected Portfolio

ADR	American Depositary Receipt
CLO	Collateralized Loan Obligation
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
REIT	Real Estate Investment Trust
REMIC	Real Estate Mortgage Investment Conduit
SDR	Swedish Depository Receipt
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.

Board Approval of Management and Subadvisory Agreements

For the period covered by this report

FRANKLIN TEMPLETON VARIABLE INSURANCE PRODUCTS TRUST**Franklin Allocation VIP Fund**
(Fund)

At an in-person meeting held on April 16, 2024 (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 the Fund, (ii) the investment sub-advisory agreement between FAV and Franklin Templeton Institutional, LLC (FTIL), an affiliate of FAV, on behalf of the Fund; (iii) the investment sub-advisory agreement between FAV and Templeton Global Advisors Limited (TGAL), an affiliate of FAV, on behalf of the Fund; (iv) the investment sub-advisory agreement between FAV and Brandywine Global Investment Management, LLC (BGIM), an affiliate of FAV, on behalf of the Fund; (v) the investment sub-advisory agreement between FAV and ClearBridge Investments, LLC (CIL), an affiliate of FAV, on behalf of the Fund; (vi) the investment sub-advisory agreement between FAV and Western Asset Management Company, LLC (WAMC), an affiliate of FAV, on behalf of the Fund; and (vii) the investment sub-advisory agreement between FAV and Western Asset Management Company Limited (WAMCL), an affiliate of FAV, on behalf of the Fund (each a Management Agreement). The Independent Trustees received advice from and met separately with Independent Trustee counsel in considering whether to approve the continuation of each Management Agreement. BGIM, CIL, FAV, FTIL, TGAL, WAMC and WAMCL 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 the Fund; (iii) the costs of the services provided and profits realized by each Manager and its affiliates from the relationship with the Fund; (iv) the extent to which economies of scale are realized as the 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 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 regarding the nature, extent and quality of investment management services provided by each Manager and its affiliates to the Fund and its 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 the 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 Fund to financial intermediaries, as well as a memorandum relating to third-party servicing arrangements. The Board acknowledged the ongoing integration of the Putnam family of funds into the FT family of funds and management's continued development of strategies to address areas of heightened concern in the mutual fund industry, including various regulatory initiatives and continuing geopolitical concerns.

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 Franklin Resources, Inc. (FRI), the Managers' parent, and its commitment to the mutual fund business as evidenced by its continued reassessment of the fund offerings in response to FT acquisitions and the market environment, as well as project initiatives and capital investments relating to the services provided to the Fund by the FT organization. The Board specifically noted FT's commitment to technological innovation and advancement, including its initiative to create a new enterprise-wide artificial intelligence platform.

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 Fund and its shareholders.

Fund Performance

The Board reviewed and considered the performance results of the Fund over various time periods ended December 31, 2023. The Board considered the performance returns for the 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 the Fund's performance results is below.

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 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 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 the Fund's

manager selection within its US equity sleeves hindered relative performance as managers' employed value and momentum strategies which underperformed for the one-year period and large cap and rising dividend strategies which underperformed for the three-year period. 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. 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 ongoing review of manager holdings and a change in the Fund's defensive positioning. The Board noted that the annualized total return and annualized income return were positive for all periods. 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.

Comparative Fees and Expenses

The Board reviewed and considered information regarding the 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 the 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 the 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.

The Expense Group for the Fund included the Fund and eight other mixed-asset target allocation growth funds underlying VIPs. The Board noted that the Management Rate and actual total expense ratio for the Fund were below the medians of its Expense Group. The Board also noted that the Fund's actual total expense ratio reflected an expense cap on operating expenses. The Board further noted that the 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. After consideration of the above, the Board concluded that the Management Rate charged to the Fund and the sub-advisory fee paid to each sub-adviser of the Fund are reasonable.

Profitability

The Board reviewed and considered information regarding the profits realized by each Manager and its affiliates in connection with the operation of the 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 the fund during the 12-month period ended September 30, 2023, being the most recent fiscal year-end for FRI. 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 Fund's 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 Fund's 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 the 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 Fund, 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 each Manager and its affiliates from providing services to the Fund was not excessive in view of the nature, extent and quality of services provided to the Fund.

Economies of Scale

The Board reviewed and considered the extent to which each Manager may realize economies of scale, if any, as the Fund grows larger and whether the Fund's management fee structure reflects any economies of scale for the benefit of shareholders. The Board considered management'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 Fund had experienced a significant decrease in assets and would not be expected to demonstrate additional economies of scale in the near term.

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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