

ANNUAL REPORT

FRANKLIN ALLOCATION VIP FUND

A Series of Franklin Templeton Variable Insurance
Products Trust

December 31, 2023



FRANKLIN
TEMPLETON

The Securities and Exchange Commission has adopted new regulations that will result in changes to the design and delivery of annual and semiannual shareholder reports beginning in July 2024.

If you have previously elected to receive shareholder reports electronically, you will continue to do so and need not take any action.

Otherwise, paper copies of the Fund's shareholder reports will be mailed to you beginning in July 2024. If you would like to receive shareholder reports and other communications from the Fund electronically instead of by mail, you may make that request at any time by contacting your insurance company or your financial intermediary (such as a broker-dealer or bank).

Not FDIC Insured | May Lose Value | No Bank Guarantee

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Franklin Allocation VIP Fund

This annual report for Franklin Allocation VIP Fund covers the fiscal year ended December 31, 2023.

Fund Overview

Q. What is the Fund's investment strategy?

A. The Fund seeks capital appreciation, with income as a secondary goal. The Fund seeks to achieve its investment goals by allocating its assets among the broad asset classes of equity and fixed income investments through a variety of investment strategies or sleeves managed by the investment manager or its affiliates, which include ClearBridge Large Cap Growth Strategy, ClearBridge Large Cap Value Strategy, Franklin Emerging Markets Core Equity Strategy, Franklin International Core Equity Strategy, Franklin International Growth Strategy, Franklin U.S. Core Equity Strategy, Franklin U.S. Smart Beta Equity Strategy, Templeton Foreign Strategy, Brandywine Global Opportunities Bond Strategy, Franklin Investment Grade Corporate Strategy, Franklin U.S. Core Bond Strategy, Franklin U.S. Treasury Securities Strategy and Western Asset Core Bond Strategy. The Fund is structured as a multi-manager Fund (meaning the Fund's assets are managed by multiple subadvisors), with the investment manager having overall responsibility for the Fund's investments. The investment manager allocates assets among various asset classes and strategy sleeves to seek to diversify the Fund's portfolio, to add incremental return and to reduce the Fund's risk of being significantly impacted by changes in a specific asset class or by changing market conditions. The investment manager may, at times, implement a risk overlay strategy, which seeks to neutralize certain market risks that may exist in the Fund, primarily through the use of equity and interest rate/bond futures. Allocations to the individually managed sleeves typically will not exceed 20%, but will vary with market conditions; however, under normal market conditions, no sleeve constitutes a majority of the Fund's assets.

Q. What were the overall market conditions during the Fund's reporting period?

A. U.S. equities posted a robust total return for the 12 months ended December 31, 2023. Several prominent bank failures in the early part of the year drove increased uncertainty among investors, but government intervention led to swift reorganizations and equities recovered from a brief decline. Technology-related stocks helped support the equity market amid cost-cutting efforts and investor optimism that artificial intelligence (AI) would lead to strong growth opportunities. Meanwhile, the economic outlook improved as inflation cooled substantially and U.S. Treasury yields stabilized. The U.S. economy was strong, posting solid gross domestic product growth in the first half of 2023 and

then accelerating in the third quarter. Consumer spending continued to power the economy, helped by higher asset prices and increased wages. The labor market remained tight amid continued job growth. Rising wages and lower inflation bolstered consumer confidence, and the improving outlook on inflation led some investors to anticipate looser financial conditions in 2024. In its efforts to reduce inflation, the U.S. Federal Reserve (Fed) restricted monetary policy during the period. The Fed raised the federal funds target rate four times, ending the period at a range of 5.25%–5.50% and pushing borrowing costs to their highest levels since 2001. However, at four of its meetings, the Fed declined to adjust interest rates, signaling that its rate-hiking cycle was at or near an end. The U.S. bond market, as measured by the Bloomberg U.S. Aggregate Index, also posted a positive total return for the 12-month period. While elevated inflation and tighter monetary policy pressured bond prices (which move inversely to yields), they recovered as inflation showed signs of decelerating late in the period. As inflation moderated, many investors' interest-rate expectations changed, and they increasingly anticipated that the U.S. Federal Reserve (Fed) would begin to lower interest rates in 2024. The U.S. Treasury (UST) yield curve flattened while remaining inverted. Corporate bonds gained overall, as improved confidence in the economy's resilience mitigated concerns about the health of corporate balance sheets, bolstering bond prices. High-yield corporate bonds broadly outperformed their investment-grade counterparts.

Q. How did we respond to these changing market conditions?

A. We ended 2022 with a fairly defensive stance, given concerns surrounding the lagging effects of monetary policy on economic growth, expectations for further policy tightening, the high risk of a recession, and the potential impact of all those risks on equity markets. As a result, we opened the year with a substantial underweight to equities and an overweight to fixed income. As we became more comfortable with the market conditions, we took on more risk in the portfolio, moving to a more neutral position. We finished 2023 with an overweight allocation to stocks and an underweight to fixed income.

Portfolio Composition

12/31/23

| | % of Total Net Assets |
|---|------------------------------|
| Common Stocks | 57.9% |
| U.S. Government and Agency Securities | 17.5% |
| Corporate Bonds | 11.0% |
| Mortgage-Backed Securities | 5.3% |
| Management Investment Companies | 1.9% |
| Foreign Government and Agency Securities | 1.1% |
| Other* | 2.2% |
| Short-Term Investments & Other Net Assets | 3.1% |

*Categories within the Other category are listed in full in the Fund's Schedule of Investments (SOI), which can be found later in this report.

Performance Overview

You can find the Fund's one-year total return for all share classes in the Performance Summary. In comparison, the Fund's benchmark, the Standard & Poor's® 500 Index (S&P 500®), posted a +26.29% total return.¹ The Fund's other benchmarks performed as follows: the Bloomberg U.S. Aggregate Index posted a +5.53% total return, the MSCI World ex USA Index-NR posted a +17.94% total return, and the Linked Allocation VIP Fund Benchmark posted a +16.08% total return.^{1,2}

Performance data represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate, and you may have a gain or loss when you sell your shares. Current performance may differ from figures shown. Inception date of the Fund may have preceded the effective dates of the subaccounts, contracts or their availability in all states.

Q. What were the leading contributors to performance?

A. Overall manager selection bolstered relative returns, led by strength in fixed income, and especially the investment-grade corporate sleeve, which outperformed its fixed income benchmark. Our modest overweight to U.S. equities relative to the rest of the world also added value. Our international equity sleeve outpaced the Fund's broad benchmark. Within the U.S. equity sleeve, the Clearbridge Large Cap Growth

1. Source: Morningstar. The Standard & Poor's® 500 Index (S&P 500®) is a market capitalization-weighted index of 500 stocks designed to measure total U.S. equity market performance. The Bloomberg U.S. Aggregate Index measures the performance of the investment-grade, U.S. dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, mortgage-backed securities (agency fixed-rate and hybrid adjustable-rate mortgage pass-throughs), asset-backed securities and commercial mortgage-backed securities (agency and nonagency). The MSCI World ex USA Index-NR is a free float-adjusted, market capitalization-weighted index designed to measure the equity market performance of global developed markets, excluding the U.S. Net Return (NR) reflects no deduction for fees, expenses or taxes but are net of dividend tax withholding.

2. Source: FactSet. The Linked Allocation VIP Fund Benchmark was calculated internally and was composed of 40% S&P 500, 40% Bloomberg U.S. Aggregate Index and 20% MSCI World ex USA Index-NR.

The indexes are unmanaged and include reinvestment of any income and distributions. They do not reflect any fees, expenses or sales charges. One cannot invest directly in an index, and an index is not representative of the Fund's portfolio.

Important data provider notices and terms available at www.franklintempletondatasources.com.

The dollar value, number of shares or principal amount, and names of all portfolio holdings are listed in the Fund's Schedule of Investments (SOI).

strategy and the Franklin Growth strategy were notable contributors, as both beat not only the S&P 500® Index (S&P 500®) but also the growth benchmark.

Q. What were the leading detractors from performance?

A. Cross-asset allocation was a major detractor, driven by our aforementioned underweight allocation, on average, to equities during a year in which stocks broadly outpaced bonds. Among individual strategies, Clearbridge Large Cap Value was a major detractor, due to its value orientation, although it beat its value benchmark. The Franklin International Growth and International Core Equity strategies also weighed on returns.

Geographic Composition

12/31/23

| | % of Total Net Assets |
|---|------------------------------|
| North America | 77.6% |
| Europe | 12.6% |
| Asia | 4.4% |
| Other | 2.3% |
| Short-Term Investments & Other Net Assets | 3.1% |

Q. Were there any significant changes to the Fund during the reporting period?

A. There were no meaningful changes to our allocations during the reporting period. We did make adjustments, as mentioned above, within the portfolio's tactical sleeve, largely through long and short allocations to 10-year U.S. Treasury futures and S&P 500® futures. Over the year under review, we allocated a larger slice of the sleeve to long positioning in the equity index.

Top 10 Holdings

12/31/23

| Company Industry, Country | % of Total Net Assets |
|---|----------------------------------|
| U.S. Treasury Notes <i>Financial Services, United States</i> | 12.8% |
| U.S. Treasury Bonds <i>Financial Services, United States</i> | 4.7% |
| FNMA, 30 Year <i>Financial Services, United States</i> | 2.2% |
| Microsoft Corp. <i>Software, United States</i> | 2.2% |
| Schwab U.S. TIPS ETF <i>Capital Markets, United States</i> | 1.9% |
| Apple, Inc. <i>Technology Hardware, Storage & Peripherals, United States</i> | 1.7% |
| FHLMC Pool, 30 Year <i>Financial Services, United States</i> | 1.5% |
| Amazon.com, Inc. <i>Broadline Retail, United States</i> | 1.4% |
| NVIDIA Corp. <i>Semiconductors & Semiconductor Equipment, United States</i> | 1.2% |
| JPMorgan Chase & Co. <i>Banks, United States</i> | 1.0% |

Thank you for your participation in Franklin Allocation VIP Fund. We look forward to serving your future investment needs.

The foregoing information reflects our analysis, opinions and portfolio holdings as of December 31, 2023, the end of the reporting period. The way we implement our main investment strategies and the resulting portfolio holdings may change depending on factors such as market and economic conditions. These opinions may not be relied upon as investment advice or an offer for a particular security. The information is not a complete analysis of every aspect of any market, country, industry, security or the Fund. Statements of fact are from sources considered reliable, but the investment manager makes no representation or warranty as to their completeness or accuracy. Although historical performance is no guarantee of future results, these insights may help you understand our investment management philosophy.

Performance Summary as of December 31, 2023¹

Average annual total return of each share class represents the average annual change in value, assuming reinvestment of dividends and capital gains. Average returns smooth out variations in returns, which can be significant; they are not the same as year-by-year results.

| Average Annual Total Return | Class 1 | Class 2 | Class 4 |
|-----------------------------|---------|---------|---------|
| 1-Year | +14.77% | +14.61% | +14.62% |
| 5-Year | +7.82% | +7.57% | +7.44% |
| 10-Year | +5.00% | +4.75% | +4.64% |

1. On May 1, 2019, the Fund's investment strategies changed. Performance prior to May 1, 2019, is attributable to the Fund's performance before the strategy change. Gross expenses are the Fund's total annual operating expenses as of the Fund's prospectus available at the time of publication. Actual expenses may be higher and may impact portfolio returns. Net expenses reflect contractual fee waivers, expense caps and/or reimbursements, which cannot be terminated prior to 4/30/24 without Board consent. Additional amounts may be voluntarily waived and/or reimbursed and may be modified or discontinued at any time without notice.

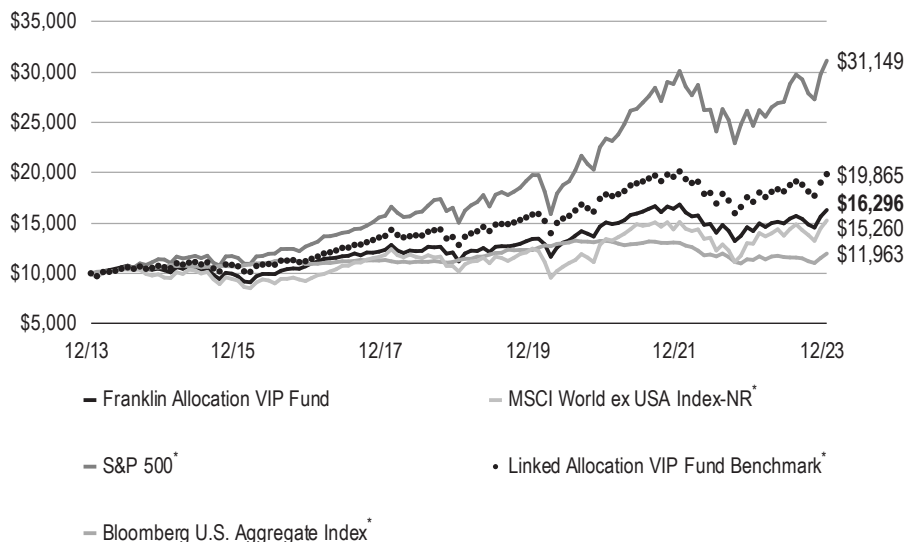
*Performance reflects the Fund's class operating expenses, but does **not** include any contract fees, expenses or sales charges. If they had been included, performance would be lower. These charges and deductions, particularly for variable life policies, can have a significant effect on contract values and insurance benefits. See the contract prospectus for a complete description of these expenses, including sales charges.*

Performance data represent past performance, which does not guarantee future results. Investment return and principal value will fluctuate, and you may have a gain or loss when you sell your shares. Current performance may differ from figures shown. Inception date of the Fund may have preceded the effective dates of the subaccounts, contracts or their availability in all states.

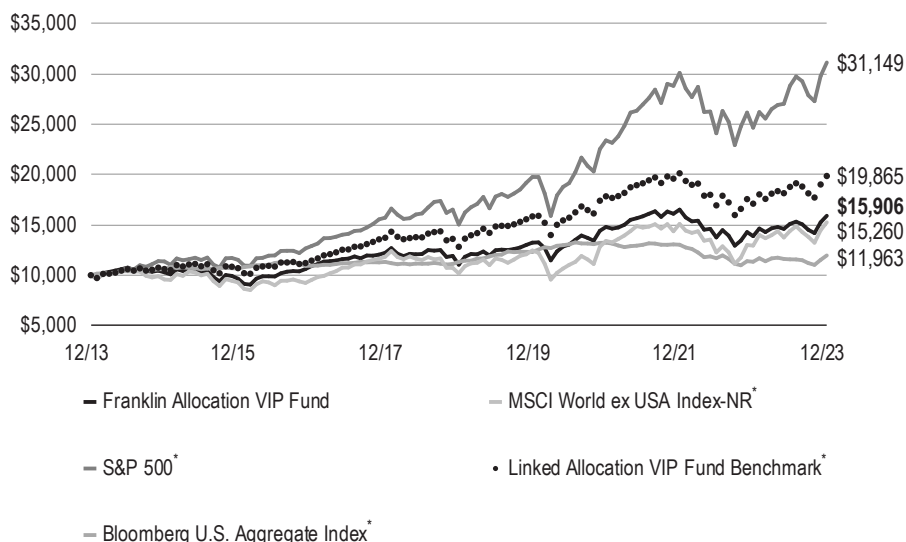
Total Return Index Comparison for a Hypothetical \$10,000 Investment (12/31/13–12/31/23)¹

The graphs below show the change in value of a hypothetical \$10,000 investment in the Fund over the indicated period and include reinvestment of any income or distributions. The Fund's performance is compared to the performance of the Standard & Poor's® 500 Index (S&P 500®), the Bloomberg U.S. Aggregate Index, the MSCI World ex USA Index-NR and the Linked Allocation VIP Fund Benchmark. One cannot invest directly in an index, and an index is not representative of the Fund's portfolio.

Class 1 (12/31/13–12/31/23)



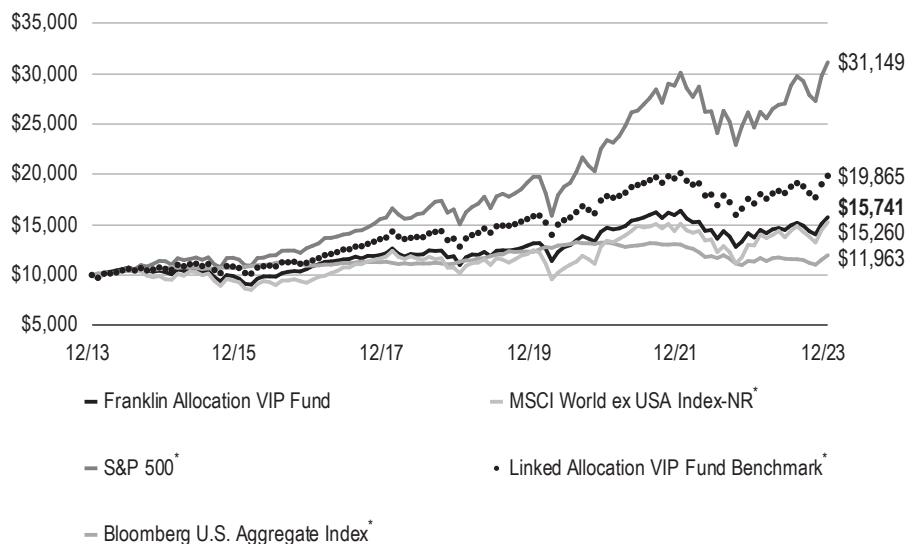
Class 2 (12/31/13–12/31/23)



*Source: FactSet.

Total Return Index Comparison for a Hypothetical \$10,000 Investment (12/31/13–12/31/23)¹(continued)

Class 4 (12/31/13–12/31/23)



Fund Risks

Events such as the spread of deadly diseases, disasters, and financial, political or social disruptions, may heighten risks and adversely affect performance.

All investments involve risks, including possible loss of principal. Equity securities are subject to price fluctuation and possible loss of principal. **International investments** are subject to special risks, including currency fluctuations and social, economic and political uncertainties, which could increase volatility. These risks are magnified in **emerging markets**. **Currency management** strategies could result in losses to the Fund if currencies do not perform as expected. **Fixed income securities** involve interest rate, credit, inflation and reinvestment risks, and possible loss of principal. As interest rates rise, the value of fixed income securities falls. The investment style may become out of favor, which may have a negative impact on performance. These and other risks are discussed in the Fund's prospectus.

Your Fund's Expenses

As an investor in a variable insurance contract (Contract) that indirectly provides for investment in an underlying mutual fund, you can incur transaction and/or ongoing expenses at both the Fund level and the Contract Level: (1) transaction expenses can include sales charges (loads) on purchases, surrender fees, transfer fees and premium taxes; and (2) ongoing expenses can include management fees, distribution and service (12b-1) fees, contract fees, annual maintenance fees, mortality and expense risk fees and other fees and expenses. All mutual funds and Contracts have some types of ongoing expenses. The table below shows Fund-level ongoing expenses and can help you understand these costs and compare them with those of other mutual funds offered through the Contract. The table assumes a \$1,000 investment held for the six months indicated. Please refer to the Fund prospectus for additional information on operating expenses.

Actual Fund Expenses

The table below provides information about the actual account values and actual expenses in the columns under the heading "Actual." In these columns the Fund's actual return, which includes the effect of ongoing Fund expenses but does not include the effect of ongoing Contract expenses, is used to calculate the "Ending Account Value." You can estimate the Fund-level expenses you paid during the period by following these steps (*of course, your account value and expenses will differ from those in this illustration*): Divide your account value by \$1,000 (*if your account had an \$8,600 value, then $\$8,600 \div \$1,000 = 8.6$*). Then multiply the result by the number under the headings "Actual" and "Fund-Level Expenses Paid During Period" (*if Fund-Level Expenses Paid During Period were \$7.50, then $8.6 \times \$7.50 = \64.50*). In this illustration, the estimated expenses paid this period at the Fund level are \$64.50.

Hypothetical Example for Comparison with Other Mutual Funds

Under the heading "Hypothetical" in the table, information is provided about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. This information may not be used to estimate the actual ending account balance or expenses you paid for the period, but it can help you compare ongoing costs of investing in the Fund with those of other mutual funds offered through the Contract. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds offered through the Contract.

Please note that expenses shown in the table are meant to highlight ongoing costs at the Fund level only and do not reflect any ongoing expenses at the Contract level, or transaction expenses at either the Fund or Contract levels. In addition, while the Fund does not have transaction expenses, if the transaction and ongoing expenses at the Contract level were included, the expenses shown below would be higher. You should consult your Contract prospectus or disclosure document for more information.

| Share Class | Beginning Account Value 7/1/23 | Actual (actual return after expenses) | | Hypothetical (5% annual return before expenses) | | Net Annualized Expense Ratio ² |
|-------------|--------------------------------|--|---|--|---|---|
| | | Ending Account Value 12/31/23 | Fund-Level Expenses Paid During Period 7/1/23–12/31/23 ^{1,2} | Ending Account Value 12/31/23 | Fund-Level Expenses Paid During Period 7/1/23–12/31/23 ^{1,2} | |
| 1 | \$1,000 | \$1,055.40 | \$2.90 | \$1,022.38 | \$2.86 | 0.56% |
| 2 | \$1,000 | \$1,053.80 | \$4.19 | \$1,021.12 | \$4.13 | 0.81% |
| 4 | \$1,000 | \$1,053.70 | \$4.71 | \$1,020.62 | \$4.64 | 0.91% |

1. Expenses are equal to the annualized expense ratio for the six-month period as indicated above—in the far right column—multiplied by the simple average account value over the period indicated, and then multiplied by 184/365 to reflect the one-half year period.

2. Reflects expenses after fee waivers and expense reimbursements. Does not include any ongoing expenses of the Contract for which the Fund is an investment option or acquired fund fees and expenses.

Financial Highlights

Franklin Allocation VIP Fund

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

^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.

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

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

Franklin Allocation VIP Fund (continued)

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

^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.

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

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

Franklin Allocation VIP Fund (continued)

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

^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.

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

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

Schedule of Investments, December 31, 2023

Franklin Allocation VIP Fund

| | Country | Shares | Value |
|---|----------------|-----------|-----------|
| Common Stocks 57.9% | | | |
| Aerospace & Defense 1.4% | | | |
| BAE Systems plc | United Kingdom | 33,227 | \$470,383 |
| BWX Technologies, Inc. | United States | 3,401 | 260,959 |
| Curtiss-Wright Corp. | United States | 376 | 83,769 |
| Dassault Aviation SA | France | 3,377 | 669,177 |
| Lockheed Martin Corp. | United States | 1,001 | 453,693 |
| MTU Aero Engines AG | Germany | 5,400 | 1,163,565 |
| Northrop Grumman Corp. | United States | 4,502 | 2,107,566 |
| ^a Rolls-Royce Holdings plc | United Kingdom | 171,960 | 655,996 |
| RTX Corp. | United States | 23,138 | 1,946,831 |
| Textron, Inc. | United States | 1,028 | 82,672 |
| | | | 7,894,611 |
| Air Freight & Logistics 0.7% | | | |
| CH Robinson Worldwide, Inc. | United States | 856 | 73,950 |
| DSV A/S | Denmark | 6,197 | 1,089,032 |
| Expeditors International of Washington, Inc. | United States | 3,071 | 390,631 |
| Nippon Express Holdings, Inc. | Japan | 1,800 | 102,150 |
| United Parcel Service, Inc., B | United States | 16,280 | 2,559,705 |
| | | | 4,215,468 |
| Automobile Components 0.5% | | | |
| ^a Aptiv plc | United States | 3,910 | 350,805 |
| Continental AG | Germany | 10,437 | 886,550 |
| ^a Forvia SE | France | 37,766 | 855,620 |
| Valeo SE | France | 51,293 | 792,873 |
| | | | 2,885,848 |
| Automobiles 0.8% | | | |
| Bayerische Motoren Werke AG | Germany | 3,928 | 437,134 |
| General Motors Co. | United States | 23,014 | 826,663 |
| ^b Honda Motor Co. Ltd. | Japan | 57,600 | 594,262 |
| Mazda Motor Corp. | Japan | 14,300 | 152,881 |
| Stellantis NV | United States | 23,539 | 551,609 |
| Subaru Corp. | Japan | 14,800 | 269,991 |
| ^a Tesla, Inc. | United States | 6,612 | 1,642,950 |
| Thor Industries, Inc. | United States | 965 | 114,111 |
| Toyota Motor Corp. | Japan | 15,600 | 285,901 |
| | | | 4,875,502 |
| Banks 2.8% | | | |
| ^c ABN AMRO Bank NV, CVA, 144A, Reg S | Netherlands | 9,774 | 147,006 |
| Banco Bilbao Vizcaya Argentaria SA | Spain | 53,787 | 490,295 |
| Bank of America Corp. | United States | 63,958 | 2,153,466 |
| Credit Agricole SA | France | 29,714 | 422,491 |
| Erste Group Bank AG | Austria | 4,771 | 193,275 |
| First Citizens BancShares, Inc., A | United States | 202 | 286,632 |
| HDFC Bank Ltd. | India | 34,882 | 714,212 |
| HSBC Holdings plc | United Kingdom | 24,829 | 200,889 |
| ING Groep NV | Netherlands | 63,400 | 950,783 |
| JPMorgan Chase & Co. | United States | 23,139 | 3,935,944 |
| ^b KB Financial Group, Inc. | South Korea | 15,461 | 641,594 |
| Lloyds Banking Group plc | United Kingdom | 1,906,287 | 1,156,370 |
| Mitsubishi UFJ Financial Group, Inc. | Japan | 4,100 | 35,193 |
| NatWest Group plc | United Kingdom | 72,363 | 201,584 |
| ^b Shinhan Financial Group Co. Ltd. | South Korea | 21,251 | 655,316 |
| Standard Chartered plc | United Kingdom | 152,869 | 1,297,421 |
| Sumitomo Mitsui Financial Group, Inc. | Japan | 9,700 | 472,084 |
| Sumitomo Mitsui Financial Group, Inc., ADR | Japan | 76,300 | 738,584 |

Franklin Allocation VIP Fund (continued)

| | Country | Shares | Value |
|---|----------------|--------|------------|
| Common Stocks (continued) | | | |
| Banks (continued) | | | |
| UniCredit SpA..... | Italy | 18,225 | \$496,329 |
| US Bancorp | United States | 22,340 | 966,875 |
| | | | 16,156,343 |
| Beverages 0.8% | | | |
| Asahi Group Holdings Ltd..... | Japan | 10,600 | 394,776 |
| Brown-Forman Corp., B | United States | 3,858 | 220,292 |
| ^a Celsius Holdings, Inc. | United States | 1,520 | 82,870 |
| Coca-Cola HBC AG | Italy | 5,150 | 151,237 |
| Constellation Brands, Inc., A | United States | 1,404 | 339,417 |
| Molson Coors Beverage Co., B | United States | 3,498 | 214,112 |
| ^a Monster Beverage Corp..... | United States | 24,065 | 1,386,385 |
| PepsiCo, Inc. | United States | 11,790 | 2,002,414 |
| | | | 4,791,503 |
| Biotechnology 1.4% | | | |
| AbbVie, Inc. | United States | 9,793 | 1,517,621 |
| Amgen, Inc. | United States | 3,716 | 1,070,282 |
| CSL Ltd. | United States | 4,600 | 896,898 |
| ^a Exelixis, Inc. | United States | 5,932 | 142,309 |
| ^a Genmab A/S | Denmark | 2,900 | 924,824 |
| Gilead Sciences, Inc. | United States | 12,523 | 1,014,488 |
| ^a Regeneron Pharmaceuticals, Inc. | United States | 1,297 | 1,139,142 |
| ^a United Therapeutics Corp..... | United States | 825 | 181,409 |
| ^a Vertex Pharmaceuticals, Inc..... | United States | 2,668 | 1,085,583 |
| | | | 7,972,556 |
| Broadline Retail 1.8% | | | |
| ^{b,d} Alibaba Group Holding Ltd..... | China | 85,493 | 823,467 |
| ^a Amazon.com, Inc. | United States | 48,790 | 7,413,153 |
| ^a MercadoLibre, Inc. | Brazil | 550 | 864,347 |
| Next plc | United Kingdom | 2,902 | 300,029 |
| Prosus NV | China | 22,475 | 669,623 |
| Wesfarmers Ltd. | Australia | 1,940 | 75,456 |
| | | | 10,146,075 |
| Building Products 0.3% | | | |
| ^a Builders FirstSource, Inc. | United States | 2,367 | 395,147 |
| Cie de Saint-Gobain SA | France | 6,929 | 511,065 |
| Kingspan Group plc | Ireland | 2,620 | 226,465 |
| Owens Corning. | United States | 1,687 | 250,064 |
| Trane Technologies plc | United States | 2,656 | 647,798 |
| | | | 2,030,539 |
| Capital Markets 1.9% | | | |
| 3i Group plc | United Kingdom | 15,685 | 482,834 |
| Affiliated Managers Group, Inc. | United States | 603 | 91,306 |
| Bank of New York Mellon Corp. (The) | United States | 1,618 | 84,217 |
| BlackRock, Inc..... | United States | 347 | 281,695 |
| Blackstone, Inc. | United States | 2,280 | 298,498 |
| Cboe Global Markets, Inc. | United States | 429 | 76,602 |
| Charles Schwab Corp. (The) | United States | 41,432 | 2,850,522 |
| Deutsche Bank AG | Germany | 35,376 | 482,987 |
| Evercore, Inc., A | United States | 644 | 110,156 |
| ^{a,d} Futu Holdings Ltd., ADR | Hong Kong | 1,500 | 81,945 |
| Hargreaves Lansdown plc..... | United Kingdom | 8,635 | 80,712 |
| Intercontinental Exchange, Inc. | United States | 5,205 | 668,478 |

Franklin Allocation VIP Fund (continued)

| | Country | Shares | Value |
|--|----------------|--------|-------------|
| Common Stocks (continued) | | | |
| Capital Markets (continued) | | | |
| Intermediate Capital Group plc | United Kingdom | 48,000 | \$1,025,566 |
| Jefferies Financial Group, Inc. | United States | 3,539 | 143,011 |
| Macquarie Group Ltd. | Australia | 8,900 | 1,114,281 |
| MSCI, Inc., A. | United States | 140 | 79,191 |
| Partners Group Holding AG | Switzerland | 214 | 309,415 |
| S&P Global, Inc. | United States | 2,893 | 1,274,424 |
| SEI Investments Co. | United States | 1,856 | 117,949 |
| Singapore Exchange Ltd. | Singapore | 6,500 | 48,360 |
| State Street Corp. | United States | 6,248 | 483,970 |
| T Rowe Price Group, Inc. | United States | 768 | 82,706 |
| Tradeweb Markets, Inc., A. | United States | 3,100 | 281,728 |
| XP, Inc., A. | Brazil | 6,478 | 168,881 |
| | | | 10,719,434 |
| Chemicals 1.8% | | | |
| Air Liquide SA | France | 1,034 | 201,342 |
| Air Products and Chemicals, Inc. | United States | 9,064 | 2,481,723 |
| Albemarle Corp. | United States | 3,856 | 557,115 |
| BASF SE | Germany | 1,455 | 78,358 |
| CF Industries Holdings, Inc. | United States | 3,952 | 314,184 |
| ^{a,c} Covestro AG, 144A, Reg S | Germany | 10,551 | 614,910 |
| DSM-Firmenich AG | Switzerland | 7,500 | 762,804 |
| Ecolab, Inc. | United States | 1,621 | 321,525 |
| ICL Group Ltd. | Israel | 16,081 | 81,137 |
| Linde plc | United States | 1,885 | 774,188 |
| LyondellBasell Industries NV, A | United States | 770 | 73,212 |
| Mosaic Co. (The) | United States | 2,112 | 75,462 |
| Nitto Denko Corp. | Japan | 3,500 | 261,235 |
| Sherwin-Williams Co. (The) | United States | 6,660 | 2,077,254 |
| Shin-Etsu Chemical Co. Ltd. | Japan | 10,300 | 430,855 |
| Sika AG | Switzerland | 3,400 | 1,108,593 |
| Solvay SA | Belgium | 1,734 | 53,152 |
| ^a Syensqo SA | Belgium | 1,734 | 180,462 |
| | | | 10,447,511 |
| Commercial Services & Supplies 0.3% | | | |
| Brambles Ltd. | Australia | 4,448 | 41,234 |
| ^a Copart, Inc. | United States | 1,679 | 82,271 |
| Dai Nippon Printing Co. Ltd. | Japan | 1,400 | 41,351 |
| Republic Services, Inc., A | United States | 1,600 | 263,856 |
| Securitas AB, B. | Sweden | 48,800 | 478,530 |
| Veralto Corp. | United States | 8,990 | 739,517 |
| | | | 1,646,759 |
| Communications Equipment 0.5% | | | |
| Cisco Systems, Inc. | United States | 23,532 | 1,188,837 |
| ^a F5, Inc. | United States | 471 | 84,299 |
| Motorola Solutions, Inc. | United States | 5,245 | 1,642,157 |
| Telefonaktiebolaget LM Ericsson, B | Sweden | 14,605 | 91,930 |
| | | | 3,007,223 |
| Construction & Engineering 0.1% | | | |
| ACS Actividades de Construccion y Servicios SA | Spain | 5,700 | 253,199 |
| Eiffage SA | France | 738 | 79,236 |
| EMCOR Group, Inc. | United States | 871 | 187,639 |
| | | | 520,074 |

Franklin Allocation VIP Fund (continued)

| | Country | Shares | Value |
|--|----------------|---------|-------------|
| Common Stocks (continued) | | | |
| Construction Materials 0.4% | | | |
| CRH plc | United States | 14,908 | \$1,026,079 |
| Martin Marietta Materials, Inc. | United States | 3,098 | 1,545,623 |
| | | | 2,571,702 |
| Consumer Finance 0.4% | | | |
| American Express Co. | United States | 12,110 | 2,268,687 |
| Synchrony Financial | United States | 7,941 | 303,267 |
| | | | 2,571,954 |
| Consumer Staples Distribution & Retail 0.7% | | | |
| Albertsons Cos., Inc., A. | United States | 7,574 | 174,202 |
| Carrefour SA. | France | 3,645 | 66,766 |
| Casey's General Stores, Inc. | United States | 705 | 193,692 |
| Costco Wholesale Corp. | United States | 200 | 132,016 |
| Jeronimo Martins SGPS SA | Portugal | 3,082 | 78,449 |
| Koninklijke Ahold Delhaize NV. | Netherlands | 15,228 | 438,191 |
| Kroger Co. (The) | United States | 13,143 | 600,767 |
| MatsukiyoCocokara & Co. | Japan | 2,000 | 35,354 |
| Target Corp. | United States | 4,460 | 635,193 |
| Tesco plc | United Kingdom | 121,042 | 448,480 |
| Walmart, Inc. | United States | 7,581 | 1,195,145 |
| | | | 3,998,255 |
| Containers & Packaging 0.4% | | | |
| Packaging Corp. of America | United States | 956 | 155,742 |
| SIG Group AG | Switzerland | 40,000 | 921,186 |
| Smurfit Kappa Group plc. | Ireland | 28,982 | 1,149,017 |
| | | | 2,225,945 |
| Diversified Consumer Services 0.0%† | | | |
| H&R Block, Inc. | United States | 2,839 | 137,322 |
| Pearson plc | United Kingdom | 4,260 | 52,332 |
| | | | 189,654 |
| Diversified REITs 0.0%† | | | |
| Stockland | Australia | 41,213 | 125,002 |
| Diversified Telecommunication Services 0.2% | | | |
| AT&T, Inc. | United States | 10,638 | 178,506 |
| Deutsche Telekom AG. | Germany | 6,101 | 146,708 |
| Swisscom AG | Switzerland | 564 | 339,434 |
| Telenor ASA | Norway | 18,323 | 210,294 |
| | | | 874,942 |
| Electric Utilities 0.7% | | | |
| BKW AG. | Switzerland | 535 | 95,153 |
| Chubu Electric Power Co., Inc. | Japan | 14,900 | 192,413 |
| Constellation Energy Corp. | United States | 638 | 74,576 |
| Edison International | United States | 23,163 | 1,655,923 |
| Endesa SA | Spain | 6,414 | 130,871 |
| Kansai Electric Power Co., Inc. (The) | Japan | 16,800 | 223,011 |
| NextEra Energy, Inc. | United States | 14,181 | 861,354 |
| OGE Energy Corp. | United States | 2,245 | 78,418 |
| Origin Energy Ltd. | Australia | 18,571 | 107,183 |
| Orsted A/S, 144A, Reg S. | Denmark | 8,351 | 463,026 |
| | | | 3,881,928 |

Franklin Allocation VIP Fund (continued)

| | Country | Shares | Value |
|--|----------------|--------|------------|
| Common Stocks (continued) | | | |
| Electrical Equipment 0.5% | | | |
| ABB Ltd. | Switzerland | 5,376 | \$238,670 |
| Acuity Brands, Inc. | United States | 585 | 119,826 |
| AMETEK, Inc. | United States | 1,547 | 255,085 |
| Eaton Corp. plc. | United States | 5,195 | 1,251,060 |
| Emerson Electric Co. | United States | 765 | 74,457 |
| Hubbell, Inc., B. | United States | 1,019 | 335,180 |
| Mitsubishi Electric Corp. | Japan | 10,200 | 144,295 |
| nVent Electric plc. | United States | 2,935 | 173,429 |
| Prysmian SpA. | Italy | 5,423 | 247,241 |
| | | | 2,839,243 |
| Electronic Equipment, Instruments & Components 0.6% | | | |
| Amphenol Corp., A. | United States | 7,894 | 782,532 |
| ^a Arrow Electronics, Inc. | United States | 591 | 72,250 |
| Azbil Corp. | Japan | 3,000 | 98,964 |
| Jabil, Inc. | United States | 2,664 | 339,393 |
| Keyence Corp. | Japan | 200 | 87,887 |
| TE Connectivity Ltd. | United States | 12,858 | 1,806,549 |
| Vontier Corp. | United States | 2,520 | 87,066 |
| Yokogawa Electric Corp. | Japan | 5,700 | 108,365 |
| | | | 3,383,006 |
| Energy Equipment & Services 0.2% | | | |
| SBM Offshore NV. | Netherlands | 46,875 | 644,082 |
| TechnipFMC plc. | United Kingdom | 4,091 | 82,393 |
| ^a Technicas Reunidas SA. | Spain | 26,481 | 244,439 |
| | | | 970,914 |
| Entertainment 0.7% | | | |
| Capcom Co. Ltd. | Japan | 4,200 | 135,561 |
| CTS Eventim AG & Co. KGaA. | Germany | 14,500 | 1,003,033 |
| Electronic Arts, Inc. | United States | 5,043 | 689,933 |
| ^a Netflix, Inc. | United States | 3,467 | 1,688,013 |
| Nintendo Co. Ltd. | Japan | 1,200 | 62,452 |
| ^a ROBLOX Corp., A. | United States | 4,144 | 189,464 |
| ^a Spotify Technology SA. | United States | 2,126 | 399,496 |
| | | | 4,167,952 |
| Financial Services 2.2% | | | |
| ^a Berkshire Hathaway, Inc., B. | United States | 9,197 | 3,280,202 |
| Eurazeo SE. | France | 1,115 | 88,670 |
| EXOR NV. | Netherlands | 7,922 | 793,082 |
| Industrivarden AB, A. | Sweden | 3,324 | 108,696 |
| Investor AB, B. | Sweden | 4,434 | 102,844 |
| Mastercard, Inc., A. | United States | 4,734 | 2,019,098 |
| MGIC Investment Corp. | United States | 5,370 | 103,587 |
| ^a PayPal Holdings, Inc. | United States | 7,025 | 431,405 |
| Visa, Inc., A. | United States | 20,827 | 5,422,310 |
| Washington H Soul Pattinson & Co. Ltd. | Australia | 4,423 | 98,823 |
| Western Union Co. (The). | United States | 6,732 | 80,245 |
| | | | 12,528,962 |
| Food Products 0.3% | | | |
| Bunge Global SA. | United States | 3,023 | 305,172 |
| Chocoladefabriken Lindt & Spruengli AG. | Switzerland | 18 | 216,052 |
| Ingredion, Inc. | United States | 760 | 82,483 |
| Lamb Weston Holdings, Inc. | United States | 1,232 | 133,167 |

Franklin Allocation VIP Fund (continued)

| | Country | Shares | Value |
|--|---------------|---------|------------|
| Common Stocks (continued) | | | |
| Food Products (continued) | | | |
| MEIJI Holdings Co. Ltd. | Japan | 4,200 | \$99,783 |
| Nestle SA | United States | 4,877 | 565,308 |
| Nissin Foods Holdings Co. Ltd. | Japan | 4,200 | 146,689 |
| ^a WH Group Ltd., 144A, Reg S | Hong Kong | 220,500 | 142,390 |
| | | | 1,691,044 |
| Gas Utilities 0.1% | | | |
| Atmos Energy Corp. | United States | 730 | 84,607 |
| Tokyo Gas Co. Ltd. | Japan | 10,100 | 231,722 |
| | | | 316,329 |
| Ground Transportation 0.6% | | | |
| Canadian Pacific Kansas City Ltd. | Canada | 3,860 | 305,172 |
| JB Hunt Transport Services, Inc. | United States | 1,150 | 229,701 |
| Landstar System, Inc. | United States | 667 | 129,165 |
| Ryder System, Inc. | United States | 833 | 95,845 |
| ^a Saia, Inc. | United States | 496 | 217,357 |
| ^a Uber Technologies, Inc. | United States | 14,892 | 916,900 |
| Union Pacific Corp. | United States | 6,455 | 1,585,477 |
| ^a XPO, Inc. | United States | 2,083 | 182,450 |
| | | | 3,662,067 |
| Health Care Equipment & Supplies 1.8% | | | |
| Abbott Laboratories. | United States | 2,111 | 232,358 |
| Alcon, Inc., (CHF Traded) | Switzerland | 14,500 | 1,134,355 |
| Alcon, Inc., (USD Traded) | Switzerland | 7,912 | 618,085 |
| Asahi Intecc Co. Ltd. | Japan | 50,000 | 1,014,124 |
| Becton Dickinson & Co. | United States | 6,328 | 1,542,956 |
| BioMerieux | France | 958 | 106,601 |
| ^a Boston Scientific Corp. | United States | 15,791 | 912,878 |
| Cochlear Ltd. | Australia | 6,450 | 1,312,418 |
| ^a Demant A/S | Denmark | 2,643 | 115,941 |
| ^a Edwards Lifesciences Corp. | United States | 2,730 | 208,163 |
| ^a Haemonetics Corp. | United States | 2,135 | 182,564 |
| Hoya Corp. | Japan | 1,200 | 149,474 |
| ^a IDEXX Laboratories, Inc. | United States | 200 | 111,010 |
| ^a Intuitive Surgical, Inc. | United States | 4,935 | 1,664,872 |
| Straumann Holding AG | Switzerland | 262 | 42,337 |
| Stryker Corp. | United States | 3,222 | 964,860 |
| Teleflex, Inc. | United States | 897 | 223,658 |
| | | | 10,536,654 |
| Health Care Providers & Services 1.6% | | | |
| Cardinal Health, Inc. | United States | 3,097 | 312,178 |
| CVS Health Corp. | United States | 18,190 | 1,436,282 |
| Elevance Health, Inc. | United States | 2,278 | 1,074,214 |
| Laboratory Corp. of America Holdings | United States | 911 | 207,061 |
| McKesson Corp. | United States | 5,537 | 2,563,520 |
| ^a Molina Healthcare, Inc. | United States | 219 | 79,127 |
| Sonic Healthcare Ltd. | Australia | 5,785 | 126,425 |
| UnitedHealth Group, Inc. | United States | 6,733 | 3,544,723 |
| | | | 9,343,530 |
| Health Care REITs 0.0%† | | | |
| Omega Healthcare Investors, Inc. | United States | 2,434 | 74,626 |
| Health Care Technology 0.0%† | | | |
| M3, Inc. | Japan | 2,000 | 33,011 |

Franklin Allocation VIP Fund (continued)

| | Country | Shares | Value |
|---|----------------|---------|-----------|
| Common Stocks (continued) | | | |
| Health Care Technology (continued) | | | |
| ^a Veeva Systems, Inc., A | United States | 1,062 | \$204,456 |
| | | | 237,467 |
| Hotels, Restaurants & Leisure 0.8% | | | |
| ^a Airbnb, Inc., A | United States | 1,000 | 136,140 |
| Amadeus IT Group SA | Spain | 14,500 | 1,041,554 |
| Aristocrat Leisure Ltd. | Australia | 4,293 | 119,292 |
| ^a Booking Holdings, Inc. | United States | 379 | 1,344,396 |
| Domino's Pizza, Inc. | United States | 678 | 279,492 |
| ^a Expedia Group, Inc. | United States | 567 | 86,065 |
| InterContinental Hotels Group plc | United Kingdom | 3,703 | 333,960 |
| ^c La Francaise des Jeux SAEM, 144A, Reg S | France | 2,595 | 94,276 |
| Las Vegas Sands Corp. | United States | 4,908 | 241,523 |
| ^a Royal Caribbean Cruises Ltd. | United States | 4,353 | 563,670 |
| Zensho Holdings Co. Ltd. | Japan | 2,400 | 125,601 |
| | | | 4,365,969 |
| Household Durables 0.7% | | | |
| Barratt Developments plc | United Kingdom | 104,818 | 750,953 |
| Lennar Corp., A. | United States | 5,094 | 759,210 |
| ^a NVR, Inc. | United States | 38 | 266,017 |
| Panasonic Holdings Corp. | Japan | 22,700 | 223,580 |
| Persimmon plc | United Kingdom | 43,630 | 771,302 |
| PulteGroup, Inc. | United States | 4,421 | 456,336 |
| Sekisui House Ltd. | Japan | 2,500 | 55,425 |
| ^b Sony Group Corp. | Japan | 3,948 | 373,677 |
| Toll Brothers, Inc. | United States | 2,117 | 217,606 |
| | | | 3,874,106 |
| Household Products 0.0%[†] | | | |
| Colgate-Palmolive Co. | United States | 1,889 | 150,572 |
| Procter & Gamble Co. (The) | United States | 509 | 74,589 |
| | | | 225,161 |
| Independent Power and Renewable Electricity Producers 0.1% | | | |
| RWE AG. | Germany | 1,331 | 60,586 |
| Vistra Corp. | United States | 6,658 | 256,466 |
| | | | 317,052 |
| Industrial Conglomerates 0.3% | | | |
| CK Hutchison Holdings Ltd. | United Kingdom | 7,500 | 40,292 |
| General Electric Co. | United States | 8,505 | 1,085,493 |
| Hitachi Ltd. | Japan | 7,300 | 525,180 |
| Siemens AG | Germany | 1,469 | 275,636 |
| | | | 1,926,601 |
| Industrial REITs 0.1% | | | |
| First Industrial Realty Trust, Inc. | United States | 2,286 | 120,404 |
| Goodman Group | Australia | 12,742 | 219,409 |
| Prologis, Inc. | United States | 1,390 | 185,287 |
| | | | 525,100 |
| Insurance 1.4% | | | |
| Aflac, Inc. | United States | 1,057 | 87,203 |
| Ageas SA/NV | Belgium | 2,395 | 104,126 |
| ^b AIA Group Ltd. | Hong Kong | 66,146 | 575,628 |
| American International Group, Inc. | United States | 5,844 | 395,931 |

Franklin Allocation VIP Fund (continued)

| | Country | Shares | Value |
|---|----------------|--------|------------|
| Common Stocks (continued) | | | |
| Insurance (continued) | | | |
| Assicurazioni Generali SpA | Italy | 7,262 | \$153,449 |
| AXA SA | France | 1,368 | 44,680 |
| Cincinnati Financial Corp. | United States | 727 | 75,215 |
| Hartford Financial Services Group, Inc. (The) | United States | 999 | 80,300 |
| Japan Post Insurance Co. Ltd. | Japan | 5,100 | 90,544 |
| Loews Corp. | United States | 3,766 | 262,076 |
| Marsh & McLennan Cos., Inc. | United States | 9,247 | 1,752,029 |
| Medibank Pvt Ltd. | Australia | 21,389 | 51,935 |
| MS&AD Insurance Group Holdings, Inc. | Japan | 10,300 | 405,056 |
| Muenchener Rueckversicherungs-Gesellschaft AG in Muenchen | Germany | 1,204 | 499,504 |
| NN Group NV | Netherlands | 6,090 | 240,715 |
| Old Republic International Corp. | United States | 5,021 | 147,617 |
| Primerica, Inc. | United States | 630 | 129,629 |
| Progressive Corp. (The) | United States | 6,358 | 1,012,702 |
| Prudential plc, (GBP Traded) | Hong Kong | 42,598 | 480,677 |
| ^b Prudential plc, (HKD Traded) | Hong Kong | 7,350 | 82,230 |
| Travelers Cos., Inc. (The) | United States | 6,927 | 1,319,524 |
| Unum Group | United States | 3,515 | 158,948 |
| | | | 8,149,718 |
| Interactive Media & Services 1.9% | | | |
| ^a Alphabet, Inc., A | United States | 28,947 | 4,043,607 |
| ^a Alphabet, Inc., C | United States | 9,695 | 1,366,316 |
| ^c Auto Trader Group plc, 144A, Reg S | United Kingdom | 22,129 | 203,315 |
| ^a Meta Platforms, Inc., A | United States | 15,012 | 5,313,648 |
| | | | 10,926,886 |
| IT Services 0.5% | | | |
| ^a Akamai Technologies, Inc. | United States | 687 | 81,307 |
| ^a Gartner, Inc. | United States | 212 | 95,635 |
| Keywords Studios plc | Ireland | 55,000 | 1,165,295 |
| NEC Corp. | Japan | 2,600 | 153,651 |
| Otsuka Corp. | Japan | 2,300 | 94,673 |
| ^a Shopify, Inc., A | Canada | 13,200 | 1,028,280 |
| ^a Snowflake, Inc., A | United States | 1,078 | 214,522 |
| ^a VeriSign, Inc. | United States | 1,576 | 324,593 |
| | | | 3,157,956 |
| Leisure Products 0.0%[†] | | | |
| Bandai Namco Holdings, Inc. | Japan | 3,900 | 78,007 |
| Polaris, Inc. | United States | 1,007 | 95,433 |
| | | | 173,440 |
| Life Sciences Tools & Services 1.3% | | | |
| Agilent Technologies, Inc. | United States | 3,185 | 442,810 |
| Danaher Corp. | United States | 3,158 | 730,572 |
| ^a Evotec SE | Germany | 47,000 | 1,102,438 |
| ^a Medpace Holdings, Inc. | United States | 435 | 133,340 |
| ^a Mettler-Toledo International, Inc. | United States | 744 | 902,442 |
| ^a QIAGEN NV | United States | 4,942 | 214,889 |
| Tecan Group AG | Switzerland | 1,900 | 777,258 |
| Thermo Fisher Scientific, Inc. | United States | 5,773 | 3,064,251 |
| West Pharmaceutical Services, Inc. | United States | 889 | 313,035 |
| | | | 7,681,035 |
| Machinery 1.3% | | | |
| Allison Transmission Holdings, Inc. | United States | 1,679 | 97,634 |

Franklin Allocation VIP Fund (continued)

| | Country | Shares | Value |
|--|----------------|---------|-----------|
| Common Stocks (continued) | | | |
| Machinery (continued) | | | |
| Atlas Copco AB, A. | Sweden | 28,712 | \$494,838 |
| Atlas Copco AB, B. | Sweden | 5,968 | 88,560 |
| Crane Co. | United States | 739 | 87,305 |
| Deere & Co. | United States | 2,837 | 1,134,431 |
| Dover Corp. | United States | 1,100 | 169,191 |
| Illinois Tool Works, Inc. | United States | 6,817 | 1,785,645 |
| Ingersoll Rand, Inc. | United States | 4,826 | 373,243 |
| Interroll Holding AG. | Switzerland | 270 | 857,959 |
| Komatsu Ltd. | Japan | 11,700 | 304,527 |
| Makita Corp. | Japan | 5,500 | 151,306 |
| Oshkosh Corp. | United States | 795 | 86,186 |
| Otis Worldwide Corp. | United States | 9,169 | 820,350 |
| Rational AG. | Germany | 133 | 102,644 |
| Schindler Holding AG. | Switzerland | 566 | 134,406 |
| SKF AB, B. | Sweden | 8,185 | 164,065 |
| Snap-on, Inc. | United States | 1,026 | 296,350 |
| Toyota Industries Corp. | Japan | 1,000 | 81,305 |
| Wartsila OYJ Abp. | Finland | 10,432 | 151,633 |
| Xylem, Inc. | United States | 2,755 | 315,062 |
| | | | 7,696,640 |
| Marine Transportation 0.0%† | | | |
| AP Moller - Maersk A/S, A. | Denmark | 82 | 145,680 |
| Media 0.7% | | | |
| ^a Charter Communications, Inc., A. | United States | 3,397 | 1,320,346 |
| Comcast Corp., A. | United States | 59,348 | 2,602,410 |
| New York Times Co. (The), A. | United States | 1,732 | 84,851 |
| Publicis Groupe SA. | France | 2,240 | 208,151 |
| ^a S4 Capital plc. | United Kingdom | 146,529 | 99,582 |
| | | | 4,315,340 |
| Metals & Mining 0.7% | | | |
| ArcelorMittal SA. | Luxembourg | 12,299 | 349,093 |
| BHP Group Ltd. | Australia | 8,578 | 293,107 |
| BlueScope Steel Ltd. | Australia | 11,094 | 176,892 |
| Fortescue Ltd. | Australia | 17,792 | 350,863 |
| Freeport-McMoRan, Inc. | United States | 16,602 | 706,747 |
| JFE Holdings, Inc. | Japan | 11,700 | 181,045 |
| Nucor Corp. | United States | 4,927 | 857,495 |
| Pilbara Minerals Ltd. | Australia | 66,237 | 177,814 |
| Reliance Steel & Aluminum Co. | United States | 1,093 | 305,690 |
| Steel Dynamics, Inc. | United States | 3,146 | 371,543 |
| ^b Sumitomo Metal Mining Co. Ltd. | Japan | 14,365 | 426,686 |
| voestalpine AG. | Austria | 2,730 | 85,968 |
| | | | 4,282,943 |
| Multi-Utilities 0.9% | | | |
| Centrica plc. | United Kingdom | 131,652 | 236,041 |
| Consolidated Edison, Inc. | United States | 6,448 | 586,575 |
| Public Service Enterprise Group, Inc. | United States | 5,510 | 336,936 |
| Sempra. | United States | 39,294 | 2,936,441 |
| WEC Energy Group, Inc. | United States | 12,460 | 1,048,758 |
| | | | 5,144,751 |
| Oil, Gas & Consumable Fuels 2.3% | | | |
| BP plc. | United Kingdom | 340,228 | 2,017,133 |
| Cheniere Energy, Inc. | United States | 3,545 | 605,167 |

Franklin Allocation VIP Fund (continued)

| | Country | Shares | Value |
|---|----------------|---------|-------------|
| Common Stocks (continued) | | | |
| Oil, Gas & Consumable Fuels (continued) | | | |
| Chevron Corp. | United States | 10,371 | \$1,546,938 |
| ConocoPhillips | United States | 26,253 | 3,047,186 |
| Equinor ASA | Norway | 4,228 | 134,000 |
| Exxon Mobil Corp. | United States | 4,531 | 453,009 |
| Galp Energia SGPS SA, B | Portugal | 20,060 | 295,197 |
| HF Sinclair Corp. | United States | 2,547 | 141,537 |
| Inpex Corp. | Japan | 10,400 | 139,195 |
| Marathon Oil Corp. | United States | 2,825 | 68,252 |
| Marathon Petroleum Corp. | United States | 5,974 | 886,303 |
| Phillips 66 | United States | 4,735 | 630,418 |
| Range Resources Corp. | United States | 2,339 | 71,199 |
| Repsol SA | Spain | 27,132 | 402,529 |
| Shell plc | Netherlands | 49,997 | 1,636,799 |
| TotalEnergies SE | France | 6,840 | 465,176 |
| Valero Energy Corp. | United States | 6,862 | 892,060 |
| | | | 13,432,098 |
| Paper & Forest Products 0.0%[†] | | | |
| Mondi plc | Austria | 5,585 | 109,282 |
| Passenger Airlines 0.0%[†] | | | |
| ^a Qantas Airways Ltd. | Australia | 10,987 | 40,251 |
| Personal Care Products 0.5% | | | |
| Beiersdorf AG | Germany | 2,244 | 336,095 |
| Estee Lauder Cos., Inc. (The), A | United States | 4,350 | 636,188 |
| Haleon plc, ADR | United States | 120,500 | 991,715 |
| L'Oreal SA | France | 1,375 | 685,532 |
| | | | 2,649,530 |
| Pharmaceuticals 2.2% | | | |
| Astellas Pharma, Inc. | Japan | 30,000 | 356,861 |
| AstraZeneca plc | United Kingdom | 5,954 | 803,229 |
| AstraZeneca plc, ADR | United Kingdom | 5,914 | 398,308 |
| Bayer AG | Germany | 16,323 | 605,730 |
| ^a Catalent, Inc. | United States | 796 | 35,764 |
| Daiichi Sankyo Co. Ltd. | Japan | 29,000 | 794,066 |
| Eli Lilly & Co. | United States | 4,101 | 2,390,555 |
| GSK plc | United States | 26,663 | 492,502 |
| Hikma Pharmaceuticals plc | Jordan | 2,672 | 60,894 |
| Ipsen SA | France | 990 | 118,113 |
| Johnson & Johnson | United States | 9,127 | 1,430,566 |
| Merck & Co., Inc. | United States | 14,912 | 1,625,706 |
| Novartis AG | Switzerland | 8,349 | 843,286 |
| Novo Nordisk A/S, B | Denmark | 11,875 | 1,230,821 |
| Otsuka Holdings Co. Ltd. | Japan | 9,000 | 336,633 |
| Roche Holding AG | United States | 1,127 | 327,592 |
| Shionogi & Co. Ltd. | Japan | 900 | 43,323 |
| Zoetis, Inc., A | United States | 3,361 | 663,361 |
| | | | 12,557,310 |
| Professional Services 0.6% | | | |
| Adecco Group AG | Switzerland | 13,783 | 676,891 |
| Automatic Data Processing, Inc. | United States | 187 | 43,565 |
| Experian plc | United States | 27,000 | 1,101,604 |
| Persol Holdings Co. Ltd. | Japan | 21,700 | 37,133 |
| Randstad NV | Netherlands | 2,594 | 162,822 |
| Recruit Holdings Co. Ltd. | Japan | 2,900 | 121,274 |

Franklin Allocation VIP Fund (continued)

| | Country | Shares | Value |
|--|----------------|--------|------------|
| Common Stocks (continued) | | | |
| Professional Services (continued) | | | |
| RELX plc | United Kingdom | 3,112 | \$123,480 |
| Robert Half, Inc. | United States | 2,185 | 192,105 |
| Science Applications International Corp. | United States | 649 | 80,684 |
| Verisk Analytics, Inc., A | United States | 3,527 | 842,459 |
| Wolters Kluwer NV | Netherlands | 814 | 115,823 |
| | | | 3,497,840 |
| Real Estate Management & Development 0.1% | | | |
| CK Asset Holdings Ltd. | Hong Kong | 17,000 | 85,320 |
| Daiwa House Industry Co. Ltd. | Japan | 7,200 | 217,697 |
| Hulic Co. Ltd. | Japan | 8,500 | 88,808 |
| Swire Pacific Ltd., A | Hong Kong | 11,000 | 93,161 |
| | | | 484,986 |
| Residential REITs 0.0%[†] | | | |
| Apartment Income REIT Corp., A. | United States | 2,693 | 93,528 |
| Essex Property Trust, Inc. | United States | 363 | 90,002 |
| | | | 183,530 |
| Retail REITs 0.2% | | | |
| Brixmor Property Group, Inc. | United States | 4,357 | 101,387 |
| Klepierre SA | France | 4,264 | 116,426 |
| Simon Property Group, Inc. | United States | 6,543 | 933,294 |
| | | | 1,151,107 |
| Semiconductors & Semiconductor Equipment 4.7% | | | |
| Applied Materials, Inc. | United States | 6,570 | 1,064,800 |
| ^a ARM Holdings plc, ADR | United States | 1,400 | 105,203 |
| ASM International NV | Netherlands | 91 | 47,370 |
| ASML Holding NV | Netherlands | 2,468 | 1,863,315 |
| ASML Holding NV, ADR | Netherlands | 1,116 | 844,723 |
| ASML Holding NV, NYRS | Netherlands | 920 | 696,366 |
| BE Semiconductor Industries NV | Netherlands | 1,858 | 280,552 |
| Broadcom, Inc. | United States | 1,589 | 1,773,721 |
| ^a Cirrus Logic, Inc. | United States | 992 | 82,525 |
| Disco Corp. | Japan | 3,200 | 790,434 |
| Infineon Technologies AG | Germany | 26,350 | 1,100,594 |
| Intel Corp. | United States | 87,495 | 4,396,624 |
| KLA Corp. | United States | 1,673 | 972,515 |
| Lam Research Corp. | United States | 2,705 | 2,118,718 |
| ^a Lattice Semiconductor Corp. | United States | 2,872 | 198,139 |
| Monolithic Power Systems, Inc. | United States | 1,200 | 756,936 |
| NVIDIA Corp. | United States | 14,027 | 6,946,451 |
| NXP Semiconductors NV | China | 3,978 | 913,667 |
| QUALCOMM, Inc. | United States | 652 | 94,299 |
| STMicroelectronics NV | Singapore | 9,783 | 490,772 |
| Taiwan Semiconductor Manufacturing Co. Ltd. | Taiwan | 46,586 | 893,373 |
| Texas Instruments, Inc. | United States | 3,555 | 605,985 |
| | | | 27,037,082 |
| Software 5.7% | | | |
| ^a Adobe, Inc. | United States | 4,090 | 2,440,094 |
| ^a ANSYS, Inc. | United States | 381 | 138,257 |
| ^a AppLovin Corp., A | United States | 3,883 | 154,738 |
| ^a Atlassian Corp., A | United States | 2,897 | 689,080 |
| ^a Autodesk, Inc. | United States | 2,131 | 518,856 |
| ^a BILL Holdings, Inc. | United States | 3,359 | 274,061 |

Franklin Allocation VIP Fund (continued)

| | Country | Shares | Value |
|---|----------------|--------|------------|
| Common Stocks (continued) | | | |
| Software (continued) | | | |
| ^a Cadence Design Systems, Inc. | United States | 3,292 | \$896,642 |
| ^a Check Point Software Technologies Ltd. | Israel | 1,408 | 215,128 |
| ^a CrowdStrike Holdings, Inc., A. | United States | 300 | 76,596 |
| ^a CyberArk Software Ltd. | United States | 4,042 | 885,400 |
| ^a Dropbox, Inc., A | United States | 4,783 | 141,003 |
| ^a Fair Isaac Corp. | United States | 498 | 579,677 |
| Intuit, Inc. | United States | 3,044 | 1,902,591 |
| ^a Kinaxis, Inc. | Canada | 8,800 | 987,659 |
| ^a Manhattan Associates, Inc. | United States | 1,092 | 235,129 |
| Microsoft Corp. | United States | 33,038 | 12,423,610 |
| ^a Monday.com Ltd. | United States | 3,900 | 732,459 |
| ^a Nice Ltd., ADR | Israel | 5,500 | 1,097,305 |
| Oracle Corp. | United States | 6,149 | 648,289 |
| Oracle Corp. Japan. | Japan | 900 | 69,294 |
| ^a Palo Alto Networks, Inc. | United States | 3,407 | 1,004,656 |
| ^a Procore Technologies, Inc. | United States | 200 | 13,844 |
| ^a PTC, Inc. | United States | 3,021 | 528,554 |
| Sage Group plc (The) | United Kingdom | 22,242 | 332,086 |
| ^a Salesforce, Inc. | United States | 4,886 | 1,285,702 |
| SAP SE | Germany | 1,319 | 203,050 |
| ^a ServiceNow, Inc. | United States | 1,859 | 1,313,365 |
| ^a Splunk, Inc. | United States | 3,248 | 494,833 |
| ^a Synopsys, Inc. | United States | 1,526 | 785,753 |
| ^a Teradata Corp. | United States | 1,810 | 78,753 |
| ^a Tyler Technologies, Inc. | United States | 368 | 153,868 |
| ^a Workday, Inc., A | United States | 4,459 | 1,230,952 |
| ^a Xero Ltd. | New Zealand | 3,454 | 263,539 |
| | | | 32,794,823 |
| Specialized REITs 0.4% | | | |
| American Tower Corp. | United States | 4,866 | 1,050,472 |
| Crown Castle, Inc. | United States | 2,125 | 244,779 |
| Equinix, Inc. | United States | 722 | 581,492 |
| Public Storage | United States | 298 | 90,890 |
| Weyerhaeuser Co. | United States | 5,041 | 175,275 |
| | | | 2,142,908 |
| Specialty Retail 0.6% | | | |
| ^a AutoZone, Inc. | United States | 30 | 77,568 |
| Best Buy Co., Inc. | United States | 3,906 | 305,762 |
| Home Depot, Inc. (The) | United States | 3,515 | 1,218,123 |
| Industria de Diseno Textil SA. | Spain | 10,606 | 462,846 |
| Murphy USA, Inc. | United States | 361 | 128,718 |
| ^a O'Reilly Automotive, Inc. | United States | 463 | 439,887 |
| TJX Cos., Inc. (The) | United States | 2,558 | 239,966 |
| ^a Ulta Beauty, Inc. | United States | 184 | 90,158 |
| Williams-Sonoma, Inc. | United States | 1,194 | 240,925 |
| | | | 3,203,953 |
| Technology Hardware, Storage & Peripherals 2.1% | | | |
| Apple, Inc. | United States | 48,374 | 9,313,446 |
| FUJIFILM Holdings Corp. | Japan | 1,400 | 83,917 |
| Logitech International SA | Switzerland | 685 | 65,132 |
| NetApp, Inc. | United States | 3,709 | 326,985 |
| ^b Samsung Electronics Co. Ltd. | South Korea | 33,188 | 2,003,579 |
| Seiko Epson Corp. | Japan | 5,900 | 88,108 |
| | | | 11,881,167 |

Franklin Allocation VIP Fund (continued)

| | Country | Shares | Value |
|--|----------------|---------|---------------|
| Common Stocks (continued) | | | |
| Textiles, Apparel & Luxury Goods 0.5% | | | |
| Burberry Group plc | United Kingdom | 9,052 | \$163,290 |
| ^a Deckers Outdoor Corp. | United States | 482 | 322,183 |
| Hermes International SCA | France | 85 | 180,693 |
| LVMH Moët Hennessy Louis Vuitton SE | France | 440 | 357,565 |
| NIKE, Inc., B. | United States | 10,321 | 1,120,551 |
| Pandora A/S | Denmark | 2,073 | 286,650 |
| Puma SE | Germany | 3,500 | 194,730 |
| Ralph Lauren Corp., A. | United States | 647 | 93,297 |
| Swatch Group AG (The), I. | Switzerland | 566 | 153,994 |
| Swatch Group AG (The), N. | Switzerland | 1,278 | 67,000 |
| | | | 2,939,953 |
| Tobacco 0.2% | | | |
| Altria Group, Inc. | United States | 1,904 | 76,807 |
| Imperial Brands plc | United Kingdom | 29,304 | 674,886 |
| Japan Tobacco, Inc. | Japan | 8,800 | 227,302 |
| | | | 978,995 |
| Trading Companies & Distributors 0.6% | | | |
| Fastenal Co. | United States | 7,200 | 466,344 |
| Marubeni Corp. | Japan | 11,500 | 181,094 |
| Mitsubishi Corp. | Japan | 27,300 | 434,946 |
| MSC Industrial Direct Co., Inc., A. | United States | 860 | 87,084 |
| RS Group plc | United Kingdom | 73,000 | 762,082 |
| Toyota Tsusho Corp. | Japan | 5,200 | 305,202 |
| WW Grainger, Inc. | United States | 1,314 | 1,088,899 |
| | | | 3,325,651 |
| Transportation Infrastructure 0.0%† | | | |
| ^c Aena SME SA, 144A, Reg S | Spain | 438 | 79,513 |
| Water Utilities 0.0%† | | | |
| American Water Works Co., Inc. | United States | 1,619 | 213,692 |
| | | | 335,112,671 |
| Total Common Stocks (Cost \$247,371,103) | | | |
| Management Investment Companies 1.9% | | | |
| Capital Markets 1.9% | | | |
| Schwab U.S. TIPS ETF | United States | 207,048 | 10,807,906 |
| | | | 10,807,906 |
| Total Management Investment Companies (Cost \$12,735,005) | | | |
| Preferred Stocks 0.1% | | | |
| Household Products 0.0%† | | | |
| ^e Henkel AG & Co. KGaA, 2.54% | Germany | 2,425 | 195,098 |
| Life Sciences Tools & Services 0.1% | | | |
| ^e Sartorius AG, 0.43% | Germany | 1,200 | 440,725 |
| | | | 635,823 |
| Total Preferred Stocks (Cost \$599,702) | | | |
| | | | Rights |
| Rights 0.0% | | | |
| Tobacco 0.0% | | | |
| ^{a,f} Swedish Match AB, 2/23/28. | Sweden | 17,324 | — |
| | | | — |
| Total Rights (Cost \$182,401) | | | |

Franklin Allocation VIP Fund (continued)

| | Country | Units | Value |
|--|---------------|---|------------------|
| Limited Partnerships 0.3% | | | |
| Oil, Gas & Consumable Fuels 0.3% | | | |
| Enterprise Products Partners LP | United States | 68,724 | \$1,810,877 |
| | | | <u>1,810,877</u> |
| Total Limited Partnerships (Cost \$1,762,213) | | | 1,810,877 |
| | | <u>Principal Amount[†]</u> | |
| Corporate Bonds 11.0% | | | |
| Aerospace & Defense 0.2% | | | |
| Boeing Co. (The), | | | |
| Senior Bond, 3.2%, 3/01/29 | United States | 20,000 | 18,716 |
| Senior Bond, 3.25%, 2/01/35 | United States | 30,000 | 25,320 |
| Senior Bond, 3.5%, 3/01/39 | United States | 200,000 | 159,252 |
| Senior Bond, 5.705%, 5/01/40 | United States | 30,000 | 31,049 |
| Senior Bond, 5.805%, 5/01/50 | United States | 60,000 | 62,175 |
| Senior Bond, 5.93%, 5/01/60 | United States | 20,000 | 20,746 |
| Senior Note, 4.875%, 5/01/25 | United States | 70,000 | 69,708 |
| Senior Note, 2.196%, 2/04/26 | United States | 350,000 | 330,771 |
| Senior Note, 5.15%, 5/01/30 | United States | 50,000 | 50,929 |
| General Dynamics Corp., Senior Bond, 4.25%, 4/01/50 | United States | 10,000 | 9,286 |
| Lockheed Martin Corp., | | | |
| Senior Bond, 3.9%, 6/15/32 | United States | 10,000 | 9,649 |
| Senior Bond, 4.15%, 6/15/53 | United States | 50,000 | 44,755 |
| Northrop Grumman Corp., | | | |
| Senior Bond, 3.25%, 1/15/28 | United States | 10,000 | 9,562 |
| Senior Bond, 5.25%, 5/01/50 | United States | 190,000 | 195,808 |
| Senior Note, 2.93%, 1/15/25 | United States | 20,000 | 19,553 |
| RTX Corp., | | | |
| Senior Bond, 4.125%, 11/16/28 | United States | 20,000 | 19,556 |
| Senior Bond, 4.15%, 5/15/45 | United States | 20,000 | 17,119 |
| Senior Bond, 3.125%, 7/01/50 | United States | 30,000 | 21,156 |
| Senior Bond, 3.03%, 3/15/52 | United States | 200,000 | 138,187 |
| Senior Note, 6%, 3/15/31 | United States | 20,000 | 21,312 |
| | | | <u>1,274,609</u> |
| Air Freight & Logistics 0.0%[†] | | | |
| United Parcel Service, Inc., Senior Bond, 3.75%, 11/15/47 | United States | 100,000 | 84,800 |
| Automobile Components 0.0%[†] | | | |
| Aptiv plc, Senior Bond, 3.1%, 12/01/51 | United States | 150,000 | 97,930 |
| Automobiles 0.0%[†] | | | |
| Ford Motor Co., Senior Bond, 6.1%, 8/19/32 | United States | 20,000 | 20,170 |
| General Motors Co., Senior Bond, 6.6%, 4/01/36 | United States | 20,000 | 21,433 |
| | | | <u>41,603</u> |
| Banks 2.2% | | | |
| [Ⓒ] ABN AMRO Bank NV, Senior Note, 144A, FRN, 6.339%, (1-year CMT T-Note + 1.65%), 9/18/27 | Netherlands | 200,000 | 204,500 |
| Bank of America Corp., | | | |
| Senior Bond, 3.419% to 12/19/27, FRN thereafter, 12/20/28 | United States | 80,000 | 75,411 |
| Senior Bond, 3.974% to 2/06/29, FRN thereafter, 2/07/30 | United States | 230,000 | 217,914 |
| Senior Bond, 1.922% to 10/23/30, FRN thereafter, 10/24/31 | United States | 200,000 | 162,475 |
| Senior Bond, 2.572% to 10/19/31, FRN thereafter, 10/20/32 | United States | 90,000 | 74,653 |
| Senior Bond, 4.571% to 4/26/32, FRN thereafter, 4/27/33 | United States | 70,000 | 66,757 |

Franklin Allocation VIP Fund (continued)

| | Country | Principal Amount ¹ | Value |
|---|----------------|-------------------------------|-----------|
| Corporate Bonds (continued) | | | |
| Banks (continued) | | | |
| Bank of America Corp., (continued) | | | |
| Senior Bond, 5%, 1/21/44 | United States | 20,000 | \$19,640 |
| Senior Bond, 4.083% to 3/19/50, FRN thereafter, 3/20/51 | United States | 100,000 | 84,212 |
| Senior Note, 1.319% to 6/18/25, FRN thereafter, 6/19/26 | United States | 150,000 | 141,260 |
| Senior Note, 6.204% to 11/09/27, FRN thereafter, 11/10/28 | United States | 1,030,000 | 1,075,077 |
| Sub. Bond, 4%, 1/22/25 | United States | 20,000 | 19,745 |
| Sub. Bond, 4.25%, 10/22/26 | United States | 100,000 | 98,237 |
| Sub. Bond, 2.482% to 9/20/31, FRN thereafter, 9/21/36 | United States | 10,000 | 7,926 |
| L, Sub. Bond, 4.183%, 11/25/27 | United States | 200,000 | 194,513 |
| Bank of Montreal, Senior Note, 1.85%, 5/01/25 | Canada | 30,000 | 28,785 |
| Bank of Nova Scotia (The), | | | |
| Senior Note, 3.45%, 4/11/25 | Canada | 50,000 | 48,958 |
| Sub. Bond, 4.588% to 5/03/32, FRN thereafter, 5/04/37 | Canada | 10,000 | 8,953 |
| °BNP Paribas SA, | | | |
| Senior Note, 144A, 2.819% to 11/18/24, FRN thereafter, 11/19/25 | France | 200,000 | 194,954 |
| Senior Note, 144A, 1.675% to 6/29/26, FRN thereafter, 6/30/27 | France | 200,000 | 183,282 |
| °BPCE SA, | | | |
| Senior Note, 144A, 2.045% to 10/18/26, FRN thereafter, 10/19/27 | France | 250,000 | 227,088 |
| Sub. Bond, 144A, 5.15%, 7/21/24 | France | 400,000 | 396,651 |
| Citigroup, Inc., | | | |
| Senior Bond, 2.572% to 6/02/30, FRN thereafter, 6/03/31 | United States | 510,000 | 435,912 |
| Senior Bond, 4.91% to 5/23/32, FRN thereafter, 5/24/33 | United States | 80,000 | 78,365 |
| Senior Bond, 2.904% to 11/02/41, FRN thereafter, 11/03/42 | United States | 30,000 | 21,594 |
| Senior Note, 3.352% to 4/23/24, FRN thereafter, 4/24/25 | United States | 750,000 | 744,426 |
| Senior Note, 3.29% to 3/16/25, FRN thereafter, 3/17/26 | United States | 40,000 | 38,962 |
| Senior Note, 4.658% to 5/23/27, FRN thereafter, 5/24/28 | United States | 120,000 | 119,093 |
| Sub. Bond, 5.5%, 9/13/25 | United States | 10,000 | 10,051 |
| Sub. Bond, 4.45%, 9/29/27 | United States | 40,000 | 39,103 |
| Sub. Bond, 5.3%, 5/06/44 | United States | 20,000 | 19,222 |
| °Commonwealth Bank of Australia, Senior Note, 144A, FRN, 6.153%, (SOFR + 0.74%), 3/14/25 | | | |
| | Australia | 230,000 | 230,598 |
| °Cooperatieve Rabobank UA, Senior Note, 144A, 3.649% to 4/05/27, FRN thereafter, 4/06/28 | | | |
| | Netherlands | 250,000 | 238,449 |
| HSBC Holdings plc, | | | |
| Senior Note, 0.976% to 5/23/24, FRN thereafter, 5/24/25 | United Kingdom | 200,000 | 195,991 |
| Senior Note, 1.645% to 8/17/25, FRN thereafter, 4/18/26 | United Kingdom | 525,000 | 499,110 |
| Senior Note, 1.589% to 5/23/26, FRN thereafter, 5/24/27 | United Kingdom | 200,000 | 183,524 |
| Senior Note, 4.755% to 6/08/27, FRN thereafter, 6/09/28 | United Kingdom | 200,000 | 197,183 |
| JPMorgan Chase & Co., | | | |
| Senior Bond, 3.54% to 4/30/27, FRN thereafter, 5/01/28 | United States | 1,200,000 | 1,145,935 |
| Senior Bond, 4.452% to 12/04/28, FRN thereafter, 12/05/29 | United States | 60,000 | 58,843 |
| Senior Bond, 2.545% to 11/07/31, FRN thereafter, 11/08/32 | United States | 30,000 | 25,041 |
| Senior Bond, 5.35% to 5/31/33, FRN thereafter, 6/01/34 | United States | 200,000 | 202,966 |
| Senior Bond, 3.109% to 4/21/50, FRN thereafter, 4/22/51 | United States | 20,000 | 14,385 |
| Senior Note, 2.083% to 4/21/25, FRN thereafter, 4/22/26 | United States | 80,000 | 76,655 |
| Senior Note, 4.565% to 6/13/29, FRN thereafter, 6/14/30 | United States | 60,000 | 58,756 |
| Sub. Bond, 3.625%, 12/01/27 | United States | 60,000 | 57,616 |
| Sub. Bond, 2.956% to 5/12/30, FRN thereafter, 5/13/31 | United States | 200,000 | 175,845 |
| Sub. Bond, 4.95%, 6/01/45 | United States | 20,000 | 19,145 |

Franklin Allocation VIP Fund (continued)

| | Country | Principal Amount ¹ | Value |
|--|----------------|-------------------------------|------------|
| Corporate Bonds (continued) | | | |
| Banks (continued) | | | |
| KeyBank NA, Senior Note, 4.15%, 8/08/25 | United States | 250,000 | \$242,494 |
| Mitsubishi UFJ Financial Group, Inc., Senior Note, 5.063% to 9/11/24, FRN thereafter, 9/12/25. | Japan | 200,000 | 199,292 |
| Mizuho Financial Group, Inc., Senior Note, 5.778% to 7/05/28, FRN thereafter, 7/06/29 | Japan | 200,000 | 205,885 |
| PNC Financial Services Group, Inc. (The), | | | |
| ^h T, Junior Sub. Bond, 3.4% to 9/14/26, FRN thereafter, Perpetual | United States | 230,000 | 184,558 |
| Senior Note, 5.812% to 6/11/25, FRN thereafter, 6/12/26 | United States | 10,000 | 10,066 |
| Senior Note, 5.582% to 6/11/28, FRN thereafter, 6/12/29 | United States | 30,000 | 30,661 |
| Royal Bank of Canada, | | | |
| Senior Bond, 3.875%, 5/04/32 | Canada | 50,000 | 47,214 |
| Senior Note, 1.15%, 6/10/25 | Canada | 20,000 | 18,969 |
| Santander UK Group Holdings plc, Senior Note, 1.673% to 6/23/26, FRN thereafter, 6/14/27 | United Kingdom | 200,000 | 181,952 |
| ^c Societe Generale SA, | | | |
| Senior Note, 144A, 2.625%, 1/22/25 | France | 250,000 | 242,401 |
| Senior Note, 144A, 1.792% to 6/08/26, FRN thereafter, 6/09/27 | France | 200,000 | 182,176 |
| ^c Standard Chartered plc, Senior Bond, 144A, 4.05%, 4/12/26 | United Kingdom | 250,000 | 243,630 |
| Toronto-Dominion Bank (The), | | | |
| Senior Bond, 4.456%, 6/08/32 | Canada | 10,000 | 9,722 |
| Senior Note, 1.15%, 6/12/25 | Canada | 20,000 | 18,948 |
| Senior Note, 4.693%, 9/15/27 | Canada | 200,000 | 200,107 |
| Truist Financial Corp., | | | |
| Senior Note, 5.9% to 10/27/25, FRN thereafter, 10/28/26 | United States | 150,000 | 151,344 |
| Senior Note, 6.047% to 6/07/26, FRN thereafter, 6/08/27 | United States | 20,000 | 20,362 |
| ^c UniCredit SpA, Senior Note, 144A, 1.982% to 6/02/26, FRN thereafter, 6/03/27 | Italy | 300,000 | 274,523 |
| US Bancorp, | | | |
| Senior Bond, 5.836% to 6/09/33, FRN thereafter, 6/12/34 | United States | 10,000 | 10,320 |
| Senior Note, 1.45%, 5/12/25 | United States | 30,000 | 28,579 |
| Senior Note, 5.727% to 10/20/25, FRN thereafter, 10/21/26 | United States | 100,000 | 100,721 |
| Senior Note, 5.775% to 6/11/28, FRN thereafter, 6/12/29 | United States | 20,000 | 20,561 |
| Wells Fargo & Co., | | | |
| Senior Bond, 2.879% to 10/29/29, FRN thereafter, 10/30/30 | United States | 440,000 | 391,451 |
| Senior Bond, 3.35% to 3/01/32, FRN thereafter, 3/02/33 | United States | 30,000 | 26,213 |
| Senior Bond, 5.389% to 4/23/33, FRN thereafter, 4/24/34 | United States | 450,000 | 452,217 |
| Senior Bond, 5.013% to 4/03/50, FRN thereafter, 4/04/51 | United States | 240,000 | 228,528 |
| Senior Note, 2.188% to 4/29/25, FRN thereafter, 4/30/26 | United States | 60,000 | 57,534 |
| Senior Note, 4.54% to 8/14/25, FRN thereafter, 8/15/26 | United States | 100,000 | 98,994 |
| Senior Note, 4.808% to 7/24/27, FRN thereafter, 7/25/28 | United States | 390,000 | 387,340 |
| Sub. Bond, 4.3%, 7/22/27 | United States | 60,000 | 58,767 |
| Sub. Bond, 4.9%, 11/17/45 | United States | 90,000 | 81,962 |
| | | | 12,825,252 |
| Beverages 0.1% | | | |
| Anheuser-Busch Cos. LLC / Anheuser-Busch InBev Worldwide, Inc., | | | |
| Senior Bond, 4.9%, 2/01/46 | Belgium | 100,000 | 98,102 |
| Senior Note, 3.65%, 2/01/26 | Belgium | 9,000 | 8,839 |
| Anheuser-Busch InBev Worldwide, Inc., | | | |
| Senior Bond, 4.75%, 1/23/29 | Belgium | 60,000 | 60,992 |
| Senior Bond, 3.5%, 6/01/30 | Belgium | 420,000 | 399,695 |
| Senior Bond, 4.35%, 6/01/40 | Belgium | 30,000 | 28,055 |
| Senior Bond, 5.8%, 1/23/59 | Belgium | 150,000 | 168,356 |

Franklin Allocation VIP Fund (continued)

| | Country | Principal Amount ¹ | Value |
|---|---------------|-------------------------------|-----------|
| Corporate Bonds (continued) | | | |
| Beverages (continued) | | | |
| Coca-Cola Co. (The), Senior Bond, 2.5%, 6/01/40 | United States | 10,000 | \$7,568 |
| Constellation Brands, Inc., | | | |
| Senior Note, 3.6%, 5/09/24 | United States | 10,000 | 9,928 |
| Senior Note, 4.35%, 5/09/27 | United States | 10,000 | 9,920 |
| PepsiCo, Inc., Senior Bond, 1.625%, 5/01/30 | United States | 10,000 | 8,524 |
| | | | 799,979 |
| Biotechnology 0.3% | | | |
| AbbVie, Inc., | | | |
| Senior Bond, 4.85%, 6/15/44 | United States | 400,000 | 389,689 |
| Senior Bond, 4.75%, 3/15/45 | United States | 100,000 | 96,263 |
| Senior Bond, 4.25%, 11/21/49 | United States | 40,000 | 35,673 |
| Senior Note, 2.6%, 11/21/24 | United States | 100,000 | 97,740 |
| Senior Note, 2.95%, 11/21/26 | United States | 40,000 | 38,368 |
| Senior Note, 3.2%, 11/21/29 | United States | 90,000 | 84,173 |
| Amgen, Inc., | | | |
| Senior Bond, 2.45%, 2/21/30 | United States | 200,000 | 177,450 |
| Senior Bond, 5.25%, 3/02/33 | United States | 100,000 | 102,560 |
| Senior Bond, 5.6%, 3/02/43 | United States | 420,000 | 434,260 |
| Gilead Sciences, Inc., | | | |
| Senior Bond, 5.25%, 10/15/33 | United States | 140,000 | 145,985 |
| Senior Bond, 4.75%, 3/01/46 | United States | 10,000 | 9,539 |
| Regeneron Pharmaceuticals, Inc., Senior Bond, 2.8%, 9/15/50 | United States | 340,000 | 224,376 |
| | | | 1,836,076 |
| Broadline Retail 0.1% | | | |
| Amazon.com, Inc., | | | |
| Senior Bond, 1.5%, 6/03/30 | United States | 30,000 | 25,422 |
| Senior Bond, 3.6%, 4/13/32 | United States | 70,000 | 66,711 |
| Senior Bond, 3.875%, 8/22/37 | United States | 30,000 | 27,868 |
| Senior Bond, 4.05%, 8/22/47 | United States | 300,000 | 270,898 |
| Senior Bond, 2.5%, 6/03/50 | United States | 110,000 | 73,281 |
| Senior Bond, 4.25%, 8/22/57 | United States | 10,000 | 9,209 |
| Senior Note, 1.2%, 6/03/27 | United States | 60,000 | 54,152 |
| Prosus NV, Senior Bond, 144A, 3.68%, 1/21/30 | China | 200,000 | 175,217 |
| | | | 702,758 |
| Capital Markets 0.7% | | | |
| Charles Schwab Corp. (The), | | | |
| Senior Bond, 6.136% to 8/23/33, FRN thereafter, 8/24/34 | United States | 10,000 | 10,545 |
| Senior Note, 5.875%, 8/24/26 | United States | 40,000 | 41,040 |
| Credit Suisse AG, Senior Note, 1.25%, 8/07/26 | Switzerland | 250,000 | 226,891 |
| Deutsche Bank AG, Senior Note, 5.371%, 9/09/27 | Germany | 150,000 | 152,190 |
| Goldman Sachs Group, Inc. (The), | | | |
| Senior Bond, 3.5%, 1/23/25 | United States | 425,000 | 417,055 |
| Senior Bond, 3.691% to 6/04/27, FRN thereafter, 6/05/28 | United States | 140,000 | 133,827 |
| Senior Bond, 2.65% to 10/20/31, FRN thereafter, 10/21/32 | United States | 70,000 | 58,357 |
| Senior Bond, 2.908% to 7/20/41, FRN thereafter, 7/21/42 | United States | 40,000 | 29,205 |
| Senior Note, 3.625%, 2/20/24 | United States | 40,000 | 39,879 |
| Senior Note, 3.5%, 4/01/25 | United States | 40,000 | 39,122 |
| Senior Note, 1.948% to 10/20/26, FRN thereafter, 10/21/27 | United States | 200,000 | 183,027 |
| Senior Note, 2.64% to 2/23/27, FRN thereafter, 2/24/28 | United States | 200,000 | 185,484 |
| Sub. Bond, 4.25%, 10/21/25 | United States | 200,000 | 196,429 |
| Sub. Bond, 5.15%, 5/22/45 | United States | 50,000 | 48,391 |

Franklin Allocation VIP Fund (continued)

| | Country | Principal Amount ¹ | Value |
|--|----------------|-------------------------------|-----------|
| Corporate Bonds (continued) | | | |
| Capital Markets (continued) | | | |
| Intercontinental Exchange, Inc., Senior Bond, 4.6%, 3/15/33 | United States | 10,000 | \$9,961 |
| Morgan Stanley, | | | |
| Senior Bond, 3.591%, 7/22/28 | United States | 860,000 | 821,496 |
| Senior Bond, 3.772% to 1/23/28, FRN thereafter, 1/24/29 | United States | 40,000 | 38,170 |
| Senior Bond, 3.622% to 3/31/30, FRN thereafter, 4/01/31 | United States | 320,000 | 294,921 |
| Senior Bond, 2.511% to 10/19/31, FRN thereafter, 10/20/32 | United States | 100,000 | 82,842 |
| Senior Bond, 5.25% to 4/20/33, FRN thereafter, 4/21/34 | United States | 250,000 | 250,092 |
| Senior Note, 2.188% to 4/27/25, FRN thereafter, 4/28/26 | United States | 50,000 | 48,054 |
| Nasdaq, Inc., Senior Bond, 5.55%, 2/15/34 | United States | 170,000 | 176,714 |
| °UBS Group AG, | | | |
| Senior Bond, 144A, 2.095% to 2/10/31, FRN thereafter, 2/11/32 | Switzerland | 225,000 | 179,597 |
| Senior Note, 144A, 4.488% to 5/11/25, FRN thereafter, 5/12/26 | Switzerland | 200,000 | 197,099 |
| Senior Note, 144A, 1.305% to 2/01/26, FRN thereafter, 2/02/27 | Switzerland | 250,000 | 229,432 |
| | | | 4,089,820 |
| Chemicals 0.1% | | | |
| DuPont de Nemours, Inc., Senior Bond, 5.419%, 11/15/48 | United States | 180,000 | 187,529 |
| FMC Corp., Senior Bond, 5.65%, 5/18/33 | United States | 125,000 | 124,665 |
| | | | 312,194 |
| Commercial Services & Supplies 0.1% | | | |
| Cintas Corp. No. 2, | | | |
| Senior Bond, 3.7%, 4/01/27 | United States | 10,000 | 9,797 |
| Senior Bond, 4%, 5/01/32 | United States | 10,000 | 9,671 |
| RELX Capital, Inc., Senior Bond, 3%, 5/22/30 | United Kingdom | 300,000 | 276,169 |
| °Veralto Corp., Senior Note, 144A, 5.5%, 9/18/26 | United States | 250,000 | 253,303 |
| | | | 548,940 |
| Communications Equipment 0.1% | | | |
| Motorola Solutions, Inc., Senior Bond, 4.6%, 5/23/29 | United States | 280,000 | 278,046 |
| Consumer Finance 0.3% | | | |
| AerCap Ireland Capital DAC / AerCap Global Aviation Trust, | | | |
| Senior Note, 2.45%, 10/29/26 | Ireland | 150,000 | 138,954 |
| Senior Note, 3%, 10/29/28 | Ireland | 300,000 | 274,044 |
| American Express Co., | | | |
| Senior Note, 2.5%, 7/30/24 | United States | 70,000 | 68,793 |
| Senior Note, 4.05%, 5/03/29 | United States | 20,000 | 19,810 |
| Capital One Financial Corp., Senior Bond, 3.75%, 3/09/27 | United States | 435,000 | 415,581 |
| General Motors Financial Co., Inc., Senior Note, 5.4%, 4/06/26 | United States | 220,000 | 221,467 |
| John Deere Capital Corp., | | | |
| Senior Bond, 3.9%, 6/07/32 | United States | 75,000 | 72,265 |
| Senior Bond, 4.35%, 9/15/32 | United States | 200,000 | 199,726 |
| Toyota Motor Credit Corp., Senior Note, 4.45%, 5/18/26 | United States | 210,000 | 209,758 |
| | | | 1,620,398 |
| Consumer Staples Distribution & Retail 0.1% | | | |
| Costco Wholesale Corp., Senior Bond, 1.75%, 4/20/32 | United States | 20,000 | 16,721 |
| Dollar Tree, Inc., Senior Note, 4%, 5/15/25 | United States | 350,000 | 343,898 |
| Target Corp., Senior Bond, 2.95%, 1/15/52 | United States | 450,000 | 322,269 |
| Walmart, Inc., Senior Note, 1.5%, 9/22/28 | United States | 10,000 | 8,940 |
| | | | 691,828 |

Franklin Allocation VIP Fund (continued)

| | Country | Principal Amount [†] | Value |
|---|---------------|-------------------------------|-----------|
| Corporate Bonds (continued) | | | |
| Containers & Packaging 0.0%[†] | | | |
| WRKCo, Inc., Senior Bond, 3%, 6/15/33 | United States | 135,000 | \$116,398 |
| Diversified REITs 0.1% | | | |
| Simon Property Group LP, Senior Note, 3.375%, 12/01/27 | United States | 395,000 | 376,646 |
| Diversified Telecommunication Services 0.3% | | | |
| AT&T, Inc., | | | |
| Senior Bond, 2.55%, 12/01/33 | United States | 690,000 | 562,726 |
| Senior Bond, 3.5%, 9/15/53 | United States | 20,000 | 14,530 |
| Senior Bond, 3.55%, 9/15/55 | United States | 30,000 | 21,590 |
| Senior Bond, 3.65%, 9/15/59 | United States | 10,000 | 7,176 |
| Senior Note, 1.65%, 2/01/28 | United States | 20,000 | 17,816 |
| Orange SA, Senior Bond, 9%, 3/01/31 | France | 100,000 | 123,424 |
| Verizon Communications, Inc., | | | |
| Senior Bond, 2.625%, 8/15/26 | United States | 40,000 | 38,118 |
| Senior Bond, 2.55%, 3/21/31 | United States | 200,000 | 172,505 |
| Senior Bond, 4.5%, 8/10/33 | United States | 70,000 | 68,335 |
| Senior Bond, 2.85%, 9/03/41 | United States | 200,000 | 147,905 |
| Senior Bond, 3.85%, 11/01/42 | United States | 100,000 | 83,803 |
| Senior Note, 2.1%, 3/22/28 | United States | 40,000 | 36,202 |
| Senior Note, 2.355%, 3/15/32 | United States | 640,000 | 532,527 |
| | | | 1,826,657 |
| Electric Utilities 0.6% | | | |
| [°] American Transmission Systems, Inc., Senior Bond, 144A, 2.65%, 1/15/32 | United States | 20,000 | 16,933 |
| [°] Cleveland Electric Illuminating Co. (The), Senior Bond, 144A, 3.5%, 4/01/28 | United States | 10,000 | 9,373 |
| Commonwealth Edison Co., Senior Bond, 4%, 3/01/48 | United States | 200,000 | 169,889 |
| Duke Energy Corp., Senior Bond, 3.15%, 8/15/27 | United States | 10,000 | 9,457 |
| Duke Energy Florida LLC, Senior Bond, 6.4%, 6/15/38 | United States | 200,000 | 224,175 |
| Duke Energy Indiana LLC, Senior Bond, 5.4%, 4/01/53 | United States | 250,000 | 255,183 |
| Duke Energy Ohio, Inc., Senior Bond, 5.25%, 4/01/33 | United States | 230,000 | 237,128 |
| [°] Enel Finance International NV, Senior Bond, 144A, 2.25%, 7/12/31 | Italy | 200,000 | 162,650 |
| Exelon Corp., | | | |
| Senior Bond, 4.05%, 4/15/30 | United States | 650,000 | 620,535 |
| Senior Bond, 5.625%, 6/15/35 | United States | 10,000 | 10,195 |
| Florida Power & Light Co., Senior Note, 4.625%, 5/15/30 | United States | 100,000 | 100,751 |
| Georgia Power Co., Senior Bond, 4.3%, 3/15/42 | United States | 420,000 | 372,179 |
| MidAmerican Energy Co., Senior Bond, 3.65%, 4/15/29 | United States | 20,000 | 19,130 |
| [°] Mid-Atlantic Interstate Transmission LLC, Senior Bond, 144A, 4.1%, 5/15/28 | United States | 10,000 | 9,665 |
| NextEra Energy Capital Holdings, Inc., Senior Note, 6.051%, 3/01/25 | United States | 50,000 | 50,477 |
| Pacific Gas and Electric Co., | | | |
| Senior Bond, 2.5%, 2/01/31 | United States | 10,000 | 8,259 |
| Senior Bond, 3.3%, 8/01/40 | United States | 10,000 | 7,335 |
| Senior Bond, 3.5%, 8/01/50 | United States | 10,000 | 6,925 |
| Senior Note, 2.1%, 8/01/27 | United States | 10,000 | 9,020 |
| Southern Co. (The), | | | |
| A, Senior Bond, 3.7%, 4/30/30 | United States | 300,000 | 282,803 |
| Senior Note, 5.5%, 3/15/29 | United States | 150,000 | 156,200 |

Franklin Allocation VIP Fund (continued)

| | Country | Principal Amount [†] | Value |
|---|---------------|-------------------------------|-----------|
| Corporate Bonds (continued) | | | |
| Electric Utilities (continued) | | | |
| Virginia Electric and Power Co., Senior Bond, 2.4%, 3/30/32 | United States | 520,000 | \$437,964 |
| °Vistra Operations Co. LLC, Senior Secured Note, 144A, 3.55%, 7/15/24 | United States | 235,000 | 231,752 |
| Xcel Energy, Inc., Senior Bond, 5.45%, 8/15/33 | United States | 150,000 | 154,777 |
| | | | 3,562,755 |
| Electrical Equipment 0.0%[†] | | | |
| Eaton Corp., Senior Bond, 4.15%, 11/02/42 | United States | 10,000 | 9,177 |
| Emerson Electric Co., Senior Bond, 2.8%, 12/21/51 | United States | 60,000 | 41,282 |
| | | | 50,459 |
| 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 | 411,196 |
| Entertainment 0.2% | | | |
| Netflix, Inc., Senior Bond, 5.75%, 3/01/24 | United States | 400,000 | 399,804 |
| Walt Disney Co. (The), Senior Bond, 2.65%, 1/13/31 | United States | 200,000 | 178,020 |
| Warnermedia Holdings, Inc., WI, Senior Bond, 5.05%, 3/15/42 | United States | 390,000 | 344,011 |
| WI, Senior Bond, 5.141%, 3/15/52 | United States | 10,000 | 8,590 |
| Senior Note, 6.412%, 3/15/26 | United States | 10,000 | 10,007 |
| WI, Senior Note, 3.755%, 3/15/27 | United States | 10,000 | 9,586 |
| WI, Senior Note, 4.054%, 3/15/29 | United States | 10,000 | 9,493 |
| WI, Senior Note, 4.279%, 3/15/32 | United States | 10,000 | 9,155 |
| | | | 968,666 |
| Financial Services 0.3% | | | |
| °Corebridge Financial, Inc., Senior Bond, 144A, 6.05%, 9/15/33 | United States | 150,000 | 156,416 |
| °EDP Finance BV, Senior Note, 144A, 1.71%, 1/24/28 | Portugal | 400,000 | 355,695 |
| Fidelity National Information Services, Inc., Senior Bond, 2.25%, 3/01/31 | United States | 200,000 | 169,077 |
| Fiserv, Inc., Senior Bond, 3.5%, 7/01/29 | United States | 270,000 | 254,215 |
| Senior Bond, 2.65%, 6/01/30 | United States | 200,000 | 175,964 |
| Global Payments, Inc., Senior Note, 5.4%, 8/15/32 | United States | 100,000 | 101,038 |
| Mastercard, Inc., Senior Bond, 3.35%, 3/26/30 | United States | 10,000 | 9,544 |
| Senior Bond, 3.85%, 3/26/50 | United States | 40,000 | 34,945 |
| °NTT Finance Corp., Senior Bond, 144A, 2.065%, 4/03/31 | Japan | 500,000 | 417,355 |
| PayPal Holdings, Inc., Senior Bond, 2.3%, 6/01/30 | United States | 10,000 | 8,746 |
| Senior Bond, 4.4%, 6/01/32 | United States | 10,000 | 9,942 |
| Shell International Finance BV, Senior Bond, 2.75%, 4/06/30 | Netherlands | 50,000 | 45,698 |
| Senior Bond, 4%, 5/10/46 | Netherlands | 20,000 | 17,389 |
| Senior Bond, 3.25%, 4/06/50 | Netherlands | 40,000 | 30,085 |
| Visa, Inc., Senior Bond, 4.3%, 12/14/45 | United States | 10,000 | 9,334 |
| | | | 1,795,443 |

Franklin Allocation VIP Fund (continued)

| | Country | Principal Amount ¹ | Value |
|--|---------------|-------------------------------|-----------|
| Corporate Bonds (continued) | | | |
| Food Products 0.2% | | | |
| °Bimbo Bakeries USA, Inc., Senior Bond, 144A, 4%, 5/17/51 | Mexico | 200,000 | \$160,961 |
| Conagra Brands, Inc., Senior Bond, 5.4%, 11/01/48 | United States | 250,000 | 242,453 |
| General Mills, Inc., Senior Note, 5.241%, 11/18/25 | United States | 175,000 | 174,751 |
| JBS USA LUX SA / JBS USA Food Co. / JBS USA Finance, Inc., Senior Note, 3.625%, 1/15/32 | United States | 200,000 | 171,644 |
| Kraft Heinz Foods Co., Senior Note, 3%, 6/01/26 | United States | 10,000 | 9,611 |
| Senior Note, 3.75%, 4/01/30 | United States | 100,000 | 95,597 |
| °Mars, Inc., Senior Bond, 144A, 3.2%, 4/01/30 | United States | 30,000 | 27,720 |
| Senior Bond, 144A, 4.75%, 4/20/33 | United States | 150,000 | 151,418 |
| Senior Bond, 144A, 2.375%, 7/16/40 | United States | 10,000 | 7,180 |
| Mondelez International, Inc., Senior Note, 1.5%, 5/04/25 | United States | 20,000 | 19,082 |
| | | | 1,060,417 |
| Gas Utilities 0.1% | | | |
| Southern California Gas Co., Senior Bond, 6.35%, 11/15/52 | United States | 350,000 | 401,137 |
| Ground Transportation 0.1% | | | |
| Burlington Northern Santa Fe LLC, Senior Bond, 4.9%, 4/01/44 | United States | 200,000 | 197,671 |
| Senior Bond, 2.875%, 6/15/52 | United States | 10,000 | 6,998 |
| CSX Corp., Senior Bond, 3.8%, 11/01/46 | United States | 100,000 | 83,230 |
| Senior Bond, 4.75%, 11/15/48 | United States | 275,000 | 262,085 |
| Union Pacific Corp., Senior Bond, 2.4%, 2/05/30 | United States | 10,000 | 8,911 |
| Senior Bond, 2.891%, 4/06/36 | United States | 10,000 | 8,447 |
| Senior Bond, 3.839%, 3/20/60 | United States | 10,000 | 8,172 |
| Senior Bond, 3.75%, 2/05/70 | United States | 10,000 | 7,732 |
| Senior Note, 3.75%, 7/15/25 | United States | 10,000 | 9,854 |
| Senior Note, 2.15%, 2/05/27 | United States | 10,000 | 9,338 |
| | | | 602,438 |
| Health Care Equipment & Supplies 0.1% | | | |
| Baxter International, Inc., Senior Bond, 2.539%, 2/01/32 | United States | 500,000 | 419,490 |
| GE HealthCare Technologies, Inc., Senior Note, 5.6%, 11/15/25 | United States | 100,000 | 100,919 |
| Medtronic Global Holdings SCA, Senior Note, 4.25%, 3/30/28 | United States | 200,000 | 199,236 |
| | | | 719,645 |
| Health Care Providers & Services 0.6% | | | |
| Ascension Health, Senior Bond, 3.945%, 11/15/46 | United States | 200,000 | 172,671 |
| Centene Corp., Senior Bond, 3%, 10/15/30 | United States | 250,000 | 216,826 |
| Cigna Group (The), Senior Bond, 2.375%, 3/15/31 | United States | 100,000 | 85,518 |
| Senior Bond, 4.8%, 8/15/38 | United States | 20,000 | 19,356 |
| Senior Bond, 4.9%, 12/15/48 | United States | 20,000 | 19,037 |
| Senior Note, 4.125%, 11/15/25 | United States | 10,000 | 9,877 |
| Senior Note, 3.05%, 10/15/27 | United States | 250,000 | 237,254 |
| Senior Note, 4.375%, 10/15/28 | United States | 60,000 | 59,544 |
| CVS Health Corp., Senior Bond, 3.875%, 7/20/25 | United States | 10,000 | 9,830 |
| Senior Bond, 4.3%, 3/25/28 | United States | 30,000 | 29,510 |
| Senior Bond, 3.75%, 4/01/30 | United States | 30,000 | 28,231 |

Franklin Allocation VIP Fund (continued)

| | Country | Principal Amount [†] | Value |
|---|---------------|-------------------------------|-----------|
| Corporate Bonds (continued) | | | |
| Health Care Providers & Services (continued) | | | |
| CVS Health Corp., (continued) | | | |
| Senior Bond, 2.125%, 9/15/31 | United States | 50,000 | \$41,418 |
| Senior Bond, 4.78%, 3/25/38 | United States | 40,000 | 37,920 |
| Senior Bond, 5.3%, 12/05/43 | United States | 500,000 | 484,729 |
| Senior Bond, 5.125%, 7/20/45 | United States | 100,000 | 94,730 |
| Senior Bond, 5.05%, 3/25/48 | United States | 40,000 | 37,447 |
| Senior Bond, 4.25%, 4/01/50 | United States | 20,000 | 16,728 |
| Elevance Health, Inc., | | | |
| Senior Bond, 3.65%, 12/01/27 | United States | 20,000 | 19,413 |
| Senior Bond, 4.1%, 5/15/32 | United States | 10,000 | 9,555 |
| Senior Bond, 5.1%, 1/15/44 | United States | 400,000 | 392,188 |
| Senior Bond, 4.55%, 5/15/52 | United States | 10,000 | 9,136 |
| HCA, Inc., | | | |
| Senior Bond, 4.5%, 2/15/27 | United States | 408,000 | 403,435 |
| WI, Senior Note, 3.625%, 3/15/32 | United States | 200,000 | 178,916 |
| Humana, Inc., Senior Bond, 3.125%, 8/15/29 | United States | 90,000 | 83,402 |
| Kaiser Foundation Hospitals, Senior Bond, 4.15%, 5/01/47 | United States | 175,000 | 154,858 |
| Quest Diagnostics, Inc., Senior Bond, 2.8%, 6/30/31 | United States | 300,000 | 261,633 |
| UnitedHealth Group, Inc., | | | |
| Senior Bond, 2.75%, 5/15/40 | United States | 30,000 | 22,734 |
| Senior Bond, 3.05%, 5/15/41 | United States | 395,000 | 308,884 |
| Senior Bond, 3.25%, 5/15/51 | United States | 10,000 | 7,582 |
| Senior Bond, 3.875%, 8/15/59 | United States | 30,000 | 24,467 |
| Senior Note, 4%, 5/15/29 | United States | 20,000 | 19,717 |
| Senior Note, 4.2%, 5/15/32 | United States | 30,000 | 29,372 |
| | | | 3,525,918 |
| Health Care Technology 0.0%[†] | | | |
| [¶] IQVIA, Inc., Senior Secured Note, 144A, 6.25%, 2/01/29 | United States | 100,000 | 104,520 |
| Hotels, Restaurants & Leisure 0.0%[†] | | | |
| Las Vegas Sands Corp., Senior Bond, 3.9%, 8/08/29 | United States | 150,000 | 138,398 |
| McDonald's Corp., | | | |
| Senior Bond, 4.875%, 12/09/45 | United States | 10,000 | 9,834 |
| Senior Bond, 4.2%, 4/01/50 | United States | 30,000 | 26,571 |
| Senior Note, 1.45%, 9/01/25 | United States | 40,000 | 37,874 |
| Senior Note, 2.125%, 3/01/30 | United States | 30,000 | 26,232 |
| | | | 238,909 |
| Household Durables 0.0%[†] | | | |
| MDC Holdings, Inc., Senior Bond, 2.5%, 1/15/31 | United States | 156,000 | 128,326 |
| Household Products 0.1% | | | |
| [¶] Kimberly-Clark de Mexico SAB de CV, Senior Bond, 144A, 2.431%, 7/01/31 | Mexico | 500,000 | 429,654 |
| Procter & Gamble Co. (The), Senior Bond, 3%, 3/25/30 | United States | 10,000 | 9,370 |
| | | | 439,024 |
| Independent Power and Renewable Electricity Producers 0.1% | | | |
| Constellation Energy Generation LLC, Senior Bond, 6.125%, 1/15/34 | United States | 325,000 | 348,066 |
| Industrial Conglomerates 0.0%[†] | | | |
| 3M Co., | | | |
| Senior Bond, 3.05%, 4/15/30 | United States | 40,000 | 36,067 |

Franklin Allocation VIP Fund (continued)

| | Country | Principal Amount [†] | Value |
|--|---------------|-------------------------------|-----------|
| Corporate Bonds (continued) | | | |
| Industrial Conglomerates (continued) | | | |
| 3M Co., (continued) | | | |
| Senior Bond, 3.7%, 4/15/50 | United States | 10,000 | \$7,915 |
| | | | 43,982 |
| Insurance 0.8% | | | |
| Aflac, Inc., Senior Bond, 4.75%, 1/15/49 | United States | 380,000 | 357,757 |
| °AIA Group Ltd., Senior Bond, 144A, 4.95%, 4/04/33 | Hong Kong | 200,000 | 201,530 |
| Allstate Corp. (The), Senior Bond, 4.2%, 12/15/46 | United States | 260,000 | 221,474 |
| American International Group, Inc., Senior Bond, 5.125%, 3/27/33 | United States | 200,000 | 203,093 |
| Aon Corp., Senior Bond, 2.8%, 5/15/30 | United States | 350,000 | 310,565 |
| Arch Capital Group Ltd., Senior Bond, 3.635%, 6/30/50 | United States | 300,000 | 229,399 |
| Arthur J Gallagher & Co., Senior Bond, 6.5%, 2/15/34 | United States | 150,000 | 164,133 |
| Berkshire Hathaway Finance Corp., | | | |
| Senior Bond, 4.25%, 1/15/49 | United States | 20,000 | 18,677 |
| Senior Bond, 3.85%, 3/15/52 | United States | 200,000 | 167,361 |
| Brown & Brown, Inc., Senior Bond, 2.375%, 3/15/31 | United States | 230,000 | 188,725 |
| °Guardian Life Global Funding, Secured Note, 144A, 1.1%, 6/23/25 | United States | 10,000 | 9,442 |
| Marsh & McLennan Cos., Inc., Senior Bond, 4.9%, 3/15/49 | United States | 250,000 | 242,689 |
| °MassMutual Global Funding II, Senior Secured Note, 144A, 5.05%, 12/07/27 | United States | 200,000 | 202,538 |
| MetLife, Inc., Junior Sub. Bond, 6.4%, 12/15/36 | United States | 270,000 | 279,206 |
| °Metropolitan Life Global Funding I, | | | |
| Secured Note, 144A, 3.6%, 1/11/24 | United States | 940,000 | 939,650 |
| Secured Note, 144A, 5.05%, 1/06/28 | United States | 200,000 | 202,230 |
| Secured Note, 144A, 4.3%, 8/25/29 | United States | 150,000 | 146,227 |
| °New York Life Global Funding, | | | |
| Secured Note, 144A, 4.85%, 1/09/28 | United States | 200,000 | 201,425 |
| Senior Secured Note, 144A, 0.95%, 6/24/25 | United States | 10,000 | 9,448 |
| °Teachers Insurance & Annuity Association of America, Sub. Bond, 144A, 4.9%, 9/15/44 | United States | 10,000 | 9,465 |
| | | | 4,305,034 |
| Interactive Media & Services 0.1% | | | |
| Alphabet, Inc., | | | |
| Senior Bond, 1.1%, 8/15/30 | United States | 10,000 | 8,286 |
| Senior Bond, 1.9%, 8/15/40 | United States | 10,000 | 6,939 |
| Meta Platforms, Inc., | | | |
| Senior Bond, 4.95%, 5/15/33 | United States | 150,000 | 154,875 |
| Senior Bond, 4.45%, 8/15/52 | United States | 250,000 | 229,878 |
| °Tencent Holdings Ltd., Senior Bond, 144A, 3.595%, 1/19/28 | China | 300,000 | 285,614 |
| | | | 685,592 |
| Life Sciences Tools & Services 0.0%[†] | | | |
| Illumina, Inc., Senior Note, 5.8%, 12/12/25 | United States | 150,000 | 150,612 |
| Machinery 0.0%[†] | | | |
| Deere & Co., | | | |
| Senior Bond, 3.1%, 4/15/30 | United States | 10,000 | 9,280 |
| Senior Bond, 3.75%, 4/15/50 | United States | 10,000 | 8,752 |
| Otis Worldwide Corp., Senior Note, 2.056%, 4/05/25 | United States | 10,000 | 9,621 |
| | | | 27,653 |

Franklin Allocation VIP Fund (continued)

| | Country | Principal Amount ¹ | Value |
|--|---------------|-------------------------------|-----------|
| Corporate Bonds (continued) | | | |
| Media 0.4% | | | |
| Charter Communications Operating LLC / Charter Communications Operating Capital, | | | |
| Senior Secured Bond, 5.05%, 3/30/29 | United States | 80,000 | \$79,213 |
| Senior Secured Bond, 2.8%, 4/01/31 | United States | 430,000 | 362,996 |
| Senior Secured Bond, 4.4%, 4/01/33 | United States | 130,000 | 120,093 |
| Senior Secured Bond, 5.375%, 4/01/38 | United States | 10,000 | 9,031 |
| Senior Secured Bond, 3.5%, 3/01/42 | United States | 130,000 | 90,543 |
| Senior Secured Bond, 3.9%, 6/01/52 | United States | 70,000 | 47,144 |
| Senior Secured Bond, 5.5%, 4/01/63 | United States | 40,000 | 33,428 |
| Senior Secured Note, 4.908%, 7/23/25 | United States | 60,000 | 59,464 |
| Comcast Corp., | | | |
| Senior Bond, 4.15%, 10/15/28 | United States | 70,000 | 69,086 |
| Senior Bond, 3.4%, 4/01/30 | United States | 10,000 | 9,364 |
| Senior Bond, 4.25%, 10/15/30 | United States | 60,000 | 59,163 |
| Senior Bond, 4.25%, 1/15/33 | United States | 300,000 | 291,712 |
| Senior Bond, 3.75%, 4/01/40 | United States | 30,000 | 25,822 |
| Senior Bond, 3.969%, 11/01/47 | United States | 30,000 | 25,218 |
| Senior Bond, 2.887%, 11/01/51 | United States | 40,000 | 27,082 |
| Senior Bond, 4.049%, 11/01/52 | United States | 500,000 | 422,343 |
| Senior Bond, 2.937%, 11/01/56 | United States | 20,000 | 13,166 |
| Fox Corp., | | | |
| Senior Bond, 6.5%, 10/13/33 | United States | 220,000 | 238,276 |
| Senior Bond, 5.476%, 1/25/39 | United States | 40,000 | 38,934 |
| Senior Note, 4.709%, 1/25/29 | United States | 300,000 | 298,448 |
| Time Warner Cable LLC, Senior Secured Bond, 6.55%, 5/01/37 | United States | 10,000 | 9,865 |
| | | | 2,330,391 |
| Metals & Mining 0.1% | | | |
| ^o Anglo American Capital plc, Senior Note, 144A, 3.625%, 9/11/24 | South Africa | 200,000 | 196,863 |
| Barrick North America Finance LLC, Senior Bond, 5.7%, 5/30/41 | Canada | 20,000 | 21,138 |
| BHP Billiton Finance USA Ltd., Senior Bond, 5%, 9/30/43 | Australia | 20,000 | 20,197 |
| Freeport-McMoRan, Inc., Senior Bond, 5.45%, 3/15/43 | United States | 20,000 | 19,489 |
| ^o Glencore Funding LLC, | | | |
| Senior Bond, 144A, 4%, 3/27/27 | Australia | 20,000 | 19,436 |
| Senior Note, 144A, 4.125%, 3/12/24 | Australia | 30,000 | 29,894 |
| Southern Copper Corp., Senior Bond, 5.25%, 11/08/42 | Mexico | 100,000 | 96,946 |
| Vale Overseas Ltd., Senior Bond, 6.25%, 8/10/26 | Brazil | 130,000 | 133,305 |
| | | | 537,268 |
| Multi-Utilities 0.2% | | | |
| Consolidated Edison Co. of New York, Inc., | | | |
| 20A, Senior Bond, 3.35%, 4/01/30 | United States | 10,000 | 9,329 |
| 20B, Senior Bond, 3.95%, 4/01/50 | United States | 10,000 | 8,363 |
| Dominion Energy, Inc., Senior Note, 4.25%, 6/01/28 | United States | 300,000 | 294,245 |
| DTE Energy Co., Senior Note, 4.875%, 6/01/28 | United States | 150,000 | 151,427 |
| Public Service Enterprise Group, Inc., Senior Note, 2.875%, 6/15/24 | United States | 375,000 | 370,287 |
| | | | 833,651 |
| Office REITs 0.1% | | | |
| Alexandria Real Estate Equities, Inc., Senior Bond, 2.95%, 3/15/34 | United States | 325,000 | 271,239 |

Franklin Allocation VIP Fund (continued)

| | Country | Principal Amount ¹ | Value |
|---|---------------|-------------------------------|-----------|
| Corporate Bonds (continued) | | | |
| Oil, Gas & Consumable Fuels 0.9% | | | |
| °Aker BP ASA, Senior Bond, 144A, 3.75%, 1/15/30 | Norway | 300,000 | \$275,726 |
| BP Capital Markets America, Inc., | | | |
| Senior Bond, 1.749%, 8/10/30 | United States | 40,000 | 33,891 |
| Senior Bond, 4.812%, 2/13/33 | United States | 200,000 | 201,732 |
| Senior Bond, 4.893%, 9/11/33 | United States | 200,000 | 203,589 |
| Senior Bond, 2.939%, 6/04/51 | United States | 40,000 | 27,739 |
| °Cameron LNG LLC, | | | |
| Senior Secured Bond, 144A, 2.902%, 7/15/31 | United States | 20,000 | 17,561 |
| Senior Secured Bond, 144A, 3.302%, 1/15/35 | United States | 40,000 | 34,102 |
| Chevron Corp., | | | |
| Senior Bond, 3.078%, 5/11/50 | United States | 20,000 | 15,120 |
| Senior Note, 1.995%, 5/11/27 | United States | 30,000 | 27,861 |
| °Columbia Pipelines Operating Co. LLC, Senior Bond, 144A, 6.036%, 11/15/33 | United States | 50,000 | 52,388 |
| ConocoPhillips Co., Senior Bond, 5.3%, 5/15/53 | United States | 250,000 | 257,162 |
| Continental Resources, Inc., | | | |
| Senior Bond, 4.9%, 6/01/44 | United States | 110,000 | 89,094 |
| Senior Note, 3.8%, 6/01/24 | United States | 10,000 | 9,925 |
| Senior Note, 4.375%, 1/15/28 | United States | 40,000 | 38,761 |
| ° Senior Note, 144A, 2.268%, 11/15/26 | United States | 40,000 | 36,821 |
| Coterra Energy, Inc., | | | |
| Senior Note, 3.9%, 5/15/27 | United States | 30,000 | 29,041 |
| Senior Note, 4.375%, 3/15/29 | United States | 60,000 | 58,265 |
| Devon Energy Corp., | | | |
| Senior Bond, 5.85%, 12/15/25 | United States | 10,000 | 10,116 |
| Senior Bond, 4.75%, 5/15/42 | United States | 30,000 | 26,265 |
| Senior Bond, 5%, 6/15/45 | United States | 120,000 | 106,185 |
| Diamondback Energy, Inc., | | | |
| Senior Bond, 3.125%, 3/24/31 | United States | 10,000 | 8,893 |
| Senior Bond, 4.4%, 3/24/51 | United States | 60,000 | 49,737 |
| Senior Note, 3.5%, 12/01/29 | United States | 60,000 | 55,763 |
| Energy Transfer LP, | | | |
| Senior Bond, 4.95%, 6/15/28 | United States | 40,000 | 39,883 |
| Senior Bond, 3.75%, 5/15/30 | United States | 50,000 | 46,455 |
| Senior Bond, 5.15%, 3/15/45 | United States | 375,000 | 344,642 |
| Senior Bond, 6.25%, 4/15/49 | United States | 50,000 | 51,819 |
| Senior Note, 2.9%, 5/15/25 | United States | 20,000 | 19,394 |
| Enterprise Products Operating LLC, | | | |
| Senior Bond, 4.15%, 10/16/28 | United States | 30,000 | 29,651 |
| Senior Bond, 3.125%, 7/31/29 | United States | 400,000 | 374,325 |
| Senior Bond, 2.8%, 1/31/30 | United States | 60,000 | 54,283 |
| Senior Bond, 6.125%, 10/15/39 | United States | 375,000 | 410,007 |
| Senior Bond, 4.45%, 2/15/43 | United States | 20,000 | 18,285 |
| Senior Bond, 3.7%, 1/31/51 | United States | 50,000 | 39,829 |
| Senior Bond, 5.375% to 2/14/28, FRN thereafter, 2/15/78 | United States | 10,000 | 8,987 |
| H, Senior Bond, 6.65%, 10/15/34 | United States | 10,000 | 11,460 |
| EOG Resources, Inc., | | | |
| Senior Bond, 4.375%, 4/15/30 | United States | 30,000 | 29,900 |
| Senior Bond, 3.9%, 4/01/35 | United States | 20,000 | 18,425 |
| Senior Bond, 4.95%, 4/15/50 | United States | 40,000 | 39,347 |
| EQT Corp., Senior Bond, 7%, 2/01/30 | United States | 10,000 | 10,744 |
| Exxon Mobil Corp., | | | |
| Senior Bond, 3.482%, 3/19/30 | United States | 50,000 | 47,550 |
| Senior Bond, 4.227%, 3/19/40 | United States | 10,000 | 9,289 |

Franklin Allocation VIP Fund (continued)

| | Country | Principal Amount [†] | Value |
|---|----------------|-------------------------------|-----------|
| Corporate Bonds (continued) | | | |
| Oil, Gas & Consumable Fuels (continued) | | | |
| Exxon Mobil Corp., (continued) | | | |
| Senior Bond, 3.452%, 4/15/51 | United States | 20,000 | \$15,709 |
| Kinder Morgan, Inc., | | | |
| Senior Bond, 4.3%, 3/01/28 | United States | 40,000 | 39,477 |
| Senior Bond, 5.55%, 6/01/45 | United States | 340,000 | 327,678 |
| MPLX LP, | | | |
| Senior Bond, 4%, 3/15/28 | United States | 20,000 | 19,299 |
| Senior Bond, 4.5%, 4/15/38 | United States | 10,000 | 8,915 |
| Senior Bond, 5.5%, 2/15/49 | United States | 365,000 | 353,529 |
| Senior Note, 2.65%, 8/15/30 | United States | 300,000 | 259,048 |
| Occidental Petroleum Corp., Senior Bond, 6.6%, 3/15/46 | United States | 60,000 | 65,045 |
| ONEOK, Inc., | | | |
| Senior Bond, 6.05%, 9/01/33 | United States | 30,000 | 31,799 |
| Senior Bond, 6.625%, 9/01/53 | United States | 30,000 | 33,612 |
| Senior Note, 5.8%, 11/01/30 | United States | 10,000 | 10,403 |
| Pioneer Natural Resources Co., Senior Note, 2.15%, 1/15/31 | United States | 60,000 | 51,004 |
| Sabine Pass Liquefaction LLC, Senior Secured Bond, 4.2%, 3/15/28 | United States | 250,000 | 244,979 |
| Targa Resources Corp., Senior Bond, 4.95%, 4/15/52 | United States | 10,000 | 8,792 |
| [◊] Tennessee Gas Pipeline Co. LLC, Senior Bond, 144A, 2.9%, 3/01/30 | United States | 30,000 | 26,437 |
| Transcontinental Gas Pipe Line Co. LLC, | | | |
| Senior Note, 7.85%, 2/01/26 | United States | 300,000 | 314,314 |
| Senior Note, 3.25%, 5/15/30 | United States | 50,000 | 45,345 |
| [◊] Var Energi ASA, Senior Note, 144A, 7.5%, 1/15/28 | Norway | 200,000 | 212,280 |
| Western Midstream Operating LP, Senior Note, 3.1%, 2/01/25 | United States | 10,000 | 9,738 |
| Williams Cos., Inc. (The), | | | |
| Senior Bond, 3.75%, 6/15/27 | United States | 60,000 | 57,874 |
| Senior Bond, 5.1%, 9/15/45 | United States | 30,000 | 28,322 |
| | | | 5,433,611 |
| Paper & Forest Products 0.0%[†] | | | |
| Suzano Austria GmbH, Senior Note, 6%, 1/15/29 | Brazil | 200,000 | 204,481 |
| Passenger Airlines 0.0%[†] | | | |
| [◊] Delta Air Lines, Inc. / SkyMiles IP Ltd., | | | |
| Senior Secured Note, 144A, 4.5%, 10/20/25 | United States | 167,002 | 164,529 |
| Senior Secured Note, 144A, 4.75%, 10/20/28 | United States | 30,000 | 29,522 |
| | | | 194,051 |
| Personal Care Products 0.1% | | | |
| Haleon US Capital LLC, Senior Note, 3.625%, 3/24/32 | | | |
| | United States | 250,000 | 230,746 |
| Kenvue, Inc., WI, Senior Note, 4.9%, 3/22/33 | | | |
| | United States | 20,000 | 20,624 |
| | | | 251,370 |
| Pharmaceuticals 0.3% | | | |
| AstraZeneca plc, | | | |
| Senior Bond, 4%, 9/18/42 | United Kingdom | 200,000 | 182,066 |
| Senior Bond, 4.375%, 11/16/45 | United Kingdom | 450,000 | 423,124 |
| [◊] Bayer US Finance II LLC, Senior Bond, 144A, 4.375%, 12/15/28 | Germany | 200,000 | 190,244 |
| Bristol-Myers Squibb Co., | | | |
| Senior Bond, 4.55%, 2/20/48 | United States | 10,000 | 9,064 |
| Senior Note, 2.9%, 7/26/24 | United States | 30,000 | 29,602 |
| Senior Note, 3.4%, 7/26/29 | United States | 10,000 | 9,490 |

Franklin Allocation VIP Fund (continued)

| | Country | Principal Amount ¹ | Value |
|---|---------------|-------------------------------|-----------|
| Corporate Bonds (continued) | | | |
| Pharmaceuticals (continued) | | | |
| Johnson & Johnson, Senior Bond, 2.1%, 9/01/40 | United States | 30,000 | \$21,364 |
| Merck & Co., Inc., | | | |
| Senior Bond, 1.45%, 6/24/30 | United States | 10,000 | 8,361 |
| Senior Bond, 2.75%, 12/10/51 | United States | 30,000 | 20,639 |
| Pfizer Investment Enterprises Pte. Ltd., Senior Bond, 4.75%, 5/19/33 | United States | 280,000 | 280,732 |
| Pfizer, Inc., | | | |
| Senior Bond, 1.7%, 5/28/30 | United States | 30,000 | 25,560 |
| Senior Bond, 2.55%, 5/28/40 | United States | 30,000 | 22,039 |
| Senior Bond, 2.7%, 5/28/50 | United States | 30,000 | 20,914 |
| Royalty Pharma plc, Senior Note, 1.2%, 9/02/25 | United States | 225,000 | 210,043 |
| | | | 1,453,242 |
| Residential REITs 0.0%[†] | | | |
| Essex Portfolio LP, Senior Bond, 2.65%, 3/15/32 | United States | 280,000 | 234,162 |
| Semiconductors & Semiconductor Equipment 0.1% | | | |
| Applied Materials, Inc., Senior Bond, 1.75%, 6/01/30 | United States | 20,000 | 17,021 |
| °Broadcom, Inc., Senior Bond, 144A, 3.137%, 11/15/35 | United States | 50,000 | 41,076 |
| Intel Corp., | | | |
| Senior Bond, 5.2%, 2/10/33 | United States | 10,000 | 10,452 |
| Senior Bond, 3.05%, 8/12/51 | United States | 30,000 | 21,148 |
| Senior Note, 1.6%, 8/12/28 | United States | 10,000 | 8,853 |
| Senior Note, 5.125%, 2/10/30 | United States | 10,000 | 10,378 |
| KLA Corp., Senior Bond, 4.65%, 7/15/32 | United States | 10,000 | 10,221 |
| Micron Technology, Inc., Senior Bond, 5.875%, 2/09/33 | United States | 10,000 | 10,400 |
| NVIDIA Corp., Senior Bond, 3.7%, 4/01/60 | United States | 20,000 | 16,773 |
| NXP BV / NXP Funding LLC / NXP USA, Inc., Senior Note, 2.7%, 5/01/25 | China | 10,000 | 9,646 |
| Texas Instruments, Inc., | | | |
| Senior Bond, 1.75%, 5/04/30 | United States | 10,000 | 8,636 |
| Senior Bond, 3.875%, 3/15/39 | United States | 10,000 | 9,237 |
| Senior Bond, 4.15%, 5/15/48 | United States | 20,000 | 18,168 |
| TSMC Arizona Corp., Senior Bond, 2.5%, 10/25/31 | Taiwan | 200,000 | 172,286 |
| | | | 364,295 |
| Software 0.2% | | | |
| Adobe, Inc., Senior Bond, 2.3%, 2/01/30 | United States | 20,000 | 17,925 |
| Microsoft Corp., Senior Bond, 2.921%, 3/17/52 | United States | 270,000 | 199,505 |
| Oracle Corp., | | | |
| Senior Bond, 2.875%, 3/25/31 | United States | 50,000 | 44,316 |
| Senior Bond, 3.95%, 3/25/51 | United States | 200,000 | 156,912 |
| Senior Note, 1.65%, 3/25/26 | United States | 40,000 | 37,325 |
| Senior Note, 4.65%, 5/06/30 | United States | 10,000 | 9,966 |
| Salesforce, Inc., | | | |
| Senior Bond, 3.7%, 4/11/28 | United States | 20,000 | 19,613 |
| Senior Bond, 1.95%, 7/15/31 | United States | 250,000 | 213,647 |
| ServiceNow, Inc., Senior Bond, 1.4%, 9/01/30 | United States | 150,000 | 123,391 |
| Workday, Inc., Senior Bond, 3.8%, 4/01/32 | United States | 175,000 | 163,055 |
| | | | 985,655 |

Franklin Allocation VIP Fund (continued)

| | Country | Principal Amount [†] | Value |
|--|----------------------|-------------------------------|-----------|
| Corporate Bonds (continued) | | | |
| Specialty Retail 0.1% | | | |
| Dick's Sporting Goods, Inc., Senior Bond, 4.1%, 1/15/52 | United States | 200,000 | \$142,851 |
| Home Depot, Inc. (The), | | | |
| Senior Bond, 2.7%, 4/15/30 | United States | 10,000 | 9,138 |
| Senior Bond, 3.3%, 4/15/40 | United States | 20,000 | 16,534 |
| Senior Bond, 3.35%, 4/15/50 | United States | 30,000 | 23,342 |
| Senior Note, 2.5%, 4/15/27 | United States | 10,000 | 9,425 |
| Senior Note, 4.5%, 9/15/32 | United States | 200,000 | 204,111 |
| Lowe's Cos., Inc., | | | |
| Senior Bond, 4.5%, 4/15/30 | United States | 10,000 | 9,950 |
| Senior Bond, 5.75%, 7/01/53 | United States | 200,000 | 212,121 |
| Senior Note, 1.7%, 9/15/28 | United States | 20,000 | 17,704 |
| | | | 645,176 |
| Technology Hardware, Storage & Peripherals 0.1% | | | |
| Apple, Inc., | | | |
| Senior Bond, 2.65%, 5/11/50 | United States | 100,000 | 68,924 |
| Senior Bond, 2.8%, 2/08/61 | United States | 500,000 | 340,538 |
| Hewlett Packard Enterprise Co., Senior Note, 5.9%, 10/01/24 | United States | 150,000 | 150,420 |
| | | | 559,882 |
| Textiles, Apparel & Luxury Goods 0.0%[†] | | | |
| NIKE, Inc., | | | |
| Senior Bond, 2.85%, 3/27/30 | United States | 10,000 | 9,198 |
| Senior Bond, 3.25%, 3/27/40 | United States | 10,000 | 8,406 |
| Senior Note, 2.75%, 3/27/27 | United States | 10,000 | 9,528 |
| | | | 27,132 |
| Tobacco 0.2% | | | |
| Altria Group, Inc., | | | |
| Senior Bond, 4.8%, 2/14/29 | United States | 30,000 | 29,932 |
| Senior Bond, 6.875%, 11/01/33 | United States | 30,000 | 33,058 |
| Senior Bond, 5.8%, 2/14/39 | United States | 20,000 | 20,408 |
| Senior Bond, 5.95%, 2/14/49 | United States | 50,000 | 51,043 |
| BAT Capital Corp., | | | |
| Senior Bond, 4.54%, 8/15/47 | United Kingdom | 20,000 | 15,389 |
| Senior Note, 3.557%, 8/15/27 | United Kingdom | 14,000 | 13,370 |
| Imperial Brands Finance plc, Senior Bond, 144A, 4.25%, 7/21/25 | United Kingdom | 285,000 | 280,109 |
| Philip Morris International, Inc., | | | |
| Senior Bond, 2.1%, 5/01/30 | United States | 20,000 | 17,168 |
| Senior Bond, 5.375%, 2/15/33 | United States | 425,000 | 436,137 |
| Senior Bond, 4.5%, 3/20/42 | United States | 10,000 | 8,975 |
| | | | 905,589 |
| Trading Companies & Distributors 0.0%[†] | | | |
| Air Lease Corp., | | | |
| Senior Note, 3.375%, 7/01/25 | United States | 20,000 | 19,368 |
| Senior Note, 5.3%, 2/01/28 | United States | 20,000 | 20,237 |
| | | | 39,605 |
| Transportation Infrastructure 0.0%[†] | | | |
| DP World Ltd., Senior Bond, 144A, 5.625%, 9/25/48 | United Arab Emirates | 200,000 | 192,166 |

Franklin Allocation VIP Fund (continued)

| | Country | Principal Amount ¹ | Value |
|--|----------------------------|-------------------------------|-------------------|
| Corporate Bonds (continued) | | | |
| Wireless Telecommunication Services 0.1% | | | |
| T-Mobile USA, Inc., | | | |
| Senior Bond, 2.25%, 11/15/31 | United States | 50,000 | \$41,655 |
| Senior Bond, 3%, 2/15/41 | United States | 20,000 | 14,981 |
| Senior Bond, 3.3%, 2/15/51 | United States | 100,000 | 72,325 |
| Senior Note, 3.5%, 4/15/25 | United States | 20,000 | 19,589 |
| Senior Note, 3.375%, 4/15/29 | United States | 450,000 | 418,607 |
| Senior Note, 3.875%, 4/15/30 | United States | 80,000 | 75,885 |
| Vodafone Group plc, Senior Bond, 6.15%, 2/27/37 | United Kingdom | 100,000 | 108,267 |
| | | | 751,309 |
| Total Corporate Bonds (Cost \$66,217,876) | | | 63,308,001 |
| Foreign Government and Agency Securities 1.1% | | | |
| ^o African Export-Import Bank (The), Senior Bond, 144A, 3.994%, 9/21/29 | Supranational ^l | 200,000 | 179,302 |
| Brazil Notas do Tesouro Nacional, | | | |
| 10%, 1/01/27 | Brazil | 900,000 BRL | 186,725 |
| 10%, 1/01/31 | Brazil | 510,000 BRL | 104,166 |
| 10%, 1/01/33 | Brazil | 350,000 BRL | 71,087 |
| F, 10%, 1/01/29 | Brazil | 480,000 BRL | 98,955 |
| Colombia Government Bond, Senior Bond, 3.25%, 4/22/32 | Colombia | 200,000 | 159,386 |
| Colombia Titulos de Tesoreria, | | | |
| B, 7%, 3/26/31 | Colombia | 850,000,000 COP | 189,341 |
| B, 9.25%, 5/28/42 | Colombia | 2,020,000,000 COP | 473,303 |
| B, 7.25%, 10/26/50 | Colombia | 390,000,000 COP | 73,359 |
| ^o Comision Federal de Electricidad, Senior Bond, 144A, 3.348%, 2/09/31 | Mexico | 300,000 | 250,888 |
| Ecopetrol SA, Senior Bond, 5.875%, 5/28/45 | Colombia | 150,000 | 118,652 |
| ^o Electricite de France SA, | | | |
| Senior Bond, 144A, 4.5%, 9/21/28 | France | 400,000 | 394,584 |
| Senior Note, 144A, 5.7%, 5/23/28 | France | 200,000 | 207,087 |
| Israel Government Bond, Senior Bond, 2.75%, 7/03/30 | Israel | 200,000 | 177,125 |
| Mexican Bonos Desarr Fixed Rate, | | | |
| M, 8%, 11/07/47 | Mexico | 4,400,000 ^l MXN | 231,791 |
| M, 8%, 7/31/53 | Mexico | 4,800,000 ^l MXN | 251,074 |
| M, Senior Bond, 8.5%, 11/18/38 | Mexico | 6,400,000 ^l MXN | 359,795 |
| M, Senior Bond, 7.75%, 11/13/42 | Mexico | 6,300,000 ^l MXN | 326,641 |
| Mexico Government Bond, Senior Bond, 4.75%, 3/08/44 | Mexico | 300,000 | 258,847 |
| New Zealand Government Bond, 2.75%, 5/15/51 | New Zealand | 210,000 NZD | 94,877 |
| ^o Pertamina Persero PT, Senior Bond, 144A, 4.7%, 7/30/49 | Indonesia | 200,000 | 178,329 |
| Peru Government Bond, Senior Bond, 2.783%, 1/23/31 | Peru | 200,000 | 174,664 |
| ^o Perusahaan Perseroan Persero PT Perusahaan Listrik Negara, | | | |
| Senior Bond, Reg S, 5.25%, 10/24/42 | Indonesia | 200,000 | 189,452 |
| ^o Petroleos del Peru SA, Senior Bond, 144A, 4.75%, 6/19/32 | Peru | 200,000 | 143,740 |
| Petroleos Mexicanos, | | | |
| Senior Bond, 6.75%, 9/21/47 | Mexico | 100,000 | 65,558 |
| Senior Bond, 6.95%, 1/28/60 | Mexico | 170,000 | 112,177 |
| South Africa Government Bond, | | | |
| Senior Bond, 6.5%, 2/28/41 | South Africa | 5,900,000 ZAR | 195,249 |
| Senior Bond, 8.75%, 2/28/48 | South Africa | 8,200,000 ZAR | 330,719 |

Franklin Allocation VIP Fund (continued)

| | Country | Principal Amount [†] | Value |
|--|----------------|-------------------------------|------------------|
| Foreign Government and Agency Securities (continued) | | | |
| ^c United Kingdom Gilt, Reg S, 1.25%, 7/31/51 | United Kingdom | 850,000 GBP | \$577,115 |
| Uruguay Government Bond, Senior Bond, 7.625%, 3/21/36 | Uruguay | 50,000 | 62,409 |
| Total Foreign Government and Agency Securities (Cost \$5,949,985) | | | 6,236,397 |
| U.S. Government and Agency Securities 17.5% | | | |
| FFCB, 2.1%, 2/25/36 | United States | 150,000 | 113,299 |
| U.S. Treasury Bonds, | | | |
| 6%, 2/15/26 | United States | 2,805,000 | 2,905,476 |
| 4.375%, 5/15/40 | United States | 500,000 | 519,463 |
| 1.125%, 8/15/40 | United States | 552,000 | 352,633 |
| 1.375%, 11/15/40 | United States | 1,771,000 | 1,175,847 |
| 2%, 11/15/41 | United States | 790,000 | 571,716 |
| 2.75%, 8/15/42 | United States | 1,815,000 | 1,472,844 |
| 3.875%, 2/15/43 | United States | 10,000 | 9,538 |
| 2.875%, 5/15/43 | United States | 2,760,000 | 2,266,866 |
| 3.875%, 5/15/43 | United States | 1,090,000 | 1,039,502 |
| 4.375%, 8/15/43 | United States | 130,000 | 132,742 |
| 4.75%, 11/15/43 | United States | 190,000 | 203,864 |
| 3.125%, 8/15/44 | United States | 725,000 | 614,183 |
| 3%, 11/15/44 | United States | 250,000 | 207,012 |
| 3%, 5/15/45 | United States | 380,000 | 313,663 |
| 2.5%, 5/15/46 | United States | 945,000 | 707,975 |
| 2.25%, 8/15/46 | United States | 3,305,000 | 2,351,133 |
| 3.375%, 11/15/48 | United States | 3,300,000 | 2,876,672 |
| 3%, 2/15/49 | United States | 1,713,000 | 1,394,556 |
| 2.25%, 8/15/49 | United States | 150,000 | 104,807 |
| 1.25%, 5/15/50 | United States | 1,710,000 | 921,997 |
| 1.375%, 8/15/50 | United States | 1,665,000 | 928,238 |
| 2.375%, 5/15/51 | United States | 950,000 | 678,211 |
| 2%, 8/15/51 | United States | 1,350,000 | 882,035 |
| 1.875%, 11/15/51 | United States | 1,775,000 | 1,122,618 |
| 2.25%, 2/15/52 | United States | 1,200,000 | 832,172 |
| 3%, 8/15/52 | United States | 620,000 | 507,189 |
| 3.625%, 2/15/53 | United States | 330,000 | 304,812 |
| 3.625%, 5/15/53 | United States | 800,000 | 739,812 |
| 4.125%, 8/15/53 | United States | 825,000 | 834,152 |
| 4.75%, 11/15/53 | United States | 340,000 | 381,358 |
| U.S. Treasury Notes, | | | |
| 2%, 6/30/24 | United States | 2,000,000 | 1,968,876 |
| 2.375%, 8/15/24 | United States | 1,640,000 | 1,613,271 |
| 1.25%, 8/31/24 | United States | 700,000 | 682,877 |
| 1.5%, 10/31/24 | United States | 1,200,000 | 1,167,516 |
| 2.125%, 11/30/24 | United States | 4,500,000 | 4,390,682 |
| 5%, 8/31/25 | United States | 70,000 | 70,655 |
| 0.375%, 11/30/25 | United States | 4,400,000 | 4,086,586 |
| 0.375%, 1/31/26 | United States | 10,930,000 | 10,099,790 |
| 0.875%, 6/30/26 | United States | 975,000 | 901,742 |
| 1.875%, 7/31/26 | United States | 389,000 | 368,046 |
| 4.625%, 9/15/26 | United States | 90,000 | 91,264 |
| 1.25%, 12/31/26 | United States | 3,800,000 | 3,508,098 |
| 2.375%, 5/15/27 | United States | 3,140,000 | 2,983,000 |
| 0.5%, 6/30/27 | United States | 6,535,000 | 5,805,811 |
| 3.25%, 6/30/27 | United States | 1,330,000 | 1,299,893 |
| 2.25%, 11/15/27 | United States | 3,500,000 | 3,291,504 |
| ^k Index Linked, 0.5%, 1/15/28 | United States | 1,300,000 | 1,534,859 |
| 0.75%, 1/31/28 | United States | 310,000 | 273,363 |
| 1.25%, 4/30/28 | United States | 2,575,000 | 2,305,631 |

Franklin Allocation VIP Fund (continued)

| | Country | Principal Amount [†] | Value |
|---|---------------|-------------------------------|--------------------|
| U.S. Government and Agency Securities (continued) | | | |
| U.S. Treasury Notes, (continued) | | | |
| 3.5%, 4/30/28 | United States | 223,000 | \$219,485 |
| 4.125%, 7/31/28 | United States | 200,000 | 202,090 |
| 4.375%, 8/31/28 | United States | 20,000 | 20,431 |
| 3.125%, 11/15/28 | United States | 320,000 | 309,187 |
| 1.5%, 11/30/28 | United States | 250,000 | 223,623 |
| 4.375%, 11/30/28 | United States | 450,000 | 460,547 |
| 3.25%, 6/30/29 | United States | 1,500,000 | 1,452,012 |
| 1.625%, 8/15/29 | United States | 3,565,000 | 3,172,711 |
| 4%, 10/31/29 | United States | 1,975,000 | 1,984,605 |
| 3.75%, 6/30/30 | United States | 600,000 | 594,750 |
| 0.625%, 8/15/30 | United States | 4,400,000 | 3,569,844 |
| 4.125%, 8/31/30 | United States | 415,000 | 420,301 |
| 4.625%, 9/30/30 | United States | 1,200,000 | 1,251,234 |
| 4.375%, 11/30/30 | United States | 240,000 | 246,844 |
| 1.125%, 2/15/31 | United States | 800,000 | 667,937 |
| 1.25%, 8/15/31 | United States | 435,000 | 360,090 |
| 1.375%, 11/15/31 | United States | 5,600,000 | 4,651,281 |
| 2.75%, 8/15/32 | United States | 1,220,000 | 1,117,611 |
| 4.125%, 11/15/32 | United States | 1,420,000 | 1,443,935 |
| ^k Index Linked, 1.125%, 1/15/33 | United States | 350,000 | 342,241 |
| 3.5%, 2/15/33 | United States | 1,370,000 | 1,329,114 |
| 3.375%, 5/15/33 | United States | 1,850,000 | 1,776,000 |
| 3.875%, 8/15/33 | United States | 40,000 | 39,962 |
| 4.5%, 11/15/33 | United States | 20,000 | 21,003 |
| ^g FRN, 5.456%, (3-month U.S. Treasury Bill Rate + 0.125%), 7/31/25 | United States | 1,430,000 | 1,428,175 |
| Total U.S. Government and Agency Securities (Cost \$110,589,891) | | | 101,214,862 |
| Asset-Backed Securities 0.8% | | | |
| Consumer Finance 0.1% | | | |
| ^l Northstar Education Finance, Inc., 2007-1, A4, FRN, 6.909%, 1/29/46 | United States | 125,000 | 124,788 |
| Financial Services 0.6% | | | |
| ^m AB BSL CLO 4 Ltd., 2023-4A, A, 144A, FRN, 7.416%, (3-month SOFR + 2%), 4/20/36 | United States | 100,000 | 100,562 |
| ^m Asset-Backed Securities Corp. Home Equity Loan Trust, 2006-HE3, A5, FRN, 2.918%, (1-month SOFR + 0.654%), 3/25/36 | United States | 74,104 | 71,399 |
| ^m Birch Grove CLO 7 Ltd., 2023-7A, A1, 144A, FRN, 7.177%, (3-month SOFR + 1.8%), 10/20/36 | Jersey | 100,000 | 100,352 |
| ^m Carlyle Global Market Strategies CLO Ltd., 2013-4A, A1RR, 144A, FRN, 6.655%, (3-month SOFR + 1.262%), 1/15/31 | United States | 227,232 | 227,078 |
| ^m Centex Home Equity Loan Trust, 2004-B, M1, FRN, 6.115%, (1-month SOFR + 0.759%), 3/25/34 | United States | 134,575 | 131,106 |
| ^e Dividend Solar Loans LLC, 2018-1, B, 144A, 4.29%, 7/20/38 | United States | 97,592 | 87,523 |
| ^m First Franklin Mortgage Loan Trust, 2006-FF4, A3, FRN, 4.757%, (1-month SOFR + 0.674%), 3/25/36 | United States | 34,002 | 33,750 |
| ^e Ford Credit Auto Owner Trust, 2023-1, A, 144A, 4.85%, 8/15/35 | United States | 120,000 | 120,513 |
| ^c Jimmy Johns Funding LLC, 2017-1A, A2II, 144A, 4.846%, 7/30/47 | United States | 119,500 | 113,993 |
| ^m MF1 Ltd., 2021-FL7, A, 144A, FRN, 6.553%, (1-month SOFR + 1.194%), 10/16/36 | United States | 99,153 | 97,640 |
| ^e Mosaic Solar Loan Trust, 2021-3A, B, 144A, 1.92%, 6/20/52 | United States | 141,627 | 107,052 |
| ^e MVW LLC, 2021-1WA, A, 144A, 1.14%, 1/22/41 | United States | 56,306 | 51,769 |
| ^m Neuberger Berman Loan Advisers CLO 40 Ltd., 2021-40A, A, 144A, FRN, 6.715%, (3-month SOFR + 1.322%), 4/16/33 | United States | 500,000 | 499,847 |
| ^m New Century Home Equity Loan Trust, 2003-A, A, 144A, FRN, 3.782%, (1-month SOFR + 0.834%), 10/25/33 | United States | 142,911 | 137,941 |

Franklin Allocation VIP Fund (continued)

| | Country | Principal Amount [†] | Value |
|---|---------------|-------------------------------|------------------|
| Asset-Backed Securities (continued) | | | |
| Financial Services (continued) | | | |
| ^c New Economy Assets Phase 1 Sponsor LLC, 2021-1, A1, 144A, 1.91%, 10/20/61 | United States | 490,000 | \$429,583 |
| ^{c,m} Octagon Investment Partners XXI Ltd., 2014-1A, AAR3, 144A, FRN, 6.639%, (3-month SOFR + 1.262%), 2/14/31 | United States | 250,000 | 249,647 |
| ^{c,m} Palmer Square CLO Ltd., 2014-1A, A1R2, 144A, FRN, 6.794%, (3-month SOFR + 1.392%), 1/17/31 | United States | 162,231 | 162,511 |
| ^{c,m} Point Au Roche Park CLO Ltd., 2021-1A, A, 144A, FRN, 6.757%, (3-month SOFR + 1.342%), 7/20/34 | United States | 100,000 | 99,855 |
| ^{c,m} Reese Park CLO Ltd., 2020-1A, AR, 144A, FRN, 6.785%, (3-month SOFR + 1.392%), 10/15/34 | United States | 180,000 | 179,955 |
| ^{c,m} Symphony CLO 40 Ltd., 2023-40A, A1, 144A, FRN, 6.984%, (3-month SOFR + 1.64%), 1/14/34 | United States | 160,000 | 159,957 |
| ^{c,m} Symphony CLO XV Ltd., 2014-15A, AR3, 144A, FRN, 6.744%, (3-month SOFR + 1.342%), 1/17/32 | United States | 250,000 | 249,583 |
| | | | 3,411,616 |
| Ground Transportation 0.0%[†] | | | |
| ^c Avis Budget Rental Car Funding AESOP LLC, 2022-3A, A, 144A, 4.62%, 2/20/27 | United States | 110,000 | 108,491 |
| Passenger Airlines 0.1% | | | |
| American Airlines Pass-Through Trust, 2016-3, A, 3.25%, 10/15/28 | United States | 370,064 | 323,754 |
| United Airlines Pass-Through Trust, 2016-1, A, 3.45%, 7/07/28 | United States | 68,341 | 61,060 |
| 2019-2, A, 2.9%, 5/01/28 | United States | 82,768 | 72,211 |
| 2020-1, B, 4.875%, 7/15/27 | United States | 182,400 | 176,818 |
| | | | 633,843 |
| | | | 4,278,738 |
| Total Asset-Backed Securities (Cost \$4,313,650) | | | |
| Commercial Mortgage-Backed Securities 0.6% | | | |
| Financial Services 0.6% | | | |
| BANK, 2021-BN33, A5, 2.556%, 5/15/64 | United States | 210,000 | 177,925 |
| ^l Benchmark Mortgage Trust, 2023-V3, A3, FRN, 6.363%, 7/15/56 | United States | 20,000 | 20,978 |
| ^{c,m} BPR Trust, 2022-OANA, A, 144A, FRN, 7.26%, (1-month SOFR + 1.898%), 4/15/37 | United States | 150,000 | 148,093 |
| ^{c,m} BX Commercial Mortgage Trust, 2021-21M, A, 144A, FRN, 6.206%, (1-month SOFR + 0.844%), 10/15/36 | United States | 107,986 | 105,996 |
| 2021-VINO, A, 144A, FRN, 6.129%, (1-month SOFR + 0.767%), 5/15/38 | United States | 113,374 | 111,652 |
| 2021-VOLT, B, 144A, FRN, 6.426%, (1-month SOFR + 1.064%), 9/15/36 | United States | 250,000 | 243,727 |
| 2022-LP2, A, 144A, FRN, 6.375%, (1-month SOFR + 1.013%), 2/15/39 | United States | 186,316 | 183,143 |
| 2023-XL3, A, 144A, FRN, 7.121%, (1-month SOFR + 1.761%), 12/09/40 | United States | 100,000 | 100,250 |
| ^{c,m} BX Mortgage Trust, 2021-PAC, A, 144A, FRN, 6.166%, (1-month SOFR + 0.804%), 10/15/36 | United States | 230,000 | 225,402 |
| 2022-MVRK, A, 144A, FRN, 6.829%, (1-month SOFR + 1.467%), 3/15/39 | United States | 118,664 | 117,578 |
| ^c BX Trust, 2021-BXMF, A, 144A, FRN, 6.112%, (1-month SOFR + 0.75%), 10/15/26 | United States | 93,847 | 92,169 |
| 2022-CLS, A, 144A, 5.76%, 10/13/27 | United States | 100,000 | 100,209 |

Franklin Allocation VIP Fund (continued)

| | Country | Principal Amount ¹ | Value |
|---|---------------|-------------------------------|------------------|
| Commercial Mortgage-Backed Securities (continued) | | | |
| Financial Services (continued) | | | |
| ^c BX Trust, (continued) | | | |
| ^m 2022-IND, A, 144A, FRN, 6.853%, (1-month SOFR + 1.491%), 4/15/37 | United States | 309,217 | \$307,287 |
| ^{l,n} FHLMC, Multi-family Structured Pass-Through Certificates, K105, X1, IO, FRN, 1.522%, 1/25/30 | United States | 2,289,929 | 168,390 |
| FNMA, 2014-6, Z, 2.5%, 2/25/44 | United States | 128,102 | 110,681 |
| 2022-29, KZ, 1.5%, 6/25/42 | United States | 102,402 | 73,499 |
| ⁿ 427, C73, IO, 3%, 12/25/48 | United States | 534,458 | 86,272 |
| GNMA, 2021-21, AH, 1.4%, 6/16/63 | United States | 86,714 | 65,755 |
| 2021-77, LC, 1.25%, 7/20/50 | United States | 118,938 | 94,310 |
| 2023-92, AH, 2%, 6/16/64 | United States | 99,990 | 77,430 |
| ^{c,m} INTOWN Mortgage Trust, 2022-STAY, A, 144A, FRN, 7.851%, (1-month SOFR + 2.489%), 8/15/39 | United States | 130,000 | 130,654 |
| ^{c,m} J.P. Morgan Chase Commercial Mortgage Securities Trust, 2022- ACB, A, 144A, FRN, 6.738%, (30-day SOFR Average + 1.4%), 3/15/39 | United States | 150,000 | 148,137 |
| JPMBB Commercial Mortgage Securities Trust, 2015-C33, A4, 3.77%, 12/15/48 | United States | 122,000 | 117,690 |
| ^l MSWF Commercial Mortgage Trust, 2023-2, A5, FRN, 6.014%, 12/15/56 | United States | 100,000 | 107,922 |
| ^{c,m} MTN Commercial Mortgage Trust, 2022-LPFL, A, 144A, FRN, 6.767%, (1-month SOFR + 1.397%), 3/15/39 | United States | 100,000 | 97,643 |
| ^{c,l} NJ Trust, 2023-GSP, A, 144A, FRN, 6.697%, 1/06/29 | United States | 100,000 | 104,451 |
| ^{c,m} SREIT Trust, 2021-MFP, A, 144A, FRN, 6.207%, (1-month SOFR + 0.845%), 11/15/38 | United States | 133,961 | 131,863 |
| 2021-MFP2, A, 144A, FRN, 6.298%, (1-month SOFR + 0.936%), 11/15/36 | United States | 100,000 | 98,685 |
| WFRBS Commercial Mortgage Trust, 2014-C23, A5, 3.917%, 10/15/57 | United States | 106,000 | 103,529 |
| | | | 3,651,320 |
| Total Commercial Mortgage-Backed Securities (Cost \$3,662,353) | | | 3,651,320 |
| Mortgage-Backed Securities 5.3% | | | |
| Federal Home Loan Mortgage Corp. (FHLMC) Fixed Rate 1.7% | | | |
| FHLMC Gold Pool, 30 Year, 4.5%, 1/01/49 | United States | 326,521 | 323,967 |
| FHLMC Pool, 15 Year, 3%, 8/01/34 | United States | 36,960 | 35,071 |
| FHLMC Pool, 15 Year, 4%, 11/01/37 | United States | 169,827 | 166,784 |
| FHLMC Pool, 20 Year, 1.5%, 11/01/40 - 7/01/41 | United States | 236,783 | 196,976 |
| FHLMC Pool, 20 Year, 2%, 10/01/40 - 4/01/42 | United States | 513,938 | 440,259 |
| FHLMC Pool, 20 Year, 3%, 5/01/42 - 9/01/42 | United States | 270,216 | 245,238 |
| FHLMC Pool, 30 Year, 2%, 9/01/50 - 8/01/52 | United States | 921,724 | 755,012 |
| FHLMC Pool, 30 Year, 2.5%, 12/01/50 - 4/01/52 | United States | 1,897,055 | 1,631,569 |
| FHLMC Pool, 30 Year, 3%, 3/01/50 - 7/01/52 | United States | 1,019,064 | 906,465 |
| FHLMC Pool, 30 Year, 3.5%, 4/01/50 - 8/01/52 | United States | 1,842,161 | 1,719,319 |
| FHLMC Pool, 30 Year, 4%, 5/01/47 - 2/01/53 | United States | 1,188,118 | 1,133,930 |
| FHLMC Pool, 30 Year, 4.5%, 10/01/48 - 10/01/52 | United States | 1,079,955 | 1,053,708 |
| FHLMC Pool, 30 Year, 5%, 8/01/52 - 11/01/52 | United States | 672,987 | 669,694 |
| FHLMC Pool, 30 Year, 5.5%, 12/01/52 - 6/01/53 | United States | 370,620 | 372,904 |
| FHLMC Pool, 30 Year, 6%, 3/01/53 | United States | 93,083 | 94,651 |
| FHLMC Pool, 30 Year, 6.5%, 5/01/53 | United States | 182,296 | 187,308 |
| | | | 9,932,855 |

Franklin Allocation VIP Fund (continued)

| | Country | Principal Amount ¹ | Value |
|--|---------------|-------------------------------|-------------------|
| Mortgage-Backed Securities (continued) | | | |
| Federal National Mortgage Association (FNMA) Fixed Rate 2.6% | | | |
| FNMA, 2.5%, 9/01/61 - 6/01/62 | United States | 270,134 | \$224,035 |
| FNMA, 3.66%, 10/01/32 | United States | 200,000 | 188,299 |
| FNMA, 3.75%, 9/01/32 | United States | 100,000 | 94,811 |
| FNMA, 3.89%, 7/01/32 | United States | 100,000 | 94,628 |
| FNMA, 15 Year, 2%, 8/01/36 - 12/01/36 | United States | 492,136 | 443,032 |
| FNMA, 20 Year, 2%, 3/01/42 - 8/01/42 | United States | 184,387 | 157,354 |
| FNMA, 20 Year, 2.5%, 12/01/40 - 5/01/42 | United States | 293,620 | 261,466 |
| FNMA, 20 Year, 3.5%, 8/01/42 | United States | 92,403 | 86,177 |
| FNMA, 30 Year, 1.5%, 3/01/51 - 9/01/51 | United States | 268,483 | 209,789 |
| FNMA, 30 Year, 2%, 2/01/51 - 3/01/52 | United States | 4,204,178 | 3,450,895 |
| FNMA, 30 Year, 2.5%, 5/01/51 - 3/01/52 | United States | 3,446,381 | 2,941,352 |
| FNMA, 30 Year, 3%, 9/01/50 - 5/01/52 | United States | 2,398,152 | 2,135,405 |
| FNMA, 30 Year, 3.5%, 6/01/49 - 9/01/52 | United States | 544,508 | 503,740 |
| FNMA, 30 Year, 4%, 2/01/49 - 7/01/52 | United States | 582,497 | 556,177 |
| FNMA, 30 Year, 4.5%, 2/01/50 - 11/01/52 | United States | 736,208 | 717,067 |
| FNMA, 30 Year, 5%, 10/01/52 - 5/01/53 | United States | 454,614 | 450,388 |
| FNMA, 30 Year, 5.5%, 11/01/52 - 9/01/53 | United States | 1,112,325 | 1,118,071 |
| FNMA, 30 Year, 6%, 6/01/53 - 8/01/53 | United States | 721,183 | 734,429 |
| °FNMA, Single-family, 30 Year, 3%, 1/25/54 | United States | 100,000 | 88,473 |
| °FNMA, Single-family, 30 Year, 5%, 1/25/54 | United States | 445,000 | 440,307 |
| °FNMA, Single-family, 30 Year, 5.5%, 1/25/54 | United States | 100,000 | 100,437 |
| °FNMA, Single-family, 30 Year, 6%, 1/25/54 | United States | 100,000 | 101,547 |
| | | | 15,097,879 |
| Government National Mortgage Association (GNMA) Fixed Rate 1.0% | | | |
| GNMA II, 30 Year, 2%, 3/20/51 | United States | 95,609 | 79,055 |
| GNMA II, 30 Year, 2.5%, 12/20/51 | United States | 83,843 | 72,191 |
| GNMA II, 30 Year, 4.5%, 9/20/52 | United States | 92,569 | 90,796 |
| GNMA II, 30 Year, 5%, 8/20/53 | United States | 98,354 | 98,128 |
| GNMA II, 30 Year, 5.5%, 3/20/53 - 8/20/53 | United States | 295,130 | 298,221 |
| GNMA II, Single-family, 30 Year, 2%, 1/20/51 - 5/20/52 | United States | 579,418 | 490,705 |
| GNMA II, Single-family, 30 Year, 2.5%, 2/20/50 - 6/20/52 | United States | 832,754 | 729,162 |
| GNMA II, Single-family, 30 Year, 3%, 2/20/51 - 10/20/51 | United States | 543,292 | 494,360 |
| GNMA II, Single-family, 30 Year, 3.5%, 4/20/52 - 1/15/54 | United States | 290,452 | 270,497 |
| GNMA II, Single-family, 30 Year, 4%, 8/20/46 - 8/20/48 | United States | 337,382 | 325,384 |
| GNMA II, Single-family, 30 Year, 4.5%, 6/20/48 | United States | 177,083 | 175,086 |
| GNMA II, Single-family, 30 Year, 5%, 12/20/52 - 1/15/54 | United States | 1,093,935 | 1,086,285 |
| GNMA II, Single-family, 30 Year, 5.5%, 2/20/53 - 1/15/54 | United States | 1,296,157 | 1,306,051 |
| GNMA II, Single-family, 30 Year, 6%, 7/20/53 - 11/20/53 | United States | 298,368 | 303,521 |
| | | | 5,819,442 |
| Total Mortgage-Backed Securities (Cost \$32,438,447) | | | 30,850,176 |
| Municipal Bonds 0.2% | | | |
| California 0.2% | | | |
| Golden State Tobacco Securitization Corp., Revenue, 2021 B-1, Refunding, 3.85%, 6/01/50 | United States | 475,000 | 440,250 |
| San Bernardino Community College District, GO, 2021, Refunding, 2.686%, 8/01/41 | United States | 485,000 | 349,864 |
| GO, 2021, Refunding, 2.856%, 8/01/49 | United States | 285,000 | 189,239 |
| | | | 979,353 |

Franklin Allocation VIP Fund (continued)

| | Country | Principal Amount [†] | Value |
|--|--------------------------------|---|--------------------|
| Municipal Bonds (continued) | | | |
| Ohio 0.0%[†] | | | |
| Greenville City School District, GO, 2019, Refunding, 3.541%, 1/01/51 | United States | 160,000 | \$126,657 |
| Total Municipal Bonds (Cost \$1,385,145) | | | 1,106,010 |
| Residential Mortgage-Backed Securities 0.2% | | | |
| Financial Services 0.2% | | | |
| [Ⓒ] BRAVO Residential Funding Trust, | | | |
| [Ⓘ] 2022-NQM3, A1, 144A, FRN, 5.108%, 7/25/62 | United States | 84,621 | 84,942 |
| 2023-NQM1, A1, 144A, 5.757%, 1/25/63 | United States | 88,182 | 88,154 |
| [Ⓜ] Connecticut Avenue Securities Trust, 2022-R04, 1M2, 144A, FRN, 8.437%, (30-day SOFR Average + 3.1%), 3/25/42 | United States | 120,000 | 124,049 |
| [Ⓒ] Ellington Financial Mortgage Trust, 2023-1, A3, 144A, 6.544%, 2/25/68 | United States | 134,604 | 133,741 |
| [Ⓜ] FHLMC STACR REMIC Trust, | | | |
| 2021-DNA5, M2, 144A, FRN, 6.987%, (30-day SOFR Average + 1.65%), 1/25/34 | United States | 93,603 | 94,030 |
| 2022-DNA3, M1A, 144A, FRN, 7.337%, (30-day SOFR Average + 2%), 4/25/42 | United States | 71,724 | 72,405 |
| [Ⓒ] Legacy Mortgage Asset Trust, 2021-GS3, A1, 144A, 1.75%, 7/25/61 | United States | 103,189 | 99,596 |
| [Ⓒ] New Residential Mortgage Loan Trust, | | | |
| 2016-4A, A1, 144A, FRN, 3.75%, 11/25/56 | United States | 94,517 | 89,177 |
| 2017-1A, A1, 144A, FRN, 4%, 2/25/57 | United States | 86,222 | 82,007 |
| 2018-3A, A1, 144A, FRN, 4.5%, 5/25/58 | United States | 79,503 | 77,005 |
| [Ⓒ] OBX Trust, 2023-NQM7, A1, 144A, 6.844%, 4/25/63 | United States | 97,036 | 98,991 |
| [Ⓒ] PRKCM Trust, 2021-AFC2, A1, 144A, FRN, 2.071%, 11/25/56 | United States | 81,998 | 68,742 |
| [Ⓒ] SG Residential Mortgage Trust, 2022-2, A1, 144A, 5.353%, 8/25/62 | United States | 115,026 | 115,117 |
| [Ⓒ] Verus Securitization Trust, 2022-6, A3, 144A, 4.91%, 6/25/67 | United States | 84,867 | 82,648 |
| | | | 1,310,604 |
| Total Residential Mortgage-Backed Securities (Cost \$1,299,161) | | | 1,310,604 |
| Total Long Term Investments (Cost \$488,506,932) | | | 560,323,385 |
| | Number of Contracts | Notional Amount[‡] | |
| Options Purchased 0.0%[†] | | | |
| Calls - Exchange-Traded | | | |
| Options on Interest Rate Futures | | | |
| U.S. Treasury 5 Year Notes Futures, January Strike Price \$109.00, Expires 1/26/24 | 5 | 500,000 | 2,734 |
| Total Options Purchased (Cost \$2,884) | | | 2,734 |
| Short Term Investments 2.8% | | | |
| | Country | Principal Amount[†] | Value |
| U.S. Government and Agency Securities 0.0%[†] | | | |
| [Ⓐ] U.S. Treasury Bills, 5/16/24 | United States | 90,000 | 88,276 |
| Total U.S. Government and Agency Securities (Cost \$88,208) | | | 88,276 |

Franklin Allocation VIP Fund (continued)

Short Term Investments (continued)

| | Country | Shares | Value |
|---|----------------------------|------------------------------------|----------------------|
| Money Market Funds 2.8% | | | |
| ^q Institutional Fiduciary Trust - Money Market Portfolio, 5.034% | United States | 13,390,903 | \$13,390,903 |
| ^r JPMorgan 100% U.S. Treasury Securities Money Market Fund, 4.94% | United States | 2,642,215 | 2,642,215 |
| ^r JPMorgan Prime Money Market Fund, 5.29% | United States | 210,326 | 210,446 |
| Total Money Market Funds (Cost \$16,243,564) | | | 16,243,564 |
| Total Short Term Investments (Cost \$16,331,772) | | | 16,331,840 |
| Total Investments (Cost \$504,841,588) 99.7% | | | \$576,657,959 |
| Options Written (0.0)%[†] | | | (4,836) |
| Other Assets, less Liabilities 0.3% | | | 1,597,794 |
| Net Assets 100.0% | | | \$578,250,917 |
| | Number of Contracts | Notional Amount[#] | |
| ^sOptions Written (0.0)%[†] | | | |
| Calls - Exchange-Traded | | | |
| Options on Interest Rate Futures | | | |
| U.S. Treasury 10 Year Notes Futures, January Strike Price \$114.00, Expires 1/26/24 | 3 | 300,000 | (1,453) |
| U.S. Treasury 10 Year Notes Futures, January Strike Price \$114.50, Expires 1/26/24 | 3 | 300,000 | (1,078) |
| U.S. Treasury 30 Year Bonds Futures, January Strike Price \$126.00, Expires 1/26/24 | 1 | 100,000 | (1,328) |
| U.S. Treasury 5 Year Notes Futures, January Strike Price \$110.25, Expires 1/26/24 | 5 | 500,000 | (977) |
| | | | (4,836) |
| Total Options Written (Premiums received \$5,143) | | | \$(4,836) |

Franklin Allocation VIP Fund (continued)

[#]Notional amount is the number of contracts multiplied by contract size, and may be multiplied by the underlying price. May include currency units, bushels, shares, pounds, barrels or other units. Currency units are stated in U.S. dollars unless otherwise indicated.

^{*}The principal amount is stated in U.S. dollars unless otherwise indicated.

¹Rounds to less than 0.1% of net assets.

²Non-income producing.

^bA portion or all of the security purchased on a delayed delivery basis. See Note 1(c).

^cSecurity was purchased pursuant to Rule 144A or Regulation S under the Securities Act of 1933. 144A securities may be sold in transactions exempt from registration only to qualified institutional buyers or in a public offering registered under the Securities Act of 1933. Regulation S securities cannot be sold in the United States without either an effective registration statement filed pursuant to the Securities Act of 1933, or pursuant to an exemption from registration. At December 31, 2023, the aggregate value of these securities was \$20,807,243, representing 3.6% of net assets.

^dVariable interest entity (VIE). See the Fund's statement of additional information regarding investments made through a VIE structure. At December 31, 2023, the aggregate value of these securities was \$1,191,026, representing 0.2% of net assets.

^eVariable rate security. The rate shown represents the yield at period end.

^fFair valued using significant unobservable inputs. See Note 9 regarding fair value measurements.

^gThe coupon rate shown represents the rate at period end.

^hPerpetual security with no stated maturity date.

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

^jPrincipal amount is stated in 100 Mexican Peso Units.

^kPrincipal amount of security is adjusted for inflation. See Note 1(g).

^lAdjustable 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.

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

ⁿInvestment 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.

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

^pThe security was issued on a discount basis with no stated coupon rate.

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

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

^sSee Note 1(d) regarding written options.

At December 31, 2023, 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 | 32 | \$7,712,000 | 3/15/24 | \$227,700 |
| Interest rate contracts | | | | | |
| 3-month SOFR | Long | 33 | 7,988,825 | 3/17/26 | 53,664 |
| 3-month SOFR | Short | 26 | 6,158,281 | 6/18/24 | 5,858 |
| Long Gilt | Long | 4 | 523,433 | 3/26/24 | 32,540 |
| U.S. Treasury 10 Year Notes | Short | 51 | 5,757,422 | 3/19/24 | (169,632) |
| U.S. Treasury 10 Year Notes | Long | 26 | 2,935,156 | 3/19/24 | 76,080 |
| U.S. Treasury 10 Year Ultra Notes | Short | 10 | 1,180,156 | 3/19/24 | (54,025) |
| U.S. Treasury 10 Year Ultra Notes | Long | 15 | 1,770,234 | 3/19/24 | 70,129 |
| U.S. Treasury 2 Year Notes | Short | 6 | 1,235,484 | 3/28/24 | (12,885) |
| U.S. Treasury 2 Year Notes | Long | 1 | 205,914 | 3/28/24 | 2,124 |
| U.S. Treasury 5 Year Notes | Long | 27 | 2,936,883 | 3/28/24 | 47,452 |
| U.S. Treasury Long Bonds | Long | 1 | 124,938 | 3/19/24 | 748 |
| U.S. Treasury Ultra Bonds | Short | 6 | 801,562 | 3/19/24 | (64,885) |
| U.S. Treasury Ultra Bonds | Long | 18 | 2,404,688 | 3/19/24 | 217,774 |

Franklin Allocation VIP Fund (continued)

Futures Contracts (continued)

| Description | Type | Number of Contracts | Notional Amount* | Expiration Date | Value/ Unrealized Appreciation (Depreciation) |
|--|------|---------------------|------------------|-----------------|---|
| Interest rate contracts (continued) | | | | | |
| Total Futures Contracts | | | | | \$432,642 |

*As of period end.

At December 31, 2023, 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 | | | | | | | |
| Norwegian Krone . . . | JPHQ | Buy | 2,800,000 | 261,301 | 1/11/24 | \$14,372 | \$— |
| New Zealand Dollar . . | BZWS | Buy | 350,000 | 212,603 | 1/12/24 | 8,699 | — |
| New Zealand Dollar . . | BZWS | Sell | 90,000 | 53,802 | 1/12/24 | — | (3,104) |
| Malaysian Ringgit . . . | GSCO | Buy | 1,600,000 | 342,722 | 1/17/24 | 6,171 | — |
| Norwegian Krone | MSCO | Buy | 5,500,000 | 511,561 | 1/18/24 | 30,053 | — |
| Brazilian Real | HSBK | Buy | 660,000 | 132,145 | 1/19/24 | 3,266 | — |
| Brazilian Real | HSBK | Sell | 660,000 | 128,944 | 1/19/24 | — | (6,468) |
| Chilean Peso | MSCO | Buy | 280,000,000 | 301,231 | 1/26/24 | 16,642 | — |
| Mexican Peso | CITI | Sell | 10,000,000 | 537,542 | 1/29/24 | — | (48,608) |
| Mexican Peso | JPHQ | Buy | 6,000,000 | 335,572 | 1/29/24 | 16,118 | — |
| Columbian Peso | JPHQ | Buy | 600,000,000 | 142,708 | 1/30/24 | 11,458 | — |
| Columbian Peso | JPHQ | Sell | 1,230,000,000 | 284,614 | 1/30/24 | — | (31,426) |
| Euro | JPHQ | Buy | 1,160,000 | 1,230,835 | 2/07/24 | 51,811 | — |
| Euro | JPHQ | Sell | 300,000 | 327,849 | 2/07/24 | — | (3,870) |
| Chilean Peso | HSBK | Buy | 190,000,000 | 210,219 | 2/08/24 | 5,425 | — |
| South African Rand . . | HSBK | Sell | 9,200,000 | 495,516 | 2/15/24 | — | (5,529) |
| Australian Dollar . . . | JPHQ | Buy | 1,730,000 | 1,152,058 | 3/06/24 | 29,405 | — |
| British Pound | JPHQ | Sell | 10,000 | 12,634 | 3/08/24 | — | (118) |
| Indian Rupee | BZWS | Buy | 28,000,000 | 334,912 | 3/11/24 | 562 | — |
| Japanese Yen | JPHQ | Buy | 353,000,000 | 2,477,454 | 3/15/24 | 55,321 | — |
| Norwegian Krone . . . | JPHQ | Buy | 3,600,000 | 344,264 | 3/19/24 | 10,724 | — |
| Total Forward Exchange Contracts | | | | | | \$260,027 | \$(99,123) |
| Net unrealized appreciation (depreciation) | | | | | | \$160,904 | |

^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 December 31, 2023, 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.41 | 1.00% | Quarterly | | 12/20/28 | 2,072,000 | \$40,767 | \$25,975 | \$14,792 | Investment Grade |
| CDX.NA.IG.41 | 1.00% | Quarterly | | 12/20/33 | 1,570,000 | 2,719 | (13,868) | 16,587 | Investment Grade |
| Total Centrally Cleared Swap Contracts | | | | | | \$43,486 | \$12,107 | \$31,379 | |
| Total Credit Default Swap Contracts | | | | | | \$43,486 | \$12,107 | \$31,379 | |

^(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 December 31, 2023, 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 Fixed 3.95% | Annual | | | | | | |
| Pay Floating 1-day SOFR | Annual | | 5/31/28 | 333,000 | \$5,990 | \$930 | \$5,060 |
| Receive Floating 1-day SOFR | Annual | | | | | | |
| Pay Fixed 3.15% | Annual | | 5/15/48 | 1,388,000 | 80,272 | 3,849 | 76,423 |
| Total Interest Rate Swap Contracts | | | | | \$86,262 | \$4,779 | \$81,483 |

*In U.S. dollars unless otherwise indicated.

See Note 7 regarding other derivative information.

See Abbreviations on page 69.

Statement of Assets and Liabilities

December 31, 2023

**Franklin
Allocation VIP
Fund**

| | |
|---|----------------------|
| Assets: | |
| Investments in securities: | |
| Cost - Unaffiliated issuers | \$491,450,685 |
| Cost - Non-controlled affiliates (Note 3e) | 13,390,903 |
| Value - Unaffiliated issuers | \$563,267,056 |
| Value - Non-controlled affiliates (Note 3e) | 13,390,903 |
| Cash | 568,609 |
| Receivables: | |
| Investment securities sold | 2,073,208 |
| Capital shares sold | 53,354 |
| Dividends and interest | 2,159,165 |
| European Union tax reclaims (Note 1f) | 51,949 |
| Deposits with brokers for: | |
| Futures contracts | 714,885 |
| Centrally cleared swap contracts | 15,710 |
| Variation margin on centrally cleared swap contracts | 44,477 |
| Unrealized appreciation on OTC forward exchange contracts | 260,027 |
| Total assets | <u>582,599,343</u> |
| Liabilities: | |
| Payables: | |
| Investment securities purchased | 3,287,711 |
| Capital shares redeemed | 411,186 |
| Management fees | 244,845 |
| Distribution fees | 150,494 |
| Trustees' fees and expenses | 510 |
| Variation margin on futures contracts | 15,925 |
| Options written, at value (premiums received \$5,143) | 4,836 |
| Unrealized depreciation on OTC forward exchange contracts | 99,123 |
| Deferred tax | 28,688 |
| Accrued expenses and other liabilities | 105,108 |
| Total liabilities | <u>4,348,426</u> |
| Net assets, at value | <u>\$578,250,917</u> |
| Net assets consist of: | |
| Paid-in capital | \$505,871,173 |
| Total distributable earnings (losses) | 72,379,744 |
| Net assets, at value | <u>\$578,250,917</u> |

Statement of Assets and Liabilities (continued)

December 31, 2023

| | Franklin Allocation VIP Fund |
|--|---|
| Class 1: | |
| Net assets, at value | \$790,618 |
| Shares outstanding | 159,645 |
| Net asset value and maximum offering price per share | \$4.95 |
| Class 2: | |
| Net assets, at value | \$222,332,371 |
| Shares outstanding | 45,362,100 |
| Net asset value and maximum offering price per share | \$4.90 |
| Class 4: | |
| Net assets, at value | \$355,127,928 |
| Shares outstanding | 69,611,804 |
| Net asset value and maximum offering price per share | \$5.10 |

Statement of Operations

for the year ended December 31, 2023

**Franklin
Allocation VIP
Fund**

| | |
|---|--------------|
| Investment income: | |
| Dividends: (net of foreign taxes of \$253,399) | |
| Unaffiliated issuers | \$6,327,508 |
| Non-controlled affiliates (Note 3e) | 711,279 |
| Interest: (net of foreign taxes of \$3,460) | |
| Unaffiliated issuers | 7,652,692 |
| Other income (Note 1f) | 51,389 |
| Total investment income | 14,742,868 |
| Expenses: | |
| Management fees (Note 3a) | 3,090,460 |
| Distribution fees: (Note 3c) | |
| Class 2 | 553,886 |
| Class 4 | 1,188,564 |
| Custodian fees (Note 4) | 11,482 |
| Reports to shareholders fees | 8,350 |
| Professional fees | 69,255 |
| Trustees' fees and expenses | 6,151 |
| Other | 39,306 |
| Total expenses | 4,967,454 |
| Expense reductions (Note 4) | (4,837) |
| Expenses waived/paid by affiliates (Note 3e and 3f) | (63,373) |
| Net expenses | 4,899,244 |
| Net investment income | 9,843,624 |
| Realized and unrealized gains (losses): | |
| Net realized gain (loss) from: | |
| Investments: (net of foreign taxes of \$6,906) | |
| Unaffiliated issuers | (286,686) |
| Written options | 373,130 |
| Foreign currency transactions | 10,326 |
| Forward exchange contracts | (534,929) |
| Futures contracts | (2,010,040) |
| TBA sale commitments | (56,126) |
| Swap contracts | 269,293 |
| Net realized gain (loss) | (2,235,032) |
| Net change in unrealized appreciation (depreciation) on: | |
| Investments: | |
| Unaffiliated issuers | 68,959,075 |
| Translation of other assets and liabilities denominated in foreign currencies | 15,906 |
| Written options | 6,012 |
| Forward exchange contracts | 10,624 |
| Futures contracts | 122,623 |
| Swap contracts | (212,996) |
| Change in deferred taxes on unrealized appreciation | (1,994) |
| Net change in unrealized appreciation (depreciation) | 68,899,250 |
| Net realized and unrealized gain (loss) | 66,664,218 |
| Net increase (decrease) in net assets resulting from operations | \$76,507,842 |

Statements of Changes in Net Assets

| | Franklin Allocation VIP Fund | |
|---|---|---|
| | Year Ended December 31, 2023 | Year Ended December 31, 2022 |
| Increase (decrease) in net assets: | | |
| Operations: | | |
| Net investment income | \$9,843,624 | \$7,460,788 |
| Net realized gain (loss) | (2,235,032) | 9,154,925 |
| Net change in unrealized appreciation (depreciation) | 68,899,250 | (130,462,358) |
| Net increase (decrease) in net assets resulting from operations | 76,507,842 | (113,846,645) |
| Distributions to shareholders: | | |
| Class 1 | (25,224) | (86,111) |
| Class 2 | (6,929,031) | (28,489,853) |
| Class 4 | (9,970,207) | (38,575,172) |
| Total distributions to shareholders | (16,924,462) | (67,151,136) |
| Capital share transactions: (Note 2) | | |
| Class 1 | 64,532 | 32,245 |
| Class 2 | (24,866,650) | (2,410,465) |
| Class 4 | (9,836,275) | 15,006,285 |
| Total capital share transactions | (34,638,393) | 12,628,065 |
| Net increase (decrease) in net assets | 24,944,987 | (168,369,716) |
| Net assets: | | |
| Beginning of year | 553,305,930 | 721,675,646 |
| End of year | \$578,250,917 | \$553,305,930 |

Notes to Financial Statements

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 December 31, 2023, 46.9% 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 December 31, 2023, 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 Delayed Delivery and TBA Basis

The Fund purchases securities on a 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. Although the Fund will generally purchase these securities with the intention of holding the securities, it may sell the securities before the settlement date.

Franklin Allocation VIP Fund (continued)**1. Organization and Significant Accounting Policies**
(continued)**d. Derivative Financial Instruments**

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

Derivative counterparty credit risk is managed through a formal evaluation of the creditworthiness of all potential counterparties. The Fund attempts to reduce its exposure to counterparty credit risk on OTC derivatives, whenever possible, by entering into International Swaps and Derivatives Association (ISDA) master agreements with certain counterparties. These agreements contain various provisions, including but not limited to collateral requirements, events of default, or early termination. Termination events applicable to the counterparty include certain deteriorations in the credit quality of the counterparty. Termination events applicable to the Fund include failure of the Fund to maintain certain net asset levels and/or limit the decline in net assets over various periods of time. In the event of default or early termination, the ISDA master agreement gives the non-defaulting party the right to net and close-out all transactions traded, whether or not arising under the ISDA agreement, to one net amount payable by one counterparty to the other. However, absent an event of default or early termination, OTC derivative assets and liabilities are presented gross and not offset in the Statement of Assets and Liabilities. Early termination by the counterparty may result in an immediate payment by the Fund of any net liability owed to that counterparty under the ISDA agreement. At December 31, 2023, the Fund had OTC derivatives in a net liability position of \$51,914.

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.

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.

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

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

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 December 31, 2023, 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 and estimated expenses are accrued daily. Amortization of premium and accretion of discount on debt securities are included in interest income. Paydown gains and losses are recorded as an adjustment to interest income. Dividend income and capital gain distributions are recorded on the ex-dividend date except for certain dividends from securities where the dividend rate is not available. In such cases, the dividend is recorded as soon as the information is received by the Fund. Distributions to shareholders are recorded on the ex-dividend date. Distributable earnings are determined according to income tax regulations (tax basis) and may differ from earnings recorded in accordance with U.S. GAAP. These differences may be permanent or temporary. Permanent differences are reclassified among capital accounts to reflect their tax character. These reclassifications have no impact on net assets or the results of operations. Temporary differences are not reclassified, as they may reverse in subsequent periods.

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

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

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

Franklin Allocation VIP Fund (continued)

1. Organization and Significant Accounting Policies
(continued)

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 December 31, 2023, there were an unlimited number of shares authorized (without par value). Transactions in the Fund's shares were as follows:

| | Year Ended December 31, 2023 | | Year Ended December 31, 2022 | |
|--|---------------------------------|----------------|---------------------------------|---------------|
| | Shares | Amount | Shares | Amount |
| Class 1 Shares: | | | | |
| Shares sold | 43,100 | \$199,467 | 16,838 | \$79,334 |
| Shares issued in reinvestment of distributions | 5,378 | 25,224 | 19,526 | 86,111 |
| Shares redeemed | (34,224) | (160,159) | (30,604) | (133,200) |
| Net increase (decrease) | 14,254 | \$64,532 | 5,760 | \$32,245 |
| Class 2 Shares: | | | | |
| Shares sold | 1,588,699 | \$7,371,791 | 2,067,285 | \$10,531,771 |
| Shares issued in reinvestment of distributions | 1,490,114 | 6,929,031 | 6,519,416 | 28,489,853 |
| Shares redeemed | (8,496,769) | (39,167,472) | (8,499,043) | (41,432,089) |
| Net increase (decrease) | (5,417,956) | \$(24,866,650) | 87,658 | \$(2,410,465) |
| Class 4 Shares: | | | | |
| Shares sold | 4,245,776 | \$20,475,219 | 2,663,783 | \$13,538,819 |
| Shares issued in reinvestment of distributions | 2,059,960 | 9,970,207 | 8,478,060 | 38,575,172 |
| Shares redeemed | (8,395,238) | (40,281,701) | (7,330,236) | (37,107,706) |
| Net increase (decrease) | (2,089,502) | \$(9,836,275) | 3,811,607 | \$15,006,285 |

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 year ended December 31, 2023, the Fund held investments in affiliated management investment companies as follows:

| | Value at Beginning of Year | Purchases | Sales | Realized Gain (Loss) | Net Change in Unrealized Appreciation (Depreciation) | Value at End of Year | Number of Shares Held at End of Year | Investment Income |
|---|----------------------------------|---------------------|-----------------------|-------------------------|---|----------------------------|---|----------------------|
| Franklin Allocation VIP Fund | | | | | | | | |
| Non-Controlled Affiliates | | | | | | | | |
| | | | | | | | | Dividends |
| Institutional Fiduciary Trust - Money Market Portfolio, 5.034% | \$15,109,675 | \$60,079,552 | \$(61,798,324) | \$— | \$— | \$13,390,903 | 13,390,903 | \$666,770 |
| Western Asset Premier Institutional Government Reserves, Class Premium, 5.3% | 105,090 | 11,464,263 | (11,569,353) | — | — | — | — | 17,806 |
| Western Asset Premier Institutional U.S. Treasury Reserves, Class Premium, 5.3% | 633,433 | 4,206,404 | (4,839,837) | — | — | — | — | 26,703 |
| Total Affiliated Securities . . . | \$15,848,198 | \$75,750,219 | \$(78,207,514) | \$— | \$— | \$13,390,903 | | \$711,279 |

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, 2024. Total expenses waived or paid are not subject to recapture subsequent to the Fund’s fiscal year end.

4. Expense Offset Arrangement

The Fund has previously entered into an arrangement with its custodian whereby credits realized as a result of uninvested cash balances are used to reduce a portion of the Fund’s custodian expenses. During the year ended December 31, 2023, the custodian fees were reduced as noted in the Statement of Operations. Effective July 10, 2023, earned credits, if any, will be recognized as income.

Franklin Allocation VIP Fund (continued)

5. 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 | <u>\$3,370,997</u> |

The tax character of distributions paid during the years ended December 31, 2023 and 2022, was as follows:

| | 2023 | 2022 |
|----------------------------------|---------------------|---------------------|
| Distributions paid from: | | |
| Ordinary income | \$7,674,532 | \$20,845,979 |
| Long term capital gain | 9,249,930 | 46,305,157 |
| | <u>\$16,924,462</u> | <u>\$67,151,136</u> |

At December 31, 2023, the cost of investments, net unrealized appreciation (depreciation) and undistributed ordinary income for income tax purposes were as follows:

| | |
|---|----------------------|
| Cost of investments | <u>\$512,044,201</u> |
| Unrealized appreciation. | \$95,724,617 |
| Unrealized depreciation. | (30,392,401) |
| Net unrealized appreciation (depreciation). | <u>\$65,332,216</u> |
| Distributable earnings: | |
| Undistributed ordinary income. | <u>\$10,357,388</u> |

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.

6. Investment Transactions

Purchases and sales of investments (excluding short term securities) for the year ended December 31, 2023, aggregated \$305,280,691 and \$350,220,711, respectively.

Franklin Allocation VIP Fund (continued)

7. Other Derivative Information

At December 31, 2023, 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 | | | | |
| | Investments in securities, at value | \$2,734 ^a | Options written, at value | \$4,836 |
| | Variation margin on futures contracts | 506,369 ^b | Variation margin on futures contracts | 301,427 ^b |
| | Variation margin on centrally cleared swap contracts | 81,483 ^c | Variation margin on centrally cleared swap contracts | — |
| Foreign exchange contracts . . . | | | | |
| | Unrealized appreciation on OTC forward exchange contracts | 260,027 | Unrealized depreciation on OTC forward exchange contracts | 99,123 |
| Credit contracts | | | | |
| | Variation margin on centrally cleared swap contracts | 31,379 ^c | Variation margin on centrally cleared swap contracts | — |
| Equity contracts | | | | |
| | Variation margin on futures contracts | 227,700 ^b | Variation margin on futures contracts | — |
| Total | | <u>\$1,109,692</u> | | <u>\$405,386</u> |

^aPurchased option contracts are included in the net change in unrealized appreciation (depreciation) on investments in the Statement of Assets and Liabilities.

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

^cThis 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 year end is separately reported within the Statement of Assets and Liabilities. Prior variation margin movements were recorded to cash upon receipt or payment.

Franklin Allocation VIP Fund (continued)

7. Other Derivative Information (continued)

For the year ended December 31, 2023, 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 Year | Statement of Operations Location | Net Change in Unrealized Appreciation (Depreciation) for the Year |
|---|-------------------------------------|---|---|---|
| Franklin Allocation VIP Fund | | | | |
| | Net realized gain (loss) from: | | Net change in unrealized appreciation (depreciation) on: | |
| Interest rate contracts | | | | |
| | Investments | \$(243,461) ^a | Investments | \$7,060 ^a |
| | Written options | 373,130 | Written options | 6,012 |
| | Futures contracts | (2,376,914) | Futures contracts | 418,861 |
| | Swap contracts | 44,408 | Swap contracts | (154,214) |
| Foreign exchange contracts | | | | |
| | Forward exchange contracts | (534,929) | Forward exchange contracts | 10,624 |
| Credit contracts | | | | |
| | Swap contracts | 224,885 | Swap contracts | (58,782) |
| Equity Contracts | | | | |
| | Futures contracts | 366,874 | Futures contracts | (296,238) |
| Total | | <u>\$(2,146,007)</u> | | <u>\$(66,677)</u> |

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

For the year ended December 31, 2023, 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 | \$78,463,807 |
| Swap contracts | 12,110,923 |
| Forward exchange contracts | 13,655,509 |
| Options | 7,165,385 |

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 matured on February 2, 2024. This Global Credit Facility provides a source of funds to the Borrowers for temporary and emergency purposes, including the ability to meet future unanticipated or unusually large redemption requests. Effective February 2, 2024, the Borrowers renewed the Global Credit Facility for a one-year term, maturing January 31, 2025, for a total of \$2.675 billion.

Franklin Allocation VIP Fund (continued)

8. Credit Facility (continued)

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 year ended December 31, 2023, 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 December 31, 2023, 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 | \$5,405,873 | \$2,488,738 | \$— | \$7,894,611 |
| Air Freight & Logistics | 3,024,286 | 1,191,182 | — | 4,215,468 |
| Automobile Components | 350,805 | 2,535,043 | — | 2,885,848 |
| Automobiles | 2,583,724 | 2,291,778 | — | 4,875,502 |
| Banks | 8,081,501 | 8,074,842 | — | 16,156,343 |
| Beverages | 4,245,490 | 546,013 | — | 4,791,503 |
| Biotechnology | 6,150,834 | 1,821,722 | — | 7,972,556 |
| Broadline Retail | 8,947,123 | 1,198,952 | — | 10,146,075 |
| Building Products | 1,293,009 | 737,530 | — | 2,030,539 |
| Capital Markets | 7,175,279 | 3,544,155 | — | 10,719,434 |
| Chemicals | 6,855,125 | 3,592,386 | — | 10,447,511 |
| Commercial Services & Supplies | 1,085,644 | 561,115 | — | 1,646,759 |
| Communications Equipment | 2,915,293 | 91,930 | — | 3,007,223 |
| Construction & Engineering | 187,639 | 332,435 | — | 520,074 |
| Construction Materials | 1,545,623 | 1,026,079 | — | 2,571,702 |
| Consumer Finance | 2,571,954 | — | — | 2,571,954 |
| Consumer Staples Distribution & Retail | 2,931,015 | 1,067,240 | — | 3,998,255 |
| Containers & Packaging | 155,742 | 2,070,203 | — | 2,225,945 |
| Diversified Consumer Services | 137,322 | 52,332 | — | 189,654 |
| Diversified REITs | — | 125,002 | — | 125,002 |
| Diversified Telecommunication Services | 388,800 | 486,142 | — | 874,942 |
| Electric Utilities | 2,670,271 | 1,211,657 | — | 3,881,928 |
| Electrical Equipment | 2,209,037 | 630,206 | — | 2,839,243 |

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: | | | | |
| Electronic Equipment, Instruments & Components | \$3,087,790 | \$295,216 | \$— | \$3,383,006 |
| Energy Equipment & Services | 82,393 | 888,521 | — | 970,914 |
| Entertainment | 2,966,906 | 1,201,046 | — | 4,167,952 |
| Financial Services | 11,336,847 | 1,192,115 | — | 12,528,962 |
| Food Products | 520,822 | 1,170,222 | — | 1,691,044 |
| Gas Utilities | 84,607 | 231,722 | — | 316,329 |
| Ground Transportation | 3,662,067 | — | — | 3,662,067 |
| Health Care Equipment & Supplies | 6,661,404 | 3,875,250 | — | 10,536,654 |
| Health Care Providers & Services | 9,217,105 | 126,425 | — | 9,343,530 |
| Health Care REITs | 74,626 | — | — | 74,626 |
| Health Care Technology | 204,456 | 33,011 | — | 237,467 |
| Hotels, Restaurants & Leisure | 2,651,286 | 1,714,683 | — | 4,365,969 |
| Household Durables | 1,699,169 | 2,174,937 | — | 3,874,106 |
| Household Products | 225,161 | — | — | 225,161 |
| Independent Power and Renewable Electricity Producers | 256,466 | 60,586 | — | 317,052 |
| Industrial Conglomerates | 1,085,493 | 841,108 | — | 1,926,601 |
| Industrial REITs | 305,691 | 219,409 | — | 525,100 |
| Insurance | 5,421,174 | 2,728,544 | — | 8,149,718 |
| Interactive Media & Services | 10,723,571 | 203,315 | — | 10,926,886 |
| IT Services | 2,909,632 | 248,324 | — | 3,157,956 |
| Leisure Products | 95,433 | 78,007 | — | 173,440 |
| Life Sciences Tools & Services | 5,586,450 | 2,094,585 | — | 7,681,035 |
| Machinery | 5,165,397 | 2,531,243 | — | 7,696,640 |
| Marine Transportation | — | 145,680 | — | 145,680 |
| Media | 4,007,607 | 307,733 | — | 4,315,340 |
| Metals & Mining | 2,241,475 | 2,041,468 | — | 4,282,943 |
| Multi-Utilities | 4,908,710 | 236,041 | — | 5,144,751 |
| Oil, Gas & Consumable Fuels | 8,342,069 | 5,090,029 | — | 13,432,098 |
| Paper & Forest Products | — | 109,282 | — | 109,282 |
| Passenger Airlines | — | 40,251 | — | 40,251 |
| Personal Care Products | 1,627,903 | 1,021,627 | — | 2,649,530 |
| Pharmaceuticals | 6,544,260 | 6,013,050 | — | 12,557,310 |
| Professional Services | 1,158,813 | 2,339,027 | — | 3,497,840 |
| Real Estate Management & Development | — | 484,986 | — | 484,986 |
| Residential REITs | 183,530 | — | — | 183,530 |
| Retail REITs | 1,034,681 | 116,426 | — | 1,151,107 |
| Semiconductors & Semiconductor Equipment | 21,570,672 | 5,466,410 | — | 27,037,082 |
| Software | 31,926,854 | 867,969 | — | 32,794,823 |
| Specialized REITs | 2,142,908 | — | — | 2,142,908 |
| Specialty Retail | 2,741,107 | 462,846 | — | 3,203,953 |
| Technology Hardware, Storage & Peripherals | 9,640,431 | 2,240,736 | — | 11,881,167 |
| Textiles, Apparel & Luxury Goods | 1,536,031 | 1,403,922 | — | 2,939,953 |
| Tobacco | 76,807 | 902,188 | — | 978,995 |
| Trading Companies & Distributors | 1,642,327 | 1,683,324 | — | 3,325,651 |
| Transportation Infrastructure | — | 79,513 | — | 79,513 |

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: | | | | |
| Water Utilities | \$213,692 | \$— | \$— | \$213,692 |
| Management Investment Companies | 10,807,906 | — | — | 10,807,906 |
| Preferred Stocks | — | 635,823 | — | 635,823 |
| Rights | — | — | — ^a | — |
| Limited Partnerships | 1,810,877 | — | — | 1,810,877 |
| Corporate Bonds | — | 63,308,001 | — | 63,308,001 |
| Foreign Government and Agency Securities | — | 6,236,397 | — | 6,236,397 |
| U.S. Government and Agency Securities | — | 101,214,862 | — | 101,214,862 |
| Asset-Backed Securities | — | 4,278,738 | — | 4,278,738 |
| Commercial Mortgage-Backed Securities | — | 3,651,320 | — | 3,651,320 |
| Mortgage-Backed Securities | — | 30,850,176 | — | 30,850,176 |
| Municipal Bonds | — | 1,106,010 | — | 1,106,010 |
| Residential Mortgage-Backed Securities | — | 1,310,604 | — | 1,310,604 |
| Options purchased | 2,734 | — | — | 2,734 |
| Short Term Investments | 16,243,564 | 88,276 | — | 16,331,840 |
| Total Investments in Securities | \$275,340,293 | \$301,317,666 ^b | \$— | \$576,657,959 |
| Other Financial Instruments: | | | | |
| Forward exchange contracts | \$— | \$260,027 | \$— | \$260,027 |
| Futures contracts | 734,069 | — | — | 734,069 |
| Swap contracts | — | 112,862 | — | 112,862 |
| Total Other Financial Instruments | \$734,069 | \$372,889 | \$— | \$1,106,958 |
| Liabilities: | | | | |
| Other Financial Instruments: | | | | |
| Options written | \$4,836 | \$— | \$— | \$4,836 |
| Forward exchange contracts | — | 99,123 | — | 99,123 |
| Futures contracts | 301,427 | — | — | 301,427 |
| Total Other Financial Instruments | \$306,263 | \$99,123 | \$— | \$405,386 |

^aIncludes financial instruments determined to have no value.

^bIncludes foreign securities valued at \$89,273,282, which were categorized as Level 2 as a result of the application of market level fair value procedures. See the Financial Instrument Valuation note for more information.

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

10. Subsequent Events

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

Franklin Allocation VIP Fund (continued)

Abbreviations

Counterparty

| | |
|-------------|---------------------------|
| BZWS | Barclays Bank plc |
| CITI | Citibank NA |
| GSCO | Goldman Sachs Group, Inc. |
| HSBK | HSBC Bank plc |
| JPHQ | JPMorgan Chase Bank NA |
| MSCO | Morgan Stanley |

Currency

| | |
|------------|----------------------|
| BRL | Brazilian Real |
| CHF | Swiss Franc |
| 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 | 5.38% |

Selected Portfolio

| | |
|---------------|--|
| ADR | American Depositary Receipt |
| CLO | Collateralized Loan Obligation |
| | Constant Monthly U.S. Treasury Securities Yield Curve Rate Index |
| CMT | |
| ETF | Exchange-Traded Fund |
| 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 |
| NYRS | New York Registry Shares |
| REIT | Real Estate Investment Trust |
| SOFR | Secured Overnight Financing Rate |
| TBA | To-Be-Announced |
| TIPS | Treasury Inflation Protected Securities |
| T-Note | Treasury Note |

Report of Independent Registered Public Accounting Firm

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

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of Franklin Allocation VIP Fund (one of the funds constituting Franklin Templeton Variable Insurance Products Trust, referred to hereafter as the “Fund”) as of December 31, 2023, the related statement of operations for the year ended December 31, 2023, the statements of changes in net assets for each of the two years in the period ended December 31, 2023, including the related notes, and the financial highlights for each of the five years in the period ended December 31, 2023 (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of December 31, 2023, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period ended December 31, 2023 and the financial highlights for each of the five years in the period ended December 31, 2023 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

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

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of December 31, 2023 by correspondence with the custodian, transfer agent and brokers; when replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP
San Francisco, California
February 20, 2024

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

Tax Information (unaudited)

Franklin Allocation VIP Fund

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

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

The Fund hereby reports the following amounts, or if subsequently determined to be different, the maximum allowable amounts, for the fiscal year ended December 31, 2023:

| | Pursuant to: | Amount Reported |
|--|---------------------|------------------------|
| Long-Term Capital Gain Dividends Distributed | §852(b)(3)(C) | \$9,249,930 |
| Income Eligible for Dividends Received Deduction (DRD) | §854(b)(1)(A) | \$2,804,876 |
| Interest Earned from Federal Obligations | Note (1) | \$3,184,314 |

Note (1) - The Law varies in each state as to whether and what percentage of dividend income attributable to Federal obligations is exempt from state income tax. Shareholders are advised to consult with their tax advisors to determine if any portion of the dividends received is exempt from state income taxes.

Board Members and Officers

The name, year of birth and address of the officers and board members, as well as their affiliations, positions held with the Trust, principal occupations during at least the past five years and number of U.S. registered portfolios overseen in the Franklin Templeton/Legg Mason fund complex, are shown below. Generally, each board member serves until that person's successor is elected and qualified.

Independent Board Members

| Name, Year of Birth and Address | Position | Length of Time Served | Number of Portfolios in Fund Complex Overseen by Board Member ¹ | Other Directorships Held During at Least the Past 5 Years |
|---|----------|-----------------------|--|--|
| Harris J. Ashton (1932) One Franklin Parkway San Mateo, CA 94403-1906 | Trustee | Since 1988 | 118 | Bar-S Foods (meat packing company) (1981-2010). |
| Principal Occupation During at Least the Past 5 Years: Director of various companies; and formerly , Director, RBC Holdings, Inc. (bank holding company) (until 2002); and President, Chief Executive Officer and Chairman of the Board, General Host Corporation (nursery and craft centers) (until 1998). | | | | |
| Terrence J. Checki (1945) One Franklin Parkway San Mateo, CA 94403-1906 | Trustee | Since 2017 | 118 | Hess Corporation (exploration of oil and gas) (2014-present). |
| Principal Occupation During at Least the Past 5 Years: Member of the Council on Foreign Relations (1996-present); Member of the National Committee on U.S.-China Relations (1999-present); member of the board of trustees of the Economic Club of New York (2013-present); member of the board of trustees of the Foreign Policy Association (2005-present); member of the board of directors of Council of the Americas (2007-present) and the Tallberg Foundation (2018-present); and formerly , Executive Vice President of the Federal Reserve Bank of New York and Head of its Emerging Markets and Internal Affairs Group and Member of Management Committee (1995-2014); and Visiting Fellow at the Council on Foreign Relations (2014). | | | | |
| Mary C. Choksi (1950) One Franklin Parkway San Mateo, CA 94403-1906 | Trustee | Since 2014 | 118 | Omnicom Group Inc. (advertising and marketing communications services) (2011-present) and White Mountains Insurance Group, Ltd. (holding company) (2017-present); and formerly , Avis Budget Group Inc. (car rental) (2007-2020). |
| Principal Occupation During at Least the Past 5 Years: Director of various companies; and formerly , Founder and Senior Advisor, Strategic Investment Group (investment management group) (2015-2017); Founding Partner and Senior Managing Director, Strategic Investment Group (1987-2015); Founding Partner and Managing Director, Emerging Markets Management LLC (investment management firm) (1987-2011); and Loan Officer/Senior Loan Officer/Senior Pension Investment Officer, World Bank Group (international financial institution) (1977-1987). | | | | |

Independent Board Members (continued)

| Name, Year of Birth and Address | Position | Length of Time Served | Number of Portfolios in Fund Complex Overseen by Board Member ¹ | Other Directorships Held During at Least the Past 5 Years |
|--|--------------------------|--|--|---|
| Edith E. Holiday (1952) One Franklin Parkway San Mateo, CA 94403-1906 | Lead Independent Trustee | Trustee since 2005 and Lead Independent Trustee since 2019 | 118 | Hess Corporation (exploration of oil and gas) (1993-present), Santander Holdings USA (holding company) (2019-present); and formerly , Santander Consumer USA Holdings, Inc. (consumer finance) (2016-2023); Canadian National Railway (railroad) (2001-2021), White Mountains Insurance Group, Ltd. (holding company) (2004-2021), RTI International Metals, Inc. (manufacture and distribution of titanium) (1999-2015) and H.J. Heinz Company (processed foods and allied products) (1994-2013). |

Principal Occupation During at Least the Past 5 Years:

Director or Trustee of various companies and trusts; and **formerly**, Assistant to the President of the United States and Secretary of the Cabinet (1990-1993); General Counsel to the United States Treasury Department (1989-1990); and Counselor to the Secretary and Assistant Secretary for Public Affairs and Public Liaison-United States Treasury Department (1988-1989).

| | | | | |
|---|---------|------------|-----|--|
| J. Michael Luttig (1954) One Franklin Parkway San Mateo, CA 94403-1906 | Trustee | Since 2009 | 118 | Boeing Capital Corporation (aircraft financing) (2006-2010). |
|---|---------|------------|-----|--|

Principal Occupation During at Least the Past 5 Years:

Counselor and Special Advisor to the CEO and Board of Directors of The Coca-Cola Company (beverage company) (2021-present); and **formerly**, Counselor and Senior Advisor to the Chairman, CEO, and Board of Directors, of The Boeing Company (aerospace company), and member of the Executive Council (2019-2020); Executive Vice President, General Counsel and member of the Executive Council, The Boeing Company (2006-2019); and Federal Appeals Court Judge, United States Court of Appeals for the Fourth Circuit (1991-2006).

| | | | | |
|---|---------|------------|-----|---|
| Larry D. Thompson (1945) One Franklin Parkway San Mateo, CA 94403-1906 | Trustee | Since 2007 | 118 | Graham Holdings Company (education and media organization) (2011-2021); The Southern Company (energy company) (2014-2020; previously 2010-2012) and Cbeyond, Inc. (business communications provider) (2010-2012). |
|---|---------|------------|-----|---|

Principal Occupation During at Least the Past 5 Years:

Director of various companies; Counsel, Finch McCranie, LLP (law firm) (2015-present); John A. Sibley Professor of Corporate and Business Law, University of Georgia School of Law (2015-present; previously 2011-2012); and **formerly**, Independent Compliance Monitor and Auditor, Volkswagen AG (manufacturer of automobiles and commercial vehicles) (2017-2020); Executive Vice President - Government Affairs, General Counsel and Corporate Secretary, PepsiCo, Inc. (consumer products) (2012-2014); Senior Vice President - Government Affairs, General Counsel and Secretary, PepsiCo, Inc. (2004-2011); Senior Fellow of The Brookings Institution (2003-2004); Visiting Professor, University of Georgia School of Law (2004); and Deputy Attorney General, U.S. Department of Justice (2001-2003).

Independent Board Members (continued)

| Name, Year of Birth and Address | Position | Length of Time Served | Number of Portfolios in Fund Complex Overseen by Board Member ¹ | Other Directorships Held During at Least the Past 5 Years |
|---|----------|-----------------------|--|--|
| Valerie M. Williams (1956) One Franklin Parkway San Mateo, CA 94403-1906 | Trustee | Since 2021 | 109 | Omnicom Group, Inc. (advertising and marketing communications services) (2016-present), DTE Energy Co. (gas and electric utility) (2018-present), Devon Energy Corporation (exploration and production of oil and gas) (2021-present); and formerly , WPX Energy, Inc. (exploration and production of oil and gas) (2018-2021). |

Principal Occupation During at Least the Past 5 Years:

Director of various companies; and **formerly**, Regional Assurance Managing Partner, Ernst & Young LLP (public accounting) (2005-2016) and various roles of increasing responsibility at Ernst & Young (1981-2005).

Interested Board Members and Officers

| Name, Year of Birth and Address | Position | Length of Time Served | Number of Portfolios in Fund Complex Overseen by Board Member ¹ | Other Directorships Held During at Least the Past 5 Years |
|--|-----------------------------------|---|--|---|
| Gregory E. Johnson² (1961) One Franklin Parkway San Mateo, CA 94403-1906 | Chairman of the Board and Trustee | Chairman of the Board since 2023 and Trustee since 2013 | 128 | None |

Principal Occupation During at Least the Past 5 Years:

Executive Chairman, Chairman of the Board and Director, Franklin Resources, Inc.; officer and/or director or trustee, as the case may be, of some of the other subsidiaries of Franklin Resources, Inc. and of certain funds in the Franklin Templeton/Legg Mason fund complex; Vice Chairman, Investment Company Institute; and **formerly**, Chief Executive Officer (2013-2020) and President (1994-2015) Franklin Resources, Inc.

| | | | | |
|--|---------|------------|-----|------|
| Rupert H. Johnson, Jr.³ (1940) One Franklin Parkway San Mateo, CA 94403-1906 | Trustee | Since 1988 | 118 | None |
|--|---------|------------|-----|------|

Principal Occupation During at Least the Past 5 Years:

Director (Vice Chairman), Franklin Resources, Inc.; Director, Franklin Advisers, Inc.; and officer and/or director or trustee, as the case may be, of some of the other subsidiaries of Franklin Resources, Inc. and of certain funds in the Franklin Templeton/Legg Mason fund complex.

| | | | | |
|--|--------------------------|-----------------|----------------|----------------|
| Ted P. Becker (1951) 280 Park Avenue New York, NY 10017 | Chief Compliance Officer | Since June 2023 | Not Applicable | Not Applicable |
|--|--------------------------|-----------------|----------------|----------------|

Principal Occupation During at Least the Past 5 Years:

Vice President, Global Compliance of Franklin Templeton (since 2020); Chief Compliance Officer of Franklin Templeton Fund Adviser, LLC (since 2006); Chief Compliance Officer of certain funds associated with Legg Mason & Co. or its affiliates (since 2006); **formerly**, Director of Global Compliance at Legg Mason (2006-2020); Managing Director of Compliance of Legg Mason & Co. (2005-2020).

| | | | | |
|---|---------------------------------|------------|----------------|----------------|
| Susan Kerr (1949) 280 Park Avenue New York, NY 10017 | Vice President - AML Compliance | Since 2021 | Not Applicable | Not Applicable |
|---|---------------------------------|------------|----------------|----------------|

Principal Occupation During at Least the Past 5 Years:

Senior Compliance Analyst, Franklin Templeton; Chief Anti-Money Laundering Compliance Officer, Legg Mason & Co., or its affiliates; Anti Money Laundering Compliance Officer; Senior Compliance Officer, Franklin Distributors; and officer of certain funds in the Franklin Templeton/Legg Mason fund complex.

Interested Board Members and Officers (continued)

| Name, Year of Birth and Address | Position | Length of Time Served | Number of Portfolios in Fund Complex Overseen by Board Member ¹ | Other Directorships Held During at Least the Past 5 Years |
|--|---|---|--|---|
| Christopher Kings (1974) One Franklin Parkway San Mateo, CA 94403-1906 | Chief Executive Officer - Finance and Administration | Since January 2024 | Not Applicable | Not Applicable |
| Principal Occupation During at Least the Past 5 Years: Senior Vice President, Franklin Templeton Services, LLC; and officer of certain funds in the Franklin Templeton/Legg Mason fund complex. | | | | |
| Edward D. Perks (1970) One Franklin Parkway San Mateo, CA 94403-1906 | President and Chief Executive Officer - Investment Management | Since 2018 | Not Applicable | Not Applicable |
| Principal Occupation During at Least the Past 5 Years: President and Director, Franklin Advisers, Inc.; and officer of certain funds in the Franklin Templeton/Legg Mason fund complex. | | | | |
| Navid J. Tofigh (1972) One Franklin Parkway San Mateo, CA 94403-1906 | Vice President and Secretary | Vice President since 2015 and since June 2023 | Not Applicable | Not Applicable |
| Principal Occupation During at Least the Past 5 Years: Senior Associate General Counsel, Franklin Templeton; and officer of certain funds in the Franklin Templeton/Legg Mason fund complex. | | | | |
| Jeffrey W. White (1971) One Franklin Parkway San Mateo, CA 94403-1906 | Chief Financial Officer, Chief Accounting Officer and Treasurer | Since January 2024 | Not Applicable | Not Applicable |
| Principal Occupation During at Least the Past 5 Years: Chief Financial Officer, Chief Accounting Officer & Treasurer and officer of certain funds in the Franklin Templeton/Legg Mason fund complex; and formerly , Director and Assistant Treasurer within Franklin Templeton Global Fund Tax and Fund Administration and Financial Reporting (2017-2023). | | | | |

Note 1: Rupert H. Johnson, Jr. is the uncle of Gregory E. Johnson.

Note 2: Officer information is current as of the date of this report. It is possible that after this date, information about officers may change.

- Information is for the calendar year ended December 31, 2023, unless otherwise noted. We base the number of portfolios on each separate series of the U.S. registered investment companies within the Franklin Templeton/Legg Mason fund complex. These portfolios have a common investment manager or affiliated investment managers.
- Gregory E. Johnson is considered to be an interested person of the Fund under the federal securities laws due to his position as an officer and director of Franklin Resources, Inc. (Resources), which is the parent company of the Fund's investment manager and distributor.
- Rupert H. Johnson, Jr. is considered to be an interested person of the Fund under the federal securities laws due to his position as an officer and director and a major shareholder of Resources, which is the parent company of the Fund's investment manager and distributor.

The Sarbanes-Oxley Act of 2002 and Rules adopted by the Securities and Exchange Commission require the Fund to disclose whether the Fund's Audit Committee includes at least one member who is an audit committee financial expert within the meaning of such Act and Rules. The Fund's Board has determined that there is at least one such financial expert on the Audit Committee and has designated Mary C. Choksi as its audit committee financial expert. The Board believes that Ms. Choksi qualifies as such an expert in view of her extensive business background and experience. She served as a director of Avis Budget Group, Inc. (2007 to 2020) and formerly, Founder and Senior Advisor, Strategic Investment Group (1987 to 2017). Ms. Choksi has been a Member of the Fund's Audit Committee since 2014. As a result of such background and experience, the Board believes that Ms. Choksi has acquired an understanding of generally accepted accounting principles and financial statements, the general application of such principles in connection with the accounting estimates, accruals and reserves, and analyzing and evaluating financial statements that present a breadth and level of complexity of accounting issues generally comparable to those of the Fund, as well as an understanding of internal controls and procedures for financial reporting and an understanding of audit committee functions. Ms. Choksi is an independent Board member as that term is defined under the relevant Securities and Exchange Commission Rules and Releases.

The Statement of Additional Information (SAI) includes additional information about the board members and is available, without charge, upon request. Shareholders may call (800) DIAL BEN/342-5236 to request the SAI.

Shareholder Information

Proxy Voting Policies and Procedures

The Trust's investment manager has established Proxy Voting Policies and Procedures (Policies) that the Trust uses to determine how to vote proxies relating to portfolio securities. Shareholders may view the Trust's complete Policies online at franklintempleton.com. Alternatively, shareholders may request copies of the Policies free of charge by calling the Proxy Group collect at (954) 527-7678 or by sending a written request to: Franklin Templeton Companies, LLC, 300 S.E. 2nd Street, Fort Lauderdale, FL 33301, Attention: Proxy Group. Copies of the Trust's proxy voting records are also made available online at franklintempleton.com and posted on the U.S. Securities and Exchange Commission's website at sec.gov and reflect the most recent 12-month period ended June 30.

Quarterly Schedule of Investments

The Trust files a complete schedule of investments with the U.S. Securities and Exchange Commission for the first and third quarters for each fiscal year as an exhibit to its report on Form N-PORT. Shareholders may view the filed Form N-PORT by visiting the Commission's website at sec.gov. The filed form may also be viewed and copied at the Commission's Public Reference Room in Washington, DC. Information regarding the operations of the Public Reference Room may be obtained by calling (800) SEC-0330.

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Franklin Templeton Variable Insurance Products Trust (FTVIP) shares are not offered to the public; they are offered and sold only to: (1) insurance company separate accounts (Separate Account) to serve as the underlying investment vehicle for variable contracts; (2) certain qualified plans; and (3) other mutual funds (funds of funds).

Authorized for distribution to investors in Separate Accounts only when accompanied or preceded by the current prospectus for the applicable contract, which includes the Separate Account and the FTVIP prospectuses. Investors should carefully consider a fund's investment goals, risks, charges and expenses before investing. The prospectus contains this and other information; please read it carefully before investing.

To help ensure we provide you with quality service, all calls to and from our service areas are monitored and/or recorded.



Annual Report
Franklin Allocation VIP Fund

Investment Manager
Franklin Advisers, Inc.

Fund Administrator
Franklin Templeton Services, LLC

Distributor
Franklin
Distributors, LLC