

Statements of Investments (unaudited)

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| | | |
|------------------|----------------|-------------------|
| Not FDIC Insured | May Lose Value | No Bank Guarantee |
|------------------|----------------|-------------------|

Statement of Investments (unaudited), March 31, 2021

Franklin Allocation VIP Fund

| | Country | Shares | Value |
|---|----------------|---------|------------|
| Common Stocks 58.6% | | | |
| Aerospace & Defense 1.4% | | | |
| BAE Systems plc | United Kingdom | 82,587 | \$575,059 |
| BWX Technologies, Inc. | United States | 7,533 | 496,726 |
| Dassault Aviation SA | France | 349 | 388,074 |
| General Dynamics Corp. | United States | 4,400 | 798,864 |
| Huntington Ingalls Industries, Inc. | United States | 2,071 | 426,315 |
| Lockheed Martin Corp. | United States | 5,904 | 2,181,528 |
| ^a Mercury Systems, Inc. | United States | 4,300 | 303,795 |
| MTU Aero Engines AG | Germany | 6,700 | 1,578,161 |
| Northrop Grumman Corp. | United States | 6,103 | 1,975,175 |
| Raytheon Technologies Corp. | United States | 32,811 | 2,535,306 |
| | | | 11,259,003 |
| Air Freight & Logistics 0.7% | | | |
| CH Robinson Worldwide, Inc. | United States | 1,288 | 122,914 |
| Deutsche Post AG | Germany | 13,974 | 766,560 |
| DSV PANALPINA A/S | Denmark | 9,200 | 1,804,465 |
| Expeditors International of Washington, Inc. | United States | 1,567 | 168,750 |
| FedEx Corp. | United States | 351 | 99,698 |
| United Parcel Service, Inc., B | United States | 13,959 | 2,372,890 |
| | | | 5,335,277 |
| Airlines 0.1% | | | |
| ^a International Consolidated Airlines Group SA | United Kingdom | 153,849 | 420,548 |
| Auto Components 0.2% | | | |
| ^a Aptiv plc | United States | 3,300 | 455,070 |
| Continental AG | Germany | 3,572 | 472,801 |
| Gentex Corp. | United States | 2,418 | 86,250 |
| Toyota Industries Corp. | Japan | 3,875 | 346,268 |
| Valeo SA | France | 9,679 | 328,355 |
| | | | 1,688,744 |
| Automobiles 0.6% | | | |
| Bayerische Motoren Werke AG | Germany | 8,169 | 847,679 |
| Daimler AG | Germany | 8,112 | 723,932 |
| Honda Motor Co. Ltd. | Japan | 24,400 | 735,551 |
| Isuzu Motors Ltd. | Japan | 57,000 | 612,169 |
| Stellantis NV | United States | 36,189 | 640,093 |
| ^a Tesla, Inc. | United States | 1,248 | 833,577 |
| Toyota Motor Corp. | Japan | 9,700 | 754,854 |
| | | | 5,147,855 |
| Banks 1.8% | | | |
| Associated Banc-Corp. | United States | 299 | 6,381 |
| Bank of America Corp. | United States | 4,198 | 162,421 |
| Barclays plc | United Kingdom | 164,265 | 420,609 |
| ^a BNP Paribas SA | France | 18,023 | 1,098,035 |
| Citigroup, Inc. | United States | 1,366 | 99,377 |
| Citizens Financial Group, Inc. | United States | 19,245 | 849,667 |
| Commonwealth Bank of Australia | Australia | 9,451 | 620,125 |
| DBS Group Holdings Ltd. | Singapore | 2,700 | 57,894 |
| Fifth Third Bancorp. | United States | 2,630 | 98,493 |
| ^a FinecoBank Banca Fineco SpA | Italy | 95,071 | 1,555,208 |
| ING Groep NV | Netherlands | 127,746 | 1,560,168 |
| JPMorgan Chase & Co. | United States | 7,762 | 1,181,609 |
| Kasikornbank PCL | Thailand | 122,592 | 570,445 |
| KB Financial Group, Inc. | South Korea | 18,347 | 907,426 |
| KeyCorp. | United States | 31,236 | 624,095 |

Franklin Allocation VIP Fund (continued)

| | Country | Shares | Value |
|---|----------------|---------|------------|
| Common Stocks (continued) | | | |
| Banks (continued) | | | |
| People's United Financial, Inc. | United States | 6,489 | \$116,153 |
| Regions Financial Corp. | United States | 33,113 | 684,115 |
| Shinhan Financial Group Co. Ltd. | South Korea | 20,704 | 690,015 |
| Standard Chartered plc | United Kingdom | 139,109 | 957,702 |
| Sumitomo Mitsui Financial Group, Inc. | Japan | 26,700 | 967,803 |
| Sumitomo Mitsui Financial Group, Inc., ADR | Japan | 96,000 | 696,000 |
| Truist Financial Corp. | United States | 1,706 | 99,494 |
| US Bancorp | United States | 1,758 | 97,235 |
| Wells Fargo & Co. | United States | 7,356 | 287,399 |
| Zions Bancorp NA. | United States | 1,815 | 99,752 |
| | | | 14,507,621 |
| Beverages 0.9% | | | |
| Anheuser-Busch InBev SA/NV | Belgium | 8,587 | 539,757 |
| ^a Boston Beer Co., Inc. (The), A. | United States | 32 | 38,601 |
| Brown-Forman Corp., A. | United States | 446 | 28,397 |
| Brown-Forman Corp., B | United States | 9,499 | 655,146 |
| ^b Budweiser Brewing Co. APAC Ltd., 144A, Reg S | China | 26,100 | 78,127 |
| Coca-Cola Co. (The) | United States | 9,781 | 515,557 |
| Constellation Brands, Inc., A | United States | 3,419 | 779,532 |
| Kirin Holdings Co. Ltd. | Japan | 13,943 | 267,540 |
| ^a Monster Beverage Corp. | United States | 28,929 | 2,635,143 |
| PepsiCo, Inc. | United States | 13,913 | 1,967,994 |
| | | | 7,505,794 |
| Biotechnology 1.4% | | | |
| AbbVie, Inc. | United States | 18,444 | 1,996,010 |
| ^a Alexion Pharmaceuticals, Inc. | United States | 3,033 | 463,776 |
| Amgen, Inc. | United States | 8,678 | 2,159,173 |
| ^a Biogen, Inc. | United States | 1,768 | 494,598 |
| CSL Ltd. | Australia | 9,507 | 1,921,402 |
| ^a Deciphera Pharmaceuticals, Inc. | United States | 3,100 | 139,004 |
| ^a Exelixis, Inc. | United States | 2,296 | 51,867 |
| ^a Galapagos NV | Belgium | 2,393 | 184,639 |
| ^a Genmab A/S | Denmark | 3,400 | 1,118,203 |
| Gilead Sciences, Inc. | United States | 8,803 | 568,938 |
| ^a Iovance Biotherapeutics, Inc. | United States | 2,100 | 66,486 |
| ^a Mirati Therapeutics, Inc. | United States | 1,500 | 256,950 |
| ^a Neurocrine Biosciences, Inc. | United States | 2,009 | 195,375 |
| ^a Olink Holding AB, ADR | Sweden | 400 | 14,400 |
| ^a PTC Therapeutics, Inc. | United States | 2,000 | 94,700 |
| ^a Regeneron Pharmaceuticals, Inc. | United States | 1,244 | 588,586 |
| ^a Vertex Pharmaceuticals, Inc. | United States | 3,607 | 775,108 |
| | | | 11,089,215 |
| Building Products 0.6% | | | |
| A O Smith Corp. | United States | 3,454 | 233,525 |
| Allegion plc | United States | 4,093 | 514,163 |
| Cie de Saint-Gobain | France | 8,893 | 525,101 |
| Geberit AG | Switzerland | 1,259 | 801,369 |
| Johnson Controls International plc. | United States | 18,600 | 1,109,862 |
| Lennox International, Inc. | United States | 212 | 66,057 |
| Masco Corp. | United States | 1,626 | 97,397 |
| Trane Technologies plc | United States | 6,241 | 1,033,260 |
| ^a Trex Co., Inc. | United States | 434 | 39,728 |
| Xinyi Glass Holdings Ltd. | Hong Kong | 36,800 | 120,892 |
| | | | 4,541,354 |

Franklin Allocation VIP Fund (continued)

| | Country | Shares | Value |
|---------------------------------------|----------------|--------|------------|
| Common Stocks (continued) | | | |
| Capital Markets 2.7% | | | |
| 3i Group plc | United Kingdom | 49,567 | \$787,629 |
| Ameriprise Financial, Inc. | United States | 426 | 99,024 |
| Bank of New York Mellon Corp. (The) | United States | 3,948 | 186,701 |
| BlackRock, Inc. | United States | 1,394 | 1,051,020 |
| Charles Schwab Corp. (The) | United States | 17,657 | 1,150,883 |
| Deutsche Boerse AG. | Germany | 7,200 | 1,196,314 |
| EQT AB | Sweden | 1,814 | 59,719 |
| Evercore, Inc., A | United States | 137 | 18,048 |
| FactSet Research Systems, Inc. | United States | 369 | 113,870 |
| Goldman Sachs Group, Inc. (The) | United States | 6,536 | 2,137,272 |
| Hargreaves Lansdown plc | United Kingdom | 12,600 | 267,682 |
| Hong Kong Exchanges & Clearing Ltd. | Hong Kong | 13,200 | 783,107 |
| Intercontinental Exchange, Inc. | United States | 7,355 | 821,406 |
| Intermediate Capital Group plc | United Kingdom | 62,000 | 1,573,912 |
| Invesco Ltd. | United States | 19,433 | 490,100 |
| Lazard Ltd., A | United States | 962 | 41,857 |
| Magellan Financial Group Ltd. | Australia | 3,851 | 132,920 |
| MarketAxess Holdings, Inc. | United States | 845 | 420,743 |
| Moody's Corp. | United States | 3,571 | 1,066,336 |
| Morgan Stanley | United States | 1,257 | 97,619 |
| Morningstar, Inc. | United States | 165 | 37,132 |
| MSCI, Inc. | United States | 1,650 | 691,812 |
| Nasdaq, Inc. | United States | 4,500 | 663,570 |
| Nomura Holdings, Inc. | Japan | 73,100 | 387,317 |
| Partners Group Holding AG | Switzerland | 839 | 1,072,293 |
| Raymond James Financial, Inc. | United States | 806 | 98,783 |
| S&P Global, Inc. | United States | 7,130 | 2,515,963 |
| SEI Investments Co. | United States | 918 | 55,934 |
| Singapore Exchange Ltd. | Singapore | 41,800 | 310,031 |
| State Street Corp. | United States | 3,125 | 262,531 |
| T Rowe Price Group, Inc. | United States | 9,036 | 1,550,578 |
| Tradeweb Markets, Inc., A | United States | 5,100 | 377,400 |
| UBS Group AG | Switzerland | 58,020 | 897,751 |
| | | | 21,417,257 |
| Chemicals 2.4% | | | |
| Air Products and Chemicals, Inc. | United States | 10,945 | 3,079,266 |
| Albemarle Corp. | United States | 9,030 | 1,319,373 |
| BASF SE | Germany | 1,961 | 162,951 |
| Celanese Corp. | United States | 1,346 | 201,644 |
| ^b Covestro AG, 144A, Reg S | Germany | 9,690 | 651,896 |
| ^a Danimer Scientific, Inc. | United States | 1,200 | 45,300 |
| Eastman Chemical Co. | United States | 968 | 106,596 |
| Ecolab, Inc. | United States | 8,321 | 1,781,276 |
| EMS-Chemie Holding AG | Switzerland | 289 | 258,196 |
| Huntsman Corp. | United States | 745 | 21,478 |
| Koninklijke DSM NV | Netherlands | 9,400 | 1,589,012 |
| Linde plc | United Kingdom | 11,885 | 3,329,464 |
| LyondellBasell Industries NV, A | United States | 14,205 | 1,478,030 |
| Mosaic Co. (The) | United States | 14,976 | 473,391 |
| NewMarket Corp. | United States | 67 | 25,471 |
| Nitto Denko Corp. | Japan | 5,400 | 462,892 |
| Sherwin-Williams Co. (The) | United States | 1,005 | 741,700 |
| Symrise AG | Germany | 11,000 | 1,334,533 |
| Tosoh Corp. | Japan | 28,525 | 546,324 |
| Umicore SA | Belgium | 28,500 | 1,511,923 |

Franklin Allocation VIP Fund (continued)

| | Country | Shares | Value |
|--|---------------|---------|------------|
| Common Stocks (continued) | | | |
| Chemicals (continued) | | | |
| Valvoline, Inc. | United States | 1,065 | \$27,765 |
| | | | 19,148,481 |
| Commercial Services & Supplies 0.3% | | | |
| Cintas Corp. | United States | 3,941 | 1,345,103 |
| ^a Copart, Inc. | United States | 1,813 | 196,910 |
| Downer EDI Ltd. | Australia | 55,555 | 217,415 |
| Republic Services, Inc. | United States | 3,500 | 347,725 |
| Rollins, Inc. | United States | 10,667 | 367,158 |
| | | | 2,474,311 |
| Communications Equipment 0.1% | | | |
| ^a Arista Networks, Inc. | United States | 215 | 64,906 |
| Cisco Systems, Inc. | United States | 13,773 | 712,202 |
| ^a F5 Networks, Inc. | United States | 562 | 117,245 |
| Motorola Solutions, Inc. | United States | 1,407 | 264,586 |
| | | | 1,158,939 |
| Construction & Engineering 0.2% | | | |
| Obayashi Corp. | Japan | 8,100 | 74,350 |
| Quanta Services, Inc. | United States | 3,187 | 280,392 |
| Sinopec Engineering Group Co. Ltd., H. | China | 540,500 | 299,164 |
| Taisei Corp. | Japan | 16,800 | 648,166 |
| | | | 1,302,072 |
| Construction Materials 0.1% | | | |
| Martin Marietta Materials, Inc. | United States | 2,163 | 726,379 |
| Taiheiyō Cement Corp. | Japan | 5,100 | 134,382 |
| | | | 860,761 |
| Consumer Finance 0.2% | | | |
| Capital One Financial Corp. | United States | 6,233 | 793,024 |
| Santander Consumer USA Holdings, Inc. | United States | 750 | 20,295 |
| Synchrony Financial | United States | 10,559 | 429,329 |
| | | | 1,242,648 |
| Containers & Packaging 0.0%[†] | | | |
| Ardagh Group SA | United States | 36 | 915 |
| Avery Dennison Corp. | United States | 306 | 56,197 |
| International Paper Co. | United States | 837 | 45,256 |
| Packaging Corp. of America | United States | 747 | 100,456 |
| Sonoco Products Co. | United States | 862 | 54,565 |
| | | | 257,389 |
| Distributors 0.0%[†] | | | |
| Pool Corp. | United States | 675 | 233,037 |
| Diversified Consumer Services 0.2% | | | |
| ^a Grand Canyon Education, Inc. | United States | 163 | 17,457 |
| H&R Block, Inc. | United States | 28,768 | 627,143 |
| ^a TAL Education Group, ADR. | China | 22,000 | 1,184,700 |
| | | | 1,829,300 |
| Diversified Financial Services 0.3% | | | |
| ^a Berkshire Hathaway, Inc., B. | United States | 3,238 | 827,212 |
| EXOR NV | Netherlands | 3,336 | 281,344 |
| Jefferies Financial Group, Inc. | United States | 797 | 23,990 |

Franklin Allocation VIP Fund (continued)

| | Country | Shares | Value |
|--|----------------|--------|-----------|
| Common Stocks (continued) | | | |
| Diversified Financial Services (continued) | | | |
| ^a Kinnevik AB, B | Sweden | 8,486 | \$412,406 |
| M&G plc | United Kingdom | 90,998 | 260,004 |
| ORIX Corp. | Japan | 40,600 | 686,659 |
| | | | 2,491,615 |
| Diversified Telecommunication Services 0.5% | | | |
| AT&T, Inc. | United States | 17,791 | 538,534 |
| ^a BT Group plc | United Kingdom | 78,067 | 166,517 |
| ^b Cellnex Telecom SA, 144A, Reg S. | Spain | 28,041 | 1,616,376 |
| Deutsche Telekom AG | Germany | 29,166 | 587,745 |
| Lumen Technologies, Inc. | United States | 2,292 | 30,598 |
| Nippon Telegraph & Telephone Corp. | Japan | 17,900 | 461,854 |
| Verizon Communications, Inc. | United States | 10,147 | 590,048 |
| | | | 3,991,672 |
| Electric Utilities 0.4% | | | |
| Alliant Energy Corp. | United States | 1,979 | 107,182 |
| American Electric Power Co., Inc. | United States | 2,307 | 195,403 |
| Evergy, Inc. | United States | 1,495 | 88,997 |
| Eversource Energy | United States | 2,554 | 221,151 |
| Exelon Corp. | United States | 3,512 | 153,615 |
| Hawaiian Electric Industries, Inc. | United States | 916 | 40,698 |
| NextEra Energy, Inc. | United States | 18,117 | 1,369,826 |
| NRG Energy, Inc. | United States | 10,549 | 398,014 |
| PPL Corp. | United States | 8,451 | 243,727 |
| Southern Co. (The) | United States | 8,545 | 531,157 |
| Xcel Energy, Inc. | United States | 2,523 | 167,805 |
| | | | 3,517,575 |
| Electrical Equipment 0.3% | | | |
| AMETEK, Inc. | United States | 3,518 | 449,354 |
| Eaton Corp. plc | United States | 806 | 111,454 |
| Emerson Electric Co. | United States | 6,305 | 568,837 |
| ^a Generac Holdings, Inc. | United States | 525 | 171,911 |
| GrafTech International Ltd. | United States | 377 | 4,611 |
| Hubbell, Inc. | United States | 106 | 19,810 |
| Mitsubishi Electric Corp. | Japan | 53,000 | 810,002 |
| nVent Electric plc | United States | 13,100 | 365,621 |
| Rockwell Automation, Inc. | United States | 1,081 | 286,941 |
| | | | 2,788,541 |
| Electronic Equipment, Instruments & Components 0.6% | | | |
| Amphenol Corp., A | United States | 15,466 | 1,020,292 |
| Avnet, Inc. | United States | 6,506 | 270,064 |
| Cognex Corp. | United States | 1,987 | 164,901 |
| Hitachi Ltd. | Japan | 26,646 | 1,207,820 |
| Keyence Corp. | Japan | 400 | 182,303 |
| ^a Keysight Technologies, Inc. | United States | 3,762 | 539,471 |
| Murata Manufacturing Co. Ltd. | Japan | 1,600 | 128,793 |
| TE Connectivity Ltd. | United States | 9,849 | 1,271,604 |
| ^a Vontier Corp. | United States | 2,534 | 76,704 |
| | | | 4,861,952 |
| Energy Equipment & Services 0.1% | | | |
| Halliburton Co. | United States | 5,635 | 120,927 |
| SBM Offshore NV | Netherlands | 35,185 | 643,548 |

Franklin Allocation VIP Fund (continued)

| | Country | Shares | Value |
|--|---------------|--------|-----------|
| Common Stocks (continued) | | | |
| Energy Equipment & Services (continued) | | | |
| ^a Tecnicas Reunidas SA | Spain | 14,605 | \$213,894 |
| | | | 978,369 |
| Entertainment 0.7% | | | |
| Activision Blizzard, Inc. | United States | 4,880 | 453,840 |
| CTS Eventim AG & Co. KGaA | Germany | 24,000 | 1,393,619 |
| Electronic Arts, Inc. | United States | 3,637 | 492,341 |
| ^a Netflix, Inc. | United States | 716 | 373,509 |
| Nintendo Co. Ltd. | Japan | 1,300 | 732,726 |
| ^a Take-Two Interactive Software, Inc. | United States | 1,311 | 231,654 |
| ^a Walt Disney Co. (The) | United States | 11,625 | 2,145,045 |
| | | | 5,822,734 |
| Equity Real Estate Investment Trusts (REITs) 0.8% | | | |
| Apartment Income REIT Corp. | United States | 2,198 | 93,986 |
| CoreSite Realty Corp. | United States | 138 | 16,539 |
| Crown Castle International Corp. | United States | 6,085 | 1,047,411 |
| EPR Properties. | United States | 655 | 30,516 |
| Extra Space Storage, Inc. | United States | 991 | 131,357 |
| Gaming and Leisure Properties, Inc. | United States | 18 | 764 |
| Goodman Group. | Australia | 46,071 | 636,164 |
| Highwoods Properties, Inc. | United States | 2,242 | 96,271 |
| Iron Mountain, Inc. | United States | 2,665 | 98,632 |
| Kimco Realty Corp. | United States | 20,029 | 375,544 |
| Lamar Advertising Co., A. | United States | 1,066 | 100,119 |
| National Retail Properties, Inc. | United States | 1,507 | 66,414 |
| Omega Healthcare Investors, Inc. | United States | 470 | 17,216 |
| Public Storage | United States | 7,639 | 1,885,000 |
| Realty Income Corp. | United States | 2,806 | 178,181 |
| Simon Property Group, Inc. | United States | 9,591 | 1,091,168 |
| Spirit Realty Capital, Inc. | United States | 937 | 39,823 |
| STORE Capital Corp. | United States | 1,782 | 59,697 |
| VICI Properties, Inc. | United States | 1,122 | 31,685 |
| Weyerhaeuser Co. | United States | 9,550 | 339,980 |
| WP Carey, Inc. | United States | 1,288 | 91,139 |
| | | | 6,427,606 |
| Food & Staples Retailing 0.6% | | | |
| Casey's General Stores, Inc. | United States | 307 | 66,370 |
| Cosmos Pharmaceutical Corp. | Japan | 200 | 31,200 |
| Costco Wholesale Corp. | United States | 1,327 | 467,741 |
| Koninklijke Ahold Delhaize NV. | Netherlands | 8,895 | 248,086 |
| Kroger Co. (The) | United States | 33,252 | 1,196,739 |
| Lawson, Inc. | Japan | 2,600 | 127,582 |
| ^a Sprouts Farmers Market, Inc. | United States | 869 | 23,133 |
| Sundrug Co. Ltd. | Japan | 11,643 | 426,559 |
| Walgreens Boots Alliance, Inc. | United States | 6,023 | 330,663 |
| Walmart, Inc. | United States | 16,722 | 2,271,349 |
| | | | 5,189,422 |
| Food Products 0.4% | | | |
| Campbell Soup Co. | United States | 699 | 35,139 |
| Flowers Foods, Inc. | United States | 1,647 | 39,199 |
| General Mills, Inc. | United States | 5,663 | 347,255 |
| Hershey Co. (The) | United States | 1,529 | 241,827 |
| Hormel Foods Corp. | United States | 2,654 | 126,808 |
| Ingredion, Inc. | United States | 562 | 50,535 |
| J M Smucker Co. (The) | United States | 818 | 103,502 |

Franklin Allocation VIP Fund (continued)

| | Country | Shares | Value |
|---|---------------|--------|------------|
| Common Stocks (continued) | | | |
| Food Products (continued) | | | |
| Kellogg Co. | United States | 1,704 | \$107,863 |
| Lamb Weston Holdings, Inc. | United States | 2,732 | 211,675 |
| McCormick & Co., Inc. | United States | 9,800 | 873,768 |
| Mondelez International, Inc., A. | United States | 7,769 | 454,720 |
| Nestle SA. | Switzerland | 2,678 | 298,565 |
| Tyson Foods, Inc., A. | United States | 2,473 | 183,744 |
| ^b WH Group Ltd., 144A, Reg S. | Hong Kong | 63,000 | 51,183 |
| | | | 3,125,783 |
| Gas Utilities 0.1% | | | |
| Atmos Energy Corp. | United States | 978 | 96,675 |
| Osaka Gas Co. Ltd. | Japan | 19,200 | 374,683 |
| Toho Gas Co. Ltd. | Japan | 3,700 | 228,322 |
| Tokyo Gas Co. Ltd. | Japan | 19,200 | 427,752 |
| | | | 1,127,432 |
| Health Care Equipment & Supplies 3.4% | | | |
| Abbott Laboratories. | United States | 20,468 | 2,452,885 |
| ^a ABIOMED, Inc. | United States | 588 | 187,413 |
| ^a Alcon, Inc. | Switzerland | 21,000 | 1,473,839 |
| ^a Align Technology, Inc. | United States | 514 | 278,346 |
| Becton Dickinson and Co. | United States | 6,400 | 1,556,160 |
| Cochlear Ltd. | Australia | 9,600 | 1,544,208 |
| Coloplast A/S, B. | Denmark | 2,848 | 428,175 |
| Danaher Corp. | United States | 8,919 | 2,007,489 |
| DiaSorin SpA. | Italy | 910 | 145,993 |
| ^a Edwards Lifesciences Corp. | United States | 6,521 | 545,416 |
| Fisher & Paykel Healthcare Corp. Ltd. | New Zealand | 10,662 | 239,406 |
| GN Store Nord A/S. | Denmark | 20,000 | 1,574,127 |
| ^a Haemonetics Corp. | United States | 5,124 | 568,815 |
| ^a Hologic, Inc. | United States | 10,065 | 748,635 |
| Hoya Corp. | Japan | 6,100 | 717,951 |
| ^a IDEXX Laboratories, Inc. | United States | 3,946 | 1,930,817 |
| ^a Intuitive Surgical, Inc. | United States | 2,322 | 1,715,819 |
| ^a Koninklijke Philips NV. | Netherlands | 3,598 | 205,160 |
| Medtronic plc. | United States | 14,700 | 1,736,511 |
| ^a Quidel Corp. | United States | 82 | 10,490 |
| ResMed, Inc. | United States | 1,808 | 350,788 |
| ^b Siemens Healthineers AG, 144A, Reg S. | Germany | 2,394 | 129,748 |
| ^a Sonova Holding AG. | Switzerland | 1,630 | 432,118 |
| Stryker Corp. | United States | 11,792 | 2,872,295 |
| Teleflex, Inc. | United States | 2,884 | 1,198,187 |
| West Pharmaceutical Services, Inc. | United States | 6,582 | 1,854,676 |
| | | | 26,905,467 |
| Health Care Providers & Services 0.7% | | | |
| Chemed Corp. | United States | 331 | 152,200 |
| CVS Health Corp. | United States | 6,553 | 492,982 |
| Fresenius Medical Care AG & Co. KGaA. | Germany | 10,416 | 767,193 |
| Fresenius SE & Co. KGaA. | Germany | 2,238 | 99,718 |
| ^a Guardant Health, Inc. | United States | 900 | 137,385 |
| HCA Healthcare, Inc. | United States | 523 | 98,502 |
| Humana, Inc. | United States | 452 | 189,501 |
| ^a Laboratory Corp. of America Holdings. | United States | 3,099 | 790,338 |
| McKesson Corp. | United States | 499 | 97,325 |
| Premier, Inc., A. | United States | 440 | 14,894 |
| Quest Diagnostics, Inc. | United States | 268 | 34,395 |
| Sinopharm Group Co. Ltd., H. | China | 86,800 | 210,292 |

Franklin Allocation VIP Fund (continued)

| | Country | Shares | Value |
|---|----------------|---------|-------------|
| Common Stocks (continued) | | | |
| Health Care Providers & Services (continued) | | | |
| UnitedHealth Group, Inc. | United States | 5,489 | \$2,042,292 |
| Universal Health Services, Inc., B | United States | 724 | 96,574 |
| | | | 5,223,591 |
| Health Care Technology 0.2% | | | |
| ^a American Well Corp., A | United States | 2,100 | 36,477 |
| Cerner Corp. | United States | 14,375 | 1,033,275 |
| ^a Certara, Inc. | United States | 1,400 | 38,220 |
| M3, Inc. | Japan | 800 | 54,919 |
| ^a Veeva Systems, Inc., A | United States | 1,985 | 518,561 |
| | | | 1,681,452 |
| Hotels, Restaurants & Leisure 0.5% | | | |
| ^a Airbnb, Inc., A | United States | 600 | 112,764 |
| ^a Chipotle Mexican Grill, Inc. | United States | 69 | 98,036 |
| Domino's Pizza, Inc. | United States | 1,414 | 520,055 |
| Genting Singapore Ltd. | Singapore | 174,400 | 119,494 |
| ^a Las Vegas Sands Corp. | United States | 8,438 | 512,693 |
| McDonald's Corp. | United States | 7,671 | 1,719,378 |
| Starbucks Corp. | United States | 896 | 97,906 |
| Yum! Brands, Inc. | United States | 4,037 | 436,723 |
| | | | 3,617,049 |
| Household Durables 0.5% | | | |
| ^a Barratt Developments plc | United Kingdom | 35,482 | 364,916 |
| DR Horton, Inc. | United States | 2,733 | 243,565 |
| Garmin Ltd. | United States | 1,299 | 171,273 |
| Iida Group Holdings Co. Ltd. | Japan | 7,600 | 184,153 |
| Lennar Corp., A. | United States | 2,951 | 298,730 |
| ^a NVR, Inc. | United States | 30 | 141,328 |
| Persimmon plc | United Kingdom | 10,013 | 405,524 |
| PulteGroup, Inc. | United States | 3,522 | 184,694 |
| Sekisui House Ltd. | Japan | 22,000 | 473,223 |
| Sony Group Corp. | Japan | 9,522 | 1,007,746 |
| ^a Taylor Wimpey plc. | United Kingdom | 62,615 | 155,657 |
| | | | 3,630,809 |
| Household Products 0.7% | | | |
| Church & Dwight Co., Inc. | United States | 2,251 | 196,625 |
| Clorox Co. (The) | United States | 1,838 | 354,514 |
| Colgate-Palmolive Co. | United States | 39,793 | 3,136,882 |
| Procter & Gamble Co. (The) | United States | 15,996 | 2,166,338 |
| | | | 5,854,359 |
| Industrial Conglomerates 1.0% | | | |
| 3M Co. | United States | 6,048 | 1,165,329 |
| Carlisle Cos., Inc. | United States | 3,000 | 493,740 |
| CK Hutchison Holdings Ltd. | United Kingdom | 135,500 | 1,082,559 |
| Honeywell International, Inc. | United States | 10,647 | 2,311,144 |
| Roper Technologies, Inc. | United States | 6,900 | 2,783,046 |
| ^a Siemens AG | Germany | 756 | 124,144 |
| | | | 7,959,962 |
| Insurance 0.6% | | | |
| Admiral Group plc | United Kingdom | 10,152 | 433,843 |
| Aflac, Inc. | United States | 10,287 | 526,489 |
| AIA Group Ltd. | Hong Kong | 65,046 | 795,958 |

Franklin Allocation VIP Fund (continued)

| | Country | Shares | Value |
|--|----------------|---------|------------|
| Common Stocks (continued) | | | |
| Insurance (continued) | | | |
| American National Group, Inc. | United States | 67 | \$7,227 |
| CNP Assurances | France | 8,731 | 165,586 |
| Erie Indemnity Co., A. | United States | 2,595 | 573,261 |
| Japan Post Insurance Co. Ltd. | Japan | 7,900 | 162,287 |
| MetLife, Inc. | United States | 2,929 | 178,054 |
| NN Group NV | Netherlands | 6,163 | 300,614 |
| Progressive Corp. (The) | United States | 2,135 | 204,127 |
| Prudential Financial, Inc. | United States | 1,079 | 98,297 |
| Prudential plc | United Kingdom | 22,947 | 488,759 |
| T&D Holdings, Inc. | Japan | 27,900 | 359,007 |
| Travelers Cos., Inc. (The) | United States | 635 | 95,504 |
| Unum Group | United States | 5,447 | 151,590 |
| | | | 4,540,603 |
| Interactive Media & Services 2.1% | | | |
| ^a Alphabet, Inc., A | United States | 2,831 | 5,838,994 |
| ^a Alphabet, Inc., C | United States | 1,838 | 3,802,142 |
| ^{a,b} Auto Trader Group plc, 144A, Reg S | United Kingdom | 28,610 | 218,721 |
| ^a Baidu, Inc., ADR | China | 1,885 | 410,082 |
| ^a Facebook, Inc., A | United States | 16,320 | 4,806,730 |
| ^a IAC/InterActiveCorp | United States | 1,507 | 325,979 |
| Kakaku.com, Inc. | Japan | 4,400 | 120,439 |
| ^{a,b} Kuaishou Technology, 144A, Reg S | China | 5,200 | 180,601 |
| ^a Match Group, Inc. | United States | 4,101 | 563,395 |
| REA Group Ltd. | Australia | 2,700 | 292,177 |
| | | | 16,559,260 |
| Internet & Direct Marketing Retail 1.9% | | | |
| ^a Alibaba Group Holding Ltd. | China | 25,393 | 721,486 |
| ^a Alibaba Group Holding Ltd., ADR | China | 2,945 | 667,720 |
| ^a Amazon.com, Inc. | United States | 2,826 | 8,743,870 |
| ^a boohoo Group plc | United Kingdom | 337,000 | 1,577,745 |
| ^a Booking Holdings, Inc. | United States | 192 | 447,329 |
| eBay, Inc. | United States | 3,019 | 184,884 |
| ^a Etsy, Inc. | United States | 499 | 100,633 |
| ^a HelloFresh SE | Germany | 1,590 | 118,458 |
| ^{a,b} Just Eat Takeaway.com NV, 144A, Reg S | Germany | 7,118 | 654,913 |
| ^a MercadoLibre, Inc. | Argentina | 970 | 1,427,976 |
| ^a Prosus NV | China | 2,215 | 246,462 |
| Qurate Retail, Inc., A. | United States | 808 | 9,502 |
| ^{a,b} Zalando SE, 144A, Reg S | Germany | 1,361 | 133,350 |
| ZOZO, Inc. | Japan | 3,900 | 115,535 |
| | | | 15,149,863 |
| IT Services 2.9% | | | |
| Accenture plc, A | United States | 14,506 | 4,007,282 |
| ^{a,b} Adyen NV, 144A, Reg S | Netherlands | 1,096 | 2,445,412 |
| ^a Akamai Technologies, Inc. | United States | 571 | 58,185 |
| ^a Amadeus IT Group SA | Spain | 26,457 | 1,884,321 |
| Amdocs Ltd. | United States | 1,213 | 85,092 |
| Automatic Data Processing, Inc. | United States | 4,923 | 927,838 |
| Broadridge Financial Solutions, Inc. | United States | 1,092 | 167,185 |
| Cognizant Technology Solutions Corp., A. | United States | 5,238 | 409,193 |
| Fujitsu Ltd. | Japan | 5,100 | 742,120 |
| International Business Machines Corp. | United States | 4,109 | 547,565 |
| Jack Henry & Associates, Inc. | United States | 728 | 110,452 |
| ^a Keywords Studios plc | Ireland | 44,000 | 1,561,121 |
| Mastercard, Inc., A | United States | 9,000 | 3,204,450 |

Franklin Allocation VIP Fund (continued)

| | Country | Shares | Value |
|---|----------------|--------|------------|
| Common Stocks (continued) | | | |
| IT Services (continued) | | | |
| ^a Okta, Inc. | United States | 1,000 | \$220,430 |
| Paychex, Inc. | United States | 3,211 | 314,742 |
| ^a PayPal Holdings, Inc. | United States | 4,100 | 995,644 |
| ^a Shopify, Inc., A | Canada | 1,000 | 1,106,500 |
| ^a Snowflake, Inc., A | United States | 1,600 | 366,848 |
| ^a Twilio, Inc., A | United States | 2,362 | 804,875 |
| Visa, Inc., A | United States | 17,196 | 3,640,909 |
| Western Union Co. (The). | United States | 924 | 22,786 |
| | | | 23,622,950 |
| Life Sciences Tools & Services 1.1% | | | |
| ^a 10X Genomics, Inc., A | United States | 1,700 | 307,700 |
| Agilent Technologies, Inc. | United States | 7,526 | 956,856 |
| ^a Bio-Rad Laboratories, Inc., A | United States | 46 | 26,274 |
| ^a Illumina, Inc. | United States | 3,246 | 1,246,659 |
| ^a Maravai LifeSciences Holdings, Inc., A | United States | 2,700 | 96,228 |
| ^a Mettler-Toledo International, Inc. | United States | 3,201 | 3,699,364 |
| PerkinElmer, Inc. | United States | 761 | 97,629 |
| Sartorius Stedim Biotech. | France | 920 | 378,592 |
| ^a Seer, Inc. | United States | 300 | 15,006 |
| Thermo Fisher Scientific, Inc. | United States | 2,083 | 950,639 |
| ^a Waters Corp. | United States | 2,382 | 676,893 |
| ^{a,b} Wuxi Biologics Cayman, Inc., 144A, Reg S | China | 49,500 | 624,236 |
| | | | 9,076,076 |
| Machinery 1.6% | | | |
| Allison Transmission Holdings, Inc. | United States | 786 | 32,092 |
| Amada Co. Ltd. | Japan | 6,700 | 74,823 |
| Atlas Copco AB, A | Sweden | 12,610 | 768,740 |
| Atlas Copco AB, B | Sweden | 5,676 | 295,796 |
| Caterpillar, Inc. | United States | 3,471 | 804,821 |
| CNH Industrial NV. | United Kingdom | 12,026 | 186,149 |
| Cummins, Inc. | United States | 1,374 | 356,017 |
| Deere & Co. | United States | 3,924 | 1,468,125 |
| Donaldson Co., Inc. | United States | 7,100 | 412,936 |
| Dover Corp. | United States | 7,300 | 1,001,049 |
| Epiroc AB, A | Sweden | 22,599 | 511,924 |
| Epiroc AB, B | Sweden | 13,425 | 279,643 |
| Fortive Corp. | United States | 5,817 | 410,913 |
| Graco, Inc. | United States | 1,450 | 103,849 |
| Illinois Tool Works, Inc. | United States | 7,362 | 1,630,830 |
| ^a Ingersoll Rand, Inc. | United States | 5,026 | 247,330 |
| Komatsu Ltd. | Japan | 21,426 | 663,977 |
| Kurita Water Industries Ltd. | Japan | 1,700 | 73,040 |
| Lincoln Electric Holdings, Inc. | United States | 205 | 25,203 |
| Makita Corp. | Japan | 3,200 | 137,446 |
| Otis Worldwide Corp. | United States | 4,018 | 275,032 |
| PACCAR, Inc. | United States | 1,996 | 185,468 |
| Pentair plc | United States | 11,500 | 716,680 |
| Schindler Holding AG | Switzerland | 523 | 150,078 |
| Snap-on, Inc. | United States | 1,386 | 319,806 |
| Stanley Black & Decker, Inc. | United States | 4,252 | 848,997 |
| Techtronic Industries Co. Ltd. | Hong Kong | 22,500 | 385,738 |
| Toro Co. (The) | United States | 1,018 | 104,997 |
| Xylem, Inc. | United States | 2,800 | 294,504 |
| | | | 12,766,003 |

Franklin Allocation VIP Fund (continued)

| | Country | Shares | Value |
|---|----------------|---------|-----------|
| Common Stocks (continued) | | | |
| Marine 0.0%[†] | | | |
| AP Moller - Maersk A/S, A | Denmark | 100 | \$217,600 |
| Media 0.8% | | | |
| ^{a,b} Ascential plc, 144A, Reg S | United Kingdom | 290,000 | 1,346,125 |
| Cable One, Inc. | United States | 361 | 660,038 |
| Comcast Corp., A | United States | 17,333 | 937,889 |
| CyberAgent, Inc. | Japan | 92,000 | 1,660,649 |
| Fox Corp., A | United States | 3,197 | 115,444 |
| Fox Corp., B | United States | 6,770 | 236,476 |
| ^a Informa plc | United Kingdom | 48,833 | 376,993 |
| Interpublic Group of Cos., Inc. (The) | United States | 6,337 | 185,040 |
| Nippon Television Holdings, Inc. | Japan | 12,600 | 165,594 |
| Omnicom Group, Inc. | United States | 1,916 | 142,071 |
| TBS Holdings, Inc. | Japan | 13,200 | 259,630 |
| | | | 6,085,949 |
| Metals & Mining 0.8% | | | |
| Anglo American plc | South Africa | 4,076 | 159,625 |
| ArcelorMittal SA | Luxembourg | 32,985 | 949,275 |
| BHP Group Ltd. | Australia | 9,864 | 342,176 |
| BHP Group plc | Australia | 4,929 | 141,895 |
| Evraz plc | Russia | 27,067 | 215,525 |
| Fortescue Metals Group Ltd. | Australia | 28,876 | 440,088 |
| ^a Freeport-McMoRan, Inc. | United States | 3,046 | 100,305 |
| Newmont Corp. | United States | 2,850 | 171,769 |
| Norsk Hydro ASA | Norway | 9,180 | 58,958 |
| Nucor Corp. | United States | 14,902 | 1,196,184 |
| Reliance Steel & Aluminum Co. | United States | 316 | 48,124 |
| Rio Tinto Ltd. | Australia | 6,732 | 568,969 |
| Rio Tinto plc | Australia | 8,383 | 639,431 |
| Southern Copper Corp. | Peru | 162 | 10,995 |
| Steel Dynamics, Inc. | United States | 1,392 | 70,658 |
| Sumitomo Metal Mining Co. Ltd. | Japan | 18,190 | 788,268 |
| voestalpine AG | Austria | 3,052 | 126,381 |
| Wheaton Precious Metals Corp. | Brazil | 18,217 | 695,748 |
| | | | 6,724,374 |
| Multiline Retail 0.5% | | | |
| Dollar General Corp. | United States | 2,139 | 433,404 |
| ^a Next plc | United Kingdom | 4,619 | 500,545 |
| Seria Co. Ltd. | Japan | 11,268 | 394,054 |
| Target Corp. | United States | 15,017 | 2,974,417 |
| | | | 4,302,420 |
| Multi-Utilities 0.3% | | | |
| Ameren Corp. | United States | 1,667 | 135,627 |
| Consolidated Edison, Inc. | United States | 2,726 | 203,905 |
| Dominion Energy, Inc. | United States | 4,824 | 366,431 |
| DTE Energy Co. | United States | 3,349 | 445,886 |
| E.ON SE. | Germany | 61,243 | 713,663 |
| Public Service Enterprise Group, Inc. | United States | 6,070 | 365,475 |
| WEC Energy Group, Inc. | United States | 1,129 | 105,663 |
| | | | 2,336,650 |
| Oil, Gas & Consumable Fuels 1.1% | | | |
| BP plc. | United Kingdom | 411,619 | 1,671,736 |
| Cabot Oil & Gas Corp. | United States | 2,705 | 50,800 |
| Cenovus Energy, Inc. | Canada | 51,120 | 383,970 |

Franklin Allocation VIP Fund (continued)

| | Country | Shares | Value |
|--|----------------|--------|------------|
| Common Stocks (continued) | | | |
| Oil, Gas & Consumable Fuels (continued) | | | |
| Chevron Corp. | United States | 5,800 | \$607,782 |
| EOG Resources, Inc. | United States | 30,686 | 2,225,656 |
| Equinor ASA | Norway | 55,306 | 1,079,477 |
| Exxon Mobil Corp. | United States | 24,171 | 1,349,467 |
| Galp Energia SGPS SA, B | Portugal | 41,553 | 481,652 |
| Lundin Energy AB | Sweden | 9,665 | 303,962 |
| Neste OYJ | Finland | 3,344 | 177,570 |
| TOTAL SE | France | 15,715 | 732,567 |
| | | | 9,064,639 |
| Personal Products 0.3% | | | |
| Estee Lauder Cos., Inc. (The), A | United States | 2,362 | 686,988 |
| Kose Corp. | Japan | 800 | 113,384 |
| L'Oreal SA | France | 2,020 | 773,758 |
| Nu Skin Enterprises, Inc., A. | United States | 424 | 22,425 |
| Unilever plc. | United Kingdom | 13,002 | 725,404 |
| | | | 2,321,959 |
| Pharmaceuticals 2.5% | | | |
| Astellas Pharma, Inc. | Japan | 10,100 | 155,583 |
| AstraZeneca plc | United Kingdom | 562 | 56,084 |
| AstraZeneca plc, ADR. | United Kingdom | 10,914 | 542,644 |
| Bayer AG | Germany | 19,583 | 1,240,927 |
| Bristol-Myers Squibb Co. | United States | 9,822 | 620,063 |
| ^a Catalent, Inc. | United States | 16,489 | 1,736,457 |
| Eli Lilly and Co. | United States | 11,154 | 2,083,790 |
| Hikma Pharmaceuticals plc. | Jordan | 42,000 | 1,317,341 |
| ^a Horizon Therapeutics plc. | United States | 711 | 65,440 |
| Ipsen SA. | France | 1,987 | 170,320 |
| Johnson & Johnson | United States | 24,394 | 4,009,154 |
| Merck & Co., Inc. | United States | 22,063 | 1,700,837 |
| Novo Nordisk A/S, B | Denmark | 15,579 | 1,049,737 |
| Orion OYJ, B | Finland | 2,459 | 98,516 |
| Otsuka Holdings Co. Ltd. | Japan | 7,100 | 301,103 |
| Pfizer, Inc. | United States | 29,420 | 1,065,887 |
| Roche Holding AG | Switzerland | 5,106 | 1,654,230 |
| Sanofi. | France | 5,603 | 554,001 |
| Sumitomo Dainippon Pharma Co. Ltd. | Japan | 5,200 | 90,709 |
| Takeda Pharmaceutical Co. Ltd., ADR. | Japan | 63,804 | 1,165,061 |
| Zoetis, Inc. | United States | 1,718 | 270,551 |
| | | | 19,948,435 |
| Professional Services 1.2% | | | |
| Adecco Group AG. | Switzerland | 8,025 | 541,359 |
| Booz Allen Hamilton Holding Corp. | United States | 860 | 69,256 |
| ^a Clarivate plc | United Kingdom | 53,000 | 1,398,670 |
| CoreLogic, Inc. | United States | 156 | 12,363 |
| ^a CoStar Group, Inc. | United States | 500 | 410,945 |
| Equifax, Inc. | United States | 2,590 | 469,127 |
| Experian plc | United Kingdom | 40,000 | 1,377,840 |
| ^a FTI Consulting, Inc. | United States | 120 | 16,813 |
| IHS Markit Ltd. | United States | 5,009 | 484,771 |
| ManpowerGroup, Inc. | United States | 6,766 | 669,157 |
| Nihon M&A Center, Inc. | Japan | 1,800 | 48,822 |
| Persol Holdings Co. Ltd. | Japan | 4,500 | 88,454 |
| Randstad NV | Netherlands | 6,150 | 431,662 |
| Recruit Holdings Co. Ltd. | Japan | 7,200 | 353,565 |
| Robert Half International, Inc. | United States | 6,184 | 482,785 |

Franklin Allocation VIP Fund (continued)

| | Country | Shares | Value |
|--|---------------|---------|------------|
| Common Stocks (continued) | | | |
| Professional Services (continued) | | | |
| SGS SA | Switzerland | 214 | \$608,124 |
| Verisk Analytics, Inc. | United States | 8,629 | 1,524,658 |
| Wolters Kluwer NV | Netherlands | 5,084 | 441,532 |
| | | | 9,429,903 |
| Real Estate Management & Development 0.4% | | | |
| ^a CBRE Group, Inc., A | United States | 2,555 | 202,126 |
| China Overseas Land & Investment Ltd. | China | 145,500 | 380,336 |
| CK Asset Holdings Ltd. | Hong Kong | 120,330 | 732,523 |
| Daito Trust Construction Co. Ltd. | Japan | 2,400 | 278,864 |
| LEG Immobilien SE. | Germany | 3,064 | 402,994 |
| Mitsui Fudosan Co. Ltd. | Japan | 17,500 | 398,921 |
| Sun Hung Kai Properties Ltd. | Hong Kong | 43,000 | 651,104 |
| Swire Pacific Ltd., A | Hong Kong | 54,000 | 406,784 |
| | | | 3,453,652 |
| Road & Rail 0.9% | | | |
| Canadian National Railway Co. | Canada | 5,114 | 593,122 |
| Canadian Pacific Railway Ltd. | Canada | 2,172 | 823,818 |
| JB Hunt Transport Services, Inc. | United States | 3,242 | 544,883 |
| Kansas City Southern | United States | 3,095 | 816,832 |
| Landstar System, Inc. | United States | 345 | 56,946 |
| Nippon Express Co. Ltd. | Japan | 3,100 | 231,235 |
| Norfolk Southern Corp. | United States | 3,500 | 939,820 |
| Old Dominion Freight Line, Inc. | United States | 1,367 | 328,640 |
| Schneider National, Inc., B | United States | 213 | 5,319 |
| ^a Uber Technologies, Inc. | United States | 5,338 | 290,974 |
| Union Pacific Corp. | United States | 13,412 | 2,956,139 |
| | | | 7,587,728 |
| Semiconductors & Semiconductor Equipment 3.6% | | | |
| Analog Devices, Inc. | United States | 13,500 | 2,093,580 |
| Applied Materials, Inc. | United States | 9,795 | 1,308,612 |
| ASML Holding NV | Netherlands | 3,237 | 1,985,954 |
| ASML Holding NV, NYRS | Netherlands | 2,222 | 1,371,774 |
| Broadcom, Inc. | United States | 207 | 95,978 |
| ^a Cirrus Logic, Inc. | United States | 196 | 16,619 |
| Intel Corp. | United States | 32,620 | 2,087,680 |
| KLA Corp. | United States | 1,748 | 577,539 |
| Lam Research Corp. | United States | 1,303 | 775,598 |
| Maxim Integrated Products, Inc. | United States | 4,143 | 378,546 |
| ^a Micron Technology, Inc. | United States | 18,271 | 1,611,685 |
| Monolithic Power Systems, Inc. | United States | 2,664 | 940,951 |
| NVIDIA Corp. | United States | 4,854 | 2,591,696 |
| NXP Semiconductors NV | Netherlands | 9,022 | 1,816,489 |
| QUALCOMM, Inc. | United States | 6,246 | 828,157 |
| Skyworks Solutions, Inc. | United States | 5,812 | 1,066,386 |
| Taiwan Semiconductor Manufacturing Co. Ltd. | Taiwan | 49,586 | 1,046,921 |
| Teradyne, Inc. | United States | 1,840 | 223,891 |
| Texas Instruments, Inc. | United States | 36,329 | 6,865,818 |
| Tokyo Electron Ltd. | Japan | 2,300 | 999,657 |
| Xilinx, Inc. | United States | 2,414 | 299,095 |
| | | | 28,982,626 |
| Software 5.4% | | | |
| ^a Adobe, Inc. | United States | 4,647 | 2,209,044 |
| ^a Aspen Technology, Inc. | United States | 481 | 69,423 |
| ^a Atlassian Corp. plc, A | United States | 1,200 | 252,912 |

Franklin Allocation VIP Fund (continued)

| | Country | Shares | Value |
|---|----------------|---------|-------------------|
| Common Stocks (continued) | | | |
| Software (continued) | | | |
| ^a Autodesk, Inc. | United States | 5,124 | \$1,420,117 |
| ^a Avalara, Inc. | United States | 3,780 | 504,365 |
| AVEVA Group plc | United Kingdom | 31,000 | 1,462,102 |
| ^a Bill.com Holdings, Inc. | United States | 5,800 | 843,900 |
| ^a Cadence Design Systems, Inc. | United States | 13,989 | 1,916,353 |
| ^a Check Point Software Technologies Ltd. | Israel | 1,700 | 190,349 |
| Citrix Systems, Inc. | United States | 1,524 | 213,909 |
| ^a CyberArk Software Ltd. | United States | 11,500 | 1,487,410 |
| ^a Duck Creek Technologies, Inc. | United States | 400 | 18,056 |
| ^a Fair Isaac Corp. | United States | 98 | 47,633 |
| ^a Fortinet, Inc. | United States | 3,794 | 699,689 |
| Intuit, Inc. | United States | 10,987 | 4,208,680 |
| Microsoft Corp. | United States | 67,989 | 16,029,767 |
| Oracle Corp. | United States | 22,652 | 1,589,491 |
| Oracle Corp. Japan | Japan | 1,400 | 137,053 |
| ^a Paycom Software, Inc. | United States | 1,000 | 370,060 |
| ^a PTC, Inc. | United States | 6,421 | 883,851 |
| ^a Qualtrics International, Inc., A | United States | 1,000 | 32,910 |
| Sage Group plc (The) | United Kingdom | 161,201 | 1,361,660 |
| ^a salesforce.com, Inc. | United States | 3,153 | 668,026 |
| SAP SE | Germany | 13,450 | 1,649,592 |
| ^a ServiceNow, Inc. | United States | 4,955 | 2,478,045 |
| ^a Synopsys, Inc. | United States | 3,407 | 844,186 |
| Trend Micro, Inc. | Japan | 800 | 40,158 |
| ^a Tyler Technologies, Inc. | United States | 1,139 | 483,540 |
| ^a VMware, Inc., A | United States | 260 | 39,117 |
| ^a Workday, Inc., A | United States | 4,220 | 1,048,375 |
| | | | <u>43,199,773</u> |
| Specialty Retail 1.2% | | | |
| ^a AutoZone, Inc. | United States | 180 | 252,774 |
| Best Buy Co., Inc. | United States | 8,870 | 1,018,365 |
| Foot Locker, Inc. | United States | 1,129 | 63,506 |
| Home Depot, Inc. (The) | United States | 5,586 | 1,705,126 |
| ^a Kingfisher plc | United Kingdom | 75,656 | 331,555 |
| ^a L Brands, Inc. | United States | 9,549 | 590,701 |
| Lowe's Cos., Inc. | United States | 11,731 | 2,231,001 |
| ^a O'Reilly Automotive, Inc. | United States | 659 | 334,278 |
| Ross Stores, Inc. | United States | 13,570 | 1,627,179 |
| Shimamura Co. Ltd. | Japan | 700 | 80,889 |
| TJX Cos., Inc. (The) | United States | 7,901 | 522,651 |
| Tractor Supply Co. | United States | 1,783 | 315,734 |
| Williams-Sonoma, Inc. | United States | 785 | 140,672 |
| Yamada Holdings Co. Ltd. | Japan | 37,400 | 202,118 |
| | | | <u>9,416,549</u> |
| Technology Hardware, Storage & Peripherals 1.8% | | | |
| Apple, Inc. | United States | 87,365 | 10,671,635 |
| Brother Industries Ltd. | Japan | 9,300 | 206,557 |
| ^a Dell Technologies, Inc., C | United States | 552 | 48,659 |
| HP, Inc. | United States | 44,250 | 1,404,937 |
| Logitech International SA | Switzerland | 4,192 | 439,679 |
| NetApp, Inc. | United States | 1,963 | 142,651 |
| Samsung Electronics Co. Ltd. | South Korea | 22,748 | 1,651,423 |
| Xerox Holdings Corp. | United States | 608 | 14,756 |
| | | | <u>14,580,297</u> |

Franklin Allocation VIP Fund (continued)

| | Country | Shares | Value |
|--|----------------|---------|---------------------------|
| Common Stocks (continued) | | | |
| Textiles, Apparel & Luxury Goods 0.6% | | | |
| ^a Burberry Group plc | United Kingdom | 3,141 | \$82,156 |
| ^a Carter's, Inc. | United States | 362 | 32,193 |
| Hanesbrands, Inc. | United States | 2,045 | 40,225 |
| Hermes International. | France | 400 | 442,361 |
| ^a Lululemon Athletica, Inc. | United States | 1,076 | 330,020 |
| ^a Moncler SpA. | Italy | 1,561 | 89,389 |
| NIKE, Inc., B. | United States | 25,500 | 3,388,695 |
| Pandora A/S | Denmark | 1,982 | 211,967 |
| ^a Tapestry, Inc. | United States | 2,476 | 102,036 |
| | | | <u>4,719,042</u> |
| Thriffs & Mortgage Finance 0.1% | | | |
| Housing Development Finance Corp. Ltd. | India | 23,981 | 823,580 |
| Tobacco 0.4% | | | |
| Altria Group, Inc. | United States | 13,498 | 690,558 |
| Imperial Brands plc. | United Kingdom | 45,257 | 927,675 |
| Philip Morris International, Inc. | United States | 16,157 | 1,433,772 |
| | | | <u>3,052,005</u> |
| Trading Companies & Distributors 0.6% | | | |
| Fastenal Co. | United States | 29,986 | 1,507,696 |
| Ferguson plc. | United States | 14,780 | 1,765,290 |
| Marubeni Corp. | Japan | 9,900 | 82,686 |
| Mitsui & Co. Ltd. | Japan | 7,000 | 146,092 |
| MonotaRO Co. Ltd. | Japan | 4,000 | 108,513 |
| MSC Industrial Direct Co., Inc., A. | United States | 385 | 34,723 |
| ^a United Rentals, Inc. | United States | 302 | 99,452 |
| Watsco, Inc. | United States | 266 | 69,359 |
| WW Grainger, Inc. | United States | 2,920 | 1,170,716 |
| | | | <u>4,984,527</u> |
| Water Utilities 0.1% | | | |
| American Water Works Co., Inc. | United States | 3,619 | 542,560 |
| Wireless Telecommunication Services 0.1% | | | |
| KDDI Corp. | Japan | 22,900 | 705,565 |
| Total Common Stocks (Cost \$353,455,469) | | | <u>470,809,584</u> |
| Management Investment Companies 2.8% | | | |
| Capital Markets 2.8% | | | |
| Schwab U.S. TIPS ETF. | United States | 248,750 | 15,213,550 |
| ^c Templeton Global Bond VIP Fund, Class 1 | United States | 539,390 | 7,589,214 |
| | | | <u>22,802,764</u> |
| Total Management Investment Companies (Cost \$24,028,784) | | | <u>22,802,764</u> |
| Preferred Stocks 0.1% | | | |
| Automobiles 0.0%[†] | | | |
| ^d Bayerische Motoren Werke AG, 3.71% | Germany | 716 | 56,994 |
| Chemicals 0.0%[†] | | | |
| ^d FUCHS PETROLUB SE, 2.37% | Germany | 3,666 | 175,657 |

Franklin Allocation VIP Fund (continued)

| | Country | Shares | Value |
|--|----------------|-------------------------------------|-------------------|
| Preferred Stocks (continued) | | | |
| Health Care Equipment & Supplies 0.1% | | | |
| ^a Sartorius AG | Germany | 400 | \$199,407 |
| Total Preferred Stocks (Cost \$411,912) | | | 432,058 |
| | | Principal Amount^c | |
| Corporate Bonds 10.7% | | | |
| Aerospace & Defense 0.2% | | | |
| Lockheed Martin Corp., Senior Bond, 4.7%, 5/15/46 | United States | 200,000 | 250,315 |
| Northrop Grumman Corp., Senior Bond, 5.25%, 5/01/50 | United States | 400,000 | 520,073 |
| Raytheon Technologies Corp., Senior Bond, 4.5%, 6/01/42 | United States | 600,000 | 717,035 |
| | | | 1,487,423 |
| Air Freight & Logistics 0.2% | | | |
| FedEx Corp., | | | |
| Senior Bond, 5.1%, 1/15/44 | United States | 400,000 | 485,563 |
| Senior Bond, 4.75%, 11/15/45 | United States | 100,000 | 117,261 |
| United Parcel Service, Inc., | | | |
| Senior Bond, 3.75%, 11/15/47 | United States | 400,000 | 432,391 |
| Senior Bond, 5.3%, 4/01/50 | United States | 100,000 | 135,836 |
| | | | 1,171,051 |
| Airlines 0.1% | | | |
| ^b Delta Air Lines, Inc. / SkyMiles IP Ltd., Senior Secured Note, 144A, 4.5%, 10/20/25 | United States | 525,000 | 560,716 |
| Banks 1.5% | | | |
| Banco Santander SA, Sub. Note, 2.749%, 12/03/30 | Spain | 200,000 | 190,665 |
| Bancolombia SA, Senior Note, 3%, 1/29/25 | Colombia | 650,000 | 665,259 |
| Bank of America Corp., | | | |
| L, Sub. Bond, 4.183%, 11/25/27 | United States | 960,000 | 1,068,399 |
| Sub. Note, 4.2%, 8/26/24 | United States | 400,000 | 441,394 |
| ^b BNP Paribas SA, | | | |
| Senior Bond, 144A, 3.052% to 1/13/30, FRN thereafter, 1/13/31 | France | 200,000 | 205,175 |
| Senior Note, 144A, 2.219% to 6/09/25, FRN thereafter, 6/09/26 . | France | 200,000 | 205,206 |
| Citigroup, Inc., | | | |
| Senior Bond, 2.572% to 6/03/30, FRN thereafter, 6/03/31 | United States | 700,000 | 700,020 |
| Senior Note, 3.352% to 4/24/24, FRN thereafter, 4/24/25 | United States | 1,500,000 | 1,606,017 |
| Credit Suisse Group Funding Guernsey Ltd., Senior Note, 3.8%, 9/15/22 | Switzerland | 1,200,000 | 1,250,196 |
| HSBC Holdings plc, | | | |
| Senior Bond, 2.357% to 8/18/30, FRN thereafter, 8/18/31 | United Kingdom | 200,000 | 192,636 |
| Senior Note, 1.645% to 8/18/25, FRN thereafter, 4/18/26 | United Kingdom | 525,000 | 525,629 |
| Senior Note, 2.013% to 9/22/27, FRN thereafter, 9/22/28 | United Kingdom | 300,000 | 295,063 |
| JPMorgan Chase & Co., Senior Bond, 3.54% to 5/01/27, FRN thereafter, 5/01/28 | United States | 1,200,000 | 1,307,455 |
| ^b Standard Chartered plc, Senior Note, 144A, 4.05%, 4/12/26 | United Kingdom | 470,000 | 516,381 |
| SVB Financial Group, Senior Note, 3.125%, 6/05/30 | United States | 100,000 | 104,074 |
| Truist Bank, Sub. Note, 2.25%, 3/11/30 | United States | 400,000 | 390,771 |
| Truist Financial Corp., Sub. Note, 3.875%, 3/19/29 | United States | 860,000 | 955,580 |
| US Bancorp, Sub. Note, 3%, 7/30/29 | United States | 300,000 | 314,590 |
| Wells Fargo Bank NA, Senior Note, 2.082% to 9/09/21, FRN thereafter, 9/09/22 | United States | 1,100,000 | 1,108,482 |
| | | | 12,042,992 |

Franklin Allocation VIP Fund (continued)

| | Country | Principal Amount [†] | Value |
|---|----------------|-------------------------------|------------------|
| Corporate Bonds (continued) | | | |
| Beverages 0.2% | | | |
| Anheuser-Busch Cos. LLC / Anheuser-Busch InBev Worldwide, Inc., Senior Bond, 4.9%, 2/01/46 | Belgium | 500,000 | \$598,625 |
| Anheuser-Busch InBev Worldwide, Inc., Senior Bond, 3.5%, 6/01/30 | Belgium | 520,000 | 563,787 |
| Senior Bond, 5.8%, 1/23/59 | Belgium | 250,000 | 339,971 |
| | | | <u>1,502,383</u> |
| Biotechnology 0.4% | | | |
| AbbVie, Inc., Senior Bond, 4.85%, 6/15/44 | United States | 400,000 | 487,700 |
| Senior Bond, 4.25%, 11/21/49 | United States | 370,000 | 419,385 |
| Senior Note, 3.8%, 3/15/25 | United States | 400,000 | 437,319 |
| Senior Note, 3.2%, 11/21/29 | United States | 200,000 | 212,911 |
| Amgen, Inc., Senior Note, 2.2%, 2/21/27 | United States | 100,000 | 102,639 |
| Senior Note, 2.45%, 2/21/30 | United States | 980,000 | 988,317 |
| ^b Biogen, Inc., Senior Bond, 144A, 3.25%, 2/15/51 | United States | 196,000 | 183,718 |
| Gilead Sciences, Inc., Senior Bond, 4.8%, 4/01/44 | United States | 200,000 | 240,968 |
| | | | <u>3,072,957</u> |
| Building Products 0.1% | | | |
| Carrier Global Corp., Senior Bond, 3.577%, 4/05/50 | United States | 430,000 | 423,013 |
| Capital Markets 0.3% | | | |
| Goldman Sachs Group, Inc. (The), Senior Note, 3.5%, 1/23/25 | United States | 625,000 | 674,922 |
| Sub. Note, 4.25%, 10/21/25 | United States | 400,000 | 446,760 |
| Morgan Stanley, Senior Bond, 3.591% to 7/22/27, FRN thereafter, 7/22/28 | United States | 1,060,000 | 1,156,579 |
| | | | <u>2,278,261</u> |
| Chemicals 0.2% | | | |
| Air Products and Chemicals, Inc., Senior Bond, 2.7%, 5/15/40 | United States | 400,000 | 383,167 |
| El du Pont de Nemours and Co., Senior Note, 1.7%, 7/15/25 | United States | 180,000 | 183,109 |
| Sherwin-Williams Co. (The), Senior Bond, 2.3%, 5/15/30 | United States | 400,000 | 394,593 |
| Westlake Chemical Corp., Senior Note, 3.375%, 6/15/30 | United States | 100,000 | 103,558 |
| ^b Yara International ASA, Senior Note, 144A, 3.148%, 6/04/30 | Brazil | 100,000 | 103,126 |
| | | | <u>1,167,553</u> |
| Consumer Finance 0.1% | | | |
| Capital One Financial Corp., Senior Note, 3.75%, 3/09/27 | United States | 1,035,000 | 1,137,067 |
| Containers & Packaging 0.0%[†] | | | |
| WRKCo, Inc., Senior Bond, 3%, 6/15/33 | United States | 235,000 | 238,575 |
| Diversified Financial Services 0.4% | | | |
| ^b CK Hutchison International 19 Ltd., Senior Note, 144A, 3.25%, 4/11/24 | United Kingdom | 635,000 | 680,528 |
| DY9 Leasing LLC, Secured Bond, 2.372%, 3/19/27 | United States | 597,254 | 627,585 |
| ^b EDP Finance BV, Senior Note, 144A, 1.71%, 1/24/28 | Portugal | 700,000 | 675,828 |
| ^b NTT Finance Corp., Senior Bond, 144A, 2.065%, 4/03/31 | Japan | 500,000 | 494,303 |
| Shell International Finance BV, Senior Bond, 4.125%, 5/11/35 | Netherlands | 500,000 | 569,421 |
| | | | <u>3,047,665</u> |

Franklin Allocation VIP Fund (continued)

| | Country | Principal Amount ^a | Value |
|---|---------------|-------------------------------|-------------|
| Corporate Bonds (continued) | | | |
| Diversified Telecommunication Services 0.4% | | | |
| AT&T, Inc., | | | |
| Senior Note, 3.8%, 2/15/27 | United States | 920,000 | \$1,018,452 |
| Senior Note, 2.3%, 6/01/27 | United States | 100,000 | 102,286 |
| Bell Canada, Inc., | | | |
| Senior Bond, 4.464%, 4/01/48 | Canada | 200,000 | 231,665 |
| Senior Bond, 4.3%, 7/29/49 | Canada | 275,000 | 309,355 |
| Orange SA, Senior Bond, 8.75%, 3/01/31 | France | 300,000 | 464,223 |
| Verizon Communications, Inc., Senior Note, 1.45%, 3/20/26 | United States | 700,000 | 700,390 |
| | | | 2,826,371 |
| Electric Utilities 0.7% | | | |
| Commonwealth Edison Co., Senior Bond, 4%, 3/01/48 | United States | 200,000 | 224,188 |
| Duke Energy Corp., Senior Bond, 3.75%, 9/01/46 | United States | 200,000 | 201,623 |
| Duke Energy Florida LLC, Senior Bond, 6.4%, 6/15/38 | United States | 200,000 | 284,614 |
| ^b Enel Finance International NV, | | | |
| Senior Bond, 144A, 3.5%, 4/06/28 | Italy | 300,000 | 321,253 |
| Senior Note, 144A, 4.25%, 9/14/23 | Italy | 1,200,000 | 1,299,596 |
| Exelon Corp., Senior Bond, 4.05%, 4/15/30 | United States | 850,000 | 947,844 |
| Georgia Power Co., Senior Bond, 4.3%, 3/15/42 | United States | 700,000 | 780,959 |
| Southern Co. (The), A, Senior Bond, 3.7%, 4/30/30 | United States | 700,000 | 757,500 |
| ^b State Grid Overseas Investment 2016 Ltd., Senior Note, 144A, 3.5%, 5/04/27 | China | 600,000 | 653,827 |
| ^b Vistra Operations Co. LLC, Senior Secured Note, 144A, 3.55%, 7/15/24 | United States | 235,000 | 246,066 |
| | | | 5,717,470 |
| Electronic Equipment, Instruments & Components 0.1% | | | |
| Flex Ltd., Senior Note, 4.875%, 5/12/30 | United States | 300,000 | 340,298 |
| FLIR Systems, Inc., Senior Note, 2.5%, 8/01/30 | United States | 575,000 | 563,640 |
| | | | 903,938 |
| Energy Equipment & Services 0.2% | | | |
| Baker Hughes a GE Co. LLC / Baker Hughes Co-Obligor, Inc., | | | |
| Senior Bond, 4.08%, 12/15/47 | United States | 485,000 | 517,851 |
| Senior Note, 3.337%, 12/15/27 | United States | 400,000 | 428,548 |
| ^b Schlumberger Holdings Corp., Senior Note, 144A, 3.75%, 5/01/24 | United States | 610,000 | 658,346 |
| | | | 1,604,745 |
| Entertainment 0.0%[†] | | | |
| NBCUniversal Media LLC, Senior Bond, 5.95%, 4/01/41 | United States | 200,000 | 281,727 |
| Equity Real Estate Investment Trusts (REITs) 0.2% | | | |
| Alexandria Real Estate Equities, Inc., Senior Bond, 4.9%, 12/15/30 | United States | 300,000 | 354,793 |
| Essex Portfolio LP, Senior Bond, 2.65%, 3/15/32 | United States | 360,000 | 354,714 |
| Simon Property Group LP, Senior Note, 3.375%, 12/01/27 | United States | 595,000 | 640,468 |
| | | | 1,349,975 |
| Food & Staples Retailing 0.2% | | | |
| Kroger Co. (The), | | | |
| Senior Bond, 4.65%, 1/15/48 | United States | 200,000 | 232,960 |
| Senior Bond, 5.4%, 1/15/49 | United States | 400,000 | 513,202 |

Franklin Allocation VIP Fund (continued)

| | Country | Principal Amount ^a | Value |
|---|---------------|-------------------------------|-----------|
| Corporate Bonds (continued) | | | |
| Food & Staples Retailing (continued) | | | |
| Walmart, Inc., | | | |
| Senior Bond, 3.95%, 6/28/38 | United States | 350,000 | \$405,098 |
| Senior Bond, 2.95%, 9/24/49 | United States | 500,000 | 493,246 |
| | | | 1,644,506 |
| Health Care Equipment & Supplies 0.0%[†] | | | |
| ^e STERIS Irish FinCo UnLtd Co., Senior Note, 2.7%, 3/15/31 | United States | 200,000 | 198,673 |
| Health Care Providers & Services 0.5% | | | |
| Anthem, Inc., | | | |
| Senior Bond, 5.1%, 1/15/44 | United States | 400,000 | 498,276 |
| Senior Note, 4.101%, 3/01/28 | United States | 400,000 | 450,269 |
| Centene Corp., Senior Note, 3%, 10/15/30 | United States | 250,000 | 249,897 |
| Cigna Corp., Senior Note, 3.05%, 10/15/27 | United States | 550,000 | 588,993 |
| CVS Health Corp., | | | |
| Senior Bond, 5.3%, 12/05/43 | United States | 500,000 | 621,451 |
| Senior Bond, 5.125%, 7/20/45 | United States | 200,000 | 245,211 |
| HCA, Inc., | | | |
| Senior Secured Bond, 4.5%, 2/15/27 | United States | 408,000 | 457,954 |
| Senior Secured Note, 4.125%, 6/15/29 | United States | 300,000 | 332,796 |
| Quest Diagnostics, Inc., Senior Bond, 2.8%, 6/30/31 | United States | 600,000 | 610,650 |
| | | | 4,055,497 |
| Hotels, Restaurants & Leisure 0.1% | | | |
| Las Vegas Sands Corp., Senior Bond, 3.9%, 8/08/29 | United States | 650,000 | 668,635 |
| Marriott International, Inc., EE, Senior Note, 5.75%, 5/01/25 | United States | 400,000 | 459,246 |
| | | | 1,127,881 |
| Household Durables 0.0%[†] | | | |
| Mohawk Industries, Inc., Senior Note, 3.625%, 5/15/30 | United States | 290,000 | 311,620 |
| Household Products 0.1% | | | |
| ^b Kimberly-Clark de Mexico SAB de CV, Senior Bond, 144A, 2.431%, 7/01/31 | Mexico | 500,000 | 488,727 |
| Independent Power and Renewable Electricity Producers 0.1% | | | |
| ^b Colbun SA, | | | |
| Senior Note, 144A, 3.95%, 10/11/27 | Chile | 200,000 | 218,492 |
| Senior Note, 144A, 3.15%, 3/06/30 | Chile | 200,000 | 205,583 |
| | | | 424,075 |
| Industrial Conglomerates 0.0%[†] | | | |
| Honeywell International, Inc., Senior Bond, 1.95%, 6/01/30 | United States | 350,000 | 345,878 |
| Insurance 0.8% | | | |
| Aflac, Inc., | | | |
| Senior Bond, 4.75%, 1/15/49 | United States | 700,000 | 869,022 |
| Senior Note, 3.6%, 4/01/30 | United States | 400,000 | 437,791 |

Franklin Allocation VIP Fund (continued)

| | Country | Principal Amount ^a | Value |
|---|----------------|-------------------------------|-----------|
| Corporate Bonds (continued) | | | |
| Insurance (continued) | | | |
| Allstate Corp. (The), Senior Bond, 4.2%, 12/15/46 | United States | 500,000 | \$577,734 |
| Aon Corp., Senior Note, 2.8%, 5/15/30 | United States | 1,000,000 | 1,023,490 |
| Arch Capital Group Ltd., Senior Bond, 3.635%, 6/30/50 | United States | 800,000 | 803,660 |
| Manulife Financial Corp., Sub. Bond, 4.061% to 2/24/27, FRN thereafter, 2/24/32 | Canada | 200,000 | 220,363 |
| Marsh & McLennan Cos., Inc., Senior Bond, 4.9%, 3/15/49 | United States | 250,000 | 319,947 |
| MetLife, Inc., | | | |
| Junior Sub. Bond, 6.4%, 12/15/36 | United States | 250,000 | 314,425 |
| Senior Bond, 5.7%, 6/15/35 | United States | 300,000 | 405,462 |
| ^b Metropolitan Life Global Funding I, Secured Note, 144A, 3.6%, 1/11/24 | United States | 940,000 | 1,014,661 |
| Prudential plc, Senior Note, 3.125%, 4/14/30 | United Kingdom | 425,000 | 448,827 |
| Willis North America, Inc., Senior Note, 2.95%, 9/15/29 | United States | 100,000 | 103,449 |
| | | | 6,538,831 |
| Interactive Media & Services 0.1% | | | |
| ^b Tencent Holdings Ltd., | | | |
| Senior Note, 144A, 3.595%, 1/19/28 | China | 500,000 | 536,564 |
| Senior Note, 144A, 2.39%, 6/03/30 | China | 500,000 | 483,484 |
| | | | 1,020,048 |
| Internet & Direct Marketing Retail 0.3% | | | |
| Alibaba Group Holding Ltd., | | | |
| Senior Bond, 2.125%, 2/09/31 | China | 200,000 | 190,956 |
| Senior Bond, 4%, 12/06/37 | China | 300,000 | 323,594 |
| Senior Bond, 4.2%, 12/06/47 | China | 800,000 | 884,721 |
| Amazon.com, Inc., Senior Bond, 4.05%, 8/22/47 | United States | 500,000 | 586,177 |
| | | | 1,985,448 |
| IT Services 0.1% | | | |
| Fiserv, Inc., | | | |
| Senior Bond, 2.65%, 6/01/30 | United States | 200,000 | 201,663 |
| Senior Note, 3.5%, 7/01/29 | United States | 870,000 | 939,696 |
| | | | 1,141,359 |
| Machinery 0.1% | | | |
| Caterpillar, Inc., | | | |
| Senior Bond, 3.25%, 4/09/50 | United States | 200,000 | 204,744 |
| Senior Note, 2.6%, 4/09/30 | United States | 500,000 | 512,392 |
| | | | 717,136 |
| Media 0.2% | | | |
| Charter Communications Operating LLC / Charter Communications Operating Capital, Senior Secured Bond, 2.8%, 4/01/31 | United States | 350,000 | 345,710 |
| Comcast Corp., | | | |
| Senior Bond, 4.25%, 1/15/33 | United States | 300,000 | 346,876 |
| Senior Bond, 4.049%, 11/01/52 | United States | 550,000 | 623,230 |
| Fox Corp., | | | |
| Senior Bond, 5.476%, 1/25/39 | United States | 100,000 | 124,893 |
| Senior Note, 4.709%, 1/25/29 | United States | 400,000 | 460,874 |
| | | | 1,901,583 |

Franklin Allocation VIP Fund (continued)

| | Country | Principal Amount [†] | Value |
|--|----------------|-------------------------------|-----------------|
| Corporate Bonds (continued) | | | |
| Multiline Retail 0.1% | | | |
| Dollar Tree, Inc., | | | |
| Senior Bond, 4.2%, 5/15/28 | United States | 500,000 | \$561,194 |
| Senior Note, 4%, 5/15/25 | United States | 350,000 | 386,580 |
| | | | <hr/> 947,774 |
| Multi-Utilities 0.3% | | | |
| Berkshire Hathaway Energy Co., Senior Bond, 6.125%, 4/01/36 . . | United States | 200,000 | 270,070 |
| Dominion Energy, Inc., Senior Note, 4.25%, 6/01/28 | United States | 1,050,000 | 1,189,190 |
| Public Service Enterprise Group, Inc., Senior Note, 2.875%, 6/15/24 | United States | 1,000,000 | 1,060,540 |
| | | | <hr/> 2,519,800 |
| Oil, Gas & Consumable Fuels 1.2% | | | |
| ^b Aker BP ASA, Senior Note, 144A, 3.75%, 1/15/30 | Norway | 500,000 | 516,868 |
| BP Capital Markets America, Inc., | | | |
| Senior Note, 3.937%, 9/21/28 | United States | 100,000 | 111,301 |
| Senior Note, 4.234%, 11/06/28 | United States | 400,000 | 454,089 |
| Canadian Natural Resources Ltd., Senior Bond, 3.9%, 2/01/25 . . . | Canada | 860,000 | 928,919 |
| Cheniere Corpus Christi Holdings LLC, Senior Secured Note, | | | |
| 5.125%, 6/30/27 | United States | 200,000 | 228,954 |
| Energy Transfer Operating LP, Senior Bond, 6.05%, 6/01/41 | United States | 500,000 | 572,411 |
| Enterprise Products Operating LLC, | | | |
| Senior Bond, 3.125%, 7/31/29 | United States | 400,000 | 422,578 |
| Senior Bond, 6.125%, 10/15/39 | United States | 700,000 | 917,024 |
| Exxon Mobil Corp., Senior Bond, 2.61%, 10/15/30 | United States | 100,000 | 102,030 |
| Kinder Morgan, Inc., | | | |
| Senior Bond, 5.55%, 6/01/45 | United States | 300,000 | 359,501 |
| Senior Note, 4.3%, 3/01/28 | United States | 400,000 | 447,753 |
| MPLX LP, | | | |
| Senior Bond, 5.5%, 2/15/49 | United States | 325,000 | 382,395 |
| Senior Note, 4.875%, 12/01/24 | United States | 400,000 | 449,105 |
| Senior Note, 4.875%, 6/01/25 | United States | 100,000 | 112,736 |
| Reliance Industries Ltd., Senior Note, 2.06%, 1/15/26 | India | 625,000 | 647,677 |
| ^b Sinopec Group Overseas Development 2018 Ltd., Senior Bond, | | | |
| 144A, 3.35%, 5/13/50 | China | 200,000 | 192,553 |
| Total Capital International SA, Senior Note, 3.455%, 2/19/29 | France | 445,000 | 483,856 |
| TransCanada PipeLines Ltd., Senior Bond, 4.25%, 5/15/28 | Canada | 500,000 | 562,531 |
| Transcontinental Gas Pipe Line Co. LLC, Senior Note, 7.85%, | | | |
| 2/01/26 | United States | 400,000 | 506,749 |
| Valero Energy Corp., Senior Note, 4%, 4/01/29 | United States | 935,000 | 1,008,537 |
| Williams Cos., Inc. (The), Senior Bond, 4.85%, 3/01/48 | United States | 320,000 | 355,819 |
| | | | <hr/> 9,763,386 |
| Paper & Forest Products 0.0%[†] | | | |
| Suzano Austria GmbH, Senior Bond, 3.75%, 1/15/31 | Brazil | 225,000 | 231,882 |
| Pharmaceuticals 0.3% | | | |
| AstraZeneca plc, | | | |
| Senior Bond, 4%, 9/18/42 | United Kingdom | 300,000 | 334,822 |
| Senior Bond, 4.375%, 11/16/45 | United Kingdom | 450,000 | 523,077 |
| GlaxoSmithKline Capital, Inc., Senior Bond, 6.375%, 5/15/38 | United Kingdom | 300,000 | 440,170 |
| ^b Royalty Pharma plc, Senior Note, 144A, 1.75%, 9/02/27 | United States | 100,000 | 97,197 |
| Takeda Pharmaceutical Co. Ltd., | | | |
| Senior Bond, 3.175%, 7/09/50 | Japan | 400,000 | 383,111 |

Franklin Allocation VIP Fund (continued)

| | Country | Principal Amount ^a | Value |
|--|----------------|-------------------------------|-------------------|
| Corporate Bonds (continued) | | | |
| Pharmaceuticals (continued) | | | |
| Takeda Pharmaceutical Co. Ltd., (continued) | | | |
| Senior Note, 5%, 11/26/28 | Japan | 300,000 | \$355,489 |
| | | | 2,133,866 |
| Road & Rail 0.2% | | | |
| ^b Ashtead Capital, Inc., Senior Note, 144A, 4.125%, 8/15/25 | United Kingdom | 375,000 | 385,624 |
| Burlington Northern Santa Fe LLC, Senior Bond, 4.9%, 4/01/44 . . . | United States | 200,000 | 252,038 |
| CSX Corp., | | | |
| Senior Bond, 3.8%, 11/01/46 | United States | 200,000 | 212,311 |
| Senior Bond, 4.75%, 11/15/48 | United States | 525,000 | 632,068 |
| | | | 1,482,041 |
| Software 0.1% | | | |
| Microsoft Corp., Senior Note, 2.65%, 11/03/22 | United States | 1,020,000 | 1,056,385 |
| Specialty Retail 0.1% | | | |
| AutoNation, Inc., Senior Bond, 4.75%, 6/01/30 | United States | 100,000 | 115,434 |
| AutoZone, Inc., | | | |
| Senior Bond, 1.65%, 1/15/31 | United States | 265,000 | 243,024 |
| Senior Note, 3.75%, 4/18/29 | United States | 100,000 | 108,524 |
| | | | 466,982 |
| Thriffs & Mortgage Finance 0.1% | | | |
| ^b BPCE SA, | | | |
| Sub. Bond, 144A, 5.15%, 7/21/24 | France | 800,000 | 896,120 |
| Sub. Note, 144A, 4.875%, 4/01/26 | France | 200,000 | 225,585 |
| | | | 1,121,705 |
| Tobacco 0.3% | | | |
| BAT Capital Corp., Senior Note, 4.906%, 4/02/30 | United Kingdom | 500,000 | 571,513 |
| ^b Imperial Brands Finance plc, | | | |
| Senior Note, 144A, 4.25%, 7/21/25 | United Kingdom | 585,000 | 643,458 |
| Senior Note, 144A, 3.5%, 7/26/26 | United Kingdom | 300,000 | 321,015 |
| Reynolds American, Inc., Senior Bond, 5.85%, 8/15/45 | United Kingdom | 650,000 | 767,748 |
| | | | 2,303,734 |
| Wireless Telecommunication Services 0.1% | | | |
| ^b T-Mobile USA, Inc., | | | |
| Senior Secured Bond, 144A, 3.3%, 2/15/51 | United States | 200,000 | 187,164 |
| Senior Secured Note, 144A, 3.75%, 4/15/27 | United States | 325,000 | 355,602 |
| Vodafone Group plc, Senior Bond, 6.15%, 2/27/37 | United Kingdom | 300,000 | 400,695 |
| | | | 943,461 |
| Total Corporate Bonds (Cost \$83,553,266) | | | 85,686,160 |

Franklin Allocation VIP Fund (continued)

| | Country | Principal Amount ¹ | Value |
|---|----------------------------|-------------------------------|------------------|
| Foreign Government and Agency Securities 0.8% | | | |
| ^b African Export-Import Bank (The), Senior Note, 144A, 3.994%, 9/21/29 | Supranational ^f | 500,000 | \$525,381 |
| Colombia Government Bond, Senior Bond, 5%, 6/15/45 | Colombia | 500,000 | 534,580 |
| ^b Corp. Nacional del Cobre de Chile, Senior Bond, 144A, 4.5%, 8/01/47 | Chile | 200,000 | 226,005 |
| ^b Electricite de France SA, Senior Note, 144A, 4.5%, 9/21/28 | France | 655,000 | 747,150 |
| ^b Export-Import Bank of India, Senior Bond, 144A, 3.25%, 1/15/30 | India | 200,000 | 199,190 |
| ^b Indonesia Government Bond, Senior Bond, 144A, 4.35%, 1/08/27 | Indonesia | 500,000 | 561,607 |
| ^b Kazakhstan Government Bond, Senior Bond, 144A, 5.125%, 7/21/25 | Kazakhstan | 350,000 | 407,050 |
| Mexico Government Bond, Senior Bond, 3.6%, 1/30/25 | Mexico | 200,000 | 218,382 |
| Senior Note, 4.15%, 3/28/27 | Mexico | 500,000 | 555,343 |
| Panama Notas del Tesoro, Senior Note, 3.75%, 4/17/26 | Panama | 450,000 | 483,914 |
| ^b Pertamina Persero PT, Senior Bond, 144A, 4.7%, 7/30/49 | Indonesia | 200,000 | 208,445 |
| Peru Government Bond, Senior Bond, 2.783%, 1/23/31 | Peru | 200,000 | 200,692 |
| Senior Bond, 6.55%, 3/14/37 | Peru | 200,000 | 270,859 |
| Philippines Government Bond, Senior Bond, 3.95%, 1/20/40 | Philippines | 310,000 | 334,060 |
| ^b Romania Government Bond, Senior Bond, 144A, 5.125%, 6/15/48 | Romania | 200,000 | 226,917 |
| ^b Russia Government Bond, Senior Bond, 144A, 5.1%, 3/28/35 | Russia | 400,000 | 461,675 |
| Uruguay Government Bond, Senior Bond, 4.5%, 8/14/24 | Uruguay | 400,000 | 434,010 |
| Senior Bond, 4.375%, 1/23/31 | Uruguay | 150,000 | 174,398 |
| Total Foreign Government and Agency Securities (Cost \$6,666,455) | | | 6,769,658 |
| U.S. Government and Agency Securities 12.2% | | | |
| Federal Agricultural Mortgage Corp., 2.9%, 1/03/22 | United States | 800,000 | 817,189 |
| FFCB, 3.17%, 3/07/28 | United States | 800,000 | 897,300 |
| Tennessee Valley Authority, 5.88%, 4/01/36 | United States | 630,000 | 909,841 |
| U.S. Treasury Bonds, | | | |
| 6%, 2/15/26 | United States | 705,000 | 877,339 |
| ^g 3.625%, 4/15/28 | United States | 109,000 | 237,484 |
| 4.5%, 2/15/36 | United States | 700,000 | 926,352 |
| 3.5%, 2/15/39 | United States | 190,000 | 227,889 |
| 1.125%, 8/15/40 | United States | 707,000 | 575,156 |
| 1.375%, 11/15/40 | United States | 750,000 | 638,203 |
| 2.875%, 5/15/43 | United States | 490,000 | 536,244 |
| 3.375%, 5/15/44 | United States | 15,000 | 17,764 |
| 3.125%, 8/15/44 | United States | 725,000 | 825,339 |
| 2.5%, 2/15/46 | United States | 620,000 | 632,182 |
| 2.5%, 5/15/46 | United States | 4,283,000 | 4,366,485 |
| 2.25%, 8/15/46 | United States | 5,575,000 | 5,412,759 |
| 3.375%, 11/15/48 | United States | 990,000 | 1,189,411 |
| 3%, 2/15/49 | United States | 1,480,000 | 1,663,295 |
| 1.25%, 5/15/50 | United States | 737,000 | 556,406 |
| 1.375%, 8/15/50 | United States | 135,000 | 105,384 |
| U.S. Treasury Notes, | | | |
| 1.75%, 4/30/22 | United States | 1,520,000 | 1,547,360 |
| 1.75%, 5/15/22 | United States | 1,670,000 | 1,700,921 |
| 1.875%, 5/31/22 | United States | 1,465,000 | 1,495,530 |
| 1.5%, 3/31/23 | United States | 150,000 | 154,017 |
| 2.75%, 11/15/23 | United States | 1,320,000 | 1,406,084 |
| 2.125%, 11/30/23 | United States | 1,120,000 | 1,175,453 |
| 2.125%, 3/31/24 | United States | 24,100,000 | 25,374,193 |
| 2%, 4/30/24 | United States | 1,345,000 | 1,411,961 |
| 2.25%, 4/30/24 | United States | 125,000 | 132,180 |

Franklin Allocation VIP Fund (continued)

| | Country | Principal Amount ^a | Value |
|---|---------------|-------------------------------|-------------------|
| U.S. Government and Agency Securities (continued) | | | |
| U.S. Treasury Notes, (continued) | | | |
| 2.5%, 5/15/24 | United States | 150,000 | \$159,911 |
| 2%, 5/31/24 | United States | 1,705,000 | 1,790,816 |
| 1.75%, 6/30/24 | United States | 1,700,000 | 1,772,881 |
| 2%, 6/30/24 | United States | 1,365,000 | 1,434,450 |
| ⁹ 0.125%, 7/15/24 | United States | 800,000 | 953,778 |
| 1.75%, 7/31/24 | United States | 1,345,000 | 1,403,240 |
| 2.375%, 8/15/24 | United States | 1,640,000 | 1,745,863 |
| 1.25%, 8/31/24 | United States | 700,000 | 718,334 |
| 1.5%, 10/31/24 | United States | 4,650,000 | 4,810,116 |
| 1.5%, 11/30/24 | United States | 320,000 | 330,944 |
| ⁹ 0.125%, 4/15/25 | United States | 750,000 | 822,520 |
| 0.25%, 6/30/25 | United States | 600,000 | 587,977 |
| 0.25%, 9/30/25 | United States | 2,340,000 | 2,282,825 |
| 0.375%, 11/30/25 | United States | 5,143,000 | 5,031,501 |
| 0.375%, 1/31/26 | United States | 5,070,000 | 4,944,834 |
| 0.5%, 2/28/26 | United States | 611,400 | 599,506 |
| 2.375%, 5/15/27 | United States | 1,280,000 | 1,368,375 |
| 0.5%, 6/30/27 | United States | 1,045,000 | 997,506 |
| 2.25%, 8/15/27 | United States | 2,038,800 | 2,161,407 |
| 2.25%, 11/15/27 | United States | 5,815,000 | 6,156,972 |
| 1.625%, 8/15/29 | United States | 235,000 | 235,895 |
| 0.625%, 8/15/30 | United States | 900,000 | 815,766 |
| 0.875%, 11/15/30 | United States | 750,000 | 693,750 |
| United States International Development Finance Corp., 2.12%, 3/20/24 | United States | 400,000 | 411,624 |
| Total U.S. Government and Agency Securities (Cost \$101,169,082) | | | 98,040,512 |
| Asset-Backed Securities 0.4% | | | |
| Airlines 0.1% | | | |
| American Airlines Pass-Through Trust, 2016-3, A, 3.25%, 10/15/28 | United States | 451,868 | 436,057 |
| United Airlines Pass-Through Trust, 2016-1, A, 3.45%, 7/07/28 | United States | 81,532 | 81,888 |
| 2019-2, A, 2.9%, 5/01/28 | United States | 196,257 | 188,820 |
| 2020-1, B, 4.875%, 7/15/27 | United States | 300,000 | 311,813 |
| | | | 1,018,578 |
| Banks 0.1% | | | |
| Capital One Multi-Asset Execution Trust, 2017-A6, A6, 2.29%, 7/15/25 | United States | 600,000 | 617,958 |
| Consumer Finance 0.1% | | | |
| American Express Credit Account Master Trust, 2019-1, A, 2.87%, 10/15/24 | United States | 600,000 | 615,986 |
| Discover Card Execution Note Trust, 2019-A1, A1, 3.04%, 7/15/24 | United States | 500,000 | 511,045 |
| | | | 1,127,031 |
| Diversified Financial Services 0.1% | | | |
| BA Credit Card Trust, 2018-A3, A3, 3.1%, 12/15/23 | United States | 500,000 | 504,134 |
| ^b CF Hippolyta LLC, 2020-1, A1, 144A, 1.69%, 7/15/60 | United States | 152,701 | 154,040 |
| 2021-1A, A1, 144A, 1.53%, 3/15/61 | United States | 108,000 | 107,753 |
| | | | 765,927 |
| Total Asset-Backed Securities (Cost \$3,523,825) | | | 3,529,494 |

Franklin Allocation VIP Fund (continued)

| | Country | Principal Amount ¹ | Value |
|--|---------------|-------------------------------|-------------------------|
| Mortgage-Backed Securities 9.8% | | | |
| Federal Home Loan Mortgage Corp. (FHLMC) Fixed Rate 2.5% | | | |
| FHLMC Gold Pools, 30 Year, 4.5%, 1/01/49 | United States | 2,248,497 | \$2,515,773 |
| FHLMC Pool, 15 Year, 2%, 10/01/35 | United States | 385,566 | 397,411 |
| FHLMC Pool, 15 Year, 3%, 8/01/34 | United States | 94,670 | 99,956 |
| FHLMC Pool, 30 Year, 2%, 11/01/50 | United States | 379,801 | 379,823 |
| FHLMC Pool, 30 Year, 2.5%, 8/01/50 - 10/01/50 | United States | 2,367,239 | 2,434,621 |
| FHLMC Pool, 30 Year, 3%, 3/01/50 | United States | 4,766,293 | 5,014,677 |
| FHLMC Pool, 30 Year, 3.5%, 2/01/47 | United States | 3,036,949 | 3,263,701 |
| FHLMC Pool, 30 Year, 3.5%, 4/01/50 | United States | 2,139,003 | 2,306,887 |
| FHLMC Pool, 30 Year, 4%, 5/01/47 - 9/01/49 | United States | 1,521,052 | 1,660,384 |
| FHLMC Pool, 30 Year, 4.5%, 10/01/48 - 1/01/49 | United States | 1,940,562 | 2,162,832 |
| | | | <hr/> 20,236,065 |
| Federal National Mortgage Association (FNMA) Fixed Rate 3.2% | | | |
| FNMA, 15 Year, 2%, 9/01/35 | United States | 2,727,013 | 2,811,811 |
| FNMA, 15 Year, 2%, 10/01/35 - 12/01/35 | United States | 2,326,940 | 2,390,831 |
| FNMA, 15 Year, 2.5%, 10/01/35 | United States | 1,565,406 | 1,629,934 |
| FNMA, 30 Year, 2%, 10/01/50 - 2/01/51 | United States | 1,379,195 | 1,377,984 |
| FNMA, 30 Year, 2.5%, 8/01/50 - 10/01/50 | United States | 4,691,607 | 4,830,335 |
| FNMA, 30 Year, 3%, 8/01/50 | United States | 2,782,196 | 2,901,036 |
| FNMA, 30 Year, 3%, 4/01/51 | United States | 2,873,004 | 3,014,182 |
| FNMA, 30 Year, 3%, 8/01/50 - 9/01/50 | United States | 807,728 | 854,232 |
| FNMA, 30 Year, 3.5%, 11/01/46 - 11/01/50 | United States | 1,576,576 | 1,700,521 |
| FNMA, 30 Year, 4%, 8/01/49 - 1/01/50 | United States | 1,981,633 | 2,166,020 |
| FNMA, 30 Year, 4.5%, 2/01/50 | United States | 1,482,903 | 1,640,025 |
| | | | <hr/> 25,316,911 |
| Government National Mortgage Association (GNMA) Fixed Rate 4.1% | | | |
| GNMA II, Single-family, 30 Year, 2%, 11/20/50 | United States | 6,138,537 | 6,205,196 |
| GNMA II, Single-family, 30 Year, 2%, 10/20/50 | United States | 392,637 | 396,703 |
| GNMA II, Single-family, 30 Year, 2.5%, 11/20/50 | United States | 6,119,158 | 6,320,584 |
| GNMA II, Single-family, 30 Year, 2.5%, 3/20/51 | United States | 3,378,000 | 3,490,192 |
| GNMA II, Single-family, 30 Year, 2.5%, 8/20/50 - 10/20/50 | United States | 3,144,905 | 3,248,026 |
| GNMA II, Single-family, 30 Year, 3%, 2/20/51 | United States | 2,366,196 | 2,493,384 |
| GNMA II, Single-family, 30 Year, 3%, 9/20/47 - 3/20/51 | United States | 5,220,569 | 5,473,809 |
| GNMA II, Single-family, 30 Year, 3.5%, 9/20/47 | United States | 3,399,700 | 3,613,881 |
| GNMA II, Single-family, 30 Year, 3.5%, 5/20/47 | United States | 1,773,729 | 1,892,923 |
| | | | <hr/> 33,134,698 |
| Total Mortgage-Backed Securities (Cost \$79,548,087) | | | <hr/> 78,687,674 |
| Municipal Bonds 0.6% | | | |
| Arizona 0.1% | | | |
| Maricopa County Union High School District No. 210-Phoenix, GO, 2020 C, 5%, 7/01/31 | United States | 200,000 | 257,480 |
| California 0.1% | | | |
| California Health Facilities Financing Authority, State of California Personal Income Tax, Revenue, Senior Lien, 2019, 2.934%, 6/01/32 | United States | 65,000 | 67,532 |
| State of California Personal Income Tax, Revenue, Senior Lien, 2019, 2.984%, 6/01/33 | United States | 55,000 | 56,962 |
| State of California Personal Income Tax, Revenue, Senior Lien, 2019, 3.034%, 6/01/34 | United States | 40,000 | 40,864 |
| Foothill-Eastern Transportation Corridor Agency, Revenue, 2019A, Refunding, 4.094%, 1/15/49 | United States | 35,000 | 36,493 |
| Gilroy Unified School District, GO, 2019, Refunding, 3.364%, 8/01/47 | United States | 140,000 | 140,939 |

Franklin Allocation VIP Fund (continued)

| | Country | Principal Amount [†] | Value |
|--|---------------|-------------------------------|--------------------|
| Municipal Bonds (continued) | | | |
| California (continued) | | | |
| California Health Facilities Financing Authority, (continued) | | | |
| State of California, GO, 2.5%, 10/01/29 | United States | 500,000 | \$522,496 |
| | | | 865,286 |
| Colorado 0.0%[†] | | | |
| Metro Wastewater Reclamation District, Revenue, 2019 B, Refunding, 3.158%, 4/01/41 | United States | 220,000 | 224,747 |
| Florida 0.1% | | | |
| County of Broward, Airport System, Revenue, 2019C, Refunding, 3.477%, 10/01/43 | United States | 70,000 | 72,050 |
| County of Sarasota, Revenue, 2020, 5%, 10/01/34 | United States | 500,000 | 649,731 |
| | | | 721,781 |
| Illinois 0.0%[†] | | | |
| State of Illinois, GO, 2003, 5.1%, 6/01/33 | United States | 125,000 | 140,831 |
| Massachusetts 0.0%[†] | | | |
| Massachusetts State College Building Authority, Revenue, 2019 C, Refunding, 3.373%, 5/01/43 | United States | 230,000 | 232,404 |
| Missouri 0.0%[†] | | | |
| Metropolitan St. Louis Sewer District, Revenue, 2019 C, Refunding, 3.259%, 5/01/45 | United States | 150,000 | 153,157 |
| New Jersey 0.0%[†] | | | |
| State of New Jersey, GO, 2020 A, 3%, 6/01/32 | United States | 110,000 | 122,576 |
| New York 0.0%[†] | | | |
| Metropolitan Transportation Authority, Revenue, 2020 E, Refunding, 4%, 11/15/45 | United States | 95,000 | 106,073 |
| Ohio 0.0%[†] | | | |
| Greenville City School District, GO, 2019, Refunding, 3.541%, 1/01/51 | United States | 160,000 | 160,050 |
| Pennsylvania 0.1% | | | |
| University of Pittsburgh-of the Commonwealth System of Higher Education, Revenue, 2017 C, Refunding, 3.005%, 9/15/41 | United States | 250,000 | 246,842 |
| Texas 0.2% | | | |
| City of Austin, Electric Utility, Revenue, 2008, Refunding, AGMC Insured, 6.262%, 11/15/32 | United States | 355,000 | 440,382 |
| Grand Parkway Transportation Corp., Revenue, 2020B, Refunding, 3.236%, 10/01/52 | United States | 255,000 | 256,579 |
| State of Texas, GO, 2019, Refunding, 3.211%, 4/01/44 | United States | 765,000 | 799,079 |
| | | | 1,496,040 |
| Total Municipal Bonds (Cost \$4,644,481) | | | 4,727,267 |
| Total Long Term Investments (Cost \$657,001,361) | | | 771,485,171 |

Franklin Allocation VIP Fund (continued)

Short Term Investments 2.7%

| | Country | Shares | Value |
|--|---------------|------------|----------------------|
| Money Market Funds 2.7% | | | |
| ^{c,h} Institutional Fiduciary Trust - Money Market Portfolio, 0.01% | United States | 21,558,531 | \$21,558,531 |
| Total Money Market Funds (Cost \$21,558,531) | | | 21,558,531 |
| Total Short Term Investments (Cost \$21,558,531) | | | 21,558,531 |
| Total Investments (Cost \$678,559,892) 98.7% | | | \$793,043,702 |
| Other Assets, less Liabilities 1.3% | | | 10,237,594 |
| Net Assets 100.0% | | | \$803,281,296 |

ⁱThe principal amount is stated in U.S. dollars unless otherwise indicated.

^fRounds to less than 0.1% of net assets.

^aNon-income producing.

^bSecurity 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 March 31, 2021, the aggregate value of these securities was \$25,528,667, representing 3.2% of net assets.

^cSee Note 9 regarding investments in affiliated management investment companies.

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

^eA portion or all of the security purchased on a delayed delivery basis.

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

^gPrincipal amount of security is adjusted for inflation.

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

At March 31, 2021, the Fund had the following futures contracts outstanding. See Note 3.

Futures Contracts

| Description | Type | Number of Contracts | Notional Amount* | Expiration Date | Value/ Unrealized Appreciation (Depreciation) |
|---|-------|---------------------|------------------|-----------------|---|
| Equity contracts | | | | | |
| S&P 500 E-Mini Index | Long | 204 | \$40,467,480 | 6/18/21 | \$81,872 |
| Interest rate contracts | | | | | |
| U.S. Treasury 10 Year Notes | Short | 242 | 31,686,875 | 6/21/21 | 704,234 |
| U.S. Treasury 10 Year Notes | Long | 42 | 5,499,375 | 6/21/21 | (67,818) |
| U.S. Treasury 10 Year Ultra Notes | Short | 9 | 1,293,188 | 6/21/21 | 44,183 |
| U.S. Treasury 5 Year Notes | Long | 11 | 1,357,383 | 6/30/21 | (16,238) |
| Total Futures Contracts | | | | | \$746,233 |

*As of period end.

See Abbreviations on page 169.

Statement of Investments (unaudited), March 31, 2021

Franklin Flex Cap Growth VIP Fund

| | Country | Shares | Value |
|--|---------------|--------|-------------|
| Common Stocks 100.1% | | | |
| Automobiles 2.3% | | | |
| ^a Tesla, Inc. | United States | 5,446 | \$3,637,547 |
| Biotechnology 0.2% | | | |
| ^a Applied Molecular Transport, Inc. | United States | 5,900 | 259,659 |
| ^a Olink Holding AB, ADR | Sweden | 500 | 18,000 |
| | | | 277,659 |
| Capital Markets 3.6% | | | |
| Intercontinental Exchange, Inc. | United States | 12,679 | 1,415,991 |
| MSCI, Inc. | United States | 5,901 | 2,474,171 |
| Tradeweb Markets, Inc., A. | United States | 22,178 | 1,641,172 |
| | | | 5,531,334 |
| Electric Utilities 2.2% | | | |
| NextEra Energy, Inc. | United States | 44,440 | 3,360,108 |
| Electronic Equipment, Instruments & Components 1.0% | | | |
| ^a Keysight Technologies, Inc. | United States | 10,326 | 1,480,748 |
| ^a Vontier Corp. | United States | 3,892 | 117,811 |
| | | | 1,598,559 |
| Entertainment 5.1% | | | |
| ^a Netflix, Inc. | United States | 4,693 | 2,448,150 |
| ^a ROBLOX Corp., A. | United States | 6,800 | 440,844 |
| ^a Sea Ltd., ADR. | Taiwan | 22,650 | 5,056,160 |
| | | | 7,945,154 |
| Equity Real Estate Investment Trusts (REITs) 2.5% | | | |
| Crown Castle International Corp. | United States | 15,536 | 2,674,211 |
| Equinix, Inc. | United States | 1,830 | 1,243,650 |
| | | | 3,917,861 |
| Food & Staples Retailing 3.1% | | | |
| Costco Wholesale Corp. | United States | 13,546 | 4,774,695 |
| Health Care Equipment & Supplies 9.7% | | | |
| Abbott Laboratories. | United States | 27,566 | 3,303,510 |
| Danaher Corp. | United States | 19,354 | 4,356,198 |
| ^a IDEXX Laboratories, Inc. | United States | 8,293 | 4,057,848 |
| ^a Intuitive Surgical, Inc. | United States | 4,426 | 3,270,548 |
| ^a Outset Medical, Inc. | United States | 1,000 | 54,390 |
| | | | 15,042,494 |
| Health Care Providers & Services 0.0%[†] | | | |
| ^a Accolade, Inc. | United States | 600 | 27,222 |
| Health Care Technology 2.1% | | | |
| ^a Certara, Inc. | United States | 2,100 | 57,330 |
| ^a Veeva Systems, Inc., A | United States | 12,433 | 3,247,997 |
| | | | 3,305,327 |
| Hotels, Restaurants & Leisure 0.1% | | | |
| ^a Airbnb, Inc., A. | United States | 800 | 150,352 |
| Industrial Conglomerates 0.9% | | | |
| Roper Technologies, Inc. | United States | 3,325 | 1,341,106 |
| Interactive Media & Services 10.3% | | | |
| ^a Alphabet, Inc., C | United States | 5,246 | 10,852,033 |
| ^a Bumble, Inc., A | United States | 1,700 | 106,046 |
| ^a Facebook, Inc., A | United States | 16,685 | 4,914,233 |

Franklin Flex Cap Growth VIP Fund (continued)

| | Country | Shares | Value |
|---|---------------|--------|------------|
| Common Stocks (continued) | | | |
| Interactive Media & Services (continued) | | | |
| ^{a,b} Kuaishou Technology, 144A, Reg S | China | 1,200 | \$41,677 |
| ^a ZoomInfo Technologies, Inc., A | United States | 3,800 | 185,820 |
| | | | 16,099,809 |
| Internet & Direct Marketing Retail 9.9% | | | |
| ^a Alibaba Group Holding Ltd., ADR | China | 8,731 | 1,979,579 |
| ^a Amazon.com, Inc. | United States | 3,302 | 10,216,652 |
| ^a Booking Holdings, Inc. | United States | 221 | 514,895 |
| ^a Coupang, Inc. | South Korea | 9,242 | 456,093 |
| ^a DoorDash, Inc., A | United States | 300 | 39,339 |
| ^a MercadoLibre, Inc. | Argentina | 1,505 | 2,215,571 |
| ^{a,c} Ozon Holdings plc, ADR | Russia | 600 | 33,642 |
| | | | 15,455,771 |
| IT Services 9.5% | | | |
| ^a Affirm Holdings, Inc. | United States | 200 | 14,144 |
| Mastercard, Inc., A | United States | 16,572 | 5,900,461 |
| ^a PayPal Holdings, Inc. | United States | 17,063 | 4,143,579 |
| ^a Snowflake, Inc., A | United States | 1,800 | 412,704 |
| Visa, Inc., A | United States | 20,224 | 4,282,027 |
| | | | 14,752,915 |
| Life Sciences Tools & Services 1.0% | | | |
| ^a 10X Genomics, Inc., A | United States | 369 | 66,789 |
| ^a Berkeley Lights, Inc. | United States | 600 | 30,138 |
| ^a Illumina, Inc. | United States | 3,403 | 1,306,956 |
| ^a Maravai LifeSciences Holdings, Inc., A | United States | 4,100 | 146,124 |
| ^a Seer, Inc. | United States | 400 | 20,008 |
| | | | 1,570,015 |
| Machinery 0.4% | | | |
| Fortive Corp. | United States | 9,730 | 687,327 |
| Media 1.7% | | | |
| ^a Charter Communications, Inc., A | United States | 4,421 | 2,727,845 |
| Personal Products 3.4% | | | |
| Estee Lauder Cos., Inc. (The), A | United States | 18,062 | 5,253,333 |
| Professional Services 1.1% | | | |
| ^a CoStar Group, Inc. | United States | 1,746 | 1,435,020 |
| ^a Dun & Bradstreet Holdings, Inc. | United States | 8,900 | 211,909 |
| | | | 1,646,929 |
| Semiconductors & Semiconductor Equipment 5.3% | | | |
| Analog Devices, Inc. | United States | 11,440 | 1,774,115 |
| ASML Holding NV, NYRS | Netherlands | 3,880 | 2,395,357 |
| NVIDIA Corp. | United States | 7,606 | 4,061,072 |
| | | | 8,230,544 |
| Software 23.2% | | | |
| ^a ACV Auctions, Inc., A | United States | 900 | 31,149 |
| ^a Adobe, Inc. | United States | 7,606 | 3,615,664 |
| ^a Atlassian Corp. plc, A | United States | 8,542 | 1,800,312 |
| Bentley Systems, Inc., B | United States | 1,400 | 65,702 |
| ^a Coupa Software, Inc. | United States | 2,753 | 700,583 |
| Microsoft Corp. | United States | 55,590 | 13,106,454 |
| ^a salesforce.com, Inc. | United States | 30,587 | 6,480,468 |
| ^a ServiceNow, Inc. | United States | 20,489 | 10,246,754 |

Franklin Flex Cap Growth VIP Fund (continued)

| | Country | Shares | Value |
|--|---------------|--------|----------------------|
| Common Stocks (continued) | | | |
| Software (continued) | | | |
| ^a Tuya, Inc., ADR. | China | 300 | \$6,342 |
| | | | 36,053,428 |
| Textiles, Apparel & Luxury Goods 1.5% | | | |
| NIKE, Inc., B. | United States | 17,213 | 2,287,436 |
| Total Common Stocks (Cost \$58,687,228) | | | 155,674,770 |
| Short Term Investments 0.0% | | | |
| | Country | Shares | Value |
| Money Market Funds 0.0%[†] | | | |
| ^{d,e} Institutional Fiduciary Trust - Money Market Portfolio, 0.01% | United States | 11 | 11 |
| Total Money Market Funds (Cost \$11) | | | 11 |
| Investments from Cash Collateral Received for Loaned Securities 0.0%[†] | | | |
| Money Market Funds 0.0%[†] | | | |
| ^{d,e} Institutional Fiduciary Trust - Money Market Portfolio, 0.01% | United States | 27,000 | 27,000 |
| Total Investments from Cash Collateral Received for Loaned Securities (Cost \$27,000) | | | 27,000 |
| Total Short Term Investments (Cost \$27,011) | | | 27,011 |
| Total Investments (Cost \$58,714,239) 100.1% | | | \$155,701,781 |
| Other Assets, less Liabilities (0.1%) | | | (255,888) |
| Net Assets 100.0% | | | \$155,445,893 |

See Abbreviations on page 169.

[†] Rounds to less than 0.1% of net assets.

^a Non-income producing.

^b Security was purchased pursuant to Rule 144A or Regulation S under the Securities Act of 1933. 144A securities may be sold in transactions exempt from registration only to qualified institutional buyers or in a public offering registered under the Securities Act of 1933. Regulation S securities cannot be sold in the United States without either an effective registration statement filed pursuant to the Securities Act of 1933, or pursuant to an exemption from registration. At March 31, 2021, the value of this security was \$41,677, representing less than 0.1% of net assets.

^c A portion or all of the security is on loan at March 31, 2021.

^d See Note 9 regarding investments in affiliated management investment companies.

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

Statement of Investments (unaudited), March 31, 2021

Franklin Global Real Estate VIP Fund

| | Country | Shares | Value |
|--|----------------|---------|-----------|
| Common Stocks 98.5% | | | |
| Diversified Telecommunication Services 0.6% | | | |
| ^a Cellnex Telecom SA, 144A, Reg S. | Spain | 14,270 | \$822,570 |
| Equity Real Estate Investment Trusts (REITs) 78.1% | | | |
| Alexandria Real Estate Equities, Inc. | United States | 21,191 | 3,481,681 |
| American Homes 4 Rent, A. | United States | 87,182 | 2,906,648 |
| Americold Realty Trust. | United States | 44,424 | 1,708,991 |
| AvalonBay Communities, Inc. | United States | 20,234 | 3,733,375 |
| Boston Properties, Inc. | United States | 11,084 | 1,122,366 |
| Broadstone Net Lease, Inc. | United States | 51,791 | 947,775 |
| Camden Property Trust. | United States | 28,059 | 3,083,965 |
| Canadian Apartment Properties REIT. | Canada | 58,793 | 2,519,566 |
| Capital & Counties Properties plc. | United Kingdom | 148,803 | 350,121 |
| CapitaLand Integrated Commercial Trust. | Singapore | 831,685 | 1,345,798 |
| City Office REIT, Inc. | United States | 16,500 | 175,230 |
| Cousins Properties, Inc. | United States | 65,377 | 2,311,077 |
| Derwent London plc. | United Kingdom | 33,629 | 1,496,247 |
| Dexus. | Australia | 239,973 | 1,784,358 |
| Douglas Emmett, Inc. | United States | 13,170 | 413,538 |
| Equinix, Inc. | United States | 3,116 | 2,117,602 |
| Equity LifeStyle Properties, Inc. | United States | 39,574 | 2,518,489 |
| Extra Space Storage, Inc. | United States | 26,098 | 3,459,290 |
| Gecina SA. | France | 13,070 | 1,798,948 |
| GLP J-Reit. | Japan | 940 | 1,544,619 |
| Goodman Group. | Australia | 197,454 | 2,726,513 |
| GPT Group (The). | Australia | 285,136 | 1,000,254 |
| Healthcare Realty Trust, Inc. | United States | 42,682 | 1,294,118 |
| Healthpeak Properties, Inc. | United States | 109,978 | 3,490,702 |
| ^b Host Hotels & Resorts, Inc. | United States | 101,656 | 1,712,904 |
| Hudson Pacific Properties, Inc. | United States | 24,276 | 658,608 |
| Hulic Reit, Inc. | Japan | 745 | 1,168,627 |
| Ichigo Office REIT Investment Corp. | Japan | 941 | 808,042 |
| Inmobiliaria Colonial Socimi SA. | Spain | 126,760 | 1,227,588 |
| Japan Hotel REIT Investment Corp. | Japan | 1,177 | 665,384 |
| Kenedix Office Investment Corp. | Japan | 228 | 1,623,520 |
| Kilroy Realty Corp. | United States | 25,422 | 1,668,446 |
| Life Storage, Inc. | United States | 10,147 | 872,135 |
| Link REIT. | Hong Kong | 130,675 | 1,192,253 |
| Mapletree Logistics Trust. | Singapore | 986,661 | 1,418,777 |
| MGM Growth Properties LLC, A. | United States | 45,081 | 1,470,542 |
| NTT UD REIT Investment Corp. | Japan | 841 | 1,202,841 |
| Orix JREIT, Inc. | Japan | 739 | 1,287,111 |
| Prologis, Inc. | United States | 83,080 | 8,806,480 |
| QTS Realty Trust, Inc., A. | United States | 28,350 | 1,758,834 |
| Realty Income Corp. | United States | 52,771 | 3,350,958 |
| Regency Centers Corp. | United States | 48,669 | 2,760,019 |
| Rexford Industrial Realty, Inc. | United States | 52,301 | 2,635,970 |
| RPT Realty. | United States | 51,150 | 583,622 |
| ^b Ryman Hospitality Properties, Inc. | United States | 7,735 | 599,540 |
| SBA Communications Corp. | United States | 4,782 | 1,327,244 |
| Segro plc. | United Kingdom | 263,311 | 3,402,306 |
| Simon Property Group, Inc. | United States | 19,009 | 2,162,654 |
| ^c SmartCentres Real Estate Investment Trust. | Canada | 53,439 | 1,141,659 |
| Spirit Realty Capital, Inc. | United States | 54,648 | 2,322,540 |
| ^b Summit Hotel Properties, Inc. | United States | 50,685 | 514,960 |
| Terreno Realty Corp. | United States | 25,486 | 1,472,326 |
| UDR, Inc. | United States | 72,526 | 3,180,990 |
| ^b UNITE Group plc (The). | United Kingdom | 134,844 | 1,982,817 |
| VEREIT, Inc. | United States | 43,311 | 1,672,671 |

Franklin Global Real Estate VIP Fund (continued)

| | Country | Shares | Value |
|---|----------------|---------|--------------------|
| Common Stocks (continued) | | | |
| Equity Real Estate Investment Trusts (REITs) (continued) | | | |
| Welltower, Inc. | United States | 43,758 | \$3,134,386 |
| | | | 107,118,025 |
| Real Estate Management & Development 19.8% | | | |
| Aroundtown SA. | Germany | 206,959 | 1,473,807 |
| CapitaLand Ltd. | Singapore | 665,724 | 1,865,372 |
| ^{a,b} CTP BV, 144A, Reg S. | Netherlands | 10,800 | 191,228 |
| Deutsche Wohnen SE. | Germany | 52,975 | 2,470,991 |
| Fabege AB. | Sweden | 83,450 | 1,125,514 |
| ^b Fastighets AB Balder, B. | Sweden | 26,914 | 1,332,350 |
| Grainger plc. | United Kingdom | 313,329 | 1,152,050 |
| Hang Lung Properties Ltd.. | Hong Kong | 364,000 | 950,135 |
| Mitsubishi Estate Co. Ltd. | Japan | 169,806 | 2,973,556 |
| Mitsui Fudosan Co. Ltd. | Japan | 138,227 | 3,150,952 |
| New World Development Co. Ltd. | Hong Kong | 282,384 | 1,466,904 |
| Nomura Real Estate Holdings, Inc. | Japan | 46,529 | 1,124,695 |
| Shurgard Self Storage SA. | Belgium | 16,119 | 734,309 |
| Sun Hung Kai Properties Ltd. | Hong Kong | 173,983 | 2,634,441 |
| Vonovia SE. | Germany | 69,489 | 4,540,668 |
| | | | 27,186,972 |
| Total Common Stocks (Cost \$92,299,921) | | | 135,127,567 |

Short Term Investments 1.2%

| | Principal Amount ^c | Value |
|--|-------------------------------|----------------|
| Repurchase Agreements 0.4% | | |
| ^d Joint Repurchase Agreement, 0.004%, 4/01/21 (Maturity Value \$579,732) | | |
| BNP Paribas Securities Corp. (Maturity Value \$338,030) | | |
| Deutsche Bank Securities, Inc. (Maturity Value \$81,133) | | |
| HSBC Securities (USA), Inc. (Maturity Value \$160,569) | | |
| Collateralized by U.S. Government Agency Securities, 2.25% - 5%, 9/20/42 - 3/15/56; U.S. Treasury Bonds, 6.25% - 8.13%, 5/15/21 - 2/15/25; and U.S. Treasury Note, 1.63%, 11/15/22 (valued at \$591,604) | | |
| | 579,732 | 579,732 |
| Total Repurchase Agreements (Cost \$579,732) | | 579,732 |

Investments from Cash Collateral Received for Loaned Securities 0.8%

Money Market Funds 0.6%

| | Country | Shares | |
|--|---------------|---------|---------|
| ^{e,f} Institutional Fiduciary Trust - Money Market Portfolio, 0.01% | United States | 810,000 | 810,000 |

Franklin Global Real Estate VIP Fund (continued)

Short Term Investments (continued)

| | Principal Amount [*] | Value |
|---|----------------------------------|----------------------|
| Repurchase Agreements 0.2% | | |
| ^d Joint Repurchase Agreement, BNP Paribas SA, 0%, 4/01/21 (Maturity Value \$202,501) | | |
| Collateralized by U.S. Government Bond, 6%, 2/15/26; U.S. Government Bonds, Strips, 11/15/22 - 11/15/25; U.S. Treasury Notes, 0.125% - 1.875%, 2/28/22 - 2/28/23; and U.S. Treasury Bill, Discount Note, 7/20/21 (valued at \$206,551) | 202,501 | \$202,501 |
| Total Investments from Cash Collateral Received for Loaned Securities (Cost \$1,012,501) | | 1,012,501 |
| Total Short Term Investments (Cost \$1,592,233) | | 1,592,233 |
| Total Investments (Cost \$93,892,154) 99.7% | | \$136,719,800 |
| Other Assets, less Liabilities 0.3% | | 451,258 |
| Net Assets 100.0% | | \$137,171,058 |

See Abbreviations on page 169

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

^aSecurity 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 March 31, 2021, the aggregate value of these securities was \$1,013,798, representing 0.7% of net assets.

^bNon-income producing.

^cA portion or all of the security is on loan at March 31, 2021.

^dInvestment is through participation in a joint account with other funds managed by the investment manager or an affiliate of the investment manager. At March 31, 2021, all repurchase agreements had been entered into on that date.

^eSee Note 9 regarding investments in affiliated management investment companies.

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

Statement of Investments (unaudited), March 31, 2021

Franklin Growth and Income VIP Fund

| | Country | Shares | Value |
|--|----------------|--------|-----------|
| Common Stocks 83.8% | | | |
| Aerospace & Defense 3.9% | | | |
| Lockheed Martin Corp. | United States | 1,885 | \$696,508 |
| Raytheon Technologies Corp. | United States | 25,975 | 2,007,088 |
| | | | 2,703,596 |
| Air Freight & Logistics 2.4% | | | |
| United Parcel Service, Inc., B | United States | 9,800 | 1,665,902 |
| Banks 11.9% | | | |
| Bank of America Corp. | United States | 61,650 | 2,385,238 |
| Citigroup, Inc. | United States | 18,685 | 1,359,334 |
| JPMorgan Chase & Co. | United States | 20,570 | 3,131,371 |
| Truist Financial Corp. | United States | 24,090 | 1,404,929 |
| | | | 8,280,872 |
| Beverages 3.9% | | | |
| Coca-Cola Co. (The) | United States | 28,155 | 1,484,050 |
| PepsiCo, Inc. | United States | 8,920 | 1,261,734 |
| | | | 2,745,784 |
| Capital Markets 7.4% | | | |
| Apollo Global Management, Inc. | United States | 17,980 | 845,240 |
| Ares Management Corp. | United States | 15,275 | 855,858 |
| BlackRock, Inc. | United States | 1,420 | 1,070,623 |
| Morgan Stanley | United States | 30,915 | 2,400,859 |
| | | | 5,172,580 |
| Chemicals 2.4% | | | |
| BASF SE | Germany | 7,665 | 636,930 |
| Linde plc. | United Kingdom | 2,150 | 602,301 |
| Sherwin-Williams Co. (The) | United States | 565 | 416,976 |
| | | | 1,656,207 |
| Commercial Services & Supplies 1.5% | | | |
| Republic Services, Inc. | United States | 10,720 | 1,065,032 |
| Communications Equipment 0.6% | | | |
| Cisco Systems, Inc. | United States | 8,615 | 445,482 |
| Diversified Telecommunication Services 2.5% | | | |
| TELUS Corp. | Canada | 14,680 | 292,362 |
| Verizon Communications, Inc. | United States | 24,650 | 1,433,397 |
| | | | 1,725,759 |
| Electric Utilities 6.6% | | | |
| Duke Energy Corp. | United States | 20,340 | 1,963,420 |
| Entergy Corp. | United States | 6,515 | 648,047 |
| NextEra Energy, Inc. | United States | 22,000 | 1,663,420 |
| Xcel Energy, Inc. | United States | 4,480 | 297,965 |
| | | | 4,572,852 |
| Electrical Equipment 1.6% | | | |
| Eaton Corp. plc. | United States | 3,560 | 492,277 |
| Emerson Electric Co. | United States | 6,840 | 617,105 |
| | | | 1,109,382 |
| Equity Real Estate Investment Trusts (REITs) 1.3% | | | |
| Prologis, Inc. | United States | 5,485 | 581,410 |
| Public Storage | United States | 1,160 | 286,241 |
| | | | 867,651 |

Franklin Growth and Income VIP Fund (continued)

| | Country | Shares | Value |
|--|---------------|--------|-----------|
| Common Stocks (continued) | | | |
| Food & Staples Retailing 1.3% | | | |
| Walmart, Inc. | United States | 6,890 | \$935,869 |
| Food Products 0.5% | | | |
| Nestle SA | Switzerland | 2,810 | 313,282 |
| Health Care Equipment & Supplies 2.8% | | | |
| Medtronic plc | United States | 16,630 | 1,964,502 |
| Health Care Providers & Services 2.0% | | | |
| HCA Healthcare, Inc. | United States | 2,051 | 386,285 |
| UnitedHealth Group, Inc. | United States | 2,635 | 980,405 |
| | | | 1,366,690 |
| Hotels, Restaurants & Leisure 1.6% | | | |
| McDonald's Corp. | United States | 5,105 | 1,144,235 |
| Household Products 2.5% | | | |
| Procter & Gamble Co. (The) | United States | 12,835 | 1,738,244 |
| Insurance 0.5% | | | |
| Arthur J Gallagher & Co. | United States | 3,045 | 379,925 |
| IT Services 0.6% | | | |
| Visa, Inc., A. | United States | 1,845 | 390,642 |
| Machinery 1.3% | | | |
| Illinois Tool Works, Inc. | United States | 2,310 | 511,711 |
| Stanley Black & Decker, Inc. | United States | 1,848 | 368,990 |
| | | | 880,701 |
| Media 1.9% | | | |
| Comcast Corp., A. | United States | 24,800 | 1,341,928 |
| Multiline Retail 2.7% | | | |
| Target Corp. | United States | 9,630 | 1,907,414 |
| Oil, Gas & Consumable Fuels 5.0% | | | |
| Canadian Natural Resources Ltd. | Canada | 16,350 | 504,724 |
| Chevron Corp. | United States | 14,040 | 1,471,252 |
| Royal Dutch Shell plc, ADR, A. | Netherlands | 17,820 | 698,722 |
| Suncor Energy, Inc. | Canada | 38,225 | 798,903 |
| | | | 3,473,601 |
| Pharmaceuticals 5.6% | | | |
| Johnson & Johnson | United States | 13,440 | 2,208,864 |
| Merck & Co., Inc. | United States | 9,225 | 711,155 |
| Pfizer, Inc. | United States | 26,345 | 954,480 |
| | | | 3,874,499 |
| Road & Rail 2.0% | | | |
| Norfolk Southern Corp. | United States | 5,120 | 1,374,822 |
| Semiconductors & Semiconductor Equipment 2.9% | | | |
| Analog Devices, Inc. | United States | 3,770 | 584,651 |
| Broadcom, Inc. | United States | 870 | 403,384 |
| Texas Instruments, Inc. | United States | 5,325 | 1,006,372 |
| | | | 1,994,407 |
| Software 1.7% | | | |
| Microsoft Corp. | United States | 3,490 | 822,837 |
| Oracle Corp. | United States | 5,280 | 370,498 |
| | | | 1,193,335 |

Franklin Growth and Income VIP Fund (continued)

| | Country | Shares | Value |
|--|----------------|--------|-------------------|
| Common Stocks (continued) | | | |
| Specialty Retail 2.3% | | | |
| Lowe's Cos., Inc. | United States | 5,370 | \$1,021,267 |
| TJX Cos., Inc. (The) | United States | 9,210 | 609,241 |
| | | | 1,630,508 |
| Technology Hardware, Storage & Peripherals 0.6% | | | |
| Apple, Inc. | United States | 3,615 | 441,572 |
| Total Common Stocks (Cost \$35,234,327) | | | 58,357,275 |
| Equity-Linked Securities 10.0% | | | |
| Banks 1.0% | | | |
| ^a Royal Bank of Canada into Bank of America Corp., 144A, 7.75%, 11/01/21 | United States | 23,000 | 676,511 |
| Chemicals 1.5% | | | |
| ^a Citigroup Global Markets Holdings, Inc. into Sherwin-Williams Co. (The), Senior Unsecured Note, 144A, 6.5%, 7/09/21 | United States | 800 | 527,966 |
| ^a Goldman Sachs International Bank into Linde plc, 144A, 6.5%, 10/25/21 | United Kingdom | 2,037 | 537,241 |
| | | | 1,065,207 |
| Electrical Equipment 0.5% | | | |
| ^a Royal Bank of Canada into Eaton Corp. plc, 144A, 7%, 8/30/21 | United States | 2,900 | 378,932 |
| Equity Real Estate Investment Trusts (REITs) 0.7% | | | |
| ^a Royal Bank of Canada into Healthpeak Properties, Inc., 144A, 9.5%, 12/01/21 | United States | 16,000 | 505,138 |
| Food & Staples Retailing 0.7% | | | |
| ^a Citigroup Global Markets Holdings, Inc. into Tesco plc, Senior Unsecured Note, 144A, 6.5%, 1/10/22 | United Kingdom | 3,150 | 488,971 |
| Health Care Providers & Services 0.7% | | | |
| ^a Royal Bank of Canada into HCA Healthcare, Inc., 144A, 7%, 6/30/21 | United States | 2,900 | 521,609 |
| Internet & Direct Marketing Retail 1.3% | | | |
| ^a Wells Fargo Bank NA into Amazon.com, Inc., 144A, 6%, 4/05/21 | United States | 380 | 886,275 |
| IT Services 0.5% | | | |
| ^a Credit Suisse AG into Visa, Inc., 144A, 5%, 11/30/21 | United States | 1,500 | 315,812 |
| Machinery 0.8% | | | |
| ^a Credit Suisse AG into Stanley Black & Decker, Inc., 144A, 6.5%, 3/31/22 | United States | 3,000 | 588,785 |
| Multiline Retail 0.7% | | | |
| ^a Barclays Bank plc into Dollar Tree, Inc., Senior Note, 144A, 5.5%, 1/14/22 | United States | 4,100 | 466,043 |
| Software 0.8% | | | |
| ^a Barclays Bank plc into Oracle Corp., 144A, 7%, 7/30/21 | United States | 8,000 | 535,096 |
| Specialty Retail 0.8% | | | |
| ^a Citigroup Global Markets Holdings, Inc. into TJX Cos., Inc. (The), Senior Unsecured Note, 144A, 6.5%, 9/14/21 | United States | 8,808 | 549,737 |
| Total Equity-Linked Securities (Cost \$6,263,483) | | | 6,978,116 |
| Convertible Preferred Stocks 6.8% | | | |
| Health Care Equipment & Supplies 3.0% | | | |
| Becton Dickinson and Co., 6%, B | United States | 15,270 | 820,305 |
| Boston Scientific Corp., 5.5%, A | United States | 2,505 | 268,686 |
| Danaher Corp., 4.75%, A | United States | 545 | 833,910 |

Franklin Growth and Income VIP Fund (continued)

| | Country | Shares | Value |
|---|---------------|---|---------------------|
| Convertible Preferred Stocks (continued) | | | |
| Health Care Equipment & Supplies (continued) | | | |
| ^b Danaher Corp., 5%, B | United States | 111 | \$143,767 |
| | | | 2,066,668 |
| Machinery 1.5% | | | |
| Fortive Corp., 5%, A | United States | 1,015 | 1,010,493 |
| Semiconductors & Semiconductor Equipment 1.4% | | | |
| Broadcom, Inc., 8%, A | United States | 665 | 980,536 |
| Water Utilities 0.9% | | | |
| Essential Utilities, Inc., 6% | United States | 10,920 | 624,515 |
| Total Convertible Preferred Stocks (Cost \$4,002,560) | | | 4,682,212 |
| Total Long Term Investments (Cost \$45,500,370) | | | 70,017,603 |
| Short Term Investments 0.2% | | | |
| Investments from Cash Collateral Received for Loaned Securities 0.2% | | | |
| | Country | Shares | Value |
| Money Market Funds 0.2% | | | |
| ^{c,d} Institutional Fiduciary Trust - Money Market Portfolio, 0.01% | United States | 103,000 | 103,000 |
| | | Principal Amount[*] | |
| Repurchase Agreements 0.0%[†] | | | |
| ^e Joint Repurchase Agreement, BNP Paribas SA, 0%, 4/01/21 (Maturity Value \$26,739) Collateralized by U.S. Government Bond, 6%, 2/15/26; U.S. Government Bonds, Strips, 11/15/22 - 11/15/25; U.S. Treasury Notes, 0.125% - 1.875%, 2/28/22 - 2/28/23; and U.S. Treasury Bill, Discount Note, 7/20/21 (valued at \$27,274) | | | |
| | | 26,739 | 26,739 |
| Total Investments from Cash Collateral Received for Loaned Securities (Cost \$129,739) | | | 129,739 |
| Total Short Term Investments (Cost \$129,739) | | | 129,739 |
| Total Investments (Cost \$45,630,109) 100.8% | | | \$70,147,342 |
| Other Assets, less Liabilities (0.8)% | | | (525,824) |
| Net Assets 100.0% | | | \$69,621,518 |

See Abbreviations on page 169.

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

[†]Rounds to less than 0.1% of net assets.

^eSecurity 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 March 31, 2021, the aggregate value of these securities was \$6,978,116, representing 10.0% of net assets.

Franklin Growth and Income VIP Fund (continued)

^b A portion or all of the security is on loan at March 31, 2021.

^c See Note 9 regarding investments in affiliated management investment companies.

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

^e Investment is through participation in a joint account with other funds managed by the investment manager or an affiliate of the investment manager. At March 31, 2021, all repurchase agreements had been entered into on that date.

Statement of Investments (unaudited), March 31, 2021

Franklin Income VIP Fund

| | Country | Shares | Value |
|--|----------------|------------|--------------|
| Common Stocks 52.1% | | | |
| Aerospace & Defense 1.5% | | | |
| Lockheed Martin Corp. | United States | 130,000 | \$48,035,000 |
| Raytheon Technologies Corp. | United States | 300,000 | 23,181,000 |
| | | | 71,216,000 |
| Air Freight & Logistics 0.8% | | | |
| United Parcel Service, Inc., B | United States | 217,700 | 37,006,823 |
| Banks 8.0% | | | |
| Bank of America Corp. | United States | 2,470,000 | 95,564,300 |
| Barclays plc | United Kingdom | 12,500,000 | 32,006,861 |
| Citigroup, Inc. | United States | 500,000 | 36,375,000 |
| JPMorgan Chase & Co. | United States | 775,000 | 117,978,250 |
| Truist Financial Corp. | United States | 755,000 | 44,031,600 |
| US Bancorp | United States | 800,000 | 44,248,000 |
| | | | 370,204,011 |
| Beverages 3.3% | | | |
| Coca-Cola Co. (The) | United States | 1,360,000 | 71,685,600 |
| PepsiCo, Inc. | United States | 575,000 | 81,333,750 |
| | | | 153,019,350 |
| Biotechnology 0.8% | | | |
| AbbVie, Inc. | United States | 100,000 | 10,822,000 |
| Amgen, Inc. | United States | 100,000 | 24,881,000 |
| | | | 35,703,000 |
| Capital Markets 1.0% | | | |
| Morgan Stanley. | United States | 616,500 | 47,877,390 |
| Chemicals 0.6% | | | |
| Air Products and Chemicals, Inc. | United States | 7,500 | 2,110,050 |
| BASF SE | Germany | 325,000 | 27,006,164 |
| | | | 29,116,214 |
| Diversified Telecommunication Services 2.0% | | | |
| BCE, Inc. | Canada | 466,000 | 21,034,516 |
| Verizon Communications, Inc. | United States | 1,200,000 | 69,780,000 |
| | | | 90,814,516 |
| Electric Utilities 5.3% | | | |
| American Electric Power Co., Inc. | United States | 450,000 | 38,115,000 |
| Duke Energy Corp. | United States | 710,000 | 68,536,300 |
| Edison International | United States | 770,000 | 45,122,000 |
| Exelon Corp. | United States | 300,000 | 13,122,000 |
| Southern Co. (The) | United States | 1,200,000 | 74,592,000 |
| Xcel Energy, Inc. | United States | 67,500 | 4,489,425 |
| | | | 243,976,725 |
| Energy Equipment & Services 0.2% | | | |
| ^a Weatherford International plc. | United States | 700,000 | 8,918,000 |
| Equity Real Estate Investment Trusts (REITs) 0.4% | | | |
| ^a Host Hotels & Resorts, Inc. | United States | 1,000,000 | 16,850,000 |
| Health Care Providers & Services 1.3% | | | |
| ^a CHS/Community Health Systems, Inc. | United States | 1,000,000 | 13,520,000 |
| CVS Health Corp. | United States | 650,000 | 48,899,500 |
| | | | 62,419,500 |

Franklin Income VIP Fund (continued)

| | Country | Shares | Value |
|---|----------------|-----------|----------------------|
| Common Stocks (continued) | | | |
| Household Products 2.1% | | | |
| Procter & Gamble Co. (The) | United States | 700,000 | \$94,801,000 |
| Industrial Conglomerates 1.4% | | | |
| Honeywell International, Inc. | United States | 300,000 | 65,121,000 |
| Insurance 1.8% | | | |
| MetLife, Inc. | United States | 1,335,108 | 81,161,215 |
| IT Services 0.7% | | | |
| International Business Machines Corp. | United States | 259,679 | 34,604,824 |
| Machinery 0.6% | | | |
| Cummins, Inc. | United States | 100,000 | 25,911,000 |
| Media 0.6% | | | |
| Comcast Corp., A | United States | 500,000 | 27,055,000 |
| Metals & Mining 1.3% | | | |
| Rio Tinto plc, ADR. | Australia | 800,000 | 62,120,000 |
| Multi-Utilities 2.6% | | | |
| Dominion Energy, Inc. | United States | 906,638 | 68,868,222 |
| DTE Energy Co. | United States | 100,000 | 13,314,000 |
| Sempra Energy. | United States | 275,000 | 36,459,500 |
| | | | 118,641,722 |
| Oil, Gas & Consumable Fuels 6.2% | | | |
| BP plc, ADR | United Kingdom | 550,000 | 13,392,500 |
| Chevron Corp. | United States | 1,050,000 | 110,029,500 |
| Exxon Mobil Corp. | United States | 2,000,000 | 111,660,000 |
| Royal Dutch Shell plc, ADR, A. | Netherlands | 450,000 | 17,644,500 |
| ^b TOTAL SE, ADR | France | 750,000 | 34,905,000 |
| | | | 287,631,500 |
| Personal Products 0.4% | | | |
| Unilever plc. | United Kingdom | 300,000 | 16,737,514 |
| Pharmaceuticals 5.8% | | | |
| AstraZeneca plc | United Kingdom | 455,000 | 45,406,326 |
| Bristol-Myers Squibb Co. | United States | 1,100,000 | 69,443,000 |
| Johnson & Johnson | United States | 400,000 | 65,740,000 |
| Merck & Co., Inc. | United States | 950,000 | 73,235,500 |
| Pfizer, Inc. | United States | 350,000 | 12,680,500 |
| | | | 266,505,326 |
| Road & Rail 0.8% | | | |
| Union Pacific Corp. | United States | 161,500 | 35,596,215 |
| Semiconductors & Semiconductor Equipment 1.7% | | | |
| Analog Devices, Inc. | United States | 100,000 | 15,508,000 |
| Intel Corp. | United States | 500,000 | 32,000,000 |
| Texas Instruments, Inc. | United States | 160,000 | 30,238,400 |
| | | | 77,746,400 |
| Specialty Retail 0.2% | | | |
| Home Depot, Inc. (The). | United States | 32,000 | 9,768,000 |
| Tobacco 0.7% | | | |
| Philip Morris International, Inc. | United States | 350,000 | 31,059,000 |
| Total Common Stocks (Cost \$1,768,249,428) | | | 2,401,581,245 |

Franklin Income VIP Fund (continued)

| | Country | Shares | Value |
|---|---------------|-----------|--------------------|
| Equity-Linked Securities 12.3% | | | |
| Aerospace & Defense 0.9% | | | |
| °Societe Generale SA into Raytheon Technologies Corp., 144A, 8%, 6/01/21 | United States | 548,000 | \$41,298,625 |
| Automobiles 1.2% | | | |
| °National Bank of Canada into General Motors Co., Senior Note, 144A, 10%, 1/26/22 | United States | 1,123,500 | 55,527,418 |
| Biotechnology 0.8% | | | |
| °Goldman Sachs International Bank into AbbVie, Inc., 144A, 10%, 7/22/21 | United States | 348,000 | 36,582,023 |
| Capital Markets 0.3% | | | |
| °UBS AG into Morgan Stanley, Senior Note, 144A, 8.5%, 2/11/22 .. | United States | 200,000 | 15,046,992 |
| Chemicals 0.7% | | | |
| °National Bank of Canada into Air Products and Chemicals, Inc., 144A, 8.5%, 4/13/22 | United States | 106,000 | 30,303,825 |
| Communications Equipment 0.5% | | | |
| °Credit Suisse AG into Cisco Systems, Inc., Senior Note, 144A, 10%, 6/01/21 | United States | 508,000 | 24,511,522 |
| Energy Equipment & Services 0.5% | | | |
| °Royal Bank of Canada into Schlumberger NV, 144A, 10%, 3/01/22 | United States | 900,000 | 24,350,361 |
| Health Care Providers & Services 0.7% | | | |
| °JPMorgan Chase Bank NA into CVS Health Corp., Senior Note, 144A, Reg S, 8.5%, 1/25/22 | United States | 451,000 | 32,667,132 |
| Internet & Direct Marketing Retail 0.6% | | | |
| °JPMorgan Chase Bank NA into Amazon.com, Inc., Senior Note, 144A, Reg S, 9.5%, 12/07/21 | United States | 8,000 | 25,127,153 |
| Media 0.4% | | | |
| °Barclays Bank plc into Comcast Corp., Senior Note, 144A, 9%, 4/28/21 | United States | 408,000 | 17,836,008 |
| Pharmaceuticals 1.3% | | | |
| °Credit Suisse AG into Pfizer, Inc., 144A, 8%, 8/27/21 | United States | 1,642,000 | 59,796,569 |
| Road & Rail 0.2% | | | |
| °Goldman Sachs International Bank into Union Pacific Corp., Senior Note, 144A, 8%, 2/09/22 | United States | 33,000 | 7,205,821 |
| Semiconductors & Semiconductor Equipment 2.6% | | | |
| °Citigroup Global Markets Holdings, Inc. into Texas Instruments, Inc., Senior Note, 144A, 8.5%, 1/27/22 | United States | 234,000 | 41,785,493 |
| °Royal Bank of Canada into Analog Devices, Inc., 144A, 8.5%, 9/10/21 | United States | 270,000 | 36,466,666 |
| °Royal Bank of Canada into Intel Corp., Senior Note, 144A, 8.5%, 12/14/21 | United States | 782,000 | 41,424,052 |
| | | | 119,676,211 |
| Software 0.4% | | | |
| °Citigroup Global Markets Holdings, Inc. into Microsoft Corp., Senior Note, 144A, 8%, 9/24/21 | United States | 80,000 | 18,658,219 |
| Specialty Retail 0.8% | | | |
| °Royal Bank of Canada into Home Depot, Inc. (The), 144A, 8.5%, 4/07/21 | United States | 151,500 | 36,092,858 |
| Technology Hardware, Storage & Peripherals 0.4% | | | |
| °BNP Paribas Issuance BV into Apple, Inc., 144A, 10%, 12/22/21 .. | United States | 164,000 | 20,354,811 |
| Total Equity-Linked Securities (Cost \$523,002,693) | | | 565,035,548 |

Franklin Income VIP Fund (continued)

| | Country | Shares | Value |
|---|---------------|-------------------------------------|--------------------|
| Convertible Preferred Stocks 5.0% | | | |
| Capital Markets 0.1% | | | |
| ^b KKR & Co., Inc., 6%, C | United States | 85,000 | \$5,665,250 |
| Electric Utilities 1.6% | | | |
| American Electric Power Co., Inc., 6.125% | United States | 400,000 | 19,304,000 |
| NextEra Energy, Inc., 5.279% | United States | 400,000 | 19,812,000 |
| NextEra Energy, Inc., 6.219% | United States | 230,200 | 11,417,920 |
| Southern Co. (The), 6.75%, 2019 | United States | 500,000 | 25,465,000 |
| | | | 75,998,920 |
| Multi-Utilities 1.5% | | | |
| Dominion Energy, Inc., 7.25%, A | United States | 225,000 | 22,239,000 |
| DTE Energy Co., 6.25% | United States | 500,000 | 24,845,000 |
| Sempra Energy, 6.75%, B | United States | 200,000 | 20,932,000 |
| | | | 68,016,000 |
| Semiconductors & Semiconductor Equipment 1.6% | | | |
| Broadcom, Inc., 8%, A | United States | 50,000 | 73,724,500 |
| Thrifts & Mortgage Finance 0.2% | | | |
| ^a FNMA, 5.375% | United States | 475 | 8,906,350 |
| Total Convertible Preferred Stocks (Cost \$231,164,583) | | | 232,311,020 |
| Preferred Stocks 0.0% | | | |
| Banks 0.0%[†] | | | |
| JPMorgan Chase & Co., 6%, EE | United States | 15,501 | 425,968 |
| Total Preferred Stocks (Cost \$387,525) | | | 425,968 |
| | | Principal Amount[*] | |
| Convertible Bonds 0.4% | | | |
| Airlines 0.3% | | | |
| Southwest Airlines Co., Senior Note, 1.25%, 5/01/25 | United States | 8,500,000 | 14,635,937 |
| Media 0.1% | | | |
| DISH Network Corp., Senior Note, 2.375%, 3/15/24 | United States | 4,555,000 | 4,395,575 |
| Total Convertible Bonds (Cost \$12,214,561) | | | 19,031,512 |
| Corporate Bonds 25.2% | | | |
| Aerospace & Defense 0.4% | | | |
| Raytheon Technologies Corp., Senior Note, 3.95%, 8/16/25 | United States | 15,000,000 | 16,669,270 |
| Automobiles 0.5% | | | |
| Ford Motor Co., Senior Note, 4.346%, 12/08/26 | United States | 13,500,000 | 14,245,065 |
| General Motors Co., Senior Bond, 5.15%, 4/01/38 | United States | 7,500,000 | 8,602,891 |
| | | | 22,847,956 |
| Banks 1.6% | | | |
| Bank of America Corp., | | | |
| ^d AA, Junior Sub. Bond, 6.1% to 3/17/25, FRN thereafter, Perpetual | United States | 8,000,000 | 8,885,560 |
| ^d X, Junior Sub. Bond, 6.25% to 9/05/24, FRN thereafter, Perpetual | United States | 6,000,000 | 6,642,860 |
| Senior Bond, 3.419% to 12/20/27, FRN thereafter, 12/20/28 | United States | 10,000,000 | 10,745,261 |
| Citigroup, Inc., Sub. Bond, 4.125%, 7/25/28 | United States | 18,500,000 | 20,485,601 |
| ^d JPMorgan Chase & Co., | | | |
| ^e I, Junior Sub. Bond, FRN, 3.682%, (3-month USD LIBOR + 3.47%), Perpetual | United States | 19,559,000 | 19,569,514 |
| R, Junior Sub. Bond, 6% to 8/01/23, FRN thereafter, Perpetual | United States | 3,200,000 | 3,365,622 |

Franklin Income VIP Fund (continued)

| | Country | Principal Amount ¹ | Value |
|---|---------------|-------------------------------|-------------|
| Corporate Bonds (continued) | | | |
| Banks (continued) | | | |
| ^d Wells Fargo & Co., S, Junior Sub. Bond, 5.9% to 6/15/24, FRN thereafter, Perpetual | United States | 3,000,000 | \$3,199,082 |
| | | | 72,893,500 |
| Biotechnology 0.4% | | | |
| AbbVie, Inc., Senior Note, 3.8%, 3/15/25 | United States | 17,000,000 | 18,586,071 |
| Capital Markets 0.4% | | | |
| Goldman Sachs Group, Inc. (The), Senior Note, 3.272% to 9/29/24, FRN thereafter, 9/29/25 | United States | 15,500,000 | 16,640,840 |
| Consumer Finance 0.8% | | | |
| Capital One Financial Corp., Sub. Note, 4.2%, 10/29/25 | United States | 15,500,000 | 17,173,536 |
| Ford Motor Credit Co. LLC, Senior Note, 5.125%, 6/16/25 | United States | 20,000,000 | 21,625,000 |
| | | | 38,798,536 |
| Containers & Packaging 0.7% | | | |
| ^c Mauser Packaging Solutions Holding Co., Senior Note, 144A, 7.25%, 4/15/25 | United States | 23,000,000 | 23,028,750 |
| Senior Secured Note, 144A, 5.5%, 4/15/24 | United States | 10,000,000 | 10,150,000 |
| | | | 33,178,750 |
| Diversified Financial Services 0.5% | | | |
| ^c MPH Acquisition Holdings LLC, Senior Note, 144A, 5.75%, 11/01/28 | United States | 25,000,000 | 24,406,250 |
| Diversified Telecommunication Services 0.5% | | | |
| AT&T, Inc., Senior Bond, 4.125%, 2/17/26 | United States | 12,000,000 | 13,449,626 |
| ^c CCO Holdings LLC / CCO Holdings Capital Corp., Senior Bond, 144A, 5.5%, 5/01/26 | United States | 10,000,000 | 10,327,050 |
| | | | 23,776,676 |
| Energy Equipment & Services 0.8% | | | |
| ^c Weatherford International Ltd., 144A, 8.75%, 9/01/24 | United States | 10,250,000 | 10,741,744 |
| Senior Note, 144A, 11%, 12/01/24 | United States | 25,000,000 | 24,046,875 |
| | | | 34,788,619 |
| Entertainment 0.5% | | | |
| Netflix, Inc., Senior Bond, 4.875%, 4/15/28 | United States | 22,000,000 | 24,923,360 |
| Equity Real Estate Investment Trusts (REITs) 0.3% | | | |
| Equinix, Inc., Senior Bond, 5.375%, 5/15/27 | United States | 11,000,000 | 11,831,656 |
| Food Products 0.3% | | | |
| Kraft Heinz Foods Co., Senior Bond, 4.625%, 1/30/29 | United States | 10,600,000 | 11,908,255 |
| Health Care Providers & Services 8.0% | | | |
| ^c CHS/Community Health Systems, Inc., Secured Note, 144A, 8.125%, 6/30/24 | United States | 50,144,000 | 52,728,923 |
| Secured Note, 144A, 6.875%, 4/15/29 | United States | 90,000,000 | 94,330,800 |
| Senior Note, 144A, 6.875%, 4/01/28 | United States | 10,000,000 | 9,133,450 |
| Senior Secured Note, 144A, 6.625%, 2/15/25 | United States | 27,600,000 | 29,187,138 |
| Senior Secured Note, 144A, 8%, 3/15/26 | United States | 12,500,000 | 13,528,750 |
| Senior Secured Note, 144A, 8%, 12/15/27 | United States | 20,000,000 | 21,960,700 |
| Cigna Corp., Senior Note, 3.75%, 7/15/23 | United States | 7,218,000 | 7,721,738 |
| CVS Health Corp., Senior Bond, 4.3%, 3/25/28 | United States | 8,000,000 | 9,090,023 |
| Senior Bond, 5.05%, 3/25/48 | United States | 3,900,000 | 4,795,346 |
| Senior Note, 4.1%, 3/25/25 | United States | 1,225,000 | 1,357,495 |

Franklin Income VIP Fund (continued)

| | Country | Principal Amount ¹ | Value |
|--|---------------|-------------------------------|-------------|
| Corporate Bonds (continued) | | | |
| Health Care Providers & Services (continued) | | | |
| HCA, Inc., | | | |
| Senior Bond, 5.875%, 5/01/23 | United States | 7,500,000 | \$8,177,100 |
| Senior Secured Note, 5%, 3/15/24 | United States | 10,400,000 | 11,576,407 |
| Tenet Healthcare Corp., | | | |
| Secured Note, 5.125%, 5/01/25 | United States | 2,000,000 | 2,030,600 |
| ° Secured Note, 144A, 6.25%, 2/01/27 | United States | 29,000,000 | 30,660,540 |
| Senior Note, 6.75%, 6/15/23 | United States | 58,200,000 | 63,141,180 |
| ° Senior Note, 144A, 6.125%, 10/01/28 | United States | 9,000,000 | 9,405,000 |
| | | | 368,825,190 |
| Hotels, Restaurants & Leisure 0.9% | | | |
| °Caesars Entertainment, Inc., Senior Secured Note, 144A, 6.25%, 7/01/25 | United States | 18,000,000 | 19,210,860 |
| °Wynn Las Vegas LLC / Wynn Las Vegas Capital Corp., | | | |
| Senior Bond, 144A, 5.5%, 3/01/25 | United States | 13,200,000 | 13,962,300 |
| Senior Note, 144A, 5.25%, 5/15/27 | United States | 10,000,000 | 10,483,800 |
| | | | 43,656,960 |
| Media 1.9% | | | |
| °Diamond Sports Group LLC / Diamond Sports Finance Co., Senior Secured Note, 144A, 5.375%, 8/15/26 | United States | 15,000,000 | 10,818,750 |
| DISH DBS Corp., | | | |
| Senior Note, 5.875%, 7/15/22 | United States | 27,000,000 | 28,228,500 |
| Senior Note, 5%, 3/15/23 | United States | 21,000,000 | 21,934,500 |
| Senior Note, 5.875%, 11/15/24 | United States | 9,400,000 | 9,844,479 |
| °Univision Communications, Inc., | | | |
| Senior Secured Note, 144A, 5.125%, 2/15/25 | United States | 7,140,000 | 7,242,637 |
| Senior Secured Note, 144A, 6.625%, 6/01/27 | United States | 8,500,000 | 9,093,300 |
| | | | 87,162,166 |
| Metals & Mining 0.1% | | | |
| °Cleveland-Cliffs, Inc., Senior Secured Note, 144A, 6.75%, 3/15/26. | United States | 5,000,000 | 5,443,750 |
| Oil, Gas & Consumable Fuels 1.6% | | | |
| Calumet Specialty Products Partners LP / Calumet Finance Corp., | | | |
| Senior Note, 7.625%, 1/15/22 | United States | 2,815,000 | 2,817,857 |
| Senior Note, 7.75%, 4/15/23 | United States | 2,000,000 | 1,992,510 |
| ° Senior Note, 144A, 11%, 4/15/25 | United States | 23,500,000 | 24,733,515 |
| ° Senior Secured Note, 144A, 9.25%, 7/15/24 | United States | 5,185,000 | 5,651,650 |
| HighPoint Operating Corp., | | | |
| Senior Bond, 7%, 10/15/22 | United States | 16,437,000 | 9,591,236 |
| Senior Note, 8.75%, 6/15/25 | United States | 26,600,000 | 15,561,000 |
| Occidental Petroleum Corp., | | | |
| Senior Note, 8%, 7/15/25 | United States | 5,000,000 | 5,749,025 |
| Senior Note, 6.625%, 9/01/30 | United States | 6,000,000 | 6,751,800 |
| | | | 72,848,593 |
| Pharmaceuticals 2.1% | | | |
| °Bausch Health Cos., Inc., | | | |
| Senior Bond, 144A, 6.125%, 4/15/25 | United States | 9,400,000 | 9,646,280 |
| Senior Note, 144A, 9%, 12/15/25 | United States | 5,000,000 | 5,441,725 |
| Senior Note, 144A, 5%, 2/15/29 | United States | 5,000,000 | 4,975,000 |
| Senior Secured Note, 144A, 5.5%, 11/01/25 | United States | 21,000,000 | 21,595,980 |
| °Bayer US Finance II LLC, Senior Note, 144A, 4.25%, 12/15/25 ... | Germany | 15,000,000 | 16,706,855 |
| Bristol-Myers Squibb Co., Senior Note, 3.4%, 7/26/29 | United States | 8,000,000 | 8,751,822 |
| °Endo Dac / Endo Finance LLC / Endo Finco, Inc., | | | |
| Secured Note, 144A, 9.5%, 7/31/27 | United States | 5,273,000 | 5,737,683 |

Franklin Income VIP Fund (continued)

| | Country | Principal Amount [†] | Value |
|--|----------------|-------------------------------------|----------------------|
| Corporate Bonds (continued) | | | |
| Pharmaceuticals (continued) | | | |
| °Endo Dac / Endo Finance LLC / Endo Finco, Inc., (continued) | | | |
| Senior Note, 144A, 6%, 6/30/28 | United States | 7,094,000 | \$5,753,234 |
| °Par Pharmaceutical, Inc., Senior Secured Note, 144A, 7.5%, 4/01/27 | United States | 8,429,000 | 8,951,261 |
| Utah Acquisition Sub, Inc., Senior Note, 3.95%, 6/15/26 | United States | 10,000,000 | 11,022,384 |
| | | | 98,582,224 |
| Road & Rail 0.1% | | | |
| °Ashtead Capital, Inc., Senior Note, 144A, 4.25%, 11/01/29 | United Kingdom | 4,500,000 | 4,835,745 |
| Tobacco 0.7% | | | |
| BAT Capital Corp., | | | |
| Senior Note, 3.222%, 8/15/24 | United Kingdom | 10,000,000 | 10,658,510 |
| Senior Note, 3.557%, 8/15/27 | United Kingdom | 20,000,000 | 21,302,116 |
| | | | 31,960,626 |
| Trading Companies & Distributors 0.6% | | | |
| United Rentals North America, Inc., Senior Bond, 4.875%, 1/15/28 | United States | 11,300,000 | 11,917,206 |
| °WESCO Distribution, Inc., Senior Note, 144A, 7.125%, 6/15/25 | United States | 14,000,000 | 15,327,550 |
| | | | 27,244,756 |
| Wireless Telecommunication Services 1.5% | | | |
| Sprint Communications, Inc., | | | |
| Senior Note, 11.5%, 11/15/21 | United States | 30,000,000 | 31,856,250 |
| Senior Note, 6%, 11/15/22 | United States | 6,300,000 | 6,748,875 |
| Sprint Corp., | | | |
| Senior Note, 7.875%, 9/15/23 | United States | 12,500,000 | 14,303,125 |
| Senior Note, 7.125%, 6/15/24 | United States | 8,200,000 | 9,450,582 |
| Senior Note, 7.625%, 3/01/26 | United States | 7,500,000 | 9,196,613 |
| | | | 71,555,445 |
| Total Corporate Bonds (Cost \$1,081,092,959) | | | 1,163,365,194 |
| | | Units | |
| Index-Linked Notes 0.8% | | | |
| Capital Markets 0.8% | | | |
| °Credit Suisse AG, Senior Note, 144A, 14.644%, 9/06/22 | Switzerland | 10,332 | 36,803,984 |
| Total Index-Linked Notes (Cost \$34,999,753) | | | 36,803,984 |
| | | Principal Amount[†] | |
| U.S. Government and Agency Securities 1.2% | | | |
| U.S. Treasury Notes, 2.75%, 5/31/23 | United States | 50,000,000 | 52,768,554 |
| Total U.S. Government and Agency Securities (Cost \$50,003,806) | | | 52,768,554 |
| Asset-Backed Securities 0.2% | | | |
| Airlines 0.2% | | | |
| United Airlines Pass-Through Trust, 2020-1, A, 5.875%, 10/15/27 | United States | 9,758,250 | 10,840,227 |
| Total Asset-Backed Securities (Cost \$9,758,250) | | | 10,840,227 |
| Mortgage-Backed Securities 1.3% | | | |
| Federal National Mortgage Association (FNMA) Fixed Rate 0.1% | | | |
| FNMA, 30 Year, 4%, 8/01/49 | United States | 3,016,199 | 3,300,697 |

Franklin Income VIP Fund (continued)

| | Country | Principal Amount [*] | Value |
|---|---------------|-------------------------------------|------------------------|
| Mortgage-Backed Securities (continued) | | | |
| Government National Mortgage Association (GNMA) Fixed Rate 1.2% | | | |
| GNMA II, Single-family, 30 Year, 3%, 1/20/51 | United States | 52,542,168 | \$55,059,122 |
| Total Mortgage-Backed Securities (Cost \$59,243,001) | | | 58,359,819 |
| | | Shares | |
| Escrows and Litigation Trusts 0.2% | | | |
| ^{a,c} Chesapeake Energy Corp., Escrow Account, 144A | United States | 9,500,000 | 10,087,813 |
| Total Escrows and Litigation Trusts (Cost \$9,500,000) | | | 10,087,813 |
| Total Long Term Investments (Cost \$3,779,616,559) | | | 4,550,610,884 |
| Short Term Investments 0.6% | | | |
| | Country | Shares | Value |
| Money Market Funds 0.5% | | | |
| ^{g,h} Institutional Fiduciary Trust - Money Market Portfolio, 0.01% | United States | 23,012,985 | 23,012,985 |
| Total Money Market Funds (Cost \$23,012,985) | | | 23,012,985 |
| Investments from Cash Collateral Received for Loaned Securities 0.1% | | | |
| Money Market Funds 0.1% | | | |
| ^{g,h} Institutional Fiduciary Trust - Money Market Portfolio, 0.01% | United States | 4,443,000 | 4,443,000 |
| | | Principal Amount[*] | |
| Repurchase Agreements 0.0%[†] | | | |
| ^j Joint Repurchase Agreement, BofA Securities, Inc., 0%, 4/01/21 | | | |
| (Maturity Value \$1,111,849) | | | |
| Collateralized by U.S. Government Note, 2%, 11/30/22 (valued at | | | |
| \$1,134,087) | | | |
| | | 1,111,849 | 1,111,849 |
| Total Investments from Cash Collateral Received for Loaned Securities (Cost \$5,554,849) | | | 5,554,849 |
| Total Short Term Investments (Cost \$28,567,834) | | | 28,567,834 |
| Total Investments (Cost \$3,808,184,393) 99.3% | | | \$4,579,178,718 |
| Other Assets, less Liabilities 0.7% | | | 32,248,549 |
| Net Assets 100.0% | | | \$4,611,427,267 |

See Abbreviations on page 169 .

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

[†]Rounds to less than 0.1% of net assets.

Franklin Income VIP Fund (continued)

^a Non-income producing.

^b A portion or all of the security is on loan at March 31, 2021.

^c Security was purchased pursuant to Rule 144A or Regulation S under the Securities Act of 1933. 144A securities may be sold in transactions exempt from registration only to qualified institutional buyers or in a public offering registered under the Securities Act of 1933. Regulation S securities cannot be sold in the United States without either an effective registration statement filed pursuant to the Securities Act of 1933, or pursuant to an exemption from registration. At March 31, 2021, the aggregate value of these securities was \$1,181,175,190, representing 25.6% of net assets.

^d Perpetual security with no stated maturity date.

^e The coupon rate shown represents the rate at period end.

^f Security pays variable interest based on the distributions of the strategy index and proceeds earned from related equity derivatives. The coupon rate shown represents the combined rate at period end. Cash payment at maturity or upon early redemption is based on the performance of the strategy index.

^g See Note 9 regarding investments in affiliated management investment companies.

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

ⁱ Investment is through participation in a joint account with other funds managed by the investment manager or an affiliate of the investment manager. At March 31, 2021, all repurchase agreements had been entered into on that date.

Statement of Investments (unaudited), March 31, 2021

Franklin Large Cap Growth VIP Fund

| | Country | Shares | Value |
|--|----------------|--------|-----------|
| Common Stocks 97.6% | | | |
| Auto Components 0.7% | | | |
| ^a Aptiv plc | United States | 6,805 | \$938,409 |
| Automobiles 1.1% | | | |
| ^a Tesla, Inc. | United States | 2,114 | 1,412,004 |
| Beverages 1.4% | | | |
| Constellation Brands, Inc., A | United States | 4,543 | 1,035,804 |
| ^a Monster Beverage Corp. | United States | 8,619 | 785,105 |
| | | | 1,820,909 |
| Biotechnology 1.7% | | | |
| ^a Heron Therapeutics, Inc. | United States | 46,656 | 756,294 |
| ^a Novavax, Inc. | United States | 6,295 | 1,141,347 |
| ^a PTC Therapeutics, Inc. | United States | 5,541 | 262,366 |
| | | | 2,160,007 |
| Capital Markets 6.7% | | | |
| ^{a,b} ArcLight Clean Transition Corp., A. | United States | 48,184 | 861,530 |
| ^{a,b} Churchill Capital Corp. IV, A. | United States | 11,802 | 273,570 |
| ^a Dragoneer Growth Opportunities Corp. | United States | 28,900 | 300,560 |
| Intercontinental Exchange, Inc. | United States | 8,106 | 905,278 |
| MarketAxess Holdings, Inc. | United States | 2,192 | 1,091,440 |
| MSCI, Inc. | United States | 5,288 | 2,217,153 |
| S&P Global, Inc. | United States | 5,756 | 2,031,120 |
| ^a Soaring Eagle Acquisition Corp. | United States | 28,200 | 285,384 |
| ^{a,b} Social Capital Hedosophia Holdings Corp. V, A | United States | 33,360 | 572,124 |
| | | | 8,538,159 |
| Chemicals 1.4% | | | |
| Ecolab, Inc. | United States | 3,064 | 655,911 |
| Linde plc. | United Kingdom | 3,836 | 1,074,617 |
| | | | 1,730,528 |
| Commercial Services & Supplies 0.3% | | | |
| Republic Services, Inc. | United States | 4,079 | 405,249 |
| Electric Utilities 0.5% | | | |
| NextEra Energy, Inc. | United States | 7,957 | 601,629 |
| Entertainment 0.7% | | | |
| ^a Walt Disney Co. (The) | United States | 5,161 | 952,308 |
| Equity Real Estate Investment Trusts (REITs) 2.7% | | | |
| American Tower Corp. | United States | 2,573 | 615,101 |
| SBA Communications Corp. | United States | 10,005 | 2,776,888 |
| | | | 3,391,989 |
| Food Products 1.0% | | | |
| ^a Freshpet, Inc. | United States | 3,595 | 570,922 |
| Lamb Weston Holdings, Inc. | United States | 8,368 | 648,353 |
| | | | 1,219,275 |
| Health Care Equipment & Supplies 6.6% | | | |
| Danaher Corp. | United States | 6,124 | 1,378,390 |
| ^a Edwards Lifesciences Corp. | United States | 14,502 | 1,212,947 |
| ^a IDEXX Laboratories, Inc. | United States | 2,914 | 1,425,849 |
| ^a Intuitive Surgical, Inc. | United States | 1,472 | 1,087,720 |
| ^a Nevro Corp. | United States | 7,224 | 1,007,748 |

Franklin Large Cap Growth VIP Fund (continued)

| | Country | Shares | Value |
|---|----------------|--------|-------------|
| Common Stocks (continued) | | | |
| Health Care Equipment & Supplies (continued) | | | |
| West Pharmaceutical Services, Inc. | United States | 8,039 | \$2,265,230 |
| | | | 8,377,884 |
| Health Care Providers & Services 2.7% | | | |
| ^a Guardant Health, Inc. | United States | 4,189 | 639,451 |
| UnitedHealth Group, Inc. | United States | 7,501 | 2,790,897 |
| | | | 3,430,348 |
| Health Care Technology 1.8% | | | |
| ^a Veeva Systems, Inc., A | United States | 8,797 | 2,298,128 |
| Hotels, Restaurants & Leisure 1.5% | | | |
| ^{a,b} Airbnb, Inc., A | United States | 578 | 108,629 |
| ^a Chipotle Mexican Grill, Inc. | United States | 1,045 | 1,484,757 |
| Starbucks Corp. | United States | 3,163 | 345,621 |
| | | | 1,939,007 |
| Industrial Conglomerates 1.8% | | | |
| Honeywell International, Inc. | United States | 5,450 | 1,183,032 |
| Roper Technologies, Inc. | United States | 2,772 | 1,118,058 |
| | | | 2,301,090 |
| Interactive Media & Services 3.8% | | | |
| ^a Alphabet, Inc., A | United States | 1,614 | 3,328,907 |
| ^{a,b} Bumble, Inc., A | United States | 1,831 | 114,218 |
| ^a Facebook, Inc., A | United States | 4,542 | 1,337,755 |
| | | | 4,780,880 |
| Internet & Direct Marketing Retail 9.3% | | | |
| ^a Amazon.com, Inc. | United States | 3,395 | 10,504,402 |
| ^a Booking Holdings, Inc. | United States | 303 | 705,941 |
| ^{a,b} Coupang, Inc. | South Korea | 10,600 | 523,110 |
| | | | 11,733,453 |
| IT Services 14.9% | | | |
| ^a Black Knight, Inc. | United States | 8,806 | 651,556 |
| Mastercard, Inc., A | United States | 16,271 | 5,793,290 |
| ^a Okta, Inc. | United States | 2,456 | 541,376 |
| ^a PayPal Holdings, Inc. | United States | 10,097 | 2,451,955 |
| ^a Shopify, Inc., A | Canada | 1,275 | 1,410,788 |
| ^a Snowflake, Inc., A | United States | 3,244 | 743,784 |
| ^a Twilio, Inc., A | United States | 6,672 | 2,273,551 |
| Visa, Inc., A | United States | 23,776 | 5,034,092 |
| | | | 18,900,392 |
| Life Sciences Tools & Services 1.4% | | | |
| ^a Illumina, Inc. | United States | 1,942 | 745,845 |
| ^a Maravai LifeSciences Holdings, Inc., A | United States | 3,180 | 113,335 |
| ^{a,c} Wuxi Biologics Cayman, Inc., 144A, Reg S | China | 72,288 | 911,612 |
| | | | 1,770,792 |
| Media 0.7% | | | |
| ^a Liberty Broadband Corp., C. | United States | 6,068 | 911,110 |
| Pharmaceuticals 1.7% | | | |
| ^b AstraZeneca plc, ADR. | United Kingdom | 15,578 | 774,538 |
| ^a Catalent, Inc. | United States | 8,389 | 883,446 |
| ^a Reata Pharmaceuticals, Inc., A | United States | 1,873 | 186,738 |

Franklin Large Cap Growth VIP Fund (continued)

| | Country | Shares | Value |
|--|---------------|--------|--------------------|
| Common Stocks (continued) | | | |
| Pharmaceuticals (continued) | | | |
| Royalty Pharma plc, A. | United States | 6,186 | \$269,833 |
| | | | 2,114,555 |
| Professional Services 4.1% | | | |
| ^a CoStar Group, Inc. | United States | 3,638 | 2,990,036 |
| TransUnion. | United States | 5,969 | 537,210 |
| Verisk Analytics, Inc. | United States | 9,648 | 1,704,705 |
| | | | 5,231,951 |
| Road & Rail 1.1% | | | |
| Union Pacific Corp. | United States | 6,047 | 1,332,819 |
| Semiconductors & Semiconductor Equipment 4.3% | | | |
| Analog Devices, Inc. | United States | 6,369 | 987,705 |
| Monolithic Power Systems, Inc. | United States | 4,430 | 1,564,720 |
| NVIDIA Corp. | United States | 5,352 | 2,857,593 |
| | | | 5,410,018 |
| Software 17.6% | | | |
| ^a Adobe, Inc. | United States | 6,316 | 3,002,437 |
| ^a Atlassian Corp. plc, A | United States | 2,078 | 437,959 |
| ^a Autodesk, Inc. | United States | 1,833 | 508,016 |
| ^a Avalara, Inc. | United States | 920 | 122,756 |
| ^a Bill.com Holdings, Inc. | United States | 9,932 | 1,445,106 |
| ^a DocuSign, Inc. | United States | 3,873 | 784,089 |
| Intuit, Inc. | United States | 2,867 | 1,098,233 |
| Microsoft Corp. | United States | 23,651 | 5,576,196 |
| ^a Paycom Software, Inc. | United States | 1,169 | 432,600 |
| ^a PTC, Inc. | United States | 9,282 | 1,277,667 |
| ^a Qualtrics International, Inc., A | United States | 1,252 | 41,203 |
| ^a salesforce.com, Inc. | United States | 4,930 | 1,044,519 |
| ^a ServiceNow, Inc. | United States | 7,809 | 3,905,359 |
| ^a Synopsys, Inc. | United States | 4,198 | 1,040,181 |
| ^a Workday, Inc., A | United States | 2,964 | 736,347 |
| ^a Zendesk, Inc. | United States | 6,291 | 834,312 |
| | | | 22,286,980 |
| Specialty Retail 0.3% | | | |
| ^a Burlington Stores, Inc. | United States | 1,325 | 395,910 |
| Technology Hardware, Storage & Peripherals 4.0% | | | |
| Apple, Inc. | United States | 41,002 | 5,008,394 |
| Textiles, Apparel & Luxury Goods 0.7% | | | |
| NIKE, Inc., B. | United States | 6,665 | 885,712 |
| Wireless Telecommunication Services 1.1% | | | |
| ^a T-Mobile US, Inc. | United States | 11,021 | 1,380,821 |
| Total Common Stocks (Cost \$43,966,310) | | | 123,660,710 |

Franklin Large Cap Growth VIP Fund (continued)

Short Term Investments 4.0%

| | Principal Amount [*] | Value |
|--|---|----------------------|
| Repurchase Agreements 2.6% | | |
| ^d Joint Repurchase Agreement, 0.004%, 4/01/21 (Maturity Value \$3,333,395) | | |
| BNP Paribas Securities Corp. (Maturity Value \$1,943,636) | | |
| Deutsche Bank Securities, Inc. (Maturity Value \$466,509) | | |
| HSBC Securities (USA), Inc. (Maturity Value \$923,250) | | |
| Collateralized by U.S. Government Agency Securities, 2.25% - 5%, 9/20/42 - 3/15/56; U.S. Treasury Bonds, 6.25% - 8.13%, 5/15/21 - 2/15/25; and U.S. Treasury Note, 1.63%, 11/15/22 (valued at \$3,401,655) | 3,333,394 | \$3,333,394 |
| Total Repurchase Agreements (Cost \$3,333,394) | | 3,333,394 |
| Investments from Cash Collateral Received for Loaned Securities 1.4% | | |
| | Country | Shares |
| Money Market Funds 1.1% | | |
| ^e Institutional Fiduciary Trust - Money Market Portfolio, 0.01% | United States | 1,430,000 |
| | Principal Amount[*] | |
| | | 1,430,000 |
| Repurchase Agreements 0.3% | | |
| ^d Joint Repurchase Agreement, BNP Paribas SA, 0%, 4/01/21 (Maturity Value \$358,396) | | |
| Collateralized by U.S. Government Bond, 6%, 2/15/26; U.S. Government Bonds, Strips, 11/15/22 - 11/15/25; U.S. Treasury Notes, 0.125% - 1.875%, 2/28/22 - 2/28/23; and U.S. Treasury Bill, Discount Note, 7/20/21 (valued at \$365,564) | 358,396 | 358,396 |
| Total Investments from Cash Collateral Received for Loaned Securities (Cost \$1,788,396) | | 1,788,396 |
| Total Short Term Investments (Cost \$5,121,790) | | 5,121,790 |
| Total Investments (Cost \$49,088,100) 101.6% | | \$128,782,500 |
| Other Assets, less Liabilities (1.6)% | | (2,092,483) |
| Net Assets 100.0% | | \$126,690,017 |

See Abbreviations on page 169

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

^aNon-income producing.

^bA portion or all of the security is on loan at March 31, 2021.

^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 March 31, 2021, the value of this security was \$911,612, representing 0.7% of net assets.

Franklin Large Cap Growth VIP Fund (continued)

^dInvestment is through participation in a joint account with other funds managed by the investment manager or an affiliate of the investment manager. At March 31, 2021, all repurchase agreements had been entered into on that date.

^eSee Note 9 regarding investments in affiliated management investment companies.

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

Statement of Investments (unaudited), March 31, 2021

Franklin Mutual Global Discovery VIP Fund

| | Country | Shares | Value |
|---|----------------|-----------|-------------|
| Common Stocks 92.7% | | | |
| Aerospace & Defense 1.6% | | | |
| BAE Systems plc | United Kingdom | 1,168,837 | \$8,138,684 |
| Auto Components 0.0%† | | | |
| ^{a,b,c} International Automotive Components Group Brazil LLC | Belgium | 424,073 | 7,645 |
| Automobiles 1.3% | | | |
| ^b General Motors Co. | United States | 119,200 | 6,849,232 |
| Banks 8.3% | | | |
| Citigroup, Inc. | United States | 104,550 | 7,606,012 |
| ING Groep NV | Netherlands | 1,043,333 | 12,742,275 |
| JPMorgan Chase & Co. | United States | 69,686 | 10,608,300 |
| Wells Fargo & Co. | United States | 313,466 | 12,247,117 |
| | | | 43,203,704 |
| Beverages 1.1% | | | |
| Heineken NV | Netherlands | 55,066 | 5,652,478 |
| Biotechnology 0.7% | | | |
| ^b Alexion Pharmaceuticals, Inc. | United States | 24,400 | 3,731,004 |
| Building Products 1.5% | | | |
| Johnson Controls International plc. | United States | 130,642 | 7,795,408 |
| Capital Markets 2.0% | | | |
| Credit Suisse Group AG, A | Switzerland | 800,231 | 8,466,831 |
| ^d Guotai Junan Securities Co. Ltd., H, 144A, Reg S | China | 1,275,797 | 1,846,278 |
| | | | 10,313,109 |
| Chemicals 3.0% | | | |
| BASF SE | Germany | 102,530 | 8,519,822 |
| ^d Covestro AG, 144A, Reg S | Germany | 105,956 | 7,128,198 |
| | | | 15,648,020 |
| Communications Equipment 1.0% | | | |
| Cisco Systems, Inc. | United States | 101,280 | 5,237,189 |
| Construction Materials 1.2% | | | |
| ^b LafargeHolcim Ltd. | Switzerland | 109,629 | 6,447,412 |
| Consumer Finance 1.9% | | | |
| Capital One Financial Corp. | United States | 79,688 | 10,138,704 |
| Containers & Packaging 0.9% | | | |
| International Paper Co. | United States | 91,200 | 4,931,184 |
| Diversified Financial Services 2.0% | | | |
| Voya Financial, Inc. | United States | 161,150 | 10,255,586 |
| Diversified Telecommunication Services 2.1% | | | |
| Deutsche Telekom AG. | Germany | 541,807 | 10,918,342 |
| Entertainment 1.7% | | | |
| ^b Walt Disney Co. (The) | United States | 49,191 | 9,076,723 |
| Food Products 1.8% | | | |
| Kraft Heinz Co. (The) | United States | 238,200 | 9,528,000 |
| Health Care Equipment & Supplies 2.3% | | | |
| Medtronic plc | United States | 101,613 | 12,003,544 |
| Health Care Providers & Services 4.9% | | | |
| Anthem, Inc. | United States | 28,932 | 10,385,141 |

Franklin Mutual Global Discovery VIP Fund (continued)

| | Country | Shares | Value |
|--|----------------|-----------|--------------|
| Common Stocks (continued) | | | |
| Health Care Providers & Services (continued) | | | |
| CVS Health Corp. | United States | 199,991 | \$15,045,323 |
| | | | 25,430,464 |
| Hotels, Restaurants & Leisure 1.2% | | | |
| ^b Accor SA | France | 167,404 | 6,306,555 |
| Industrial Conglomerates 1.6% | | | |
| General Electric Co. | United States | 625,050 | 8,206,907 |
| Insurance 9.5% | | | |
| ^b Alleghany Corp. | United States | 7,530 | 4,715,964 |
| China Pacific Insurance Group Co. Ltd., H. | China | 1,467,708 | 5,809,335 |
| Everest Re Group Ltd. | United States | 18,378 | 4,554,252 |
| Hartford Financial Services Group, Inc. (The) | United States | 249,996 | 16,697,233 |
| NN Group NV | Netherlands | 247,108 | 12,053,256 |
| Willis Towers Watson plc. | United States | 24,600 | 5,630,448 |
| | | | 49,460,488 |
| IT Services 2.5% | | | |
| Capgemini SE. | France | 18,221 | 3,097,797 |
| Cognizant Technology Solutions Corp., A. | United States | 127,760 | 9,980,611 |
| | | | 13,078,408 |
| Media 2.7% | | | |
| ^b Charter Communications, Inc., A. | United States | 22,786 | 14,059,418 |
| Oil, Gas & Consumable Fuels 8.5% | | | |
| BP plc. | United Kingdom | 2,966,046 | 12,046,202 |
| ^c Canadian Natural Resources Ltd. | Canada | 294,300 | 9,097,354 |
| Inter Pipeline Ltd. | Canada | 114,336 | 1,634,801 |
| Kinder Morgan, Inc. | United States | 499,770 | 8,321,171 |
| Williams Cos., Inc. (The) | United States | 555,801 | 13,166,926 |
| | | | 44,266,454 |
| Pharmaceuticals 10.2% | | | |
| ^b Elanco Animal Health, Inc. | United States | 71,598 | 2,108,561 |
| Eli Lilly and Co. | United States | 48,735 | 9,104,673 |
| GlaxoSmithKline plc. | United Kingdom | 907,008 | 16,054,271 |
| Merck & Co., Inc. | United States | 170,016 | 13,106,533 |
| Novartis AG, ADR. | Switzerland | 149,597 | 12,787,552 |
| | | | 53,161,590 |
| Semiconductors & Semiconductor Equipment 2.6% | | | |
| ^b Inphi Corp. | United States | 8,200 | 1,462,962 |
| ^b Renesas Electronics Corp. | Japan | 715,363 | 7,832,378 |
| Xilinx, Inc. | United States | 34,500 | 4,274,550 |
| | | | 13,569,890 |
| Software 4.5% | | | |
| ^b Avaya Holdings Corp. | United States | 4 | 112 |
| ^b Check Point Software Technologies Ltd. | Israel | 83,559 | 9,356,101 |
| Oracle Corp. | United States | 142,000 | 9,964,140 |
| ^b Slack Technologies, Inc., A. | United States | 103,300 | 4,197,079 |
| | | | 23,517,432 |
| Technology Hardware, Storage & Peripherals 4.4% | | | |
| Catcher Technology Co. Ltd. | Taiwan | 411,000 | 3,062,114 |
| Samsung Electronics Co. Ltd. | South Korea | 122,561 | 8,897,487 |

Franklin Mutual Global Discovery VIP Fund (continued)

| | Country | Shares | Value |
|--|----------------|-------------------------------------|--------------------|
| Common Stocks (continued) | | | |
| Technology Hardware, Storage & Peripherals (continued) | | | |
| Western Digital Corp. | United States | 166,446 | \$11,110,270 |
| | | | 23,069,871 |
| Textiles, Apparel & Luxury Goods 1.4% | | | |
| Cie Financiere Richemont SA | Switzerland | 73,673 | 7,075,075 |
| Tobacco 3.6% | | | |
| Altria Group, Inc. | United States | 146,484 | 7,494,122 |
| British American Tobacco plc. | United Kingdom | 290,877 | 11,054,767 |
| | | | 18,548,889 |
| Wireless Telecommunication Services 0.7% | | | |
| Vodafone Group plc | United Kingdom | 2,125,964 | 3,876,295 |
| Total Common Stocks (Cost \$351,773,217) | | | 483,503,704 |
| Preferred Stocks 1.1% | | | |
| Automobiles 1.1% | | | |
| ^h Volkswagen AG, 2.04% | Germany | 21,093 | 5,903,865 |
| Total Preferred Stocks (Cost \$2,867,111) | | | 5,903,865 |
| | | Warrants | |
| Warrants 0.0%[†] | | | |
| Software 0.0%[†] | | | |
| ^b Avaya Holdings Corp., 12/15/22 | United States | 3,649 | 29,776 |
| Textiles, Apparel & Luxury Goods 0.0%[†] | | | |
| ^b Cie Financiere Richemont SA, 11/22/23. | Switzerland | 147,346 | 56,129 |
| Total Warrants (Cost \$—) | | | 85,905 |
| | | Principal Amount[†] | |
| Corporate Bonds 3.0% | | | |
| Airlines 1.8% | | | |
| ^d American Airlines Inc/AAdvantage Loyalty IP Ltd., | | | |
| Senior Secured Note, 144A, 5.5%, 4/20/26 | United States | 2,023,000 | 2,107,845 |
| Senior Secured Note, 144A, 5.75%, 4/20/29 | United States | 162,000 | 172,514 |
| ^d American Airlines, Inc., Senior Secured Note, 144A, 11.75%, 7/15/25 | United States | 3,988,000 | 4,938,101 |
| ^d Mileage Plus Holdings LLC / Mileage Plus Intellectual Property | | | |
| Assets Ltd., Senior Secured Note, 144A, 6.5%, 6/20/27 | United States | 2,060,000 | 2,260,850 |
| | | | 9,479,310 |
| Diversified Telecommunication Services 1.0% | | | |
| ^g Frontier Communications Corp., | | | |
| Senior Note, 10.5%, 9/15/22 | United States | 3,610,000 | 2,477,362 |
| Senior Note, 11%, 9/15/25 | United States | 4,065,000 | 2,787,066 |
| | | | 5,264,428 |
| Multiline Retail 0.2% | | | |
| ^d Macy's, Inc., Senior Secured Note, 144A, 8.375%, 6/15/25 | United States | 829,000 | 917,877 |
| Total Corporate Bonds (Cost \$16,155,741) | | | 15,661,615 |

Franklin Mutual Global Discovery VIP Fund (continued)

| | Country | Principal Amount [†] | Value |
|--|---------------|-------------------------------|--------------------|
| ^hSenior Floating Rate Interests 0.1% | | | |
| Airlines 0.1% | | | |
| ^{ij} AAAdvantage Loyalty IP Ltd. (American Airlines, Inc.), Initial Term Loan, TBD, 4/20/28 | United States | 423,000 | \$433,907 |
| Total Senior Floating Rate Interests (Cost \$418,770) | | | 433,907 |
| | | Shares | |
| Companies in Liquidation 0.0%[†] | | | |
| ^{a,b,k} Tribune Media, Litigation Trust, Contingent Distribution | United States | 57,457 | — |
| ^{a,b,k} Vistra Energy Corp., Litigation Trust, Contingent Distribution | United States | 5,912,264 | 8,868 |
| ^{a,b,k} Walter Energy, Inc., Litigation Trust, Contingent Distribution | United States | 966,000 | — |
| Total Companies in Liquidation (Cost \$185,800) | | | 8,868 |
| Total Long Term Investments (Cost \$371,400,639) | | | 505,597,864 |
| Short Term Investments 1.9% | | | |
| | Country | Principal Amount [†] | Value |
| U.S. Government and Agency Securities 1.6% | | | |
| ^l U.S. Treasury Bills, | | | |
| 6/15/21 | United States | 3,000,000 | 3,000,000 |
| 7/08/21 | United States | 1,500,000 | 1,499,944 |
| 7/22/21 | United States | 2,000,000 | 1,999,922 |
| 8/26/21 | United States | 2,000,000 | 1,999,857 |
| | | | 8,499,723 |
| Total U.S. Government and Agency Securities (Cost \$8,498,258) | | | 8,499,723 |
| Investments from Cash Collateral Received for Loaned Securities 0.3% | | | |
| | | Shares | |
| Money Market Funds 0.2% | | | |
| ^{m,n} Institutional Fiduciary Trust - Money Market Portfolio, 0.01% | United States | 1,292,000 | 1,292,000 |

Franklin Mutual Global Discovery VIP Fund (continued)

Short Term Investments (continued)

| | Principal Amount[*] | Value |
|---|---|-----------------------|
| Repurchase Agreements 0.1% | | |
| °Joint Repurchase Agreement, BNP Paribas SA, 0%, 4/01/21 (Maturity Value \$323,854) Collateralized by U.S. Government Bond, 6%, 2/15/26; U.S. Government Bonds, Strips, 11/15/22 - 11/15/25; U.S. Treasury Notes, 0.125% - 1.875%, 2/28/22 - 2/28/23; and U.S. Treasury Bill, Discount Note, 7/20/21 (valued at \$330,331) | 323,854 | \$323,854 |
| Total Investments from Cash Collateral Received for Loaned Securities (Cost \$1,615,854) | | 1,615,854 |
| Total Short Term Investments (Cost \$10,114,112) | | 10,115,577 |
| Total Investments (Cost \$381,514,751) 98.8% | | \$515,713,441 |
| Securities Sold Short (3.1)% | | (15,989,734) |
| Other Assets, less Liabilities 4.3% | | 21,943,669 |
| Net Assets 100.0% | | \$521,667,376 |
| | Shares | |
| Securities Sold Short (3.1)% | | |
| Common Stocks (3.1)% | | |
| Insurance (1.2)% | | |
| Aon plc, A United States | 26,568 | (6,113,562) |
| Pharmaceuticals (0.5)% | | |
| AstraZeneca plc, ADR United Kingdom | 51,833 | (2,577,137) |
| Semiconductors & Semiconductor Equipment (1.1)% | | |
| Advanced Micro Devices, Inc. United States | 59,458 | (4,667,453) |
| Marvell Technology Group Ltd. United States | 19,049 | (933,020) |
| | | (5,600,473) |
| Software (0.3)% | | |
| salesforce.com, Inc. United States | 8,017 | (1,698,562) |
| Total Common Stocks (Proceeds \$16,249,081) | | (15,989,734) |
| Total Securities Sold Short (Proceeds \$16,249,081) | | \$(15,989,734) |

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

[†]Rounds to less than 0.1% of net assets.

[°]Fair valued using significant unobservable inputs. See Note 11 regarding fair value measurements.

[°]Non-income producing.

[°]See Note 7 regarding restricted securities.

[°]Security was purchased pursuant to Rule 144A or Regulation S under the Securities Act of 1933. 144A securities may be sold in transactions exempt from registration only to qualified institutional buyers or in a public offering registered under the Securities Act of 1933. Regulation S securities cannot be sold in the United States without either an effective registration statement filed pursuant to the Securities Act of 1933, or pursuant to an exemption from registration. At March 31, 2021, the aggregate value of these securities was \$19,371,663, representing 3.7% of net assets.

[°]A portion or all of the security is on loan at March 31, 2021.

[†]Variable rate security. The rate shown represents the yield at period end.

[°]Defaulted security or security for which income has been deemed uncollectible.

[°]The coupon rate shown represents the rate at period end.

[†]A portion or all of the security represents an unsettled loan commitment. The coupon rate is to-be determined (TBD) at the time of the settlement and will be based upon a reference index/floor plus a spread.

[†]A portion or all of the security purchased on a delayed delivery basis.

Franklin Mutual Global Discovery VIP Fund (continued)

*Contingent distributions represent the right to receive additional distributions, if any, during the reorganization of the underlying company. Shares represent total underlying principal of debt securities.

¹The security was issued on a discount basis with no stated coupon rate.

^mSee Note 9 regarding investments in affiliated management investment companies.

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

^oInvestment is through participation in a joint account with other funds managed by the investment manager or an affiliate of the investment manager. At March 31, 2021, all repurchase agreements had been entered into on that date.

At March 31, 2021, the Fund had the following futures contracts outstanding. See Note 3.

Futures Contracts

| Description | Type | Number of Contracts | Notional Amount* | Expiration Date | Value/ Unrealized Appreciation (Depreciation) |
|-----------------------------------|-------|---------------------|------------------|-----------------|---|
| Foreign exchange contracts | | | | | |
| Foreign Exchange EUR/USD | Short | 94 | \$13,796,850 | 6/14/21 | \$216,135 |
| Foreign Exchange GBP/USD | Short | 112 | 9,646,700 | 6/14/21 | 82,977 |
| Total Futures Contracts | | | | | \$299,112 |

*As of period end.

At March 31, 2021, the Fund had the following forward exchange contracts outstanding. See Note 3.

Forward Exchange Contracts

| Currency | Counter-party ^a | Type | Quantity | Contract Amount* | Settlement Date | Unrealized Appreciation | Unrealized Depreciation |
|--|----------------------------|------|---------------|------------------|-----------------|-------------------------|-------------------------|
| OTC Forward Exchange Contracts | | | | | | | |
| South Korean Won .. | HSBK | Buy | 2,572,927,350 | 2,336,793 | 5/14/21 | \$— | \$(55,240) |
| South Korean Won .. | HSBK | Sell | 5,698,790,095 | 5,083,226 | 5/14/21 | 29,801 | — |
| South Korean Won .. | UBSW | Buy | 656,801,363 | 602,732 | 5/14/21 | — | (20,310) |
| South Korean Won .. | UBSW | Sell | 926,097,546 | 832,597 | 5/14/21 | 11,376 | — |
| Canadian Dollar | HSBK | Sell | 1,198,240 | 957,920 | 5/17/21 | 4,447 | — |
| Canadian Dollar | UBSW | Sell | 779,350 | 619,522 | 5/17/21 | — | (628) |
| Swiss Franc | BOFA | Buy | 342,428 | 363,359 | 5/17/21 | — | (601) |
| Swiss Franc | HSBK | Buy | 38,706 | 41,621 | 5/17/21 | — | (617) |
| Swiss Franc | HSBK | Sell | 4,236,400 | 4,772,548 | 5/17/21 | 284,636 | — |
| Swiss Franc | UBSW | Buy | 1,211,961 | 1,287,677 | 5/17/21 | — | (3,763) |
| Swiss Franc | UBSW | Sell | 5,341,058 | 5,970,491 | 5/17/21 | 312,337 | — |
| British Pound | BOFA | Buy | 195,240 | 266,763 | 5/19/21 | 2,404 | — |
| British Pound | HSBK | Buy | 247,971 | 340,059 | 5/19/21 | 1,805 | — |
| British Pound | HSBK | Sell | 4,621,535 | 6,316,860 | 5/19/21 | — | (54,579) |
| British Pound | UBSW | Buy | 618,778 | 851,859 | 5/19/21 | 1,213 | — |
| British Pound | UBSW | Sell | 891,742 | 1,236,631 | 5/19/21 | 7,238 | — |
| New Taiwan Dollar .. | HSBK | Sell | 37,603,518 | 1,326,871 | 5/28/21 | — | (1,389) |
| New Taiwan Dollar .. | UBSW | Sell | 41,719,482 | 1,473,395 | 5/28/21 | — | (251) |
| South Korean Won .. | HSBK | Buy | 2,288,250,675 | 2,082,765 | 6/18/21 | — | (53,579) |
| South Korean Won .. | HSBK | Sell | 6,252,499,822 | 5,658,966 | 6/18/21 | 114,344 | — |
| South Korean Won .. | UBSW | Sell | 178,093,425 | 160,842 | 6/18/21 | 2,911 | — |
| Euro | HSBK | Sell | 27,536,551 | 33,507,849 | 8/23/21 | 1,119,297 | — |
| Euro | UBSW | Sell | 105,538 | 129,485 | 8/23/21 | 5,351 | — |
| Total Forward Exchange Contracts | | | | | | \$1,897,160 | \$(190,957) |
| Net unrealized appreciation (depreciation) | | | | | | \$1,706,203 | |

^aIn U.S. dollars unless otherwise indicated.

Franklin Mutual Global Discovery VIP Fund (continued)

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

See Abbreviations on page 169.

Statement of Investments (unaudited), March 31, 2021

Franklin Mutual Shares VIP Fund

| | Country | Shares | Value |
|---|----------------|-----------|-------------|
| Common Stocks 92.9% | | | |
| Aerospace & Defense 1.9% | | | |
| BAE Systems plc | United Kingdom | 1,248,171 | \$8,691,092 |
| Huntington Ingalls Industries, Inc. | United States | 233,644 | 48,095,617 |
| | | | 56,786,709 |
| Auto Components 0.0%† | | | |
| ^{a,b,c} International Automotive Components Group Brazil LLC | Belgium | 1,730,515 | 31,198 |
| Automobiles 1.0% | | | |
| ^b General Motors Co. | United States | 548,050 | 31,490,953 |
| Banks 9.1% | | | |
| Bank of America Corp. | United States | 1,220,023 | 47,202,690 |
| Citigroup, Inc. | United States | 945,811 | 68,807,750 |
| JPMorgan Chase & Co. | United States | 425,783 | 64,816,946 |
| Synovus Financial Corp. | United States | 884,068 | 40,446,111 |
| Wells Fargo & Co. | United States | 1,368,389 | 53,462,958 |
| | | | 274,736,455 |
| Beverages 1.0% | | | |
| Heineken NV | Netherlands | 287,646 | 29,526,614 |
| Biotechnology 0.7% | | | |
| ^b Alexion Pharmaceuticals, Inc. | United States | 141,800 | 21,682,638 |
| Building Products 2.1% | | | |
| Johnson Controls International plc. | United States | 1,052,349 | 62,793,665 |
| Capital Markets 1.0% | | | |
| Credit Suisse Group AG, A | Switzerland | 2,740,559 | 28,996,439 |
| Communications Equipment 1.1% | | | |
| Cisco Systems, Inc. | United States | 645,776 | 33,393,077 |
| Consumer Finance 2.3% | | | |
| Capital One Financial Corp. | United States | 558,978 | 71,118,771 |
| Containers & Packaging 1.2% | | | |
| International Paper Co. | United States | 693,584 | 37,502,087 |
| Diversified Financial Services 1.6% | | | |
| Voya Financial, Inc. | United States | 758,210 | 48,252,484 |
| Diversified Telecommunication Services 0.3% | | | |
| ^{a,b,c} Windstream Holdings, Inc. | United States | 609,467 | 9,214,017 |
| Electric Utilities 1.9% | | | |
| Evergy, Inc. | United States | 489,900 | 29,163,747 |
| Pinnacle West Capital Corp. | United States | 367,001 | 29,855,531 |
| | | | 59,019,278 |
| Electrical Equipment 2.3% | | | |
| ^b Sensata Technologies Holding plc. | United States | 1,213,770 | 70,337,971 |
| Entertainment 1.8% | | | |
| ^b Walt Disney Co. (The) | United States | 294,749 | 54,387,085 |
| Equity Real Estate Investment Trusts (REITs) 1.5% | | | |
| Alexander's, Inc. | United States | 31,088 | 8,620,703 |
| Uniti Group, Inc. | United States | 517,941 | 5,712,889 |
| Vornado Realty Trust. | United States | 671,142 | 30,463,135 |
| | | | 44,796,727 |

Franklin Mutual Shares VIP Fund (continued)

| | Country | Shares | Value |
|--|----------------|------------|--------------|
| Common Stocks (continued) | | | |
| Food & Staples Retailing 1.1% | | | |
| Kroger Co. (The) | United States | 896,815 | \$32,276,372 |
| Food Products 3.9% | | | |
| Archer-Daniels-Midland Co. | United States | 647,613 | 36,913,941 |
| Conagra Brands, Inc. | United States | 392,822 | 14,770,107 |
| Kraft Heinz Co. (The) | United States | 1,666,894 | 66,675,760 |
| | | | 118,359,808 |
| Health Care Equipment & Supplies 2.4% | | | |
| Medtronic plc | United States | 628,839 | 74,284,751 |
| Health Care Providers & Services 4.8% | | | |
| Anthem, Inc. | United States | 183,694 | 65,936,961 |
| CVS Health Corp. | United States | 1,050,642 | 79,039,798 |
| | | | 144,976,759 |
| Household Durables 2.7% | | | |
| Lennar Corp., A. | United States | 346,874 | 35,114,055 |
| Newell Brands, Inc. | United States | 1,691,343 | 45,294,166 |
| | | | 80,408,221 |
| Household Products 0.8% | | | |
| Energizer Holdings, Inc. | United States | 494,021 | 23,446,237 |
| Industrial Conglomerates 1.6% | | | |
| General Electric Co. | United States | 3,783,136 | 49,672,576 |
| Insurance 8.3% | | | |
| ^b Alleghany Corp. | United States | 101,450 | 63,537,120 |
| Everest Re Group Ltd. | United States | 169,992 | 42,125,718 |
| Hartford Financial Services Group, Inc. (The) | United States | 1,053,334 | 70,352,178 |
| MetLife, Inc. | United States | 732,181 | 44,509,283 |
| Willis Towers Watson plc. | United States | 142,900 | 32,706,952 |
| | | | 253,231,251 |
| IT Services 1.9% | | | |
| Cognizant Technology Solutions Corp., A. | United States | 748,658 | 58,485,163 |
| Media 5.0% | | | |
| ^b Charter Communications, Inc., A. | United States | 135,066 | 83,338,423 |
| Comcast Corp., A. | United States | 1,282,070 | 69,372,808 |
| | | | 152,711,231 |
| Oil, Gas & Consumable Fuels 5.2% | | | |
| BP plc. | United Kingdom | 13,763,147 | 55,897,195 |
| Kinder Morgan, Inc. | United States | 1,821,394 | 30,326,210 |
| Williams Cos., Inc. (The) | United States | 3,032,181 | 71,832,368 |
| | | | 158,055,773 |
| Pharmaceuticals 9.2% | | | |
| ^b Elanco Animal Health, Inc. | United States | 386,675 | 11,387,579 |
| Eli Lilly and Co. | United States | 275,556 | 51,479,372 |
| GlaxoSmithKline plc | United Kingdom | 4,053,650 | 71,750,631 |
| Merck & Co., Inc. | United States | 1,024,030 | 78,942,473 |
| Novartis AG, ADR | Switzerland | 770,815 | 65,889,266 |
| | | | 279,449,321 |
| Semiconductors & Semiconductor Equipment 1.1% | | | |
| ^b Inphi Corp. | United States | 47,300 | 8,438,793 |

Franklin Mutual Shares VIP Fund (continued)

| | Country | Shares | Value |
|---|----------------|------------|----------------------|
| Common Stocks (continued) | | | |
| Semiconductors & Semiconductor Equipment (continued) | | | |
| Xilinx, Inc. | United States | 200,200 | \$24,804,780 |
| | | | 33,243,573 |
| Software 4.6% | | | |
| ^b Avaya Holdings Corp. | United States | 116 | 3,251 |
| NortonLifeLock, Inc. | United States | 2,055,075 | 43,690,895 |
| Oracle Corp. | United States | 1,042,510 | 73,152,927 |
| ^b Slack Technologies, Inc., A | United States | 596,500 | 24,235,795 |
| | | | 141,082,868 |
| Specialty Retail 0.0% | | | |
| ^{a,b,c} Wayne Services Legacy, Inc. | United States | 2,039 | — |
| Technology Hardware, Storage & Peripherals 3.6% | | | |
| Samsung Electronics Co. Ltd. | South Korea | 772,366 | 56,070,986 |
| Western Digital Corp. | United States | 795,682 | 53,111,773 |
| | | | 109,182,759 |
| Textiles, Apparel & Luxury Goods 1.5% | | | |
| ^b PVH Corp. | United States | 417,411 | 44,120,343 |
| Tobacco 2.8% | | | |
| Altria Group, Inc. | United States | 674,777 | 34,521,592 |
| British American Tobacco plc. | United Kingdom | 1,292,980 | 49,139,646 |
| | | | 83,661,238 |
| Wireless Telecommunication Services 1.6% | | | |
| ^b T-Mobile US, Inc. | United States | 386,944 | 48,480,214 |
| Total Common Stocks (Cost \$1,932,413,023) | | | 2,819,194,626 |
| Warrants | | | |
| Warrants 0.0%[†] | | | |
| Diversified Telecommunication Services 0.0%[†] | | | |
| ^{a,b,c} Windstream Holdings, Inc., 9/21/55 | United States | 34,368 | 519,581 |
| Software 0.0%[†] | | | |
| ^b Avaya Holdings Corp., 12/15/22 | United States | 64,513 | 526,426 |
| Total Warrants (Cost \$436,130) | | | 1,046,007 |
| Principal Amount[†] | | | |
| Corporate Bonds 4.0% | | | |
| Airlines 1.6% | | | |
| ^d American Airlines Inc/AA Advantage Loyalty IP Ltd., Senior Secured Note, 144A, 5.5%, 4/20/26 | United States | 11,841,000 | 12,337,612 |
| Senior Secured Note, 144A, 5.75%, 4/20/29 | United States | 947,000 | 1,008,460 |
| ^d American Airlines, Inc., Senior Secured Note, 144A, 11.75%, 7/15/25 | United States | 17,841,000 | 22,091,440 |
| ^d Mileage Plus Holdings LLC / Mileage Plus Intellectual Property Assets Ltd., Senior Secured Note, 144A, 6.5%, 6/20/27 | United States | 11,070,000 | 12,149,325 |
| | | | 47,586,837 |
| Diversified Telecommunication Services 1.1% | | | |
| ^e Frontier Communications Corp., Senior Note, 10.5%, 9/15/22 | United States | 22,633,000 | 15,531,896 |

Franklin Mutual Shares VIP Fund (continued)

| | Country | Principal Amount [†] | Value |
|--|---------------|-------------------------------|----------------------|
| Corporate Bonds (continued) | | | |
| Diversified Telecommunication Services (continued) | | | |
| ^e Frontier Communications Corp., (continued) | | | |
| Senior Note, 11%, 9/15/25 | United States | 25,535,000 | \$17,507,434 |
| | | | 33,039,330 |
| Machinery 0.2% | | | |
| ^d Navistar International Corp., Senior Secured Note, 144A, 9.5%, 5/01/25 | United States | 4,878,200 | 5,369,069 |
| Multiline Retail 0.1% | | | |
| ^d Macy's, Inc., Senior Secured Note, 144A, 8.375%, 6/15/25 | United States | 4,438,000 | 4,913,798 |
| Software 1.0% | | | |
| ^d Veritas US, Inc. / Veritas Bermuda Ltd., Senior Note, 144A, 10.5%, 2/01/24 | United States | 23,445,000 | 24,060,431 |
| Senior Secured Note, 144A, 7.5%, 9/01/25 | United States | 6,752,000 | 7,021,405 |
| | | | 31,081,836 |
| Total Corporate Bonds (Cost \$123,658,243) | | | 121,990,870 |
| Senior Floating Rate Interests 0.5% | | | |
| Airlines 0.1% | | | |
| ^{g,h} AAdvantage Loyalty IP Ltd. (American Airlines, Inc.), Initial Term Loan, TBD, 4/20/28 | United States | 2,477,000 | 2,540,869 |
| Software 0.4% | | | |
| ^{g,h} Veritas US, Inc., USD Term Loan, B, TBD, 9/01/25. | United States | 12,696,776 | 12,736,453 |
| Total Senior Floating Rate Interests (Cost \$14,962,939) | | | 15,277,322 |
| Asset-Backed Securities 0.2% | | | |
| Airlines 0.2% | | | |
| American Airlines Pass-Through Trust, 2013-2, A, 4.95%, 1/15/23 | United States | 5,316,363 | 5,319,058 |
| Total Asset-Backed Securities (Cost \$5,236,618) | | | 5,319,058 |
| | | Shares | |
| Companies in Liquidation 0.0%[†] | | | |
| ^{a,b,i} Bosgen Liquidating Trust c/o Verdolino and Lowey P.C., Contingent Distribution | Netherlands | 347,093 | — |
| ^{a,b,i} Tribune Media, Litigation Trust, Contingent Distribution | United States | 397,730 | — |
| ^{a,b,i} Vistra Energy Corp., Litigation Trust, Contingent Distribution | United States | 90,618,405 | 135,928 |
| ^{a,b,i} Walter Energy, Inc., Litigation Trust, Contingent Distribution | United States | 6,301,000 | — |
| Total Companies in Liquidation (Cost \$2,834,275) | | | 135,928 |
| Total Long Term Investments (Cost \$2,079,541,228) | | | 2,962,963,811 |
| Short Term Investments 1.4% | | | |
| | Country | Principal Amount [†] | Value |
| U.S. Government and Agency Securities 1.4% | | | |
| ^j U.S. Treasury Bills, 6/22/21 | United States | 1,500,000 | 1,499,973 |
| 7/08/21 | United States | 8,000,000 | 7,999,700 |

Franklin Mutual Shares VIP Fund (continued)

Short Term Investments (continued)

| | Country | Principal Amount [*] | Value |
|--|----------------|-------------------------------|------------------------|
| U.S. Government and Agency Securities (continued) | | | |
| ⁱ U.S. Treasury Bills, (continued) | | | |
| 7/22/21 | United States | 10,000,000 | \$9,999,611 |
| 8/05/21 | United States | 1,000,000 | 999,959 |
| 8/12/21 | United States | 1,000,000 | 999,955 |
| 8/26/21 | United States | 20,000,000 | 19,998,571 |
| | | | 41,497,769 |
| Total U.S. Government and Agency Securities (Cost \$41,491,124) | | | 41,497,769 |
| Total Short Term Investments (Cost \$41,491,124) | | | 41,497,769 |
| Total Investments (Cost \$2,121,032,352) 99.0% | | | \$3,004,461,580 |
| Securities Sold Short (3.1)% | | | (92,763,569) |
| Other Assets, less Liabilities 4.1% | | | 123,235,057 |
| Net Assets 100.0% | | | \$3,034,933,068 |
| | | Shares | |
| Securities Sold Short (3.1)% | | | |
| Common Stocks (3.1)% | | | |
| Insurance (1.2)% | | | |
| Aon plc, A | United States | 154,332 | (35,513,336) |
| Pharmaceuticals (0.5)% | | | |
| AstraZeneca plc, ADR | United Kingdom | 301,225 | (14,976,907) |
| Semiconductors & Semiconductor Equipment (1.1)% | | | |
| Advanced Micro Devices, Inc. | United States | 345,025 | (27,084,463) |
| Marvell Technology Group Ltd. | United States | 109,878 | (5,381,824) |
| | | | (32,466,287) |
| Software (0.3)% | | | |
| salesforce.com, Inc. | United States | 46,288 | (9,807,039) |
| Total Common Stocks (Proceeds \$94,273,507) | | | (92,763,569) |
| Total Securities Sold Short (Proceeds \$94,273,507) | | | \$(92,763,569) |

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

[†]Rounds to less than 0.1% of net assets.

^aFair valued using significant unobservable inputs. See Note 11 regarding fair value measurements.

^bNon-income producing.

^cSee Note 7 regarding restricted securities.

^dSecurity was purchased pursuant to Rule 144A or Regulation S under the Securities Act of 1933. 144A securities may be sold in transactions exempt from registration only to qualified institutional buyers or in a public offering registered under the Securities Act of 1933. Regulation S securities cannot be sold in the United States without either an effective registration statement filed pursuant to the Securities Act of 1933, or pursuant to an exemption from registration. At March 31, 2021, the aggregate value of these securities was \$88,951,540, representing 2.9% of net assets.

^eDefaulted security or security for which income has been deemed uncollectible.

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

^gA portion or all of the security represents an unsettled loan commitment. The coupon rate is to-be determined (TBD) at the time of the settlement and will be based upon a reference index/floor plus a spread.

^hA portion or all of the security purchased on a delayed delivery basis.

ⁱContingent distributions represent the right to receive additional distributions, if any, during the reorganization of the underlying company. Shares represent total underlying principal of debt securities.

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

Franklin Mutual Shares VIP Fund (continued)

At March 31, 2021, the Fund had the following futures contracts outstanding. See Note 3.

Futures Contracts

| Description | Type | Number of Contracts | Notional Amount* | Expiration Date | Value/ Unrealized Appreciation (Depreciation) |
|-----------------------------------|-------|---------------------|------------------|-----------------|---|
| Foreign exchange contracts | | | | | |
| Foreign Exchange EUR/USD | Short | 39 | \$5,724,225 | 6/14/21 | \$89,771 |
| Foreign Exchange GBP/USD | Short | 256 | 22,049,600 | 6/14/21 | 189,274 |
| Total Futures Contracts | | | | | \$279,045 |

*As of period end.

At March 31, 2021, the Fund had the following forward exchange contracts outstanding. See Note 3.

Forward Exchange Contracts

| Currency | Counter-party ^a | Type | Quantity | Contract Amount* | Settlement Date | Unrealized Appreciation | Unrealized Depreciation |
|--|----------------------------|------|----------------|------------------|-----------------|-------------------------|-------------------------|
| OTC Forward Exchange Contracts | | | | | | | |
| South Korean Won .. | HSBK | Buy | 15,981,640,747 | 14,442,764 | 5/14/21 | \$— | \$(270,980) |
| South Korean Won .. | HSBK | Sell | 34,999,519,250 | 31,308,786 | 5/14/21 | 272,822 | — |
| South Korean Won .. | UBSW | Buy | 7,625,437,950 | 7,026,758 | 5/14/21 | — | (264,871) |
| South Korean Won .. | UBSW | Sell | 18,226,354,882 | 16,348,012 | 5/14/21 | 185,719 | — |
| Swiss Franc | BOFA | Buy | 1,172,253 | 1,243,906 | 5/17/21 | — | (2,057) |
| Swiss Franc | HSBK | Buy | 146,885 | 157,948 | 5/17/21 | — | (2,342) |
| Swiss Franc | HSBK | Sell | 16,076,804 | 18,111,444 | 5/17/21 | 1,080,170 | — |
| Swiss Franc | UBSW | Buy | 4,562,422 | 4,848,778 | 5/17/21 | — | (15,488) |
| Swiss Franc | UBSW | Sell | 17,148,877 | 19,286,202 | 5/17/21 | 1,119,207 | — |
| British Pound | BOFA | Buy | 1,237,787 | 1,691,022 | 5/19/21 | 15,443 | — |
| British Pound | HSBK | Buy | 4,074,202 | 5,626,092 | 5/19/21 | — | (9,228) |
| British Pound | HSBK | Sell | 14,265,670 | 19,489,231 | 5/19/21 | — | (178,012) |
| British Pound | SSBT | Buy | 2,493,347 | 3,484,375 | 5/19/21 | — | (46,945) |
| British Pound | UBSW | Buy | 2,375,108 | 3,252,862 | 5/19/21 | 21,560 | — |
| British Pound | UBSW | Sell | 671,979 | 929,616 | 5/19/21 | 3,198 | — |
| South Korean Won .. | HSBK | Buy | 15,197,051,000 | 13,879,452 | 6/18/21 | — | (402,936) |
| South Korean Won .. | HSBK | Sell | 39,878,506,618 | 36,100,480 | 6/18/21 | 736,819 | — |
| South Korean Won .. | UBSW | Sell | 9,030,995,877 | 8,156,146 | 6/18/21 | 147,595 | — |
| Euro | BOFA | Buy | 197,993 | 241,746 | 8/23/21 | — | (8,866) |
| Euro | HSBK | Buy | 456,937 | 553,962 | 8/23/21 | — | (16,513) |
| Euro | HSBK | Sell | 4,542,573 | 5,523,939 | 8/23/21 | 180,956 | — |
| Euro | SSBT | Sell | 5,252,745 | 6,252,151 | 8/23/21 | 73,863 | — |
| Euro | UBSW | Sell | 2,422,590 | 2,899,264 | 8/23/21 | 49,808 | — |
| Total Forward Exchange Contracts | | | | | | \$3,887,160 | \$(1,218,238) |
| Net unrealized appreciation (depreciation) | | | | | | \$2,668,922 | |

¹In U.S. dollars unless otherwise indicated.

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

See Abbreviations on page 169.

Statement of Investments (unaudited), March 31, 2021

Franklin Rising Dividends VIP Fund

| | Country | Shares | Value |
|---|----------------|---------|--------------|
| Common Stocks 99.0% | | | |
| Aerospace & Defense 3.7% | | | |
| General Dynamics Corp. | United States | 111,152 | \$20,180,757 |
| Raytheon Technologies Corp. | United States | 496,246 | 38,344,928 |
| | | | 58,525,685 |
| Air Freight & Logistics 1.9% | | | |
| United Parcel Service, Inc., B | United States | 180,517 | 30,686,085 |
| Banks 0.8% | | | |
| JPMorgan Chase & Co. | United States | 88,300 | 13,441,909 |
| Beverages 1.6% | | | |
| PepsiCo, Inc. | United States | 178,830 | 25,295,503 |
| Biotechnology 1.0% | | | |
| AbbVie, Inc. | United States | 142,236 | 15,392,780 |
| Building Products 1.8% | | | |
| Johnson Controls International plc. | United States | 471,510 | 28,135,002 |
| Capital Markets 1.0% | | | |
| Nasdaq, Inc. | United States | 114,000 | 16,810,440 |
| Chemicals 10.3% | | | |
| Air Products and Chemicals, Inc. | United States | 169,167 | 47,593,444 |
| Albemarle Corp. | United States | 228,510 | 33,387,596 |
| Ecolab, Inc. | United States | 120,309 | 25,754,548 |
| Linde plc. | United Kingdom | 199,132 | 55,784,838 |
| Sherwin-Williams Co. (The). | United States | 2,200 | 1,623,622 |
| | | | 164,144,048 |
| Commercial Services & Supplies 1.7% | | | |
| Cintas Corp. | United States | 80,372 | 27,431,767 |
| Electrical Equipment 0.6% | | | |
| nVent Electric plc | United States | 331,626 | 9,255,682 |
| Food & Staples Retailing 1.5% | | | |
| Walmart, Inc. | United States | 171,308 | 23,268,766 |
| Food Products 1.4% | | | |
| McCormick & Co., Inc. | United States | 250,094 | 22,298,381 |
| Health Care Equipment & Supplies 14.0% | | | |
| Abbott Laboratories. | United States | 300,195 | 35,975,369 |
| Becton Dickinson and Co. | United States | 160,815 | 39,102,167 |
| Medtronic plc | United States | 373,554 | 44,127,934 |
| Stryker Corp. | United States | 243,245 | 59,249,617 |
| West Pharmaceutical Services, Inc. | United States | 158,701 | 44,718,768 |
| | | | 223,173,855 |
| Health Care Providers & Services 2.6% | | | |
| CVS Health Corp. | United States | 131,893 | 9,922,310 |
| UnitedHealth Group, Inc. | United States | 84,100 | 31,291,087 |
| | | | 41,213,397 |
| Hotels, Restaurants & Leisure 1.8% | | | |
| McDonald's Corp. | United States | 125,599 | 28,151,760 |
| Household Products 2.9% | | | |
| Colgate-Palmolive Co. | United States | 241,440 | 19,032,715 |
| Procter & Gamble Co. (The) | United States | 195,994 | 26,543,468 |
| | | | 45,576,183 |

Franklin Rising Dividends VIP Fund (continued)

| | Country | Shares | Value |
|--|---------------|---------|----------------------|
| Common Stocks (continued) | | | |
| Industrial Conglomerates 8.0% | | | |
| Carlisle Cos., Inc. | United States | 76,202 | \$12,541,325 |
| Honeywell International, Inc. | United States | 205,475 | 44,602,459 |
| Roper Technologies, Inc. | United States | 175,183 | 70,658,311 |
| | | | 127,802,095 |
| Insurance 1.1% | | | |
| Aflac, Inc. | United States | 60,204 | 3,081,241 |
| Erie Indemnity Co., A. | United States | 62,970 | 13,910,702 |
| | | | 16,991,943 |
| IT Services 6.4% | | | |
| Accenture plc, A. | United States | 230,078 | 63,559,048 |
| Visa, Inc., A. | United States | 183,062 | 38,759,717 |
| | | | 102,318,765 |
| Machinery 3.4% | | | |
| Donaldson Co., Inc. | United States | 181,797 | 10,573,314 |
| Dover Corp. | United States | 184,088 | 25,243,987 |
| Pentair plc | United States | 292,694 | 18,240,690 |
| | | | 54,057,991 |
| Multiline Retail 2.6% | | | |
| Target Corp. | United States | 211,937 | 41,978,362 |
| Oil, Gas & Consumable Fuels 2.0% | | | |
| Chevron Corp. | United States | 149,794 | 15,696,913 |
| EOG Resources, Inc. | United States | 122,961 | 8,918,361 |
| Exxon Mobil Corp. | United States | 143,861 | 8,031,760 |
| | | | 32,647,034 |
| Pharmaceuticals 2.7% | | | |
| Johnson & Johnson | United States | 189,429 | 31,132,656 |
| Pfizer, Inc. | United States | 328,815 | 11,912,968 |
| | | | 43,045,624 |
| Road & Rail 1.5% | | | |
| Norfolk Southern Corp. | United States | 88,747 | 23,830,344 |
| Semiconductors & Semiconductor Equipment 7.1% | | | |
| Analog Devices, Inc. | United States | 341,319 | 52,931,751 |
| Texas Instruments, Inc. | United States | 318,168 | 60,130,570 |
| | | | 113,062,321 |
| Software 8.4% | | | |
| Microsoft Corp. | United States | 572,028 | 134,867,042 |
| Specialty Retail 4.0% | | | |
| Lowe's Cos., Inc. | United States | 190,900 | 36,305,362 |
| Ross Stores, Inc. | United States | 234,930 | 28,170,456 |
| | | | 64,475,818 |
| Textiles, Apparel & Luxury Goods 2.3% | | | |
| NIKE, Inc., B. | United States | 280,384 | 37,260,230 |
| Trading Companies & Distributors 0.9% | | | |
| WW Grainger, Inc. | United States | 37,793 | 15,152,347 |
| Total Common Stocks (Cost \$615,556,251) | | | 1,580,291,159 |

Franklin Rising Dividends VIP Fund (continued)

| Short Term Investments 1.0% | | | |
|--|---------------|------------|------------------------|
| | Country | Shares | Value |
| Money Market Funds 1.0% | | | |
| ^{a,b} Institutional Fiduciary Trust - Money Market Portfolio, 0.01% | United States | 16,757,163 | \$16,757,163 |
| Total Money Market Funds (Cost \$16,757,163) | | | 16,757,163 |
| Total Short Term Investments (Cost \$16,757,163) | | | 16,757,163 |
| Total Investments (Cost \$632,313,414) 100.0% | | | \$1,597,048,322 |
| Other Assets, less Liabilities 0.0%[†] | | | (248,014) |
| Net Assets 100.0% | | | \$1,596,800,308 |

[†] Rounds to less than 0.1% of net assets.

^a See Note 9 regarding investments in affiliated management investment companies.

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

Statement of Investments (unaudited), March 31, 2021

Franklin Small Cap Value VIP Fund

| | Country | Shares | Value |
|--|----------------|-----------|--------------|
| Common Stocks 99.0% | | | |
| Aerospace & Defense 1.3% | | | |
| ^a Meggitt plc | United Kingdom | 2,595,830 | \$17,066,844 |
| Auto Components 0.2% | | | |
| LCI Industries | United States | 17,908 | 2,368,870 |
| Automobiles 1.3% | | | |
| Thor Industries, Inc. | United States | 133,070 | 17,929,852 |
| Banks 15.1% | | | |
| Atlantic Union Bankshares Corp. | United States | 403,153 | 15,464,949 |
| Bryn Mawr Bank Corp. | United States | 445,467 | 20,273,203 |
| Camden National Corp. | United States | 14,500 | 693,970 |
| Columbia Banking System, Inc. | United States | 690,779 | 29,765,667 |
| First Horizon Corp. | United States | 2,168,307 | 36,666,071 |
| First of Long Island Corp. (The) | United States | 614,355 | 13,055,044 |
| German American Bancorp, Inc. | United States | 264,066 | 12,205,131 |
| Glacier Bancorp, Inc. | United States | 60,096 | 3,430,280 |
| Lakeland Financial Corp. | United States | 192,875 | 13,345,021 |
| Peoples Bancorp, Inc. | United States | 289,712 | 9,609,747 |
| South State Corp. | United States | 370,965 | 29,124,462 |
| TriCo Bancshares | United States | 193,311 | 9,157,142 |
| Washington Trust Bancorp, Inc. | United States | 278,797 | 14,394,289 |
| | | | 207,184,976 |
| Building Products 3.4% | | | |
| Apogee Enterprises, Inc. | United States | 369,483 | 15,104,465 |
| Insteel Industries, Inc. | United States | 313,210 | 9,659,396 |
| ^a Masonite International Corp. | United States | 20,620 | 2,376,249 |
| UFP Industries, Inc. | United States | 247,149 | 18,743,780 |
| | | | 45,883,890 |
| Chemicals 8.4% | | | |
| Ashland Global Holdings, Inc. | United States | 218,999 | 19,440,541 |
| Avient Corp. | United States | 732,244 | 34,613,174 |
| Cabot Corp. | United States | 455,854 | 23,904,984 |
| ^a Elementis plc | United Kingdom | 4,300,282 | 7,439,023 |
| Minerals Technologies, Inc. | United States | 400,489 | 30,164,832 |
| | | | 115,562,554 |
| Communications Equipment 1.8% | | | |
| ^a NetScout Systems, Inc. | United States | 870,637 | 24,517,138 |
| Construction & Engineering 2.8% | | | |
| Argan, Inc. | United States | 193,069 | 10,300,231 |
| ^a Great Lakes Dredge & Dock Corp. | United States | 482,868 | 7,040,216 |
| ^a WillScot Mobile Mini Holdings Corp. | United States | 763,212 | 21,179,133 |
| | | | 38,519,580 |
| Construction Materials 1.2% | | | |
| ^a Summit Materials, Inc., A. | United States | 606,458 | 16,992,953 |
| Electric Utilities 0.5% | | | |
| IDACORP, Inc. | United States | 72,101 | 7,207,937 |
| Electrical Equipment 1.0% | | | |
| Regal Beloit Corp. | United States | 95,696 | 13,653,905 |
| Electronic Equipment, Instruments & Components 2.1% | | | |
| Benchmark Electronics, Inc. | United States | 454,269 | 14,045,998 |

Franklin Small Cap Value VIP Fund (continued)

| | Country | Shares | Value |
|---|----------------|-----------|--------------|
| Common Stocks (continued) | | | |
| Electronic Equipment, Instruments & Components (continued) | | | |
| ^a Knowles Corp. | United States | 670,160 | \$14,019,747 |
| | | | 28,065,745 |
| Energy Equipment & Services 0.5% | | | |
| Hunting plc | United Kingdom | 1,395,634 | 4,924,779 |
| ^a Natural Gas Services Group, Inc. | United States | 173,987 | 1,642,437 |
| | | | 6,567,216 |
| Equity Real Estate Investment Trusts (REITs) 0.8% | | | |
| Healthcare Realty Trust, Inc. | United States | 146,090 | 4,429,449 |
| Highwoods Properties, Inc. | United States | 90,459 | 3,884,310 |
| ^a Sunstone Hotel Investors, Inc. | United States | 172,690 | 2,151,717 |
| | | | 10,465,476 |
| Food & Staples Retailing 0.1% | | | |
| ^a BJ's Wholesale Club Holdings, Inc. | United States | 20,543 | 921,559 |
| Food Products 1.8% | | | |
| Glanbia plc | Ireland | 1,599,809 | 23,741,352 |
| Maple Leaf Foods, Inc. | Canada | 46,547 | 1,061,085 |
| | | | 24,802,437 |
| Gas Utilities 0.2% | | | |
| Spire, Inc. | United States | 30,218 | 2,232,808 |
| Health Care Equipment & Supplies 3.8% | | | |
| ^a Envista Holdings Corp. | United States | 599,764 | 24,470,371 |
| ^a Integer Holdings Corp. | United States | 294,911 | 27,161,303 |
| | | | 51,631,674 |
| Hotels, Restaurants & Leisure 5.7% | | | |
| ^a Dalata Hotel Group plc | Ireland | 2,046,759 | 10,140,125 |
| ^a Denny's Corp. | United States | 1,520,103 | 27,529,065 |
| ^a Hilton Grand Vacations, Inc. | United States | 347,211 | 13,016,940 |
| Jack in the Box, Inc. | United States | 235,448 | 25,847,482 |
| Wyndham Hotels & Resorts, Inc. | United States | 19,847 | 1,384,924 |
| | | | 77,918,536 |
| Household Durables 0.2% | | | |
| ^a M/I Homes, Inc. | United States | 54,909 | 3,243,475 |
| Insurance 11.4% | | | |
| CNO Financial Group, Inc. | United States | 1,314,787 | 31,936,176 |
| Hanover Insurance Group, Inc. (The). | United States | 299,982 | 38,835,670 |
| Horace Mann Educators Corp. | United States | 808,634 | 34,941,075 |
| Old Republic International Corp. | United States | 1,629,344 | 35,584,873 |
| Selective Insurance Group, Inc. | United States | 198,823 | 14,422,620 |
| | | | 155,720,414 |
| Leisure Products 2.8% | | | |
| BRP, Inc. | United States | 61,123 | 5,299,629 |
| Brunswick Corp. | United States | 347,684 | 33,158,623 |
| | | | 38,458,252 |
| Machinery 17.2% | | | |
| Astec Industries, Inc. | United States | 178,653 | 13,474,009 |
| Columbus McKinnon Corp. | United States | 315,577 | 16,649,842 |
| Greenbrier Cos., Inc. (The) | United States | 723,275 | 34,153,045 |
| Hillenbrand, Inc. | United States | 706,158 | 33,690,798 |
| ^a Meritor, Inc. | United States | 406,142 | 11,948,698 |

Franklin Small Cap Value VIP Fund (continued)

| | Country | Shares | Value |
|---|---------------|-----------|----------------------|
| Common Stocks (continued) | | | |
| Machinery (continued) | | | |
| Mueller Industries, Inc. | United States | 233,931 | \$9,673,047 |
| Mueller Water Products, Inc., A | United States | 1,471,248 | 20,435,635 |
| Oshkosh Corp. | United States | 254,432 | 30,190,901 |
| REV Group, Inc. | United States | 164,897 | 3,159,427 |
| Rexnord Corp. | United States | 586,308 | 27,609,244 |
| Timken Co. (The) | United States | 416,327 | 33,793,263 |
| | | | 234,777,909 |
| Metals & Mining 0.9% | | | |
| Kaiser Aluminum Corp. | United States | 44,451 | 4,911,835 |
| Reliance Steel & Aluminum Co. | United States | 52,085 | 7,932,025 |
| | | | 12,843,860 |
| Multi-Utilities 1.3% | | | |
| Black Hills Corp. | United States | 270,152 | 18,038,049 |
| Oil, Gas & Consumable Fuels 3.6% | | | |
| Crescent Point Energy Corp. | Canada | 8,237,868 | 34,346,299 |
| ^a Green Plains, Inc. | United States | 555,967 | 15,050,027 |
| | | | 49,396,326 |
| Paper & Forest Products 0.7% | | | |
| Glatfelter Corp. | United States | 518,299 | 8,888,828 |
| Professional Services 0.8% | | | |
| Kforce, Inc. | United States | 213,631 | 11,450,622 |
| Software 1.5% | | | |
| ^a ACI Worldwide, Inc. | United States | 428,999 | 16,323,412 |
| Software AG | Germany | 111,335 | 4,689,824 |
| | | | 21,013,236 |
| Specialty Retail 3.2% | | | |
| ^a Boot Barn Holdings, Inc. | United States | 77,918 | 4,855,070 |
| ^a Dufry AG. | Switzerland | 184,389 | 12,582,256 |
| Group 1 Automotive, Inc. | United States | 164,349 | 25,932,629 |
| | | | 43,369,955 |
| Textiles, Apparel & Luxury Goods 1.4% | | | |
| ^a Carter's, Inc. | United States | 136,832 | 12,168,470 |
| Wolverine World Wide, Inc. | United States | 194,401 | 7,449,446 |
| | | | 19,617,916 |
| Thriffs & Mortgage Finance 0.4% | | | |
| TrustCo Bank Corp. | United States | 782,700 | 5,768,499 |
| Trading Companies & Distributors 1.6% | | | |
| McGrath RentCorp | United States | 271,297 | 21,880,103 |
| Total Common Stocks (Cost \$965,714,079) | | | 1,353,961,394 |

Franklin Small Cap Value VIP Fund (continued)

Short Term Investments 0.7%

| | Country | Shares | Value |
|--|---------------|-----------|------------------------|
| Money Market Funds 0.7% | | | |
| ^{b,c} Institutional Fiduciary Trust - Money Market Portfolio, 0.01% | United States | 9,774,685 | \$9,774,685 |
| Total Money Market Funds (Cost \$9,774,685) | | | 9,774,685 |
| Total Short Term Investments (Cost \$9,774,685) | | | 9,774,685 |
| Total Investments (Cost \$975,488,764) 99.7% | | | \$1,363,736,079 |
| Other Assets, less Liabilities 0.3% | | | 4,333,648 |
| Net Assets 100.0% | | | \$1,368,069,727 |

See Abbreviations on page 169.

^a Non-income producing.

^b See Note 9 regarding investments in affiliated management investment companies.

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

Statement of Investments (unaudited), March 31, 2021

Franklin Small-Mid Cap Growth VIP Fund

| | Country | Shares | Value |
|--|---------------|---------|-------------|
| Common Stocks 95.4% | | | |
| Aerospace & Defense 1.6% | | | |
| ^a Mercury Systems, Inc. | United States | 61,300 | \$4,330,845 |
| ^a TransDigm Group, Inc. | United States | 8,300 | 4,879,736 |
| | | | 9,210,581 |
| Airlines 0.6% | | | |
| ^a Southwest Airlines Co. | United States | 52,100 | 3,181,226 |
| Banks 0.4% | | | |
| ^a SVB Financial Group. | United States | 5,000 | 2,468,300 |
| Biotechnology 3.2% | | | |
| ^a Deciphera Pharmaceuticals, Inc. | United States | 50,400 | 2,259,936 |
| ^a Global Blood Therapeutics, Inc. | United States | 71,700 | 2,921,775 |
| ^a Heron Therapeutics, Inc. | United States | 143,500 | 2,326,135 |
| ^a Iovance Biotherapeutics, Inc. | United States | 100,705 | 3,188,320 |
| ^a Mirati Therapeutics, Inc. | United States | 6,400 | 1,096,320 |
| ^a PTC Therapeutics, Inc. | United States | 52,000 | 2,462,200 |
| ^a Rocket Pharmaceuticals, Inc. | United States | 26,300 | 1,166,931 |
| ^a Seagen, Inc. | United States | 21,700 | 3,013,262 |
| | | | 18,434,879 |
| Capital Markets 5.0% | | | |
| Ares Management Corp. | United States | 90,200 | 5,053,906 |
| ^{a,b,c,d} Churchill Capital Corp. IV | United States | 79,866 | 1,197,990 |
| MarketAxess Holdings, Inc. | United States | 11,300 | 5,626,496 |
| MSCI, Inc. | United States | 21,000 | 8,804,880 |
| ^a Soaring Eagle Acquisition Corp. | United States | 123,300 | 1,247,796 |
| ^{a,b,d} Spartan Acquisition Corp. II, A. | United States | 108,057 | 1,080,570 |
| Tradeweb Markets, Inc., A. | United States | 78,100 | 5,779,400 |
| | | | 28,791,038 |
| Commercial Services & Supplies 1.1% | | | |
| Republic Services, Inc. | United States | 60,900 | 6,050,415 |
| Construction Materials 0.5% | | | |
| Martin Marietta Materials, Inc. | United States | 8,300 | 2,787,306 |
| Containers & Packaging 1.1% | | | |
| Ball Corp. | United States | 74,300 | 6,296,182 |
| Electronic Equipment, Instruments & Components 1.6% | | | |
| Cognex Corp. | United States | 14,100 | 1,170,159 |
| ^a Keysight Technologies, Inc. | United States | 55,050 | 7,894,170 |
| | | | 9,064,329 |
| Entertainment 2.6% | | | |
| ^a Roku, Inc. | United States | 20,656 | 6,729,105 |
| ^a Spotify Technology SA. | United States | 8,500 | 2,277,575 |
| ^a Zynga, Inc., A. | United States | 543,200 | 5,546,072 |
| | | | 14,552,752 |
| Equity Real Estate Investment Trusts (REITs) 2.0% | | | |
| SBA Communications Corp. | United States | 31,757 | 8,814,155 |
| Terreno Realty Corp. | United States | 48,150 | 2,781,626 |
| | | | 11,595,781 |
| Food & Staples Retailing 0.5% | | | |
| ^a Grocery Outlet Holding Corp. | United States | 80,000 | 2,951,200 |
| Food Products 0.7% | | | |
| ^{a,e} Beyond Meat, Inc. | United States | 8,800 | 1,145,056 |

Franklin Small-Mid Cap Growth VIP Fund (continued)

| | Country | Shares | Value |
|--|---------------|---------|-------------|
| Common Stocks (continued) | | | |
| Food Products (continued) | | | |
| ^a Freshpet, Inc. | United States | 17,200 | \$2,731,532 |
| | | | 3,876,588 |
| Health Care Equipment & Supplies 7.2% | | | |
| ^a Align Technology, Inc. | United States | 8,000 | 4,332,240 |
| ^a DexCom, Inc. | United States | 7,988 | 2,870,807 |
| ^a IDEXX Laboratories, Inc. | United States | 23,550 | 11,523,251 |
| ^a Inari Medical, Inc. | United States | 31,400 | 3,359,800 |
| ^a Insulet Corp. | United States | 20,500 | 5,348,860 |
| ^a iRhythm Technologies, Inc. | United States | 11,850 | 1,645,491 |
| ^a Penumbra, Inc. | United States | 17,600 | 4,762,208 |
| Teleflex, Inc. | United States | 18,150 | 7,540,599 |
| | | | 41,383,256 |
| Health Care Providers & Services 1.7% | | | |
| ^a Guardant Health, Inc. | United States | 51,000 | 7,785,150 |
| ^a HealthEquity, Inc. | United States | 32,100 | 2,182,800 |
| | | | 9,967,950 |
| Health Care Technology 2.5% | | | |
| ^{a,e} American Well Corp., A. | United States | 83,300 | 1,446,921 |
| ^a Certara, Inc. | United States | 27,800 | 758,940 |
| ^a Teladoc Health, Inc. | United States | 20,066 | 3,646,996 |
| ^a Veeva Systems, Inc., A. | United States | 32,500 | 8,490,300 |
| | | | 14,343,157 |
| Hotels, Restaurants & Leisure 3.4% | | | |
| ^a Chipotle Mexican Grill, Inc. | United States | 4,830 | 6,862,560 |
| ^a DraftKings, Inc., A. | United States | 71,633 | 4,393,252 |
| ^a Vail Resorts, Inc. | United States | 16,800 | 4,899,888 |
| ^a Wynn Resorts Ltd. | United States | 28,300 | 3,547,971 |
| | | | 19,703,671 |
| Household Durables 0.7% | | | |
| ^a NVR, Inc. | United States | 882 | 4,155,040 |
| Household Products 1.1% | | | |
| Church & Dwight Co., Inc. | United States | 71,600 | 6,254,260 |
| Interactive Media & Services 2.1% | | | |
| ^a Bumble, Inc., A. | United States | 12,700 | 792,226 |
| ^a Match Group, Inc. | United States | 45,524 | 6,254,087 |
| ^a Pinterest, Inc., A. | United States | 64,200 | 4,752,726 |
| | | | 11,799,039 |
| Internet & Direct Marketing Retail 2.1% | | | |
| ^{a,e} ContextLogic, Inc., A. | United States | 87,700 | 1,385,660 |
| ^a Expedia Group, Inc. | United States | 35,200 | 6,058,624 |
| ^{a,b,c} Marqeta, Inc. | United States | 129,178 | 1,208,923 |
| ^a Wayfair, Inc., A. | United States | 10,800 | 3,399,300 |
| | | | 12,052,507 |
| IT Services 8.4% | | | |
| ^a BigCommerce Holdings, Inc., 1. | United States | 46,100 | 2,664,580 |
| ^a Black Knight, Inc. | United States | 99,900 | 7,391,601 |
| ^a GoDaddy, Inc., A. | United States | 66,017 | 5,124,240 |
| Jack Henry & Associates, Inc. | United States | 38,850 | 5,894,322 |
| ^a MongoDB, Inc. | United States | 18,400 | 4,920,712 |
| ^a Nuvei Corp., 144A, Reg S. | Canada | 21,800 | 1,318,900 |

Franklin Small-Mid Cap Growth VIP Fund (continued)

| | Country | Shares | Value |
|---|---------------|---------|------------------|
| Common Stocks (continued) | | | |
| IT Services (continued) | | | |
| ^a Okta, Inc. | United States | 39,000 | \$8,596,770 |
| ^a Twilio, Inc., A. | United States | 25,075 | 8,544,557 |
| ^a Wix.com Ltd. | Israel | 13,400 | 3,741,548 |
| | | | <hr/> 48,197,230 |
| Life Sciences Tools & Services 4.0% | | | |
| ^a 10X Genomics, Inc., A. | United States | 28,700 | 5,194,700 |
| Bio-Techne Corp. | United States | 20,625 | 7,877,306 |
| ^a Maravai LifeSciences Holdings, Inc., A | United States | 81,800 | 2,915,352 |
| ^a Mettler-Toledo International, Inc. | United States | 5,980 | 6,911,026 |
| | | | <hr/> 22,898,384 |
| Machinery 2.2% | | | |
| Fortive Corp. | United States | 64,600 | 4,563,344 |
| IDEX Corp. | United States | 23,450 | 4,908,554 |
| Stanley Black & Decker, Inc. | United States | 16,446 | 3,283,773 |
| | | | <hr/> 12,755,671 |
| Personal Products 0.5% | | | |
| ^a BellRing Brands, Inc., A. | United States | 129,800 | 3,064,578 |
| Pharmaceuticals 1.5% | | | |
| ^a Horizon Therapeutics plc. | United States | 64,900 | 5,973,396 |
| ^a Reata Pharmaceuticals, Inc., A | United States | 25,100 | 2,502,470 |
| | | | <hr/> 8,475,866 |
| Professional Services 5.7% | | | |
| Booz Allen Hamilton Holding Corp. | United States | 69,700 | 5,612,941 |
| ^a CoStar Group, Inc. | United States | 12,535 | 10,302,391 |
| TransUnion. | United States | 71,300 | 6,417,000 |
| Verisk Analytics, Inc. | United States | 57,061 | 10,082,108 |
| | | | <hr/> 32,414,440 |
| Road & Rail 1.1% | | | |
| ^{a,b,c,d} NEW Starship Parent, Inc. | United States | 74,800 | 748,000 |
| Old Dominion Freight Line, Inc. | United States | 23,950 | 5,757,820 |
| | | | <hr/> 6,505,820 |
| Semiconductors & Semiconductor Equipment 6.7% | | | |
| ^a Allegro MicroSystems, Inc. | Japan | 109,100 | 2,765,685 |
| Entegris, Inc. | United States | 30,800 | 3,443,440 |
| KLA Corp. | United States | 25,937 | 8,569,585 |
| ^a Lattice Semiconductor Corp. | United States | 155,755 | 7,012,090 |
| Monolithic Power Systems, Inc. | United States | 13,450 | 4,750,674 |
| ^a Semtech Corp. | United States | 56,700 | 3,912,300 |
| ^a SiTime Corp. | United States | 61,200 | 6,034,320 |
| ^a SolarEdge Technologies, Inc. | United States | 5,400 | 1,552,176 |
| | | | <hr/> 38,040,270 |
| Software 16.2% | | | |
| ^a Alteryx, Inc., A. | United States | 47,200 | 3,915,712 |
| ^a ANSYS, Inc. | United States | 26,600 | 9,032,296 |
| ^a Avalara, Inc. | United States | 49,800 | 6,644,814 |
| ^a Bill.com Holdings, Inc. | United States | 29,148 | 4,241,034 |
| ^a BTRS Holdings, Inc. | United States | 131,300 | 1,899,911 |
| ^a Cloudflare, Inc., A | United States | 59,000 | 4,145,340 |
| ^a Coupa Software, Inc. | United States | 16,300 | 4,148,024 |
| ^a DocuSign, Inc. | United States | 49,800 | 10,082,010 |
| ^a Duck Creek Technologies, Inc. | United States | 35,670 | 1,610,144 |

Franklin Small-Mid Cap Growth VIP Fund (continued)

| | Country | Shares | Value |
|--|---------------|---------|--------------------------|
| Common Stocks (continued) | | | |
| Software (continued) | | | |
| ^a HubSpot, Inc. | United States | 14,400 | \$6,540,624 |
| ^a Lightspeed POS, Inc. | Canada | 74,500 | 4,679,345 |
| ^a ON24, Inc. | United States | 10,000 | 485,100 |
| ^a Paylocity Holding Corp. | United States | 45,050 | 8,101,342 |
| ^a PTC, Inc. | United States | 17,500 | 2,408,875 |
| ^a Q2 Holdings, Inc. | United States | 37,596 | 3,767,119 |
| ^a Synopsys, Inc. | United States | 52,750 | 13,070,395 |
| ^a Zendesk, Inc. | United States | 61,600 | 8,169,392 |
| | | | <hr/> 92,941,477 |
| Specialty Retail 4.4% | | | |
| ^a Burlington Stores, Inc. | United States | 24,000 | 7,171,200 |
| ^a Five Below, Inc. | United States | 33,150 | 6,324,688 |
| ^{a,e} Petco Health & Wellness Co., Inc. | United States | 133,800 | 2,965,008 |
| Tractor Supply Co. | United States | 28,137 | 4,982,500 |
| ^a Ulta Beauty, Inc. | United States | 12,500 | 3,864,625 |
| | | | <hr/> 25,308,021 |
| Textiles, Apparel & Luxury Goods 1.9% | | | |
| Levi Strauss & Co., A | United States | 142,100 | 3,397,611 |
| ^a Lululemon Athletica, Inc. | United States | 13,600 | 4,171,256 |
| VF Corp. | United States | 39,200 | 3,132,864 |
| | | | <hr/> 10,701,731 |
| Trading Companies & Distributors 1.1% | | | |
| Fastenal Co. | United States | 125,200 | 6,295,056 |
| Total Common Stocks (Cost \$334,550,416) | | | <hr/> 546,518,001 |
| Convertible Preferred Stocks 0.5% | | | |
| Diversified Consumer Services 0.2% | | | |
| ^{a,b,c} Newsela, Inc., 0%, D. | United States | 48,915 | 1,034,805 |
| Internet & Direct Marketing Retail 0.0%[†] | | | |
| ^{a,b,c,d} Fanatics, Inc., 0%, F. | United States | 2,000 | 69,740 |
| Software 0.3% | | | |
| ^{a,b,c} Databricks, Inc., 0%, G. | United States | 8,626 | 1,529,976 |
| Total Convertible Preferred Stocks (Cost \$2,634,522) | | | <hr/> 2,634,521 |
| Preferred Stocks 1.0% | | | |
| Internet & Direct Marketing Retail 0.4% | | | |
| ^{a,b,c} Fanatics, Inc., E. | United States | 92,539 | 2,477,270 |
| Software 0.4% | | | |
| ^{a,b,c} Alkami Technology, Inc., F. | United States | 48,025 | 798,170 |
| ^{a,b,c} Blaize, Inc., D. | United States | 141,632 | 1,478,992 |
| | | | <hr/> 2,277,162 |
| Textiles, Apparel & Luxury Goods 0.2% | | | |
| ^{a,b,c} Allbirds, Inc., E. | United States | 92,392 | 1,105,631 |
| Total Preferred Stocks (Cost \$4,915,672) | | | <hr/> 5,860,063 |

Franklin Small-Mid Cap Growth VIP Fund (continued)

| | Country | Warrants | Value |
|---|----------------|------------|----------------------|
| Warrants 0.0% | | | |
| Software 0.0% | | | |
| ^{a,b} Blaize, Inc. Ltd., 2/28/24 | United Kingdom | 7,082 | \$— |
| Total Warrants (Cost \$—) | | | — |
| Total Long Term Investments (Cost \$342,100,610) | | | 555,012,585 |
| Short Term Investments 3.9% | | | |
| | Country | Shares | Value |
| Money Market Funds 3.0% | | | |
| ^{g,h} Institutional Fiduciary Trust - Money Market Portfolio, 0.01% | United States | 17,457,592 | 17,457,592 |
| Total Money Market Funds (Cost \$17,457,592) | | | 17,457,592 |
| Investments from Cash Collateral Received for Loaned Securities 0.9% | | | |
| Money Market Funds 0.9% | | | |
| ^{g,h} Institutional Fiduciary Trust - Money Market Portfolio, 0.01% | United States | 5,139,735 | 5,139,735 |
| Total Investments from Cash Collateral Received for Loaned Securities (Cost \$5,139,735) | | | 5,139,735 |
| Total Short Term Investments (Cost \$22,597,327) | | | 22,597,327 |
| Total Investments (Cost \$364,697,937) 100.8% | | | \$577,609,912 |
| Other Assets, less Liabilities (0.8)% | | | (4,837,983) |
| Net Assets 100.0% | | | \$572,771,929 |

See Abbreviations on page 169

[†] Rounds to less than 0.1% of net assets.

^a Non-income producing.

^b Fair valued using significant unobservable inputs. See Note 11 regarding fair value measurements.

^c See Note 7 regarding restricted securities.

^d A portion or all of the security purchased on a delayed delivery basis.

^e A portion or all of the security is on loan at March 31, 2021.

^f Security was purchased pursuant to Rule 144A or Regulation S under the Securities Act of 1933. 144A securities may be sold in transactions exempt from registration only to qualified institutional buyers or in a public offering registered under the Securities Act of 1933. Regulation S securities cannot be sold in the United States without either an effective registration statement filed pursuant to the Securities Act of 1933, or pursuant to an exemption from registration. At March 31, 2021, the value of this security was \$1,318,900, representing 0.2% of net assets.

^g See Note 9 regarding investments in affiliated management investment companies.

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

Consolidated Statement of Investments (unaudited), March 31, 2021

Franklin Strategic Income VIP Fund

| | Country | Shares | Value |
|--|---------------|------------|-------------------|
| Common Stocks 0.3% | | | |
| Energy Equipment & Services 0.1% | | | |
| ^a Weatherford International plc. | United States | 13,794 | \$175,735 |
| Machinery 0.1% | | | |
| ^a Birch Permian Holdings, Inc. | United States | 4,478 | 58,214 |
| ^a Birch Permian Holdings, Inc. | United States | 34,907 | 449,428 |
| | | | 507,642 |
| Media 0.1% | | | |
| ^a Clear Channel Outdoor Holdings, Inc. | United States | 20,804 | 37,447 |
| ^a HeartMedia, Inc., A. | United States | 8,384 | 152,170 |
| ^{a,b} HeartMedia, Inc., B. | United States | 142 | 2,397 |
| | | | 192,014 |
| Multiline Retail 0.0% | | | |
| ^{a,b,c} K2016470219 South Africa Ltd., A. | South Africa | 14,792,309 | — |
| ^{a,b,c} K2016470219 South Africa Ltd., B. | South Africa | 1,472,041 | — |
| | | | — |
| Oil, Gas & Consumable Fuels 0.0%[†] | | | |
| ^a Amplify Energy Corp. | United States | 431 | 1,198 |
| ^{a,b} Riviera Resources, Inc. | United States | 6,620 | 1,710 |
| | | | 2,908 |
| Paper & Forest Products 0.0%[†] | | | |
| Verso Corp., A. | United States | 5,620 | 81,996 |
| Specialty Retail 0.0%[†] | | | |
| ^a Party City Holdco, Inc. | United States | 24,031 | 139,378 |
| Total Common Stocks (Cost \$2,167,292) | | | 1,099,673 |
| Management Investment Companies 7.3% | | | |
| Capital Markets 7.3% | | | |
| ^d Franklin Floating Rate Income Fund | United States | 3,420,372 | 26,371,070 |
| Invesco Senior Loan ETF | United States | 135,000 | 2,987,550 |
| | | | 29,358,620 |
| Total Management Investment Companies (Cost \$34,650,957) | | | 29,358,620 |
| Warrants | | | |
| Warrants 0.0%[†] | | | |
| Oil, Gas & Consumable Fuels 0.0%[†] | | | |
| ^{a,b} Battalion Oil Corp., A, 10/08/22 | United States | 879 | 156 |
| ^{a,b} Battalion Oil Corp., B, 10/08/22 | United States | 1,098 | 110 |
| ^{a,b} Battalion Oil Corp., C, 10/08/22 | United States | 1,412 | 66 |
| | | | 332 |
| Paper & Forest Products 0.0%[†] | | | |
| ^a Verso Corp., 7/25/23 | United States | 592 | 1,243 |
| Total Warrants (Cost \$—) | | | 1,575 |

Franklin Strategic Income VIP Fund (continued)

| | Country | Principal Amount [†] | Value |
|--|----------------------|-------------------------------|---------------|
| Convertible Bonds 0.0%[†] | | | |
| Wireless Telecommunication Services 0.0%[†] | | | |
| ^{e,f,g} Digicel Group 0.5 Ltd., Sub. Bond, 144A, PIK, 7%, Perpetual | Bermuda | 26,248 | \$18,356 |
| Total Convertible Bonds (Cost \$4,784) | | | 18,356 |
| Corporate Bonds 49.8% | | | |
| Aerospace & Defense 0.6% | | | |
| Boeing Co. (The), Senior Note, 2.196%, 2/04/26 | United States | 800,000 | 798,065 |
| ^g TransDigm, Inc., Senior Secured Note, 144A, 6.25%, 3/15/26 | United States | 1,400,000 | 1,486,037 |
| | | | 2,284,102 |
| Air Freight & Logistics 0.6% | | | |
| ^g DAE Funding LLC, Senior Note, 144A, 5%, 8/01/24 | United Arab Emirates | 1,294,000 | 1,335,247 |
| FedEx Corp., Senior Bond, 4.05%, 2/15/48 | United States | 650,000 | 709,548 |
| United Parcel Service, Inc., Senior Bond, 5.3%, 4/01/50 | United States | 300,000 | 407,509 |
| | | | 2,452,304 |
| Airlines 0.7% | | | |
| ^g American Airlines Inc/AAdvantage Loyalty IP Ltd., Senior Secured Note, 144A, 5.75%, 4/20/29 | United States | 600,000 | 638,940 |
| Delta Air Lines, Inc., Senior Note, 2.9%, 10/28/24 | United States | 800,000 | 800,467 |
| ^g Delta Air Lines, Inc. / SkyMiles IP Ltd., Senior Secured Note, 144A, 4.5%, 10/20/25 | United States | 1,100,000 | 1,174,833 |
| United Airlines Holdings, Inc., Senior Note, 5%, 2/01/24 | United States | 400,000 | 406,750 |
| | | | 3,020,990 |
| Auto Components 1.2% | | | |
| ^g Allison Transmission, Inc., Senior Bond, 144A, 5.875%, 6/01/29 | United States | 800,000 | 875,752 |
| Senior Bond, 144A, 3.75%, 1/30/31 | United States | 500,000 | 485,312 |
| Dana, Inc., Senior Note, 5.625%, 6/15/28 | United States | 1,200,000 | 1,285,962 |
| Goodyear Tire & Rubber Co. (The), Senior Note, 4.875%, 3/15/27 | United States | 1,300,000 | 1,339,813 |
| ^g Real Hero Merger Sub 2, Inc., Senior Note, 144A, 6.25%, 2/01/29 | United States | 1,000,000 | 1,033,750 |
| | | | 5,020,589 |
| Banks 2.2% | | | |
| ^g Akbank TAS, Senior Note, 144A, 5.125%, 3/31/25 | Turkey | 1,200,000 | 1,162,404 |
| Senior Note, 144A, 6.8%, 2/06/26 | Turkey | 400,000 | 400,172 |
| Banco Santander SA, Sub. Note, 2.749%, 12/03/30 | Spain | 300,000 | 285,997 |
| ^g BNP Paribas SA, Senior Note, 144A, 2.219% to 6/09/25, FRN thereafter, 6/09/26 | France | 500,000 | 513,015 |
| ^g China Construction Bank Corp., Sub. Note, Reg S, 4.25% to 2/27/24, FRN thereafter, 2/27/29 | China | 800,000 | 863,851 |
| ^f Comerica, Inc., Junior Sub. Bond, 5.625% to 10/01/25, FRN thereafter, Perpetual | United States | 300,000 | 331,125 |
| HSBC Holdings plc, Senior Bond, 2.848% to 6/04/30, FRN thereafter, 6/04/31 | United Kingdom | 800,000 | 801,039 |
| Senior Bond, 2.357% to 8/18/30, FRN thereafter, 8/18/31 | United Kingdom | 300,000 | 288,953 |
| Industrial & Commercial Bank of China Ltd., Senior Note, 3.538%, 11/08/27 | China | 900,000 | 990,180 |
| JPMorgan Chase & Co., ^f R, Junior Sub. Bond, 6% to 8/01/23, FRN thereafter, Perpetual | United States | 213,000 | 224,024 |
| Senior Bond, 2.522% to 4/22/30, FRN thereafter, 4/22/31 | United States | 1,000,000 | 998,697 |

Franklin Strategic Income VIP Fund (continued)

| | Country | Principal Amount ¹ | Value |
|---|----------------|-------------------------------|-------------|
| Corporate Bonds (continued) | | | |
| Banks (continued) | | | |
| JPMorgan Chase & Co., (continued) | | | |
| Senior Note, 3.2%, 6/15/26 | United States | 1,213,000 | \$1,312,205 |
| Sub. Note, 3.375%, 5/01/23 | United States | 309,000 | 327,159 |
| Lloyds Banking Group plc, Senior Note, 3.87% to 7/09/24, FRN thereafter, 7/09/25 | United Kingdom | 200,000 | 217,820 |
| SVB Financial Group, Senior Note, 3.125%, 6/05/30 | United States | 300,000 | 312,222 |
| | | | 9,028,863 |
| Beverages 0.5% | | | |
| Anheuser-Busch InBev Worldwide, Inc., Senior Bond, 3.5%, 6/01/30 | Belgium | 1,700,000 | 1,843,150 |
| Biotechnology 0.2% | | | |
| AbbVie, Inc., Senior Note, 3.2%, 11/21/29 | United States | 700,000 | 745,189 |
| Building Products 0.4% | | | |
| ⁹ Cornestone Building Brands, Inc., Senior Note, 144A, 8%, 4/15/26 | United States | 800,000 | 834,040 |
| Owens Corning, Senior Bond, 4.3%, 7/15/47 | United States | 700,000 | 760,024 |
| | | | 1,594,064 |
| Capital Markets 0.4% | | | |
| Goldman Sachs Group, Inc. (The), Senior Note, 3.75%, 2/25/26 | United States | 600,000 | 659,562 |
| Morgan Stanley, Senior Bond, 3.591% to 7/22/27, FRN thereafter, 7/22/28 | United States | 809,000 | 882,710 |
| | | | 1,542,272 |
| Chemicals 2.9% | | | |
| ⁹ Alpek SAB de CV, Senior Note, 144A, 4.25%, 9/18/29 | Mexico | 800,000 | 847,680 |
| Anagram, Inc., Secured Note, 10%, 8/15/26 | United States | 131,107 | 127,502 |
| ⁹ Axalta Coating Systems LLC, Senior Note, 144A, 3.375%, 2/15/29 | United States | 1,200,000 | 1,172,490 |
| ⁹ Braskem Netherlands Finance BV, Senior Bond, 144A, 4.5%, 1/31/30 | Brazil | 1,600,000 | 1,609,920 |
| ⁹ CNAC HK Finbridge Co. Ltd., Senior Note, Reg S, 4.875%, 3/14/25 | China | 800,000 | 858,589 |
| ⁹ Element Solutions, Inc., Senior Note, 144A, 3.875%, 9/01/28 | United States | 1,100,000 | 1,087,487 |
| ⁹ Gates Global LLC / Gates Corp., Senior Note, 144A, 6.25%, 1/15/26 | United States | 1,200,000 | 1,259,004 |
| HB Fuller Co., Senior Note, 4.25%, 10/15/28 | United States | 800,000 | 814,348 |
| ⁹ INEOS Quattro Finance 1 plc, Senior Note, 144A, 3.75%, 7/15/26 | United Kingdom | 800,000 EUR | 955,009 |
| ⁹ Ingevity Corp., Senior Note, 144A, 3.875%, 11/01/28 | United States | 400,000 | 388,750 |
| Methanex Corp., Senior Note, 5.125%, 10/15/27 | Canada | 500,000 | 511,875 |
| ⁹ SABIC Capital II BV, Senior Note, 144A, 4.5%, 10/10/28 | Saudi Arabia | 600,000 | 687,944 |
| ⁹ Syngenta Finance NV, Senior Note, 144A, 4.892%, 4/24/25 | Switzerland | 800,000 | 856,848 |
| Westlake Chemical Corp., Senior Note, 3.375%, 6/15/30 | United States | 200,000 | 207,115 |
| ⁹ Yara International ASA, Senior Note, 144A, 3.148%, 6/04/30 | Brazil | 100,000 | 103,127 |
| | | | 11,487,688 |
| Commercial Services & Supplies 0.6% | | | |
| ⁹ Prime Security Services Borrower LLC / Prime Finance, Inc., Senior Secured Note, 144A, 3.375%, 8/31/27 | United States | 1,300,000 | 1,262,625 |
| RELX Capital, Inc., Senior Note, 3%, 5/22/30 | United Kingdom | 100,000 | 103,836 |
| ⁹ Stericycle, Inc., Senior Note, 144A, 3.875%, 1/15/29 | United States | 1,000,000 | 988,750 |
| | | | 2,355,211 |
| Communications Equipment 0.3% | | | |
| ⁹ CommScope Technologies LLC, Senior Note, 144A, 5%, 3/15/27 | United States | 1,374,000 | 1,363,702 |

Franklin Strategic Income VIP Fund (continued)

| | Country | Principal Amount [†] | Value |
|---|---------------|-------------------------------|-----------|
| Corporate Bonds (continued) | | | |
| Construction & Engineering 0.1% | | | |
| ⁹ Arcosa, Inc., Senior Note, 144A, 4.375%, 4/15/29 | United States | 300,000 | \$300,000 |
| ⁹ Rutas 2 and 7 Finance Ltd., Senior Secured Bond, 144A, Zero Cpn., 9/30/36 | United States | 200,000 | 143,000 |
| | | | 443,000 |
| Construction Materials 0.1% | | | |
| ⁹ Cemex SAB de CV, Senior Secured Bond, 144A, 5.7%, 1/11/25. . . | Mexico | 382,000 | 390,681 |
| Consumer Finance 0.6% | | | |
| ⁹ FirstCash, Inc., Senior Note, 144A, 4.625%, 9/01/28 | United States | 1,000,000 | 1,021,875 |
| OneMain Finance Corp., Senior Note, 6.625%, 1/15/28 | United States | 1,000,000 | 1,135,000 |
| Senior Note, 4%, 9/15/30 | United States | 400,000 | 389,500 |
| | | | 2,546,375 |
| Containers & Packaging 1.7% | | | |
| Arcor Flexibles North America, Inc., Senior Note, 2.63%, 6/19/30 . | United States | 200,000 | 199,726 |
| ⁹ Ardagh Metal Packaging Finance USA LLC / Ardagh Metal Packaging Finance plc, Senior Note, 144A, 4%, 9/01/29. | United States | 800,000 | 799,696 |
| ⁹ Ardagh Packaging Finance plc / Ardagh Holdings USA, Inc., Senior Note, 144A, 6%, 2/15/25 | United States | 248,000 | 255,812 |
| Senior Note, 144A, 5.25%, 8/15/27 | United States | 300,000 | 306,324 |
| Crown Americas LLC / Crown Americas Capital Corp. VI, Senior Note, 4.75%, 2/01/26 | United States | 1,066,000 | 1,108,107 |
| ⁹ Mauser Packaging Solutions Holding Co., Senior Note, 144A, 7.25%, 4/15/25 | United States | 1,278,000 | 1,279,597 |
| ⁹ Owens-Brockway Glass Container, Inc., Senior Note, 144A, 5.875%, 8/15/23 | United States | 566,000 | 607,389 |
| Senior Note, 144A, 6.625%, 5/13/27 | United States | 100,000 | 108,900 |
| ⁹ Reynolds Group Issuer, Inc. / Reynolds Group Issuer LLC / Reynolds Group Issuer Luxembourg SA, Senior Secured Note, 144A, 4%, 10/15/27 | United States | 600,000 | 588,750 |
| ⁹ Sealed Air Corp., Senior Bond, 144A, 5.5%, 9/15/25 | United States | 124,000 | 136,168 |
| Senior Note, 144A, 4.875%, 12/01/22 | United States | 85,000 | 88,559 |
| Senior Note, 144A, 5.125%, 12/01/24 | United States | 809,000 | 878,271 |
| WRKCo, Inc., Senior Bond, 3%, 6/15/33 | United States | 400,000 | 406,085 |
| | | | 6,763,384 |
| Diversified Financial Services 0.4% | | | |
| ⁹ MPH Acquisition Holdings LLC, Senior Note, 144A, 5.75%, 11/01/28 | United States | 1,500,000 | 1,464,375 |
| Diversified Telecommunication Services 1.1% | | | |
| ⁹ Altice France Holding SA, Senior Note, 144A, 6%, 2/15/28 | Luxembourg | 900,000 | 888,431 |
| ⁹ Altice France SA, Senior Secured Note, 144A, 5.5%, 1/15/28 | France | 200,000 | 205,198 |
| ⁹ AT&T, Inc., Senior Bond, 144A, 3.65%, 9/15/59 | United States | 800,000 | 732,701 |
| Bell Canada, Inc., Senior Bond, 4.464%, 4/01/48. | Canada | 150,000 | 173,749 |
| ⁹ CCO Holdings LLC / CCO Holdings Capital Corp., Senior Bond, 144A, 4.5%, 8/15/30 | United States | 300,000 | 306,136 |
| Senior Bond, 144A, 4.5%, 5/01/32 | United States | 1,000,000 | 1,013,750 |

Franklin Strategic Income VIP Fund (continued)

| | Country | Principal Amount ¹ | Value |
|---|----------------|-------------------------------|------------------|
| Corporate Bonds (continued) | | | |
| Diversified Telecommunication Services (continued) | | | |
| Telefonica Emisiones SA, Senior Bond, 4.895%, 3/06/48 | Spain | 150,000 | \$170,585 |
| TELUS Corp., Senior Bond, 4.6%, 11/16/48 | Canada | 150,000 | 173,412 |
| ⁹ Virgin Media Secured Finance plc, Senior Secured Bond, 144A, 4.5%, 8/15/30 | United Kingdom | 900,000 | 908,775 |
| | | | <u>4,572,737</u> |
| Electric Utilities 1.5% | | | |
| ⁹ CGNPC International Ltd., Senior Note, Reg S, 3.75%, 12/11/27 . . | China | 300,000 | 316,798 |
| Duke Energy Corp., Senior Bond, 2.45%, 6/01/30 | United States | 400,000 | 395,509 |
| Exelon Corp., Senior Bond, 4.05%, 4/15/30 | United States | 1,300,000 | 1,449,644 |
| Southern Co. (The), Senior Bond, 3.25%, 7/01/26 | United States | 900,000 | 964,007 |
| ⁹ State Grid Overseas Investment 2016 Ltd., Senior Note, 144A, 3.5%, 5/04/27 | China | 1,651,000 | 1,799,113 |
| ⁹ Three Gorges Finance I Cayman Islands Ltd., Senior Note, 144A, 3.15%, 6/02/26 | China | 1,051,000 | 1,112,241 |
| Virginia Electric and Power Co., Senior Bond, 6.35%, 11/30/37 . . | United States | 85,000 | 118,623 |
| | | | <u>6,155,935</u> |
| Electrical Equipment 0.3% | | | |
| ⁹ Sensata Technologies BV, Senior Note, 144A, 4%, 4/15/29 | United States | 1,000,000 | 1,019,905 |
| Electronic Equipment, Instruments & Components 0.5% | | | |
| CDW LLC / CDW Finance Corp., Senior Note, 3.25%, 2/15/29 . . . | United States | 900,000 | 889,875 |
| Flex Ltd., Senior Note, 4.875%, 5/12/30 | United States | 800,000 | 907,461 |
| FLIR Systems, Inc., Senior Note, 2.5%, 8/01/30 | United States | 200,000 | 196,048 |
| | | | <u>1,993,384</u> |
| Energy Equipment & Services 0.4% | | | |
| Baker Hughes a GE Co. LLC / Baker Hughes Co-Obligor, Inc., Senior Note, 4.486%, 5/01/30 | United States | 50,000 | 57,022 |
| ⁹ Nabors Industries Ltd., Senior Note, 144A, 7.25%, 1/15/26 | United States | 800,000 | 665,500 |
| ⁹ Schlumberger Holdings Corp., Senior Note, 144A, 3.9%, 5/17/28 . . | United States | 400,000 | 435,663 |
| ⁹ Weatherford International Ltd., Senior Note, 144A, 11%, 12/01/24 . | United States | 417,000 | 401,102 |
| | | | <u>1,559,287</u> |
| Entertainment 0.7% | | | |
| Netflix, Inc., Senior Bond, 5.875%, 2/15/25 | United States | 1,000,000 | 1,148,125 |
| Senior Bond, 4.375%, 11/15/26 | United States | 300,000 | 335,550 |
| ⁹ WMG Acquisition Corp., Senior Secured Bond, 144A, 3%, 2/15/31 . | United States | 1,200,000 | 1,143,360 |
| | | | <u>2,627,035</u> |
| Equity Real Estate Investment Trusts (REITs) 1.7% | | | |
| AvalonBay Communities, Inc., Senior Bond, 2.45%, 1/15/31 | United States | 500,000 | 499,109 |
| ⁹ Global Net Lease, Inc. / Global Net Lease Operating Partnership LP, Senior Note, 144A, 3.75%, 12/15/27 | United States | 400,000 | 390,346 |
| ⁹ MGM Growth Properties Operating Partnership LP / MGP Finance Co-Issuer, Inc., Senior Note, 144A, 3.875%, 2/15/29 | United States | 300,000 | 299,400 |
| MPT Operating Partnership LP / MPT Finance Corp., Senior Bond, 5.25%, 8/01/26 | United States | 247,000 | 255,645 |
| Senior Bond, 5%, 10/15/27 | United States | 889,000 | 936,811 |
| Senior Bond, 3.5%, 3/15/31 | United States | 300,000 | 294,771 |

Franklin Strategic Income VIP Fund (continued)

| | Country | Principal Amount ¹ | Value |
|--|---------------|-------------------------------|------------------|
| Corporate Bonds (continued) | | | |
| Equity Real Estate Investment Trusts (REITs) (continued) | | | |
| ⁹ Park Intermediate Holdings LLC / PK Domestic Property LLC / PK Finance Co-Issuer, Senior Secured Note, 144A, 5.875%, 10/01/28 | United States | 1,000,000 | \$1,062,125 |
| SBA Communications Corp., Senior Note, 3.875%, 2/15/27 | United States | 800,000 | 818,760 |
| Simon Property Group LP, Senior Bond, 4.25%, 11/30/46 | United States | 800,000 | 864,146 |
| ⁹ VICI Properties LP / VICI Note Co., Inc., Senior Note, 144A, 3.75%, 2/15/27 | United States | 1,400,000 | 1,402,408 |
| | | | <u>6,823,521</u> |
| Food & Staples Retailing 0.2% | | | |
| ⁹ Cencosud SA, Senior Note, 144A, 4.375%, 7/17/27 | Chile | 700,000 | <u>776,204</u> |
| Food Products 1.9% | | | |
| B&G Foods, Inc., Senior Note, 5.25%, 9/15/27 | United States | 1,500,000 | 1,562,340 |
| ⁹ Chobani LLC / Chobani Finance Corp., Inc., Senior Secured Note, 144A, 4.625%, 11/15/28 | United States | 1,200,000 | 1,227,000 |
| Kraft Heinz Foods Co., Senior Note, 3.875%, 5/15/27 | United States | 1,200,000 | 1,307,948 |
| ⁹ MHP Lux SA, Senior Note, 144A, 6.95%, 4/03/26 | Ukraine | 1,100,000 | 1,158,520 |
| ⁹ Post Holdings, Inc., Senior Bond, 144A, 4.625%, 4/15/30 | United States | 700,000 | 702,625 |
| Senior Bond, 144A, 4.5%, 9/15/31 | United States | 1,500,000 | 1,485,375 |
| | | | <u>7,443,808</u> |
| Gas Utilities 0.1% | | | |
| Piedmont Natural Gas Co., Inc., Senior Bond, 3.35%, 6/01/50 | United States | 300,000 | <u>292,444</u> |
| Health Care Providers & Services 1.2% | | | |
| Anthem, Inc., Senior Bond, 3.7%, 9/15/49 | United States | 150,000 | 156,103 |
| Centene Corp., Senior Note, 144A, 5.375%, 6/01/26 | United States | 324,000 | 339,212 |
| Senior Note, 4.25%, 12/15/27 | United States | 300,000 | 315,938 |
| Senior Note, 4.625%, 12/15/29 | United States | 200,000 | 216,720 |
| Senior Note, 3.375%, 2/15/30 | United States | 600,000 | 606,561 |
| ⁹ CHS/Community Health Systems, Inc., Secured Note, 144A, 6.875%, 4/15/29 | United States | 800,000 | 838,496 |
| Senior Secured Note, 144A, 5.625%, 3/15/27 | United States | 700,000 | 734,125 |
| ⁹ DaVita, Inc., Senior Note, 144A, 4.625%, 6/01/30 | United States | 700,000 | 714,077 |
| ⁹ Molina Healthcare, Inc., Senior Note, 144A, 3.875%, 11/15/30 | United States | 300,000 | 309,375 |
| Orlando Health Obligated Group, Bond, 3.777%, 10/01/28 | United States | 330,000 | 363,006 |
| Quest Diagnostics, Inc., Senior Bond, 2.8%, 6/30/31 | United States | 200,000 | 203,550 |
| | | | <u>4,797,163</u> |

Franklin Strategic Income VIP Fund (continued)

| | Country | Principal Amount ¹ | Value |
|---|---------------|-------------------------------|-------------|
| Corporate Bonds (continued) | | | |
| Hotels, Restaurants & Leisure 2.9% | | | |
| ⁹ 1011778 BC ULC / New Red Finance, Inc., Secured Bond, 144A, 4%, 10/15/30 | Canada | 1,200,000 | \$1,159,500 |
| ⁹ Caesars Entertainment, Inc., Senior Secured Note, 144A, 6.25%, 7/01/25 | United States | 400,000 | 426,908 |
| ⁹ Caesars Resort Collection LLC / CRC Finco, Inc., Senior Secured Note, 144A, 5.75%, 7/01/25 | United States | 1,000,000 | 1,056,550 |
| ⁹ Carnival Corp., Senior Note, 144A, 5.75%, 3/01/27 | United States | 400,000 | 411,000 |
| ⁹ Genting New York LLC / GENNY Capital, Inc., Senior Note, 144A, 3.3%, 2/15/26 | United States | 200,000 | 200,100 |
| ⁹ Golden Nugget, Inc., Senior Note, 144A, 6.75%, 10/15/24 | United States | 1,132,000 | 1,146,059 |
| ⁹ International Game Technology plc, Senior Secured Note, 144A, 5.25%, 1/15/29 | United States | 1,300,000 | 1,357,987 |
| Las Vegas Sands Corp., Senior Bond, 3.9%, 8/08/29 | United States | 800,000 | 822,936 |
| MGM Resorts International, Senior Note, 4.75%, 10/15/28 | United States | 1,000,000 | 1,034,745 |
| ⁹ NCL Corp. Ltd., Senior Note, 144A, 5.875%, 3/15/26 | United States | 1,100,000 | 1,112,650 |
| ⁹ Studio City Finance Ltd., Senior Note, 144A, 5%, 1/15/29 | Macau | 900,000 | 904,455 |
| ⁹ Wynn Macau Ltd., Senior Note, 144A, 5.625%, 8/26/28 | Macau | 600,000 | 628,305 |
| ^h Yum! Brands, Inc., Senior Bond, 4.625%, 1/31/32 | United States | 1,500,000 | 1,532,820 |
| | | | 11,794,015 |
| Household Durables 0.6% | | | |
| Mohawk Industries, Inc., Senior Note, 3.625%, 5/15/30 | United States | 1,300,000 | 1,396,917 |
| ⁹ Williams Scotsman International, Inc., Senior Secured Note, 144A, 4.625%, 8/15/28 | United States | 1,000,000 | 1,020,625 |
| | | | 2,417,542 |
| Household Products 0.6% | | | |
| ⁹ Energizer Holdings, Inc., Senior Note, 144A, 4.375%, 3/31/29 | United States | 1,300,000 | 1,306,500 |
| ⁹ Kimberly-Clark de Mexico SAB de CV, Senior Bond, 144A, 2.431%, 7/01/31 | Mexico | 300,000 | 293,236 |
| ⁹ Spectrum Brands, Inc., Senior Bond, 144A, 5.5%, 7/15/30 | United States | 200,000 | 214,375 |
| Senior Bond, 144A, 3.875%, 3/15/31 | United States | 500,000 | 490,625 |
| | | | 2,304,736 |
| Independent Power and Renewable Electricity Producers 1.4% | | | |
| ⁹ Calpine Corp., Senior Bond, 144A, 5%, 2/01/31 | United States | 600,000 | 586,500 |
| Senior Note, 144A, 5.125%, 3/15/28 | United States | 200,000 | 201,213 |
| Senior Note, 144A, 4.625%, 2/01/29 | United States | 700,000 | 683,053 |
| ⁹ Clearway Energy Operating LLC, Senior Note, 144A, 3.75%, 2/15/31 | United States | 700,000 | 673,316 |
| ⁹ Colbun SA, Senior Note, 144A, 3.95%, 10/11/27 | Chile | 800,000 | 873,968 |
| Senior Note, 144A, 3.15%, 3/06/30 | Chile | 300,000 | 308,374 |
| ⁹ InterGen NV, Senior Secured Bond, 144A, 7%, 6/30/23 | Netherlands | 1,100,000 | 1,065,625 |
| ⁹ Talen Energy Supply LLC, Senior Secured Note, 144A, 7.25%, 5/15/27 | United States | 1,300,000 | 1,331,265 |
| | | | 5,723,314 |
| Insurance 0.2% | | | |
| Arch Capital Group Ltd., Senior Bond, 3.635%, 6/30/50 | United States | 1,000,000 | 1,004,575 |
| Interactive Media & Services 0.5% | | | |
| ⁹ Tencent Holdings Ltd., Senior Note, 144A, 2.39%, 6/03/30 | China | 2,100,000 | 2,030,632 |

Franklin Strategic Income VIP Fund (continued)

| | Country | Principal Amount ¹ | Value |
|---|---------------|-------------------------------|-------------|
| Corporate Bonds (continued) | | | |
| Internet & Direct Marketing Retail 0.3% | | | |
| JD.com, Inc., Senior Note, 3.375%, 1/14/30 | China | 1,200,000 | \$1,239,049 |
| IT Services 1.1% | | | |
| ⁹ Cablevision Lightpath LLC, Senior Secured Note, 144A, 3.875%, 9/15/27 | United States | 900,000 | 892,125 |
| ⁹ Gartner, Inc., Senior Note, 144A, 4.5%, 7/01/28 | United States | 700,000 | 722,750 |
| ⁹ Northwest Fiber LLC / Northwest Fiber Finance Sub, Inc., Senior Note, 144A, 6%, 2/15/28 | United States | 1,100,000 | 1,100,000 |
| ⁹ Presidio Holdings, Inc., Senior Secured Note, 144A, 4.875%, 2/01/27 | United States | 1,200,000 | 1,232,088 |
| ⁹ Tempo Acquisition LLC / Tempo Acquisition Finance Corp., Senior Note, 144A, 6.75%, 6/01/25 | United States | 600,000 | 613,875 |
| | | | 4,560,838 |
| Life Sciences Tools & Services 0.1% | | | |
| ⁹ Charles River Laboratories International, Inc., Senior Note, 144A, 3.75%, 3/15/29 | United States | 200,000 | 200,566 |
| Senior Note, 144A, 4%, 3/15/31 | United States | 200,000 | 203,560 |
| | | | 404,126 |
| Machinery 0.7% | | | |
| ⁹ ATS Automation Tooling Systems, Inc., Senior Note, 144A, 4.125%, 12/15/28 | Canada | 1,400,000 | 1,390,375 |
| ⁹ Vertical US Newco, Inc., Senior Secured Note, 144A, 5.25%, 7/15/27 | Germany | 1,100,000 | 1,153,625 |
| Westinghouse Air Brake Technologies Corp., Senior Note, 3.2%, 6/15/25 | United States | 200,000 | 211,789 |
| | | | 2,755,789 |
| Marine 0.3% | | | |
| ⁹ ICTSI Treasury BV, Senior Note, Reg S, 4.625%, 1/16/23 | Philippines | 1,200,000 | 1,272,600 |
| Media 2.7% | | | |
| Charter Communications Operating LLC / Charter Communications Operating Capital, Senior Secured Bond, 2.8%, 4/01/31 | United States | 1,800,000 | 1,777,935 |
| ⁹ Clear Channel International BV, Senior Secured Note, 144A, 6.625%, 8/01/25 | United States | 300,000 | 314,658 |
| ⁹ Clear Channel Outdoor Holdings, Inc., Senior Note, 144A, 7.75%, 4/15/28 | United States | 400,000 | 396,350 |
| Clear Channel Worldwide Holdings, Inc., Senior Note, 9.25%, 2/15/24 | United States | 434,000 | 452,304 |
| ⁹ Senior Secured Note, 144A, 5.125%, 8/15/27 | United States | 300,000 | 302,100 |
| ⁹ CSC Holdings LLC, Senior Note, 144A, 5.5%, 5/15/26 | United States | 1,378,000 | 1,422,441 |
| ⁹ Diamond Sports Group LLC / Diamond Sports Finance Co., Senior Note, 144A, 6.625%, 8/15/27 | United States | 300,000 | 156,375 |
| Senior Secured Note, 144A, 5.375%, 8/15/26 | United States | 400,000 | 288,500 |
| DISH DBS Corp., Senior Note, 6.75%, 6/01/21 | United States | 5,000 | 5,045 |
| Senior Note, 5.875%, 11/15/24 | United States | 100,000 | 104,729 |
| Fox Corp., Senior Note, 3.5%, 4/08/30 | United States | 400,000 | 425,881 |
| ⁹ Gray Television, Inc., Senior Note, 144A, 4.75%, 10/15/30 | United States | 1,000,000 | 993,125 |
| ⁹ Nexstar Broadcasting, Inc., Senior Note, 144A, 4.75%, 11/01/28 . . | United States | 800,000 | 809,928 |
| ⁹ Outfront Media Capital LLC / Outfront Media Capital Corp., Senior Note, 144A, 4.25%, 1/15/29 | United States | 1,100,000 | 1,060,367 |
| ⁹ Sinclair Television Group, Inc., Senior Bond, 144A, 5.5%, 3/01/30 | United States | 300,000 | 292,257 |
| Senior Secured Note, 144A, 4.125%, 12/01/30 | United States | 800,000 | 772,500 |

Franklin Strategic Income VIP Fund (continued)

| | Country | Principal Amount [†] | Value |
|--|----------------|-------------------------------|-------------|
| Corporate Bonds (continued) | | | |
| Media (continued) | | | |
| ^g Univision Communications, Inc., Senior Secured Note, 144A, 5.125%, 2/15/25 | United States | 1,321,000 | \$1,339,989 |
| | | | 10,914,484 |
| Metals & Mining 1.4% | | | |
| Commercial Metals Co., Senior Bond, 3.875%, 2/15/31 | United States | 1,200,000 | 1,179,252 |
| ^g Constellium SE, Senior Note, 144A, 3.75%, 4/15/29 | United States | 1,000,000 | 957,330 |
| ^g CSN Inova Ventures, Senior Note, 144A, 6.75%, 1/28/28 | Brazil | 800,000 | 848,740 |
| ^g FMG Resources August 2006 Pty. Ltd., Senior Bond, 144A, 4.375%, 4/01/31 | Australia | 1,500,000 | 1,529,070 |
| ^g Novelis Corp., Senior Bond, 144A, 5.875%, 9/30/26 | United States | 1,059,000 | 1,106,655 |
| | | | 5,621,047 |
| Multiline Retail 0.1% | | | |
| Dollar Tree, Inc., Senior Bond, 4.2%, 5/15/28 | United States | 300,000 | 336,716 |
| ^{b,e,g} K2016470219 South Africa Ltd., Senior Secured Note, 144A, PIK, 3%, 12/31/22 | South Africa | 991,087 | — |
| ^{b,e,g} K2016470260 South Africa Ltd., Senior Secured Note, 144A, PIK, 25%, 12/31/22 | South Africa | 396,604 | 1,983 |
| | | | 338,699 |
| Multi-Utilities 0.3% | | | |
| Dominion Energy, Inc., C, Senior Note, 3.375%, 4/01/30 | United States | 1,300,000 | 1,385,711 |
| Oil, Gas & Consumable Fuels 5.3% | | | |
| ^g Aker BP ASA, Senior Bond, 144A, 4%, 1/15/31 | Norway | 400,000 | 417,799 |
| Senior Note, 144A, 4.75%, 6/15/24 | Norway | 600,000 | 615,695 |
| ^g Antero Resources Corp., Senior Note, 144A, 8.375%, 7/15/26 | United States | 200,000 | 220,875 |
| Senior Note, 144A, 7.625%, 2/01/29 | United States | 200,000 | 213,375 |
| Apache Corp., Senior Note, 4.625%, 11/15/25 | United States | 600,000 | 618,930 |
| Senior Note, 4.875%, 11/15/27 | United States | 500,000 | 513,250 |
| Canadian Natural Resources Ltd., Senior Bond, 2.95%, 7/15/30 . . | Canada | 450,000 | 449,379 |
| Cenovus Energy, Inc., Senior Note, 5.375%, 7/15/25 | Canada | 500,000 | 562,319 |
| ^g Cheniere Energy Partners LP, Senior Note, 144A, 4%, 3/01/31 . . . | United States | 1,100,000 | 1,120,625 |
| ^g Continental Resources, Inc., Senior Bond, 144A, 5.75%, 1/15/31 . . | United States | 600,000 | 678,816 |
| ^g Crestwood Midstream Partners LP / Crestwood Midstream Finance Corp., Senior Note, 144A, 6%, 2/01/29 | United States | 1,500,000 | 1,480,312 |
| ^g CVR Energy, Inc., Senior Note, 144A, 5.25%, 2/15/25 | United States | 500,000 | 489,250 |
| Energy Transfer Operating LP, Senior Note, 4.05%, 3/15/25 | United States | 200,000 | 216,248 |
| EnLink Midstream LLC, Senior Bond, 5.375%, 6/01/29 | United States | 1,100,000 | 1,030,563 |
| ^g Senior Note, 144A, 5.625%, 1/15/28 | United States | 100,000 | 96,885 |
| ^{e,g} EnQuest plc, Senior Note, 144A, Reg S, PIK, 7%, 10/15/23 | United Kingdom | 878,999 | 722,830 |
| Enterprise Products Operating LLC, Senior Bond, 4.8%, 2/01/49 . . | United States | 150,000 | 172,522 |
| ^g Hilcorp Energy I LP / Hilcorp Finance Co., Senior Bond, 144A, 6%, 2/01/31 | United States | 700,000 | 711,813 |
| Senior Note, 144A, 5.75%, 2/01/29 | United States | 200,000 | 202,125 |
| ^g Martin Midstream Partners LP / Martin Midstream Finance Corp., Secured Note, 144A, 10%, 2/29/24 | United States | 307,101 | 322,072 |
| Secured Note, 144A, 11.5%, 2/28/25 | United States | 1,394,630 | 1,415,550 |

Franklin Strategic Income VIP Fund (continued)

| | Country | Principal Amount ^a | Value |
|--|---------------|-------------------------------|-------------|
| Corporate Bonds (continued) | | | |
| Oil, Gas & Consumable Fuels (continued) | | | |
| MPLX LP, Senior Note, 2.65%, 8/15/30 | United States | 1,500,000 | \$1,471,748 |
| ^g Oasis Midstream Partners LP / OMP Finance Corp., Senior Note, 144A, 8%, 4/01/29 | United States | 500,000 | 513,750 |
| Occidental Petroleum Corp., Senior Bond, 6.125%, 1/01/31 | United States | 600,000 | 663,645 |
| Senior Bond, 6.45%, 9/15/36 | United States | 500,000 | 552,630 |
| Senior Note, 8.875%, 7/15/30 | United States | 700,000 | 883,750 |
| ^g Rattler Midstream LP, Senior Note, 144A, 5.625%, 7/15/25 | United States | 1,400,000 | 1,464,393 |
| Sabine Pass Liquefaction LLC, Senior Secured Note, 4.5%, 5/15/30 | United States | 1,600,000 | 1,798,746 |
| Sunoco LP / Sunoco Finance Corp., Senior Note, 6%, 4/15/27 | United States | 500,000 | 523,750 |
| ^g Senior Note, 144A, 4.5%, 5/15/29 | United States | 1,200,000 | 1,197,750 |
| | | | 21,341,395 |
| Paper & Forest Products 0.2% | | | |
| Suzano Austria GmbH, Senior Bond, 3.75%, 1/15/31 | Brazil | 700,000 | 721,409 |
| Personal Products 0.1% | | | |
| ^g Prestige Brands, Inc., Senior Bond, 144A, 3.75%, 4/01/31 | United States | 300,000 | 286,875 |
| Pharmaceuticals 0.9% | | | |
| ^g Bausch Health Americas, Inc., Senior Note, 144A, 8.5%, 1/31/27 . . | United States | 9,000 | 9,997 |
| ^g Bausch Health Cos., Inc., Senior Bond, 144A, 5.25%, 2/15/31 | United States | 300,000 | 299,128 |
| Senior Note, 144A, 5%, 2/15/29 | United States | 200,000 | 199,000 |
| ^g Bayer US Finance II LLC, Senior Bond, 144A, 4.375%, 12/15/28 . . | Germany | 889,000 | 1,004,724 |
| ^g Endo Dac / Endo Finance LLC / Endo Finco, Inc., Secured Note, 144A, 9.5%, 7/31/27 | United States | 652,000 | 709,458 |
| Senior Note, 144A, 6%, 6/30/28 | United States | 659,000 | 534,449 |
| ^g Par Pharmaceutical, Inc., Senior Secured Note, 144A, 7.5%, 4/01/27 | United States | 184,000 | 195,401 |
| ^g Royalty Pharma plc, Senior Bond, 144A, 3.3%, 9/02/40 | United States | 500,000 | 483,364 |
| | | | 3,435,521 |
| Real Estate Management & Development 0.7% | | | |
| ^g China Overseas Finance Cayman VI Ltd., Senior Note, Reg S, 5.95%, 5/08/24 | China | 700,000 | 794,563 |
| ^g Five Point Operating Co. LP / Five Point Capital Corp., Senior Note, 144A, 7.875%, 11/15/25 | United States | 800,000 | 837,600 |
| ^g Howard Hughes Corp. (The), Senior Note, 144A, 5.375%, 8/01/28. | United States | 1,000,000 | 1,053,125 |
| | | | 2,685,288 |
| Road & Rail 0.8% | | | |
| CSX Corp., Senior Bond, 4.1%, 3/15/44 | United States | 550,000 | 608,486 |
| ^g Kazakhstan Temir Zholy Finance BV, Senior Bond, 144A, 6.95%, 7/10/42 | Kazakhstan | 1,500,000 | 2,004,315 |
| ^{g,h} NESCO Holdings II, Inc., Secured Note, 144A, 5.5%, 4/15/29 | United States | 500,000 | 513,525 |
| | | | 3,126,326 |
| Semiconductors & Semiconductor Equipment 0.4% | | | |
| Maxim Integrated Products, Inc., Senior Note, 3.375%, 3/15/23 . . . | United States | 100,000 | 104,762 |
| ^g ON Semiconductor Corp., Senior Note, 144A, 3.875%, 9/01/28 . . . | United States | 1,300,000 | 1,338,870 |
| | | | 1,443,632 |

Franklin Strategic Income VIP Fund (continued)

| | Country | Principal Amount ¹ | Value |
|---|----------------|-------------------------------|--------------------|
| Corporate Bonds (continued) | | | |
| Software 0.5% | | | |
| ⁹ Blackboard, Inc., Secured Note, 144A, 10.375%, 11/15/24 | United States | 200,000 | \$212,125 |
| ⁹ NortonLifeLock, Inc., Senior Note, 144A, 5%, 4/15/25 | United States | 978,000 | 993,452 |
| ⁹ Rocket Software, Inc., Senior Note, 144A, 6.5%, 2/15/29 | United States | 900,000 | 909,788 |
| | | | 2,115,365 |
| Specialty Retail 0.7% | | | |
| AutoNation, Inc., Senior Bond, 4.75%, 6/01/30 | United States | 200,000 | 230,869 |
| L Brands, Inc., Senior Bond, 5.25%, 2/01/28 | United States | 500,000 | 537,187 |
| ⁹ Senior Note, 144A, 6.625%, 10/01/30 | United States | 200,000 | 228,735 |
| ⁹ Lithia Motors, Inc., Senior Bond, 144A, 4.375%, 1/15/31 | United States | 500,000 | 519,910 |
| Party City Holdings, Inc., Senior Secured Note, 5.75%, 7/15/25 | United States | 236,150 | 217,848 |
| ⁹ Rent-A-Center, Inc., Senior Note, 144A, 6.375%, 2/15/29 | United States | 1,100,000 | 1,168,750 |
| | | | 2,903,299 |
| Textiles, Apparel & Luxury Goods 0.4% | | | |
| ⁹ Hanesbrands, Inc., Senior Bond, 144A, 4.875%, 5/15/26 | United States | 1,382,000 | 1,483,923 |
| Thriffs & Mortgage Finance 1.0% | | | |
| MGIC Investment Corp., Senior Note, 5.25%, 8/15/28 | United States | 800,000 | 832,500 |
| ⁹ PennyMac Financial Services, Inc., Senior Note, 144A, 5.375%, 10/15/25 | United States | 1,200,000 | 1,245,360 |
| ⁹ Quicken Loans LLC / Quicken Loans Co-Issuer, Inc., Senior Note, 144A, 3.625%, 3/01/29 | United States | 800,000 | 771,500 |
| ⁹ United Wholesale Mortgage LLC, Senior Note, 144A, 5.5%, 11/15/25 | United States | 1,100,000 | 1,148,125 |
| | | | 3,997,485 |
| Tobacco 0.3% | | | |
| Altria Group, Inc., Senior Note, 3.4%, 5/06/30 | United States | 1,200,000 | 1,257,402 |
| BAT Capital Corp., Senior Bond, 4.54%, 8/15/47 | United Kingdom | 50,000 | 50,421 |
| | | | 1,307,823 |
| Trading Companies & Distributors 1.2% | | | |
| ⁹ Beacon Roofing Supply, Inc., Senior Note, 144A, 4.875%, 11/01/25 | United States | 1,094,000 | 1,120,601 |
| ⁹ H&E Equipment Services, Inc., Senior Note, 144A, 3.875%, 12/15/28 | United States | 1,200,000 | 1,168,500 |
| ⁹ Herc Holdings, Inc., Senior Note, 144A, 5.5%, 7/15/27 | United States | 1,000,000 | 1,066,075 |
| ⁹ WESCO Distribution, Inc., Senior Note, 144A, 7.125%, 6/15/25 | United States | 700,000 | 766,377 |
| Senior Note, 144A, 7.25%, 6/15/28 | United States | 500,000 | 558,900 |
| | | | 4,680,453 |
| Wireless Telecommunication Services 1.0% | | | |
| ^{e,9} Digicel Group 0.5 Ltd., Senior Note, 144A, PIK, 8%, 4/01/25 | Bermuda | 158,906 | 124,935 |
| Hughes Satellite Systems Corp., Senior Note, 6.625%, 8/01/26 | United States | 800,000 | 888,480 |
| Sprint Communications, Inc., Senior Note, 6%, 11/15/22 | United States | 405,000 | 433,857 |
| Sprint Corp., Senior Note, 7.875%, 9/15/23 | United States | 405,000 | 463,421 |
| T-Mobile USA, Inc., Senior Note, 6%, 4/15/24 | United States | 200,000 | 201,750 |
| ⁹ Senior Secured Bond, 144A, 3.3%, 2/15/51 | United States | 500,000 | 467,910 |
| ⁹ Senior Secured Note, 144A, 3.875%, 4/15/30 | United States | 1,300,000 | 1,412,593 |
| | | | 3,992,946 |
| Total Corporate Bonds (Cost \$198,905,139) | | | 199,696,259 |

Franklin Strategic Income VIP Fund (continued)

| | Country | Principal Amount [†] | Value |
|---|----------------------------|-------------------------------|------------------|
| Senior Floating Rate Interests 1.2% | | | |
| Aerospace & Defense 0.2% | | | |
| ^h Dynasty Acquisition Co., Inc., 2020 Term Loan, B1, 3.703%, (3-month USD LIBOR + 3.5%), 4/06/26. | United States | 449,855 | \$437,279 |
| B2, 3.703%, (3-month USD LIBOR + 3.5%), 4/06/26. | United States | 241,858 | 235,097 |
| | | | 672,376 |
| Diversified Consumer Services 0.2% | | | |
| KUEHG Corp., Term Loan, B3, 4.75%, (3-month USD LIBOR + 3.75%), 2/21/25 | United States | 730,345 | 715,942 |
| Entertainment 0.2% | | | |
| Diamond Sports Group LLC, Term Loan, 3.36%, (1-month USD LIBOR + 3.25%), 8/24/26 | United States | 448,287 | 311,185 |
| William Morris Endeavor Entertainment LLC (IMG Worldwide Holdings LLC), First Lien, Term Loan, B1, 2.94%, (1-month USD LIBOR + 2.75%; 3-month USD LIBOR + 2.75%), 5/18/25 | United States | 777,115 | 736,426 |
| | | | 1,047,611 |
| Leisure Products 0.2% | | | |
| Hercules Achievement, Inc. (Varsity Brands Holding Co., Inc.), First Lien, Initial Term Loan, 4.5%, (1-month USD LIBOR + 3.5%), 12/16/24 | United States | 790,432 | 765,730 |
| Media 0.2% | | | |
| Cengage Learning, Inc., 2016 Refinancing Term Loan, 5.25%, (3-month USD LIBOR + 4.25%), 6/07/23 | United States | 747,414 | 741,031 |
| Personal Products 0.2% | | | |
| ^h Coty, Inc., USD Term Loan, B, 2.354%, (1-month USD LIBOR + 2.25%), 4/07/25 | United States | 864,304 | 833,154 |
| Total Senior Floating Rate Interests (Cost \$4,861,228) | | | 4,775,844 |
| Marketplace Loans 0.2% | | | |
| Diversified Financial Services 0.2% | | | |
| ^b Lending Club - LCX PM, 8.46% - 20.49%, 10/08/23 - 2/03/26. | United States | 200,951 | 192,791 |
| ^b Lending Club - LCX, 7.02% - 25.65%, 8/22/22 - 2/28/25. | United States | 814,382 | 747,199 |
| | | | 939,990 |
| Total Marketplace Loans (Cost \$982,540) | | | 939,990 |
| Loan Participations and Assignments 0.4% | | | |
| ^a Russian Railways Via RZD Capital plc, Senior Note, Reg S, 5.7%, 4/05/22 | Russia | 1,500,000 | 1,568,347 |
| Total Loan Participations and Assignments (Cost \$1,532,992) | | | 1,568,347 |
| Foreign Government and Agency Securities 14.1% | | | |
| ^a African Export-Import Bank (The), Senior Note, 144A, 3.994%, 9/21/29 | Supranational ^l | 2,000,000 | 2,101,522 |
| ^a Angola Government Bond, Senior Note, 144A, 8.25%, 5/09/28 | Angola | 2,700,000 | 2,598,345 |
| ^a Banque Centrale de Tunisie, Senior Note, Reg S, 5.625%, 2/17/24 | Tunisia | 2,300,000 EUR | 2,389,953 |
| ^a Banque Ouest Africaine de Developpement, Senior Note, 144A, 5%, 7/27/27 | Supranational ^l | 1,200,000 | 1,330,188 |
| ^a Belarus Government Bond, Senior Note, 144A, 7.625%, 6/29/27 | Belarus | 1,200,000 | 1,233,576 |
| Senior Bond, 144A, 6.2%, 2/28/30 | Belarus | 1,200,000 | 1,116,012 |
| Colombia Government Bond, Senior Bond, 3.875%, 4/25/27 | Colombia | 1,400,000 | 1,503,446 |

Franklin Strategic Income VIP Fund (continued)

| | Country | Principal Amount [†] | Value |
|--|--------------------|-------------------------------|-------------------|
| Foreign Government and Agency Securities (continued) | | | |
| Colombia Government Bond, (continued) | | | |
| Senior Bond, 9.85%, 6/28/27 | Colombia | 5,315,000,000 COP | \$1,800,760 |
| Senior Bond, 4.5%, 3/15/29 | Colombia | 500,000 | 547,160 |
| Senior Bond, 5%, 6/15/45 | Colombia | 1,900,000 | 2,031,404 |
| ^g Dominican Republic Government Bond, Senior Note, 144A, 8.9%, 2/15/23 | Dominican Republic | 81,500,000 DOP | 1,484,551 |
| Ecopetrol SA, Senior Bond, 4.125%, 1/16/25 | Colombia | 800,000 | 855,592 |
| ^g Electricite de France SA, Junior Sub. Bond, 144A, 5.25% to 1/29/23, FRN thereafter, Perpetual | France | 2,425,000 | 2,558,375 |
| Equinor ASA, Senior Note, 2.375%, 5/22/30 | Norway | 700,000 | 699,145 |
| ^g Export-Import Bank of India, Senior Note, 144A, 3.875%, 2/01/28 | India | 1,655,000 | 1,770,070 |
| ^g Gabon Government Bond, 144A, 6.375%, 12/12/24 | Gabon | 837,538 | 870,639 |
| Senior Bond, 144A, 6.625%, 2/06/31 | Gabon | 1,600,000 | 1,550,085 |
| ^g Indonesia Asahan Aluminium Persero PT, Senior Note, 144A, 5.45%, 5/15/30 | Indonesia | 1,400,000 | 1,592,563 |
| Indonesia Government Bond, FR70, 8.375%, 3/15/24 | Indonesia | 19,648,000,000 IDR | 1,458,335 |
| ^g Senior Bond, 144A, 4.35%, 1/08/27 | Indonesia | 900,000 | 1,010,894 |
| ^g Senior Note, 144A, 3.85%, 7/18/27 | Indonesia | 2,200,000 | 2,418,648 |
| FR64, 6.125%, 5/15/28 | Indonesia | 9,500,000,000 IDR | 635,084 |
| ^g Senior Bond, 144A, 4.625%, 4/15/43 | Indonesia | 700,000 | 778,617 |
| ^g Iraq Government Bond, Senior Bond, 144A, 5.8%, 1/15/28 | Iraq | 2,362,500 | 2,240,713 |
| ^g Israel Electric Corp. Ltd., Senior Secured Bond, 144A, Reg S, 4.25%, 8/14/28 | Israel | 1,000,000 | 1,112,875 |
| ^g Kazakhstan Government Bond, Senior Bond, 144A, 4.875%, 10/14/44 | Kazakhstan | 1,800,000 | 2,174,706 |
| Mexican Bonos Desarr Fixed Rate, M, 6.5%, 6/10/21 | Mexico | 29,300,000 MXN | 1,438,024 |
| Mexico Government Bond, Senior Note, 4.15%, 3/28/27 | Mexico | 2,900,000 | 3,220,987 |
| Senior Note, 3.75%, 1/11/28 | Mexico | 500,000 | 535,732 |
| Senior Bond, 4.75%, 4/27/32 | Mexico | 600,000 | 669,600 |
| Peru Government Bond, Senior Bond, 6.55%, 3/14/37 | Peru | 800,000 | 1,083,436 |
| Petroleos Mexicanos, Senior Bond, 6.625%, 6/15/35 | Mexico | 700,000 | 666,992 |
| ^g Russia Government Bond, Senior Note, Reg S, 4.75%, 5/27/26 | Russia | 1,200,000 | 1,346,646 |
| Senior Bond, 144A, 5.625%, 4/04/42 | Russia | 600,000 | 736,405 |
| South Africa Government Bond, Senior Bond, 5.875%, 6/22/30 | South Africa | 700,000 | 750,988 |
| Turkey Government Bond, Senior Bond, 4.875%, 10/09/26 | Turkey | 800,000 | 740,264 |
| ^g Turkiye Vakıflar Bankası TAO, Covered Note, Reg S, 2.375%, 5/04/21 | Turkey | 500,000 EUR | 585,881 |
| ^g Ukraine Government Bond, Senior Note, 144A, 7.75%, 9/01/22 | Ukraine | 200,000 | 211,156 |
| Senior Note, 144A, 7.75%, 9/01/23 | Ukraine | 369,000 | 398,520 |
| Senior Note, 144A, 7.75%, 9/01/24 | Ukraine | 369,000 | 399,806 |
| Senior Bond, 144A, 7.375%, 9/25/32 | Ukraine | 500,000 | 504,236 |
| VRI, GDP Linked Security, Senior Bond, 144A, Reg S, Zero Cpn., 5/31/40 | Ukraine | 978,000 | 1,011,643 |
| ^k Uruguay Government Bond, Index Linked, Senior Bond, 9.043%, 12/15/28 | Uruguay | 5,291,617 UYU | 142,066 |
| Index Linked, Senior Bond, 3.7%, 6/26/37 | Uruguay | 88,314,462 UYU | 2,235,247 |
| Total Foreign Government and Agency Securities (Cost \$56,668,134) | | | 56,540,887 |

Franklin Strategic Income VIP Fund (continued)

| | Country | Principal Amount [†] | Value |
|--|---------------|-------------------------------|-------------------|
| U.S. Government and Agency Securities 2.7% | | | |
| U.S. Treasury Notes, | | | |
| 1.5%, 11/30/21 | United States | 3,000,000 | \$3,028,795 |
| 0.25%, 6/30/25 | United States | 4,100,000 | 4,017,840 |
| ^k 0.375%, 7/15/25 | United States | 3,200,000 | 3,890,109 |
| Total U.S. Government and Agency Securities (Cost \$10,612,555) | | | 10,936,744 |
| Asset-Backed Securities 7.7% | | | |
| Airlines 0.0%[†] | | | |
| United Airlines Pass-Through Trust, 2020-1, B, 4.875%, 7/15/27 . . | United States | 100,000 | 103,937 |
| Consumer Finance 0.4% | | | |
| ^l Citibank Credit Card Issuance Trust, 2017-A7, A7, FRN, 0.474%, (1-month USD LIBOR + 0.37%), 8/08/24 | United States | 1,494,000 | 1,502,002 |
| Diversified Financial Services 7.3% | | | |
| ^{g,l} Antares CLO Ltd., 2018-1A, B, 144A, FRN, 1.874%, (3-month USD LIBOR + 1.65%), 4/20/31 | United States | 1,455,000 | 1,436,303 |
| ^{g,l} BCC Middle Market CLO LLC, 2018-1A, A2, 144A, FRN, 2.374%, (3-month USD LIBOR + 2.15%), 10/20/30 | United States | 700,000 | 684,895 |
| ^{g,l} BlueMountain CLO Ltd., 2012-2A, BR2, 144A, FRN, 1.632%, (3-month USD LIBOR + 1.45%), 11/20/28 | United States | 510,000 | 510,499 |
| 2012-2A, CR2, 144A, FRN, 2.182%, (3-month USD LIBOR + 2%), 11/20/28 | United States | 270,000 | 267,259 |
| 2018-1A, D, 144A, FRN, 3.255%, (3-month USD LIBOR + 3.05%), 7/30/30 | United States | 1,000,000 | 953,723 |
| ^{g,l} BlueMountain Fuji EUR CLO V DAC, 5A, B, 144A, FRN, 1.55%, (3-month EURIBOR + 1.55%), 1/15/33 | Ireland | 600,000 EUR | 704,597 |
| ^{g,l} Burnham Park CLO Ltd., 2016-1A, BR, 144A, FRN, 1.724%, (3-month USD LIBOR + 1.5%), 10/20/29 | United States | 460,000 | 461,082 |
| ^{g,l} Buttermilk Park CLO Ltd., 2018-1A, C, 144A, FRN, 2.341%, (3-month USD LIBOR + 2.1%), 10/15/31 | United States | 1,408,860 | 1,410,615 |
| ^{g,l} Carlyle Global Market Strategies CLO Ltd., 2014-4RA, C, 144A, FRN, 3.141%, (3-month USD LIBOR + 2.9%), 7/15/30 | United States | 300,000 | 282,415 |
| ^{g,l} Carlyle GMS Finance MM CLO LLC, 2015-1A, A2R, 144A, FRN, 2.441%, (3-month USD LIBOR + 2.2%), 10/15/31 | United States | 1,213,000 | 1,191,417 |
| ^{g,l} Carlyle US CLO Ltd., 2021-1A, A2, 144A, FRN, 1.641%, (3-month USD LIBOR + 1.45%), 4/15/34 | United States | 1,500,000 | 1,498,127 |
| ^g CF Hippolyta LLC, 2020-1, A1, 144A, 1.69%, 7/15/60 | United States | 400,839 | 404,355 |
| ^{g,m} Consumer Loan Underlying Bond Certificate Issuer Trust I, 2019-51, PT, 144A, FRN, 15.574%, 1/15/45 | United States | 616,421 | 609,239 |
| 2019-52, PT, 144A, FRN, 16.227%, 1/15/45 | United States | 656,853 | 653,526 |
| 2019-S8, PT, 144A, FRN, 8.988%, 1/15/45 | United States | 448,196 | 434,982 |
| 2020-2, PT, 144A, FRN, 15.648%, 3/15/45 | United States | 619,876 | 614,444 |
| 2020-7, PT, 144A, FRN, 15.42%, 4/17/45 | United States | 371,729 | 364,035 |

Franklin Strategic Income VIP Fund (continued)

| | Country | Principal Amount [†] | Value |
|--|---------------|-------------------------------|-----------|
| Asset-Backed Securities (continued) | | | |
| Diversified Financial Services (continued) | | | |
| ^m CWABS Asset-Backed Certificates Trust, 2005-11, AF4, FRN, 5.21%, 3/25/34 | United States | 80,778 | \$80,813 |
| ^{g,j} Dryden 38 Senior Loan Fund, 2015-38A, CR, 144A, FRN, 2.241%, (3-month USD LIBOR + 2%), 7/15/30 | United States | 863,000 | 864,476 |
| ^{g,j} Dryden 55 CLO Ltd., 2018-55A, D, 144A, FRN, 3.091%, (3-month USD LIBOR + 2.85%), 4/15/31 | United States | 300,000 | 288,122 |
| ^{g,j} Galaxy XVIII CLO Ltd., 2018-28A, C, 144A, FRN, 2.191%, (3-month USD LIBOR + 1.95%), 7/15/31 | United States | 250,000 | 248,078 |
| ^{g,j} Galaxy XXVII CLO Ltd., 2018-27A, C, 144A, FRN, 1.994%, (3-month USD LIBOR + 1.8%), 5/16/31 | United States | 400,000 | 398,355 |
| ^{g,j} LCM 26 Ltd., 26A, B, 144A, FRN, 1.624%, (3-month USD LIBOR + 1.4%), 1/20/31 | United States | 250,000 | 249,499 |
| ^{g,j} LCM XVII LP, 17A, BRR, 144A, FRN, 1.841%, (3-month USD LIBOR + 1.6%), 10/15/31 | United States | 350,000 | 345,018 |
| 17A, CRR, 144A, FRN, 2.341%, (3-month USD LIBOR + 2.1%), 10/15/31 | United States | 320,000 | 320,793 |
| ^{g,j} LCM XVIII LP, 18A, DR, 144A, FRN, 3.024%, (3-month USD LIBOR + 2.8%), 4/20/31 | United States | 770,000 | 721,198 |
| ^{g,j} Madison Park Euro Funding VIII DAC, 8A, BRN, 144A, FRN, 1.7%, (3-month EURIBOR + 1.7%), 4/15/32 | Ireland | 400,000 EUR | 471,133 |
| ^{g,j} Magnetite XXIX Ltd., 2021-29A, B, 144A, FRN, 1.504%, (3-month USD LIBOR + 1.4%), 1/15/34 | United States | 1,500,000 | 1,500,006 |
| ^{g,m} Mill City Mortgage Loan Trust, 2018-4, A1B, 144A, FRN, 3.5%, 4/25/66 | United States | 1,202,019 | 1,259,512 |
| ^{g,j} NZCG Funding Ltd., 2015-1A, A2R, 144A, FRN, 1.74%, (3-month USD LIBOR + 1.55%), 2/26/31 | United States | 2,182,000 | 2,181,747 |
| ^{g,j} Octagon Investment Partners 28 Ltd., 2016-1A, BR, 144A, FRN, 2.018%, (3-month USD LIBOR + 1.8%), 10/24/30 | United States | 250,000 | 250,495 |
| ^{g,j} Octagon Investment Partners 36 Ltd., 2018-1A, A1, 144A, FRN, 1.211%, (3-month USD LIBOR + 0.97%), 4/15/31 | United States | 500,000 | 499,301 |
| ^{g,j} Octagon Investment Partners 37 Ltd., 2018-2A, C, 144A, FRN, 3.068%, (3-month USD LIBOR + 2.85%), 7/25/30 | United States | 400,000 | 390,959 |
| ^{g,j} Octagon Investment Partners 38 Ltd., 2018-1A, C, 144A, FRN, 3.174%, (3-month USD LIBOR + 2.95%), 7/20/30 | United States | 1,000,000 | 974,549 |
| ^{g,j} Octagon Investment Partners XVI Ltd., 2013-1A, DR, 144A, FRN, 3.223%, (3-month USD LIBOR + 3%), 7/17/30 | United States | 400,000 | 391,410 |
| ^{g,j} Octagon Investment Partners XXIII Ltd., 2015-1A, BR, 144A, FRN, 1.441%, (3-month USD LIBOR + 1.2%), 7/15/27 | United States | 400,000 | 399,002 |
| ^{g,m} Prosper Pass-Thru Trust III, 2020-PT1, A, 144A, FRN, 8.796%, 3/15/26 | United States | 395,727 | 391,765 |
| 2020-PT2, A, 144A, FRN, 9.444%, 4/15/26 | United States | 437,197 | 429,596 |
| 2020-PT3, A, 144A, FRN, 7.183%, 5/15/26 | United States | 121,396 | 122,600 |
| ^{g,j} Strata CLO I Ltd., 2018-1A, B, 144A, FRN, 2.441%, (3-month USD LIBOR + 2.2%), 1/15/31 | United States | 1,300,000 | 1,287,066 |
| ^{g,m} Upgrade Master Pass-Thru Trust, 2019-PT2, A, 144A, FRN, 13.35%, 2/15/26 | United States | 347,213 | 346,818 |
| ^{g,j} Voya CLO Ltd., 2013-2A, BR, 144A, FRN, 2.068%, (3-month USD LIBOR + 1.85%), 4/25/31 | United States | 780,000 | 769,486 |
| 2014-1A, CR2, 144A, FRN, 3.023%, (3-month USD LIBOR + 2.8%), 4/18/31 | United States | 1,000,000 | 947,648 |

Franklin Strategic Income VIP Fund (continued)

| | Country | Principal Amount [†] | Value |
|---|---------------|-------------------------------|-------------------|
| Asset-Backed Securities (continued) | | | |
| Diversified Financial Services (continued) | | | |
| ^{g,l} Voya CLO Ltd., (continued) | | | |
| 2015-2A, BR, 144A, FRN, 1.718%, (3-month USD LIBOR + 1.5%), 7/23/27 | United States | 820,000 | \$821,457 |
| | | | 29,432,415 |
| Total Asset-Backed Securities (Cost \$31,148,445) | | | 31,038,354 |
| Commercial Mortgage-Backed Securities 0.1% | | | |
| Diversified Financial Services 0.1% | | | |
| ^m Commercial Mortgage Trust, 2006-GG7, AJ, FRN, 5.61%, 7/10/38. | United States | 186,216 | 167,641 |
| Total Commercial Mortgage-Backed Securities (Cost \$179,606) | | | 167,641 |
| Mortgage-Backed Securities 3.1% | | | |
| ⁿ Federal Home Loan Mortgage Corp. (FHLMC) Adjustable Rate 0.0% [†] | | | |
| FHLMC, 2.348%, (1-year CMT T-Note +/- MBS Margin), 1/01/33 .. | United States | 5,170 | 5,150 |
| Federal Home Loan Mortgage Corp. (FHLMC) Fixed Rate 0.1% | | | |
| FHLMC Gold Pools, 20 Year, 7%, 9/01/21 | United States | 362 | 363 |
| FHLMC Gold Pools, 30 Year, 5%, 4/01/34 - 8/01/35 | United States | 151,835 | 176,248 |
| FHLMC Gold Pools, 30 Year, 5.5%, 3/01/33 - 1/01/35 | United States | 90,235 | 103,195 |
| FHLMC Gold Pools, 30 Year, 6%, 4/01/33 - 2/01/36 | United States | 71,217 | 82,588 |
| FHLMC Gold Pools, 30 Year, 6.5%, 11/01/27 - 7/01/32 | United States | 11,564 | 13,069 |
| FHLMC Gold Pools, 30 Year, 7%, 4/01/30 | United States | 1,457 | 1,672 |
| FHLMC Gold Pools, 30 Year, 7.5%, 8/01/30 | United States | 148 | 175 |
| | | | 377,310 |
| ⁿ Federal National Mortgage Association (FNMA) Adjustable Rate 0.0% [†] | | | |
| FNMA, 2.331%, (1-year CMT T-Note +/- MBS Margin), 12/01/34 .. | United States | 45,964 | 46,946 |
| Federal National Mortgage Association (FNMA) Fixed Rate 2.7% | | | |
| FNMA, 10 Year, 2.5%, 7/01/22 | United States | 2,119 | 2,204 |
| FNMA, 20 Year, 5%, 4/01/30 | United States | 28,513 | 31,862 |
| FNMA, 30 Year, 3%, 9/01/48 - 4/01/51 | United States | 2,946,972 | 3,095,180 |
| FNMA, 30 Year, 4.5%, 5/01/48 | United States | 2,701,204 | 2,991,906 |
| FNMA, 30 Year, 6.5%, 6/01/28 - 10/01/37 | United States | 86,571 | 99,725 |
| ^{h,o} FNMA, Single-family, 15 Year, 2%, 4/25/36 | United States | 1,001,000 | 1,027,377 |
| ^{h,o} FNMA, Single-family, 30 Year, 2%, 4/25/51 | United States | 1,136,000 | 1,133,959 |
| ^{h,o} FNMA, Single-family, 30 Year, 2.5%, 4/25/51 | United States | 2,228,000 | 2,286,485 |
| | | | 10,668,698 |
| Government National Mortgage Association (GNMA) Fixed Rate 0.3% | | | |
| GNMA I, Single-family, 30 Year, 5%, 11/15/33 - 7/15/34 | United States | 123,903 | 143,349 |
| GNMA I, Single-family, 30 Year, 7%, 10/15/28 - 6/15/32 | United States | 11,777 | 11,872 |
| GNMA I, Single-family, 30 Year, 7.5%, 9/15/30 | United States | 1,018 | 1,187 |
| GNMA II, 30 Year, 6.5%, 2/20/34 | United States | 3,108 | 3,316 |
| ^{h,o} GNMA II, Single-family, 30 Year, 2%, 4/15/51 | United States | 447,000 | 451,365 |
| ^{h,o} GNMA II, Single-family, 30 Year, 2.5%, 4/15/51 | United States | 439,000 | 452,993 |
| GNMA II, Single-family, 30 Year, 5%, 9/20/33 - 11/20/33 | United States | 33,482 | 38,294 |
| GNMA II, Single-family, 30 Year, 6%, 11/20/34 | United States | 50,186 | 59,167 |
| GNMA II, Single-family, 30 Year, 6.5%, 4/20/31 - 1/20/33 | United States | 20,709 | 24,560 |
| GNMA II, Single-family, 30 Year, 7.5%, 1/20/28 - 4/20/32 | United States | 7,224 | 8,282 |
| | | | 1,194,385 |
| Total Mortgage-Backed Securities (Cost \$11,987,290) | | | 12,292,489 |

Franklin Strategic Income VIP Fund (continued)

| | Country | Principal Amount [†] | Value |
|--|---------------|-------------------------------|------------------|
| Municipal Bonds 1.9% | | | |
| California 0.3% | | | |
| City of San Francisco, Public Utilities Commission Water, Revenue, 2019 A, Refunding, 3.473%, 11/01/43 | United States | 230,000 | \$241,477 |
| San Bernardino Community College District, GO, 2019 A-1, 3.271%, 8/01/39 | United States | 210,000 | 217,211 |
| San Diego County Regional Transportation Commission, Revenue, 2019 A, Refunding, 3.248%, 4/01/48 | United States | 230,000 | 236,069 |
| San Jose Redevelopment Agency Successor Agency, Tax Allocation, Senior Lien, 2017A-T, Refunding, 3.25%, 8/01/29 | United States | 440,000 | 475,357 |
| | | | <u>1,170,114</u> |
| Colorado 0.1% | | | |
| Metro Wastewater Reclamation District, Revenue, 2019 B, Refunding, 3.158%, 4/01/41 | United States | 475,000 | 485,249 |
| Hawaii 0.0%[†] | | | |
| City & County Honolulu, Wastewater System, Revenue, 2019 B, Refunding, 2.585%, 7/01/28 | United States | 115,000 | 119,602 |
| Illinois 0.2% | | | |
| State of Illinois, GO, 2003, 5.1%, 6/01/33 | United States | 695,000 | 783,020 |
| Massachusetts 0.1% | | | |
| Massachusetts School Building Authority, Revenue, 2019 B, Refunding, 3.395%, 10/15/40 | United States | 285,000 | 299,341 |
| New Jersey 0.3% | | | |
| New Jersey Transportation Trust Fund Authority, Revenue, 2019 B, Refunding, 4.131%, 6/15/42 | United States | 345,000 | 361,929 |
| State of New Jersey, GO, 2020 A, 3%, 6/01/32 | United States | 670,000 | 746,599 |
| | | | <u>1,108,528</u> |
| New York 0.2% | | | |
| Metropolitan Transportation Authority, Revenue, 2020 E, Refunding, 4%, 11/15/45 | United States | 535,000 | 597,359 |
| New York State Dormitory Authority, State University of New York, Revenue, 2019B, Refunding, 3.142%, 7/01/43 | United States | 305,000 | 294,539 |
| | | | <u>891,898</u> |
| Ohio 0.0%[†] | | | |
| State of Ohio, Cleveland Clinic Health System Obligated Group, Revenue, 2019G, Refunding, 3.276%, 1/01/42 | United States | 190,000 | 197,158 |
| Oregon 0.1% | | | |
| State of Oregon, Department of Transportation, Revenue, Senior Lien, 2019 B, Refunding, 3.168%, 11/15/38 | United States | 380,000 | 396,989 |
| Pennsylvania 0.1% | | | |
| University of Pittsburgh-of the Commonwealth System of Higher Education, Revenue, 2017 C, Refunding, 3.005%, 9/15/41 | United States | 535,000 | 528,242 |
| Texas 0.3% | | | |
| State of Texas, GO, 2019, Refunding, 3.211%, 4/01/44 | United States | 575,000 | 600,615 |
| Texas State University System, Revenue, 2019 B, Refunding, 2.938%, 3/15/33 | United States | 225,000 | 233,333 |
| Revenue, 2019 B, Refunding, 3.289%, 3/15/40 | United States | 190,000 | 193,326 |
| | | | <u>1,027,274</u> |
| Utah 0.2% | | | |
| Salt Lake City Corp., Revenue, 2019B, Refunding, 3.102%, 4/01/38 | United States | 270,000 | 272,525 |

Franklin Strategic Income VIP Fund (continued)

| | Country | Principal Amount [†] | Value |
|--|---------------|-------------------------------|------------------|
| Municipal Bonds (continued) | | | |
| Utah (continued) | | | |
| Utah Transit Authority, Revenue, Senior Lien, 2019 B, Refunding, 3.443%, 12/15/42 | United States | 380,000 | \$402,730 |
| | | | 675,255 |
| Total Municipal Bonds (Cost \$7,316,471) | | | 7,682,670 |
| Residential Mortgage-Backed Securities 8.8% | | | |
| Capital Markets 0.0% [†] | | | |
| [†] Merrill Lynch Mortgage Investors Trust, 2005-A6, 2A3, FRN, 0.869%, (1-month USD LIBOR + 0.76%), 8/25/35 | United States | 14,576 | 14,639 |
| Diversified Financial Services 0.7% | | | |
| ^g BRAVO Residential Funding Trust, | | | |
| 2019-1, A1C, 144A, 3.5%, 3/25/58 | United States | 510,546 | 525,822 |
| ^m 2019-2, A3, 144A, FRN, 3.5%, 10/25/44 | United States | 693,960 | 725,231 |
| ^{g,m} CIM Trust, | | | |
| 2019-INV1, A1, 144A, FRN, 4%, 2/25/49 | United States | 452,099 | 460,993 |
| 2019-INV2, A3, 144A, FRN, 4%, 5/25/49 | United States | 705,704 | 724,354 |
| ^{g,m} Provident Funding Mortgage Trust, | | | |
| 2019-1, A2, 144A, FRN, 3%, 12/25/49 | United States | 327,559 | 331,587 |
| 2020-1, A3, 144A, FRN, 3%, 2/25/50 | United States | 195,383 | 196,216 |
| | | | 2,964,203 |
| Thriffs & Mortgage Finance 8.1% | | | |
| [†] FHLMC Structured Agency Credit Risk Debt Notes, | | | |
| 2013-DN2, M2, FRN, 4.359%, (1-month USD LIBOR + 4.25%), 11/25/23 | United States | 1,228,526 | 1,229,533 |
| 2014-DN2, M3, FRN, 3.709%, (1-month USD LIBOR + 3.6%), 4/25/24 | United States | 1,659,116 | 1,657,144 |
| 2014-DN3, M3, FRN, 4.109%, (1-month USD LIBOR + 4%), 8/25/24 | United States | 85,817 | 87,424 |
| 2014-DN4, M3, FRN, 4.659%, (1-month USD LIBOR + 4.55%), 10/25/24 | United States | 563,809 | 576,125 |
| 2014-HQ1, M3, FRN, 4.209%, (1-month USD LIBOR + 4.1%), 8/25/24 | United States | 101,728 | 103,189 |
| 2014-HQ3, M3, FRN, 4.859%, (1-month USD LIBOR + 4.75%), 10/25/24 | United States | 179,525 | 182,084 |
| 2015-DNA1, M3, FRN, 3.409%, (1-month USD LIBOR + 3.3%), 10/25/27 | United States | 174,725 | 178,636 |
| 2015-DNA3, M3, FRN, 4.809%, (1-month USD LIBOR + 4.7%), 4/25/28 | United States | 1,679,025 | 1,746,653 |
| 2015-HQA1, M3, FRN, 4.809%, (1-month USD LIBOR + 4.7%), 3/25/28 | United States | 1,327,423 | 1,385,685 |
| 2016-DNA2, M3, FRN, 4.759%, (1-month USD LIBOR + 4.65%), 10/25/28 | United States | 1,154,643 | 1,213,188 |
| 2017-DNA1, M2, FRN, 3.359%, (1-month USD LIBOR + 3.25%), 7/25/29 | United States | 942,295 | 972,253 |
| 2017-DNA2, M2, FRN, 3.559%, (1-month USD LIBOR + 3.45%), 10/25/29 | United States | 1,340,000 | 1,394,793 |
| 2017-DNA3, M2, FRN, 2.609%, (1-month USD LIBOR + 2.5%), 3/25/30 | United States | 2,920,000 | 2,988,507 |
| 2017-HQA1, M2, FRN, 3.659%, (1-month USD LIBOR + 3.55%), 8/25/29 | United States | 996,311 | 1,026,152 |
| 2017-HQA2, M2, FRN, 2.759%, (1-month USD LIBOR + 2.65%), 12/25/29 | United States | 239,113 | 241,791 |

Franklin Strategic Income VIP Fund (continued)

| | Country | Principal Amount [†] | Value |
|---|---------------|-------------------------------|-------------------|
| Residential Mortgage-Backed Securities (continued) | | | |
| Thriffs & Mortgage Finance (continued) | | | |
| [†] FNMA Connecticut Avenue Securities, | | | |
| 2013-C01, M2, FRN, 5.359%, (1-month USD LIBOR + 5.25%), 10/25/23 | United States | 181,248 | \$187,260 |
| 2014-C01, M2, FRN, 4.509%, (1-month USD LIBOR + 4.4%), 1/25/24 | United States | 295,661 | 303,340 |
| 2014-C02, 1M2, FRN, 2.709%, (1-month USD LIBOR + 2.6%), 5/25/24 | United States | 844,254 | 833,139 |
| 2014-C02, 2M2, FRN, 2.709%, (1-month USD LIBOR + 2.6%), 5/25/24 | United States | 390,849 | 394,605 |
| 2014-C03, 1M2, FRN, 3.109%, (1-month USD LIBOR + 3%), 7/25/24 | United States | 1,750,810 | 1,732,674 |
| 2014-C03, 2M2, FRN, 3.009%, (1-month USD LIBOR + 2.9%), 7/25/24 | United States | 71,113 | 71,977 |
| 2015-C01, 1M2, FRN, 4.409%, (1-month USD LIBOR + 4.3%), 2/25/25 | United States | 472,747 | 480,199 |
| 2015-C01, 2M2, FRN, 4.659%, (1-month USD LIBOR + 4.55%), 2/25/25 | United States | 157,408 | 158,009 |
| 2015-C02, 1M2, FRN, 4.109%, (1-month USD LIBOR + 4%), 5/25/25 | United States | 1,076,705 | 1,094,093 |
| 2015-C02, 2M2, FRN, 4.109%, (1-month USD LIBOR + 4%), 5/25/25 | United States | 291,398 | 295,881 |
| 2015-C03, 1M2, FRN, 5.109%, (1-month USD LIBOR + 5%), 7/25/25 | United States | 1,554,261 | 1,600,861 |
| 2015-C03, 2M2, FRN, 5.109%, (1-month USD LIBOR + 5%), 7/25/25 | United States | 433,484 | 440,242 |
| 2016-C02, 1M2, FRN, 6.109%, (1-month USD LIBOR + 6%), 9/25/28 | United States | 423,087 | 447,151 |
| 2016-C04, 1M2, FRN, 4.359%, (1-month USD LIBOR + 4.25%), 1/25/29 | United States | 1,423,296 | 1,486,498 |
| 2016-C05, 2M2, FRN, 4.559%, (1-month USD LIBOR + 4.45%), 1/25/29 | United States | 873,807 | 912,507 |
| 2016-C06, 1M2, FRN, 4.359%, (1-month USD LIBOR + 4.25%), 4/25/29 | United States | 324,155 | 338,830 |
| 2016-C07, 2M2, FRN, 4.459%, (1-month USD LIBOR + 4.35%), 5/25/29 | United States | 645,245 | 674,210 |
| 2017-C01, 1M2, FRN, 3.659%, (1-month USD LIBOR + 3.55%), 7/25/29 | United States | 1,286,748 | 1,330,468 |
| 2017-C03, 1M2, FRN, 3.109%, (1-month USD LIBOR + 3%), 10/25/29 | United States | 2,449,503 | 2,514,235 |
| 2017-C04, 2M2, FRN, 2.959%, (1-month USD LIBOR + 2.85%), 11/25/29 | United States | 539,138 | 548,072 |
| 2017-C05, 1M2, FRN, 2.309%, (1-month USD LIBOR + 2.2%), 1/25/30 | United States | 1,566,975 | 1,588,528 |
| | | | 32,415,936 |
| Total Residential Mortgage-Backed Securities (Cost \$37,231,879) | | | 35,394,778 |
| | | Shares | |
| Escrows and Litigation Trusts 0.0%[†] | | | |
| ^{a,b} Millennium Corporate Claim Trust, Escrow Account | United States | 950,432 | — |
| ^{a,b} Millennium Lender Claim Trust, Escrow Account | United States | 950,432 | — |
| ^a Sanchez Energy Corp., Escrow Account | United States | 243,000 | 1,519 |

Franklin Strategic Income VIP Fund (continued)

| | Country | Shares | Value |
|---|--------------------------------|--|----------------------|
| Escrows and Litigation Trusts (continued) | | | |
| ^{a,b} Vistra Energy Corp., Escrow Account | United States | 3,000,000 | \$4,500 |
| Total Escrows and Litigation Trusts (Cost \$325,648) | | | 6,019 |
| Total Long Term Investments (Cost \$398,574,960) | | | 391,518,246 |
| | Number of Contracts | Notional Amount[#] | |
| Options Purchased 0.0%[†] | | | |
| Calls - Over-the-Counter | | | |
| Interest Rate Swaptions 0.0% | | | |
| Receive Fixed 0.9%, Pay Floating 3-month USD LIBOR, Counterparty CITI, Expires 9/16/21. | 1 | 21,500,000 | 62,227 |
| Total Options Purchased (Cost \$113,413) | | | 62,227 |
| Short Term Investments 1.9% | | | |
| | Country | Shares | Value |
| Money Market Funds 1.9% | | | |
| ^{d,e} Institutional Fiduciary Trust - Money Market Portfolio, 0.01% | United States | 7,758,040 | 7,758,040 |
| Total Money Market Funds (Cost \$7,758,040) | | | 7,758,040 |
| Total Short Term Investments (Cost \$7,758,040) | | | 7,758,040 |
| Total Investments (Cost \$406,446,413) 99.5% | | | \$399,338,513 |
| Options Written (0.0)% | | | (152,312) |
| Other Assets, less Liabilities 0.5% | | | 2,034,572 |
| Net Assets 100.0% | | | \$401,220,773 |
| | Number of Contracts | Notional Amount[#] | |
| Options Written (0.0)%[†] | | | |
| Puts - Over-the-Counter | | | |
| Interest Rate Swaptions (0.0)%[†] | | | |
| Receive Floating 3-month USD LIBOR, Pay Fixed 1.39%, Counterparty CITI, Expires 9/16/21. | 1 | (21,500,000) | (152,312) |
| | | | (152,312) |
| Total Options Written (Premiums received \$111,262) | | | \$(152,312) |

[#]Notional amount is the number of units specified in the contract, and can 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.

[†]Rounds to less than 0.1% of net assets.

^aNon-income producing.

^bFair valued using significant unobservable inputs. See Note 11 regarding fair value measurements.

^cSee Note 7 regarding restricted securities.

^dSee Note 9 regarding investments in affiliated management investment companies.

^eIncome may be received in additional securities and/or cash.

^fPerpetual security with no stated maturity date.

Franklin Strategic Income VIP Fund (continued)

⁹ Security was purchased pursuant to Rule 144A or Regulation S under the Securities Act of 1933. 144A securities may be sold in transactions exempt from registration only to qualified institutional buyers or in a public offering registered under the Securities Act of 1933. Regulation S securities cannot be sold in the United States without either an effective registration statement filed pursuant to the Securities Act of 1933, or pursuant to an exemption from registration. At March 31, 2021, the aggregate value of these securities was \$202,804,390, representing 50.5% of net assets.

^h A portion or all of the security purchased on a delayed delivery basis.

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

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

^k Principal amount of security is adjusted for inflation.

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

^m Adjustable rate security with an interest rate that is not based on a published reference index and spread. The rate is based on the structure of the agreement and current market conditions. The coupon rate shown represents the rate at period end.

ⁿ Adjustable Rate Mortgage-Backed Security (ARM); the rate shown is the effective rate at period end. ARM rates are not based on a published reference rate and spread, but instead pass-through weighted average interest income inclusive of any caps or floors, if applicable, from the underlying mortgage loans in which the majority of mortgages pay interest based on the index shown at their designated reset dates plus a spread, less the applicable servicing and guaranty fee (MBS margin).

^o Security purchased on a to-be-announced (TBA) basis.

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

At March 31, 2021, the Fund had the following futures contracts outstanding. See Note 3.

Futures Contracts

| Description | Type | Number of Contracts | Notional Amount* | Expiration Date | Value/ Unrealized Appreciation (Depreciation) |
|---|-------|---------------------|------------------|-----------------|---|
| Interest rate contracts | | | | | |
| U.S. Treasury 10 Year Ultra Notes | Short | 58 | \$8,333,875 | 6/21/21 | \$284,736 |
| U.S. Treasury 2 Year Notes | Long | 93 | 20,527,570 | 6/30/21 | (18,277) |
| U.S. Treasury 5 Year Notes | Long | 257 | 31,713,399 | 6/30/21 | (379,385) |
| U.S. Treasury Long Bonds | Short | 83 | 12,831,281 | 6/21/21 | 246,257 |
| Total Futures Contracts | | | | | <u>\$133,331</u> |

*As of period end.

At March 31, 2021, the Fund had the following forward exchange contracts outstanding. See Note 3.

Forward Exchange Contracts

| Currency | Counter-party ^a | Type | Quantity | Contract Amount* | Settlement Date | Unrealized Appreciation | Unrealized Depreciation |
|---------------------------------------|----------------------------|------|-------------|------------------|-----------------|-------------------------|-------------------------|
| OTC Forward Exchange Contracts | | | | | | | |
| Canadian Dollar | JPHQ | Buy | 1,350,000 | 1,071,288 | 4/12/21 | \$2,885 | \$— |
| Canadian Dollar | JPHQ | Sell | 1,900,000 | 1,495,160 | 4/12/21 | — | (16,640) |
| Japanese Yen | CITI | Buy | 112,185,200 | 1,088,323 | 4/12/21 | — | (75,069) |
| Japanese Yen | JPHQ | Buy | 13,000,000 | 126,139 | 4/12/21 | — | (8,724) |
| Japanese Yen | JPHQ | Sell | 13,000,000 | 123,589 | 4/12/21 | 6,173 | — |
| Singapore Dollar | JPHQ | Buy | 1,350,000 | 1,018,945 | 4/12/21 | — | (15,376) |
| Singapore Dollar | JPHQ | Sell | 1,350,000 | 1,024,470 | 4/12/21 | 20,901 | — |
| Turkish Lira | JPHQ | Buy | 5,800,000 | 756,390 | 4/12/21 | — | (57,751) |
| Euro | JPHQ | Buy | 650,000 | 801,778 | 4/16/21 | — | (39,416) |
| Euro | JPHQ | Sell | 650,000 | 790,449 | 4/16/21 | 28,086 | — |
| Canadian Dollar | JPHQ | Sell | 1,100,000 | 879,414 | 5/11/21 | 4,115 | — |
| Euro | JPHQ | Sell | 2,680,000 | 3,180,490 | 5/14/21 | 35,344 | — |
| Japanese Yen | JPHQ | Buy | 317,000,000 | 2,913,657 | 5/14/21 | — | (49,704) |
| Japanese Yen | JPHQ | Sell | 110,000,000 | 1,008,214 | 5/14/21 | 14,414 | — |
| Euro | JPHQ | Sell | 500,000 | 597,259 | 6/17/21 | 10,036 | — |
| Mexican Peso | JPHQ | Buy | 7,500,000 | 362,480 | 6/21/21 | 1,306 | — |
| Australian Dollar | JPHQ | Buy | 1,200,000 | 924,072 | 6/28/21 | — | (12,344) |

Franklin Strategic Income VIP Fund (continued)

Forward Exchange Contracts (continued)

| Currency | Counter-party ^a | Type | Quantity | Contract Amount* | Settlement Date | Unrealized Appreciation | Unrealized Depreciation |
|--|----------------------------|------|---------------|------------------|-----------------|-------------------------|-------------------------|
| OTC Forward Exchange Contracts (continued) | | | | | | | |
| South Korean Won | JPHQ | Buy | 1,050,000,000 | 949,582 | 6/28/21 | \$— | \$(18,422) |
| Chinese Yuan | JPHQ | Buy | 6,500,000 | 988,909 | 8/17/21 | — | (8,998) |
| Total Forward Exchange Contracts | | | | | | \$123,260 | \$(302,444) |
| Net unrealized appreciation (depreciation) | | | | | | | \$(179,184) |

* In U.S. dollars unless otherwise indicated.

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

At March 31, 2021, the Fund had the following credit default swap contracts outstanding. See Note 3.

Credit Default Swap Contracts

| Description | Periodic Payment Rate Received (Paid) | Payment Frequency | Counter-party | Maturity Date | Notional Amount ^(a) | Value | Unamortized Upfront Payments (Receipts) | Unrealized Appreciation (Depreciation) | Rating ^(b) |
|--|---------------------------------------|-------------------|---------------|---------------|--------------------------------|-------------|---|--|-----------------------|
| Centrally Cleared Swap Contracts | | | | | | | | | |
| Contracts to Sell Protection^{(c)(d)} | | | | | | | | | |
| Traded Index | | | | | | | | | |
| CDX.NA.EM.33 | 1.00% | Quarterly | | 6/20/25 | \$2,150,000 | \$(43,076) | \$(69,935) | \$26,859 | Investment Grade |
| Total Centrally Cleared Swap Contracts | | | | | | \$(43,076) | \$(69,935) | \$26,859 | |
| OTC Swap Contracts | | | | | | | | | |
| Contracts to Sell Protection^{(c)(d)} | | | | | | | | | |
| Single Name | | | | | | | | | |
| Air France-KLM | 5.00% | Quarterly | MSCO | 12/20/25 | 660,000 | (4,795) | 738 | (5,533) | NR |
| American Airlines Group, Inc. | 5.00% | Quarterly | CITI | 12/20/21 | 800,000 | 169 | (38,656) | 38,825 | CCC |
| Carnival Corp. | 1.00% | Quarterly | CITI | 12/20/25 | 800,000 | (93,771) | (118,121) | 24,350 | B- |
| Macy's, Inc. | 1.00% | Quarterly | JPHQ | 12/20/25 | 800,000 | (103,305) | (140,696) | 37,391 | B |
| Royal Caribbean Cruises Ltd. | 5.00% | Quarterly | BZWS | 12/20/25 | 800,000 | 24,792 | (22,499) | 47,291 | B |
| United Airlines Holdings, Inc. | 5.00% | Quarterly | FBCO | 12/20/25 | 584,000 | 23,900 | (2,647) | 26,547 | B |
| Traded Index | | | | | | | | | |
| ^(e) Citibank Bespoke Palma Index, Mezzanine Tranche 5-7% | 2.30% | Quarterly | CITI | 6/20/21 | 620,000 | 2,219 | (—) | 2,220 | Non-Investment Grade |
| MCDX.NA.MAIN.31 | 1.00% | Quarterly | CITI | 12/20/23 | 2,270,000 | 18,033 | 12,503 | 5,530 | Investment Grade |
| ^(e) Morgan Stanley Bespoke Pecan Index, Mezzanine Tranche 5-10% | 3.98% | Quarterly | MSCO | 12/20/21 | 850,000 | (16,703) | — | (16,703) | Non-Investment Grade |
| ^(e) Morgan Stanley Bespoke Pecan Index, Mezzanine Tranche 5-10% | 4.10% | Quarterly | MSCO | 12/20/21 | 850,000 | (15,945) | — | (15,945) | Non-Investment Grade |
| Total OTC Swap Contracts | | | | | | \$(165,406) | \$(309,379) | \$143,973 | |
| Total Credit Default Swap Contracts | | | | | | \$(208,482) | \$(379,314) | \$170,832 | |

Franklin Strategic Income VIP Fund (continued)

*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 the agreement. The table below summarizes the cash and/or securities held as collateral for each applicable counterparty at period end.

| Counterparty | Collateral Pledged (Received) |
|-------------------------|-------------------------------|
| BZWS | \$30,000 |
| JPHQ | 360,000 |
| MSCO | 590,000 |
| Total collateral | \$980,000 |

^(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.

^(e) Represents a custom index comprised of a basket of underlying instruments.

At March 31, 2021, the Fund had the following cross-currency swap contracts outstanding. See Note 3.

Cross-Currency Swap Contracts

| Description | Payment Frequency | Counter-party | Maturity Date | Notional Amount | Value/ Unrealized Appreciation (Depreciation) |
|--|-------------------|---------------|---------------|-----------------|---|
| OTC Swap Contracts | | | | | |
| Receive Floating 3-month USD LIBOR + 2.87% | Quarterly | | | 464,800 USD | |
| Pay Fixed 2.5% | Annual | CITI | 5/04/21 | 400,000 EUR | \$(12,830) |
| Total Cross Currency Swap Contracts | | | | | \$(12,830) |

At March 31, 2021, the Fund had the following inflation index swap contracts outstanding. See Note 3.

Inflation Index Swap Contracts

| Description | Payment Frequency | Counter-party | Maturity Date | Notional Amount | Value | Unamortized Upfront Payments (Receipts) | Unrealized Appreciation (Depreciation) |
|---|-------------------|---------------|---------------|-----------------|-----------|---|--|
| Centrally Cleared Swap Contracts | | | | | | | |
| Receive variable change in USA CPI-U | At Maturity | | | | | | |
| Pay Fixed 1.943% | At Maturity | | 1/15/29 | \$3,700,000 | \$157,472 | \$— | \$157,472 |
| Total Inflation Index Swap Contracts | | | | | \$157,472 | \$— | \$157,472 |

At March 31, 2021, the Fund had the following total return swap contracts outstanding. See Note 3.

Franklin Strategic Income VIP Fund (continued)

Total Return Swap Contracts

| Underlying Instruments | Financing Rate | Payment Frequency | Counter-party | Maturity Date | Notional Value* | Value/ Unrealized Appreciation (Depreciation) |
|---|----------------|-------------------|---------------|---------------|-----------------|--|
| OTC Swap Contracts | | | | | | |
| Long^(a) | | | | | | |
| Markit iBoxx USD Liquid Leveraged Loans Total | 3-month | | | | | |
| Return Index | USD LIBOR | Quarterly | MSCO | 6/20/21 | 325,000 | \$3,048 |
| Markit iBoxx USD Liquid Leveraged Loans Total | 3-month | | | | | |
| Return Index | USD LIBOR | Quarterly | MSCO | 6/20/21 | 325,000 | 2,592 |
| Markit iBoxx USD Liquid Leveraged Loans Total | 3-month | | | | | |
| Return Index | USD LIBOR | Quarterly | MSCO | 6/20/21 | 240,000 | 1,712 |
| Markit iBoxx USD Liquid Leveraged Loans Total | 3-month | | | | | |
| Return Index | USD LIBOR | Quarterly | MSCO | 9/20/21 | 410,000 | 3,803 |
| Total Return Swap Contracts | | | | | | <u>\$11,155</u> |

* In U.S. dollars unless otherwise indicated.

^(a) The Fund receives the total return on the underlying instrument and pays a variable financing rate.

See Abbreviations on page 169.

Statement of Investments (unaudited), March 31, 2021

Franklin U.S. Government Securities VIP Fund

| | Country | Principal Amount ^c | Value |
|---|---------------|-------------------------------|--------------------|
| Corporate Bonds 2.4% | | | |
| Diversified Financial Services 0.5% | | | |
| DY9 Leasing LLC, Secured Bond, 2.372%, 3/19/27 | United States | 1,891,304 | \$1,987,354 |
| Private Export Funding Corp., BB, Senior Bond, 4.3%, 12/15/21 . . | United States | 1,865,000 | 1,917,693 |
| | | | 3,905,047 |
| Oil, Gas & Consumable Fuels 1.9% | | | |
| Petroleos Mexicanos, Senior Bond, 2.378%, 4/15/25 | Mexico | 1,480,500 | 1,533,448 |
| Reliance Industries Ltd., | | | |
| Senior Bond, 2.512%, 1/15/26 | India | 6,562,500 | 6,874,654 |
| Senior Note, 1.87%, 1/15/26 | India | 3,684,210 | 3,800,147 |
| Senior Note, 2.06%, 1/15/26 | India | 3,125,000 | 3,238,382 |
| | | | 15,446,631 |
| Total Corporate Bonds (Cost \$18,560,189) | | | 19,351,678 |
| Foreign Government and Agency Securities 1.7% | | | |
| Israel Government Bond, Senior Bond, 5.5%, 9/18/23 | Israel | 12,000,000 | 13,522,011 |
| Total Foreign Government and Agency Securities (Cost \$12,855,615) | | | 13,522,011 |
| U.S. Government and Agency Securities 13.7% | | | |
| FHLB, 2.625%, 9/12/25 | United States | 10,000,000 | 10,797,665 |
| New Valley Generation IV, 4.687%, 1/15/22 | United States | 160,544 | 162,709 |
| Tennessee Valley Authority, 1.875%, 8/15/22 | United States | 6,000,000 | 6,140,187 |
| U.S. Treasury Bonds, 2.5%, 2/15/46 | United States | 6,000,000 | 6,117,891 |
| U.S. Treasury Notes, | | | |
| ^a 0.125%, 7/15/24 | United States | 13,750,000 | 16,393,055 |
| 2.375%, 8/15/24 | United States | 22,000,000 | 23,420,117 |
| 2.25%, 8/15/27 | United States | 31,040,000 | 32,906,644 |
| 0.625%, 8/15/30 | United States | 8,500,000 | 7,704,453 |
| United States International Development Finance Corp., | | | |
| 2.12%, 3/20/24 | United States | 5,500,000 | 5,659,836 |
| 4.01%, 5/15/30 | United States | 1,575,000 | 1,786,451 |
| Total U.S. Government and Agency Securities (Cost \$107,698,386) | | | 111,089,008 |
| Mortgage-Backed Securities 78.5% | | | |
| ^bFederal Home Loan Mortgage Corp. (FHLMC) Adjustable Rate 0.9% | | | |
| FHLMC, 2.529% - 3.064%, (12-month USD LIBOR +/- MBS Margin), | | | |
| 3/01/36 - 4/01/40 | United States | 6,922,472 | 7,285,791 |
| | | | 7,285,791 |
| Federal Home Loan Mortgage Corp. (FHLMC) Fixed Rate 12.0% | | | |
| FHLMC Gold Pools, 15 Year, 4.5%, 3/01/25 - 4/01/25 | United States | 448,605 | 472,512 |
| FHLMC Gold Pools, 20 Year, 3.5%, 3/01/32 | United States | 1,794,696 | 1,935,480 |
| FHLMC Gold Pools, 30 Year, 3%, 5/01/43 | United States | 255,429 | 271,779 |
| FHLMC Gold Pools, 30 Year, 3.5%, 5/01/43 | United States | 42,636 | 46,245 |
| FHLMC Gold Pools, 30 Year, 4%, 9/01/40 - 12/01/41 | United States | 3,357,721 | 3,700,181 |
| FHLMC Gold Pools, 30 Year, 4.5%, 5/01/40 - 7/01/41 | United States | 1,208,403 | 1,359,368 |
| FHLMC Gold Pools, 30 Year, 5%, 9/01/33 - 4/01/40 | United States | 3,403,875 | 3,957,426 |
| FHLMC Gold Pools, 30 Year, 5.5%, 7/01/33 - 5/01/38 | United States | 669,529 | 784,730 |
| FHLMC Gold Pools, 30 Year, 6%, 1/01/24 - 8/01/35 | United States | 523,173 | 602,974 |
| FHLMC Gold Pools, 30 Year, 6.5%, 12/01/23 - 5/01/35 | United States | 198,657 | 224,086 |
| FHLMC Gold Pools, 30 Year, 7%, 4/01/24 - 9/01/31 | United States | 70,274 | 77,343 |
| FHLMC Gold Pools, 30 Year, 7.5%, 12/01/22 | United States | 118 | 119 |
| FHLMC Gold Pools, 30 Year, 8%, 5/01/22 | United States | 461 | 473 |

Franklin U.S. Government Securities VIP Fund (continued)

| | Country | Principal Amount ^a | Value |
|--|---------------|-------------------------------|-------------------|
| Mortgage-Backed Securities (continued) | | | |
| Federal Home Loan Mortgage Corp. (FHLMC) Fixed Rate (continued) | | | |
| FHLMC Gold Pools, 30 Year, 8.5%, 7/01/31 | United States | 138,266 | \$159,800 |
| FHLMC Pool, 15 Year, 1.5%, 1/01/36 | United States | 5,862,667 | 5,896,453 |
| FHLMC Pool, 15 Year, 2%, 10/01/35 | United States | 9,469,274 | 9,760,172 |
| FHLMC Pool, 30 Year, 2%, 1/01/51 | United States | 5,892,856 | 5,888,554 |
| FHLMC Pool, 30 Year, 2%, 11/01/50 | United States | 2,469,202 | 2,469,343 |
| FHLMC Pool, 30 Year, 2.5%, 10/01/50 | United States | 7,986,727 | 8,240,091 |
| FHLMC Pool, 30 Year, 2.5%, 11/01/50 | United States | 13,825,651 | 14,204,991 |
| FHLMC Pool, 30 Year, 2.5%, 12/01/50 | United States | 5,943,581 | 6,106,658 |
| FHLMC Pool, 30 Year, 3%, 8/01/50 | United States | 5,670,465 | 6,034,744 |
| ^c FHLMC Pool, 30 Year, 3%, 4/01/51 | United States | 19,080,528 | 20,012,452 |
| FHLMC Pool, 30 Year, 4.5%, 1/01/49 | United States | 4,778,318 | 5,344,258 |
| | | | <hr/> 97,550,232 |
| ^b Federal National Mortgage Association (FNMA) Adjustable Rate 2.8% | | | |
| FNMA, 2.745%, (12-month USD LIBOR +/- MBS Margin), 9/01/37 . | United States | 7,219,742 | 7,664,502 |
| FNMA, 1.175% - 5.215%, (6-month USD LIBOR +/- MBS Margin), 6/01/21 - 10/01/44 | United States | 15,060,659 | 15,763,663 |
| | | | <hr/> 23,428,165 |
| Federal National Mortgage Association (FNMA) Fixed Rate 13.5% | | | |
| FNMA, 2.64%, 7/01/25 | United States | 2,381,984 | 2,534,942 |
| FNMA, 2.77%, 4/01/25 | United States | 3,500,000 | 3,742,069 |
| FNMA, 3.28%, 7/01/27 | United States | 4,000,000 | 4,384,132 |
| FNMA, 3.51%, 8/01/23 | United States | 3,000,000 | 3,170,255 |
| FNMA, 5.5%, 4/01/34 | United States | 544,629 | 581,677 |
| FNMA, 15 Year, 2%, 9/01/35 | United States | 6,888,345 | 7,102,542 |
| FNMA, 15 Year, 5.5%, 1/01/25 | United States | 241,398 | 251,467 |
| FNMA, 30 Year, 2.5%, 11/01/50 | United States | 17,316,220 | 17,791,332 |
| FNMA, 30 Year, 3%, 7/01/50 | United States | 11,885,735 | 12,419,212 |
| FNMA, 30 Year, 3%, 8/01/50 | United States | 16,580,208 | 17,553,051 |
| FNMA, 30 Year, 3%, 4/01/51 | United States | 5,964,283 | 6,257,364 |
| FNMA, 30 Year, 3%, 12/01/42 | United States | 97,065 | 101,972 |
| FNMA, 30 Year, 3.5%, 7/01/45 | United States | 16,824,444 | 18,101,893 |
| FNMA, 30 Year, 4%, 1/01/41 - 8/01/41 | United States | 3,876,410 | 4,271,529 |
| FNMA, 30 Year, 4.5%, 8/01/40 - 6/01/41 | United States | 3,937,941 | 4,455,575 |
| FNMA, 30 Year, 5%, 3/01/34 - 7/01/41 | United States | 2,525,353 | 2,921,833 |
| FNMA, 30 Year, 5.5%, 12/01/32 - 8/01/35 | United States | 1,281,403 | 1,483,238 |
| FNMA, 30 Year, 6%, 1/01/24 - 8/01/38 | United States | 1,323,386 | 1,525,059 |
| FNMA, 30 Year, 6.5%, 1/01/24 - 9/01/36 | United States | 175,885 | 201,250 |
| FNMA, 30 Year, 7.5%, 4/01/23 - 8/01/25 | United States | 6,177 | 6,365 |
| FNMA, 30 Year, 8%, 3/01/23 - 12/01/24 | United States | 20,012 | 20,362 |
| FNMA, 30 Year, 8.5%, 6/01/21 | United States | 2 | 2 |
| FNMA, 30 Year, 9%, 10/01/26 | United States | 37,219 | 37,792 |
| | | | <hr/> 108,914,913 |
| Government National Mortgage Association (GNMA) Fixed Rate 49.3% | | | |
| GNMA I, 30 Year, 5%, 9/15/40 | United States | 12,465,533 | 14,400,476 |
| GNMA I, 30 Year, 5.5%, 3/15/32 - 2/15/38 | United States | 374,389 | 439,876 |
| GNMA I, 30 Year, 6%, 7/15/29 - 11/15/38 | United States | 306,402 | 366,751 |
| GNMA I, 30 Year, 6.5%, 12/15/28 - 1/15/33 | United States | 150,528 | 175,912 |
| GNMA I, 30 Year, 7%, 12/15/28 | United States | 8,678 | 9,958 |
| GNMA I, 30 Year, 7.5%, 12/15/31 - 8/15/33 | United States | 161,277 | 188,644 |
| GNMA I, 30 Year, 10%, 8/15/21 | United States | 6 | 6 |
| GNMA I, Single-family, 30 Year, 3%, 7/15/42 | United States | 265,724 | 280,567 |
| GNMA I, Single-family, 30 Year, 4%, 10/15/40 - 8/15/46 | United States | 5,512,620 | 6,079,622 |
| GNMA I, Single-family, 30 Year, 4.5%, 1/15/39 - 6/15/41 | United States | 8,191,518 | 9,343,606 |
| GNMA I, Single-family, 30 Year, 5.5%, 12/15/28 - 10/15/39 | United States | 2,771,690 | 3,166,537 |

Franklin U.S. Government Securities VIP Fund (continued)

| | Country | Principal Amount ¹ | Value |
|---|---------------|-------------------------------|--------------------|
| Mortgage-Backed Securities (continued) | | | |
| Government National Mortgage Association (GNMA) Fixed Rate (continued) | | | |
| GNMA I, Single-family, 30 Year, 6%, 11/15/23 - 9/15/38 | United States | 1,243,769 | \$1,436,279 |
| GNMA I, Single-family, 30 Year, 6.5%, 7/15/23 - 5/15/37 | United States | 654,576 | 735,336 |
| GNMA I, Single-family, 30 Year, 7%, 10/15/22 - 1/15/32 | United States | 126,910 | 130,983 |
| GNMA I, Single-family, 30 Year, 7.5%, 2/15/22 - 11/15/27 | United States | 40,163 | 40,853 |
| GNMA I, Single-family, 30 Year, 8%, 1/15/22 - 7/15/23 | United States | 21,197 | 21,394 |
| GNMA I, Single-family, 30 Year, 8.5%, 5/15/23 - 12/15/24 | United States | 17,255 | 17,477 |
| GNMA II, 30 Year, 6.5%, 4/20/34 | United States | 29,070 | 29,274 |
| GNMA II, Single-family, 30 Year, 2%, 11/20/50 | United States | 6,108,930 | 6,175,267 |
| GNMA II, Single-family, 30 Year, 2.5%, 10/20/50 | United States | 14,720,341 | 15,203,542 |
| GNMA II, Single-family, 30 Year, 2.5%, 11/20/50 | United States | 6,054,050 | 6,253,333 |
| GNMA II, Single-family, 30 Year, 2.5%, 1/20/51 | United States | 39,764,413 | 41,078,793 |
| GNMA II, Single-family, 30 Year, 2.5%, 3/20/51 | United States | 13,252,000 | 13,692,131 |
| GNMA II, Single-family, 30 Year, 3%, 9/20/45 | United States | 4,672,663 | 4,947,574 |
| GNMA II, Single-family, 30 Year, 3%, 4/20/46 | United States | 12,185,157 | 12,873,233 |
| GNMA II, Single-family, 30 Year, 3%, 7/20/50 | United States | 14,178,062 | 14,782,786 |
| GNMA II, Single-family, 30 Year, 3%, 12/20/50 | United States | 10,782,525 | 11,377,574 |
| GNMA II, Single-family, 30 Year, 3%, 1/20/51 | United States | 10,012,316 | 10,491,941 |
| GNMA II, Single-family, 30 Year, 3%, 2/20/51 | United States | 19,920,382 | 20,991,148 |
| GNMA II, Single-family, 30 Year, 3%, 3/20/51 | United States | 22,861,000 | 24,079,107 |
| GNMA II, Single-family, 30 Year, 3%, 12/20/42 - 2/20/45 | United States | 1,100,540 | 1,167,907 |
| GNMA II, Single-family, 30 Year, 3.5%, 9/20/42 | United States | 10,786,604 | 11,719,259 |
| GNMA II, Single-family, 30 Year, 3.5%, 11/20/42 | United States | 6,510,109 | 7,072,246 |
| GNMA II, Single-family, 30 Year, 3.5%, 12/20/42 | United States | 5,048,917 | 5,484,879 |
| GNMA II, Single-family, 30 Year, 3.5%, 1/20/43 | United States | 8,585,102 | 9,232,045 |
| GNMA II, Single-family, 30 Year, 3.5%, 4/20/43 | United States | 3,744,082 | 4,067,591 |
| GNMA II, Single-family, 30 Year, 3.5%, 5/20/43 | United States | 6,951,408 | 7,549,523 |
| GNMA II, Single-family, 30 Year, 3.5%, 5/20/47 | United States | 20,832,623 | 22,232,568 |
| GNMA II, Single-family, 30 Year, 3.5%, 9/20/47 | United States | 36,818,466 | 39,138,031 |
| GNMA II, Single-family, 30 Year, 3.5%, 11/20/47 | United States | 9,854,978 | 10,512,416 |
| GNMA II, Single-family, 30 Year, 3.5%, 12/20/40 - 10/20/47 | United States | 17,493,352 | 18,945,518 |
| GNMA II, Single-family, 30 Year, 4%, 11/20/39 - 2/20/44 | United States | 11,732,518 | 12,998,587 |
| GNMA II, Single-family, 30 Year, 4.5%, 10/20/39 - 10/20/44 | United States | 15,470,789 | 17,364,780 |
| GNMA II, Single-family, 30 Year, 5%, 9/20/33 - 6/20/44 | United States | 6,406,358 | 7,340,426 |
| GNMA II, Single-family, 30 Year, 5.5%, 5/20/34 - 6/20/38 | United States | 2,665,573 | 3,113,560 |
| GNMA II, Single-family, 30 Year, 6%, 11/20/23 - 7/20/39 | United States | 1,738,645 | 2,045,923 |
| GNMA II, Single-family, 30 Year, 6.5%, 12/20/27 - 4/20/32 | United States | 239,617 | 279,296 |
| GNMA II, Single-family, 30 Year, 7%, 5/20/32 | United States | 5,211 | 6,264 |
| GNMA II, Single-family, 30 Year, 7.5%, 9/20/22 - 11/20/26 | United States | 31,679 | 34,544 |
| GNMA II, Single-family, 30 Year, 8%, 8/20/26 | United States | 2,442 | 2,730 |
| | | | 399,118,073 |
| Total Mortgage-Backed Securities (Cost \$629,959,187) | | | 636,297,174 |
| Total Long Term Investments (Cost \$769,073,377) | | | 780,259,871 |

Franklin U.S. Government Securities VIP Fund (continued)

Short Term Investments 4.2%

| | Principal Amount* | Value |
|---|----------------------|----------------------|
| Repurchase Agreements 4.2% | | |
| ^d Joint Repurchase Agreement, 0.004%, 4/01/21 (Maturity Value \$33,636,371) | | |
| BNP Paribas Securities Corp. (Maturity Value \$19,612,695) | | |
| Deutsche Bank Securities, Inc. (Maturity Value \$4,707,410) | | |
| HSBC Securities (USA), Inc. (Maturity Value \$9,316,266) | | |
| Collateralized by U.S. Government Agency Securities, 2.25% - 5%, 9/20/42 - 3/15/56; U.S. Treasury Bonds, 6.25% - 8.13%, 5/15/21 - 2/15/25; and U.S. Treasury Note, 1.63%, 11/15/22 (valued at \$34,325,165) | 33,636,367 | \$33,636,367 |
| Total Repurchase Agreements (Cost \$33,636,367) | | 33,636,367 |
| Total Short Term Investments (Cost \$33,636,367) | | 33,636,367 |
| Total Investments (Cost \$802,709,744) 100.5% | | \$813,896,238 |
| Other Assets, less Liabilities (0.5%) | | (3,456,811) |
| Net Assets 100.0% | | \$810,439,427 |

See Abbreviations on page 169

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

^aPrincipal amount of security is adjusted for inflation.

^bAdjustable Rate Mortgage-Backed Security (ARM); the rate shown is the effective rate at period end. ARM rates are not based on a published reference rate and spread, but instead pass-through weighted average interest income inclusive of any caps or floors, if applicable, from the underlying mortgage loans in which the majority of mortgages pay interest based on the index shown at their designated reset dates plus a spread, less the applicable servicing and guaranty fee (MBS margin).

^cA portion or all of the security purchased on a delayed delivery basis.

^dInvestment is through participation in a joint account with other funds managed by the investment manager or an affiliate of the investment manager. At March 31, 2021, all repurchase agreements had been entered into on that date.

Statement of Investments (unaudited), March 31, 2021

Franklin VolSmart Allocation VIP Fund

| | Country | Shares | Value |
|---|---------------|--------|------------------|
| Common Stocks 66.7% | | | |
| Aerospace & Defense 1.8% | | | |
| BWX Technologies, Inc. | United States | 423 | \$27,893 |
| General Dynamics Corp. | United States | 4,700 | 853,332 |
| Huntington Ingalls Industries, Inc. | United States | 435 | 89,545 |
| Lockheed Martin Corp. | United States | 1,718 | 634,801 |
| Northrop Grumman Corp. | United States | 946 | 306,163 |
| Raytheon Technologies Corp. | United States | 20,945 | 1,618,420 |
| | | | <u>3,530,154</u> |
| Air Freight & Logistics 1.1% | | | |
| CH Robinson Worldwide, Inc. | United States | 1,593 | 152,020 |
| Expeditors International of Washington, Inc. | United States | 1,934 | 208,272 |
| United Parcel Service, Inc., B | United States | 11,227 | 1,908,478 |
| | | | <u>2,268,770</u> |
| Auto Components 0.0%[†] | | | |
| Gentex Corp. | United States | 3,021 | 107,759 |
| Banks 0.5% | | | |
| Associated Banc-Corp. | United States | 380 | 8,109 |
| JPMorgan Chase & Co. | United States | 3,785 | 576,191 |
| People's United Financial, Inc. | United States | 1,113 | 19,923 |
| Wells Fargo & Co. | United States | 9,303 | 363,468 |
| | | | <u>967,691</u> |
| Beverages 1.4% | | | |
| ^a Boston Beer Co., Inc. (The), A. | United States | 43 | 51,870 |
| Brown-Forman Corp., A. | United States | 543 | 34,573 |
| Brown-Forman Corp., B | United States | 1,105 | 76,212 |
| Coca-Cola Co. (The) | United States | 12,138 | 639,794 |
| ^a Monster Beverage Corp. | United States | 3,835 | 349,330 |
| PepsiCo, Inc. | United States | 11,812 | 1,670,807 |
| | | | <u>2,822,586</u> |
| Biotechnology 1.8% | | | |
| AbbVie, Inc. | United States | 11,917 | 1,289,658 |
| Amgen, Inc. | United States | 2,786 | 693,185 |
| ^a Biogen, Inc. | United States | 1,758 | 491,800 |
| ^a Exelixis, Inc. | United States | 2,889 | 65,263 |
| Gilead Sciences, Inc. | United States | 8,805 | 569,067 |
| ^a Regeneron Pharmaceuticals, Inc. | United States | 624 | 295,239 |
| ^a Vertex Pharmaceuticals, Inc. | United States | 1,207 | 259,372 |
| | | | <u>3,663,584</u> |
| Building Products 0.7% | | | |
| A O Smith Corp. | United States | 605 | 40,904 |
| Allegion plc. | United States | 538 | 67,583 |
| Johnson Controls International plc. | United States | 19,692 | 1,175,022 |
| Lennox International, Inc. | United States | 257 | 80,079 |
| Trane Technologies plc. | United States | 600 | 99,336 |
| ^a Trex Co., Inc. | United States | 541 | 49,523 |
| | | | <u>1,512,447</u> |
| Capital Markets 1.2% | | | |
| Evercore, Inc., A | United States | 173 | 22,791 |
| FactSet Research Systems, Inc. | United States | 445 | 137,323 |
| Invesco Ltd. | United States | 3,377 | 85,168 |
| Lazard Ltd., A | United States | 1,200 | 52,212 |
| MarketAxess Holdings, Inc. | United States | 422 | 210,122 |

Franklin VolSmart Allocation VIP Fund (continued)

| | Country | Shares | Value |
|--|----------------|--------|-----------------|
| Common Stocks (continued) | | | |
| Capital Markets (continued) | | | |
| Moody's Corp. | United States | 1,298 | \$387,596 |
| Morningstar, Inc. | United States | 206 | 46,358 |
| Nasdaq, Inc. | United States | 4,770 | 703,384 |
| S&P Global, Inc. | United States | 1,540 | 543,420 |
| SEI Investments Co. | United States | 1,139 | 69,399 |
| T Rowe Price Group, Inc. | United States | 1,419 | 243,500 |
| | | | <hr/> 2,501,273 |
| Chemicals 4.1% | | | |
| Air Products and Chemicals, Inc. | United States | 8,810 | 2,478,605 |
| Albemarle Corp. | United States | 9,610 | 1,404,117 |
| Celanese Corp. | United States | 860 | 128,837 |
| Eastman Chemical Co. | United States | 1,173 | 129,171 |
| Ecolab, Inc. | United States | 5,160 | 1,104,601 |
| Huntsman Corp. | United States | 907 | 26,149 |
| Linde plc. | United Kingdom | 8,400 | 2,353,176 |
| LyondellBasell Industries NV, A. | United States | 3,508 | 365,007 |
| NewMarket Corp. | United States | 84 | 31,933 |
| Sherwin-Williams Co. (The). | United States | 100 | 73,801 |
| Valvoline, Inc. | United States | 1,311 | 34,178 |
| | | | <hr/> 8,129,575 |
| Commercial Services & Supplies 0.9% | | | |
| Cintas Corp. | United States | 4,296 | 1,466,268 |
| ^a Copart, Inc. | United States | 2,265 | 246,002 |
| Rollins, Inc. | United States | 2,642 | 90,937 |
| | | | <hr/> 1,803,207 |
| Communications Equipment 0.6% | | | |
| ^a Arista Networks, Inc. | United States | 264 | 79,699 |
| Cisco Systems, Inc. | United States | 14,485 | 749,019 |
| ^a F5 Networks, Inc. | United States | 696 | 145,200 |
| Motorola Solutions, Inc. | United States | 1,768 | 332,472 |
| | | | <hr/> 1,306,390 |
| Consumer Finance 0.0%[†] | | | |
| Santander Consumer USA Holdings, Inc. | United States | 941 | 25,463 |
| Containers & Packaging 0.2% | | | |
| Ardagh Group SA | United States | 46 | 1,169 |
| Avery Dennison Corp. | United States | 380 | 69,787 |
| International Paper Co. | United States | 1,032 | 55,800 |
| Packaging Corp. of America | United States | 934 | 125,605 |
| Sonoco Products Co. | United States | 1,061 | 67,161 |
| | | | <hr/> 319,522 |
| Distributors 0.1% | | | |
| Pool Corp. | United States | 448 | 154,668 |
| Diversified Consumer Services 0.0%[†] | | | |
| ^a Grand Canyon Education, Inc. | United States | 205 | 21,955 |
| H&R Block, Inc. | United States | 2,532 | 55,198 |
| | | | <hr/> 77,153 |
| Diversified Financial Services 0.0%[†] | | | |
| Jefferies Financial Group, Inc. | United States | 990 | 29,799 |

Franklin VolSmart Allocation VIP Fund (continued)

| | Country | Shares | Value |
|--|---------------|--------|-----------|
| Common Stocks (continued) | | | |
| Diversified Telecommunication Services 0.6% | | | |
| AT&T, Inc. | United States | 21,695 | \$656,708 |
| Lumen Technologies, Inc. | United States | 2,785 | 37,180 |
| Verizon Communications, Inc. | United States | 10,354 | 602,085 |
| | | | 1,295,973 |
| Electric Utilities 1.2% | | | |
| Alliant Energy Corp. | United States | 2,399 | 129,930 |
| American Electric Power Co., Inc. | United States | 2,793 | 236,567 |
| Evergy, Inc. | United States | 1,842 | 109,654 |
| Eversource Energy | United States | 3,108 | 269,122 |
| Hawaiian Electric Industries, Inc. | United States | 1,113 | 49,451 |
| NextEra Energy, Inc. | United States | 8,376 | 633,309 |
| PPL Corp. | United States | 6,271 | 180,856 |
| Southern Co. (The) | United States | 8,503 | 528,546 |
| Xcel Energy, Inc. | United States | 3,056 | 203,255 |
| | | | 2,340,690 |
| Electrical Equipment 0.8% | | | |
| Eaton Corp. plc. | United States | 994 | 137,450 |
| Emerson Electric Co. | United States | 6,400 | 577,408 |
| ^a Generac Holdings, Inc. | United States | 245 | 80,225 |
| GrafTech International Ltd. | United States | 479 | 5,858 |
| Hubbell, Inc. | United States | 134 | 25,043 |
| nVent Electric plc | United States | 13,900 | 387,949 |
| Rockwell Automation, Inc. | United States | 1,326 | 351,974 |
| | | | 1,565,907 |
| Electronic Equipment, Instruments & Components 0.0%[†] | | | |
| ^a Vontier Corp. | United States | 307 | 9,293 |
| Entertainment 0.2% | | | |
| Activision Blizzard, Inc. | United States | 3,403 | 316,479 |
| Electronic Arts, Inc. | United States | 1,349 | 182,614 |
| | | | 499,093 |
| Equity Real Estate Investment Trusts (REITs) 0.8% | | | |
| CoreSite Realty Corp. | United States | 176 | 21,094 |
| EPR Properties | United States | 827 | 38,530 |
| Extra Space Storage, Inc. | United States | 312 | 41,356 |
| Gaming and Leisure Properties, Inc. | United States | 21 | 891 |
| Kimco Realty Corp. | United States | 3,961 | 74,269 |
| National Retail Properties, Inc. | United States | 1,917 | 84,482 |
| Omega Healthcare Investors, Inc. | United States | 572 | 20,952 |
| Public Storage | United States | 1,949 | 480,935 |
| Realty Income Corp. | United States | 3,496 | 221,996 |
| Simon Property Group, Inc. | United States | 2,976 | 338,580 |
| Spirit Realty Capital, Inc. | United States | 1,166 | 49,555 |
| STORE Capital Corp. | United States | 2,228 | 74,638 |
| VICI Properties, Inc. | United States | 1,396 | 39,423 |
| WP Carey, Inc. | United States | 1,599 | 113,145 |
| | | | 1,599,846 |
| Food & Staples Retailing 1.4% | | | |
| Casey's General Stores, Inc. | United States | 374 | 80,855 |
| Costco Wholesale Corp. | United States | 1,621 | 571,370 |
| Kroger Co. (The) | United States | 6,534 | 235,159 |
| ^a Sprouts Farmers Market, Inc. | United States | 1,083 | 28,829 |
| Walgreens Boots Alliance, Inc. | United States | 7,220 | 396,378 |

Franklin VolSmart Allocation VIP Fund (continued)

| | Country | Shares | Value |
|--|---------------|--------|-------------|
| Common Stocks (continued) | | | |
| Food & Staples Retailing (continued) | | | |
| Walmart, Inc. | United States | 11,118 | \$1,510,158 |
| | | | 2,822,749 |
| Food Products 1.2% | | | |
| Campbell Soup Co. | United States | 857 | 43,081 |
| Flowers Foods, Inc. | United States | 2,066 | 49,171 |
| General Mills, Inc. | United States | 6,966 | 427,155 |
| Hershey Co. (The) | United States | 1,883 | 297,815 |
| Hormel Foods Corp. | United States | 3,241 | 154,855 |
| Ingredion, Inc. | United States | 698 | 62,764 |
| J M Smucker Co. (The) | United States | 1,011 | 127,922 |
| Kellogg Co. | United States | 2,101 | 132,993 |
| McCormick & Co., Inc. | United States | 10,400 | 927,264 |
| Tyson Foods, Inc., A | United States | 3,078 | 228,696 |
| | | | 2,451,716 |
| Gas Utilities 0.1% | | | |
| Atmos Energy Corp. | United States | 1,206 | 119,213 |
| Health Care Equipment & Supplies 5.1% | | | |
| Abbott Laboratories. | United States | 12,560 | 1,505,190 |
| ^a ABIOMED, Inc. | United States | 197 | 62,790 |
| ^a Align Technology, Inc. | United States | 396 | 214,446 |
| Becton Dickinson and Co. | United States | 6,800 | 1,653,420 |
| ^a IDEXX Laboratories, Inc. | United States | 263 | 128,689 |
| Medtronic plc | United States | 15,600 | 1,842,828 |
| ^a Quidel Corp. | United States | 99 | 12,665 |
| ResMed, Inc. | United States | 1,570 | 304,611 |
| Stryker Corp. | United States | 10,200 | 2,484,516 |
| West Pharmaceutical Services, Inc. | United States | 7,054 | 1,987,676 |
| | | | 10,196,831 |
| Health Care Providers & Services 1.4% | | | |
| Chemed Corp. | United States | 158 | 72,652 |
| CVS Health Corp. | United States | 5,550 | 417,526 |
| Humana, Inc. | United States | 581 | 243,584 |
| Premier, Inc., A | United States | 553 | 18,719 |
| Quest Diagnostics, Inc. | United States | 331 | 42,481 |
| UnitedHealth Group, Inc. | United States | 5,342 | 1,987,598 |
| | | | 2,782,560 |
| Health Care Technology 0.2% | | | |
| Cerner Corp. | United States | 3,042 | 218,659 |
| ^a Veeva Systems, Inc., A | United States | 630 | 164,581 |
| | | | 383,240 |
| Hotels, Restaurants & Leisure 1.2% | | | |
| Domino's Pizza, Inc. | United States | 486 | 178,746 |
| McDonald's Corp. | United States | 8,056 | 1,805,672 |
| Yum! Brands, Inc. | United States | 3,809 | 412,057 |
| | | | 2,396,475 |
| Household Durables 0.3% | | | |
| DR Horton, Inc. | United States | 1,944 | 173,249 |
| Garmin Ltd. | United States | 1,629 | 214,784 |
| ^a NVR, Inc. | United States | 35 | 164,882 |

Franklin VolSmart Allocation VIP Fund (continued)

| | Country | Shares | Value |
|---|---------------|--------|-----------|
| Common Stocks (continued) | | | |
| Household Durables (continued) | | | |
| PulteGroup, Inc. | United States | 1,979 | \$103,779 |
| | | | 656,694 |
| Household Products 1.8% | | | |
| Church & Dwight Co., Inc. | United States | 2,784 | 243,183 |
| Clorox Co. (The) | United States | 1,642 | 316,709 |
| Colgate-Palmolive Co. | United States | 17,339 | 1,366,833 |
| Procter & Gamble Co. (The) | United States | 12,661 | 1,714,679 |
| | | | 3,641,404 |
| Industrial Conglomerates 3.4% | | | |
| 3M Co. | United States | 3,579 | 689,602 |
| Carlisle Cos., Inc. | United States | 3,160 | 520,073 |
| Honeywell International, Inc. | United States | 11,659 | 2,530,819 |
| Roper Technologies, Inc. | United States | 7,440 | 3,000,849 |
| | | | 6,741,343 |
| Insurance 0.5% | | | |
| Aflac, Inc. | United States | 2,440 | 124,879 |
| American National Group, Inc. | United States | 84 | 9,061 |
| Erie Indemnity Co., A. | United States | 2,740 | 605,294 |
| Progressive Corp. (The) | United States | 2,628 | 251,263 |
| | | | 990,497 |
| Interactive Media & Services 0.8% | | | |
| ^a Alphabet, Inc., A | United States | 177 | 365,066 |
| ^a Alphabet, Inc., C | United States | 172 | 355,804 |
| ^a Facebook, Inc., A | United States | 2,252 | 663,282 |
| ^a Match Group, Inc. | United States | 949 | 130,374 |
| | | | 1,514,526 |
| Internet & Direct Marketing Retail 0.1% | | | |
| eBay, Inc. | United States | 1,683 | 103,067 |
| Qurate Retail, Inc., A. | United States | 1,010 | 11,878 |
| | | | 114,945 |
| IT Services 4.5% | | | |
| Accenture plc, A | United States | 12,217 | 3,374,946 |
| ^a Akamai Technologies, Inc. | United States | 708 | 72,145 |
| Amdocs Ltd. | United States | 1,494 | 104,804 |
| Automatic Data Processing, Inc. | United States | 3,575 | 673,780 |
| Broadridge Financial Solutions, Inc. | United States | 1,329 | 203,470 |
| Cognizant Technology Solutions Corp., A. | United States | 4,948 | 386,538 |
| International Business Machines Corp. | United States | 5,082 | 677,227 |
| Jack Henry & Associates, Inc. | United States | 886 | 134,424 |
| Mastercard, Inc., A | United States | 1,862 | 662,965 |
| Paychex, Inc. | United States | 3,874 | 379,730 |
| Visa, Inc., A. | United States | 10,638 | 2,252,384 |
| Western Union Co. (The). | United States | 1,120 | 27,619 |
| | | | 8,950,032 |
| Life Sciences Tools & Services 0.4% | | | |
| ^a Bio-Rad Laboratories, Inc., A. | United States | 55 | 31,414 |
| ^a Mettler-Toledo International, Inc. | United States | 277 | 320,126 |
| Thermo Fisher Scientific, Inc. | United States | 994 | 453,642 |

Franklin VolSmart Allocation VIP Fund (continued)

| | Country | Shares | Value |
|---|---------------|--------|-----------|
| Common Stocks (continued) | | | |
| Life Sciences Tools & Services (continued) | | | |
| ^a Waters Corp. | United States | 324 | \$92,071 |
| | | | 897,253 |
| Machinery 2.0% | | | |
| Allison Transmission Holdings, Inc. | United States | 975 | 39,809 |
| Cummins, Inc. | United States | 1,685 | 436,600 |
| Donaldson Co., Inc. | United States | 7,530 | 437,945 |
| Dover Corp. | United States | 7,744 | 1,061,935 |
| Graco, Inc. | United States | 1,809 | 129,561 |
| Illinois Tool Works, Inc. | United States | 2,547 | 564,211 |
| Lincoln Electric Holdings, Inc. | United States | 254 | 31,227 |
| Otis Worldwide Corp. | United States | 1,752 | 119,924 |
| PACCAR, Inc. | United States | 2,427 | 225,517 |
| Pentair plc | United States | 12,300 | 766,536 |
| Snap-on, Inc. | United States | 466 | 107,525 |
| Toro Co. (The) | United States | 1,248 | 128,719 |
| | | | 4,049,509 |
| Media 0.5% | | | |
| Comcast Corp., A | United States | 12,379 | 669,828 |
| Interpublic Group of Cos., Inc. (The) | United States | 3,567 | 104,156 |
| Omnicom Group, Inc. | United States | 2,383 | 176,700 |
| | | | 950,684 |
| Metals & Mining 0.3% | | | |
| Newmont Corp. | United States | 3,456 | 208,293 |
| Nucor Corp. | United States | 2,166 | 173,865 |
| Reliance Steel & Aluminum Co. | United States | 389 | 59,241 |
| Southern Copper Corp. | Peru | 202 | 13,710 |
| Steel Dynamics, Inc. | United States | 1,689 | 85,733 |
| | | | 540,842 |
| Multiline Retail 1.5% | | | |
| Dollar General Corp. | United States | 2,641 | 535,119 |
| Target Corp. | United States | 12,241 | 2,424,575 |
| | | | 2,959,694 |
| Multi-Utilities 0.7% | | | |
| Ameren Corp. | United States | 2,017 | 164,103 |
| Consolidated Edison, Inc. | United States | 3,360 | 251,328 |
| Dominion Energy, Inc. | United States | 5,903 | 448,392 |
| Public Service Enterprise Group, Inc. | United States | 5,480 | 329,951 |
| WEC Energy Group, Inc. | United States | 1,369 | 128,125 |
| | | | 1,321,899 |
| Oil, Gas & Consumable Fuels 0.7% | | | |
| Cabot Oil & Gas Corp. | United States | 3,382 | 63,514 |
| Chevron Corp. | United States | 5,990 | 627,692 |
| EOG Resources, Inc. | United States | 4,930 | 357,573 |
| Exxon Mobil Corp. | United States | 5,900 | 329,397 |
| | | | 1,378,176 |
| Personal Products 0.4% | | | |
| Estee Lauder Cos., Inc. (The), A | United States | 2,473 | 719,272 |
| Nu Skin Enterprises, Inc., A. | United States | 538 | 28,455 |
| | | | 747,727 |

Franklin VolSmart Allocation VIP Fund (continued)

| | Country | Shares | Value |
|--|---------------|--------|------------|
| Common Stocks (continued) | | | |
| Pharmaceuticals 2.8% | | | |
| Bristol-Myers Squibb Co. | United States | 10,040 | \$633,825 |
| Eli Lilly and Co. | United States | 4,291 | 801,645 |
| ^a Horizon Therapeutics plc. | United States | 883 | 81,271 |
| Johnson & Johnson | United States | 12,195 | 2,004,248 |
| Merck & Co., Inc. | United States | 7,679 | 591,974 |
| Pfizer, Inc. | United States | 29,929 | 1,084,328 |
| Zoetis, Inc. | United States | 2,105 | 331,496 |
| | | | 5,528,787 |
| Professional Services 0.2% | | | |
| Booz Allen Hamilton Holding Corp. | United States | 1,054 | 84,879 |
| CoreLogic, Inc. | United States | 192 | 15,216 |
| ^a FTI Consulting, Inc. | United States | 149 | 20,876 |
| Robert Half International, Inc. | United States | 1,482 | 115,700 |
| Verisk Analytics, Inc. | United States | 693 | 122,446 |
| | | | 359,117 |
| Road & Rail 1.0% | | | |
| JB Hunt Transport Services, Inc. | United States | 960 | 161,347 |
| Landstar System, Inc. | United States | 425 | 70,151 |
| Norfolk Southern Corp. | United States | 3,800 | 1,020,376 |
| Old Dominion Freight Line, Inc. | United States | 653 | 156,988 |
| Schneider National, Inc., B | United States | 262 | 6,542 |
| Union Pacific Corp. | United States | 3,032 | 668,283 |
| | | | 2,083,687 |
| Semiconductors & Semiconductor Equipment 5.5% | | | |
| Analog Devices, Inc. | United States | 14,314 | 2,219,815 |
| Applied Materials, Inc. | United States | 7,434 | 993,182 |
| ^a Cirrus Logic, Inc. | United States | 245 | 20,774 |
| Intel Corp. | United States | 13,031 | 833,984 |
| KLA Corp. | United States | 1,708 | 564,323 |
| Lam Research Corp. | United States | 1,353 | 805,360 |
| Maxim Integrated Products, Inc. | United States | 3,094 | 282,699 |
| Monolithic Power Systems, Inc. | United States | 206 | 72,761 |
| NVIDIA Corp. | United States | 1,143 | 610,282 |
| QUALCOMM, Inc. | United States | 4,200 | 556,878 |
| Skyworks Solutions, Inc. | United States | 2,114 | 387,877 |
| Teradyne, Inc. | United States | 417 | 50,741 |
| Texas Instruments, Inc. | United States | 17,255 | 3,261,022 |
| Xilinx, Inc. | United States | 2,911 | 360,673 |
| | | | 11,020,371 |
| Software 4.5% | | | |
| ^a Adobe, Inc. | United States | 1,298 | 617,030 |
| ^a Aspen Technology, Inc. | United States | 593 | 85,588 |
| ^a Cadence Design Systems, Inc. | United States | 2,285 | 313,022 |
| Citrix Systems, Inc. | United States | 1,011 | 141,904 |
| ^a Fair Isaac Corp. | United States | 121 | 58,812 |
| ^a Fortinet, Inc. | United States | 575 | 106,042 |
| Intuit, Inc. | United States | 1,768 | 677,250 |
| Microsoft Corp. | United States | 26,923 | 6,347,636 |
| Oracle Corp. | United States | 8,108 | 568,938 |
| ^a Tyler Technologies, Inc. | United States | 175 | 74,293 |
| ^a VMware, Inc., A. | United States | 321 | 48,294 |
| | | | 9,038,809 |

Franklin VolSmart Allocation VIP Fund (continued)

| | Country | Shares | Value |
|--|---------------|-----------|--------------------------|
| Common Stocks (continued) | | | |
| Specialty Retail 2.8% | | | |
| ^a AutoZone, Inc. | United States | 221 | \$310,350 |
| Best Buy Co., Inc. | United States | 2,725 | 312,857 |
| Foot Locker, Inc. | United States | 1,353 | 76,106 |
| Lowe's Cos., Inc. | United States | 8,100 | 1,540,458 |
| ^a O'Reilly Automotive, Inc. | United States | 823 | 417,467 |
| Ross Stores, Inc. | United States | 15,111 | 1,811,960 |
| TJX Cos., Inc. (The) | United States | 9,757 | 645,426 |
| Tractor Supply Co. | United States | 1,366 | 241,891 |
| Williams-Sonoma, Inc. | United States | 949 | 170,061 |
| | | | <hr/> 5,526,576 |
| Technology Hardware, Storage & Peripherals 0.7% | | | |
| Apple, Inc. | United States | 5,106 | 623,698 |
| ^a Dell Technologies, Inc., C | United States | 684 | 60,295 |
| HP, Inc. | United States | 17,926 | 569,150 |
| NetApp, Inc. | United States | 2,476 | 179,931 |
| Xerox Holdings Corp. | United States | 765 | 18,566 |
| | | | <hr/> 1,451,640 |
| Textiles, Apparel & Luxury Goods 1.3% | | | |
| ^a Carter's, Inc. | United States | 457 | 40,641 |
| Hanesbrands, Inc. | United States | 2,566 | 50,473 |
| ^a Lululemon Athletica, Inc. | United States | 1,263 | 387,375 |
| NIKE, Inc., B. | United States | 16,155 | 2,146,838 |
| | | | <hr/> 2,625,327 |
| Tobacco 0.7% | | | |
| Altria Group, Inc. | United States | 14,304 | 731,793 |
| Philip Morris International, Inc. | United States | 8,310 | 737,429 |
| | | | <hr/> 1,469,222 |
| Trading Companies & Distributors 0.7% | | | |
| Fastenal Co. | United States | 6,942 | 349,044 |
| MSC Industrial Direct Co., Inc., A. | United States | 477 | 43,020 |
| Watsco, Inc. | United States | 335 | 87,351 |
| WW Grainger, Inc. | United States | 2,175 | 872,023 |
| | | | <hr/> 1,351,438 |
| Total Common Stocks (Cost \$80,918,778) | | | <hr/> 133,593,826 |
| Management Investment Companies 31.3% | | | |
| Capital Markets 31.3% | | | |
| ^{a,b} Franklin Income VIP Fund, Class 1 | United States | 1,183,040 | 19,756,771 |
| ^b Franklin Liberty U.S. Core Bond ETF | United States | 1,184,800 | 29,833,264 |
| ^b Franklin Low Duration Total Return Fund, Class R6 | United States | 481,480 | 4,655,909 |
| ^b Franklin Strategic Income Fund, Class R6 | United States | 891,123 | 8,367,642 |
| | | | <hr/> 62,613,586 |
| Total Management Investment Companies (Cost \$63,104,176) | | | <hr/> 62,613,586 |
| Total Long Term Investments (Cost \$144,022,954) | | | <hr/> 196,207,412 |

Franklin VolSmart Allocation VIP Fund (continued)

Short Term Investments 2.0%

| | Country | Shares | Value |
|--|---------------|-----------|----------------------|
| Money Market Funds 2.0% | | | |
| ^{b,c} Institutional Fiduciary Trust - Money Market Portfolio, 0.01% | United States | 4,101,656 | \$4,101,656 |
| Total Money Market Funds (Cost \$4,101,656) | | | 4,101,656 |
| Total Short Term Investments (Cost \$4,101,656) | | | 4,101,656 |
| Total Investments (Cost \$148,124,610) 100.0% | | | \$200,309,068 |
| Other Assets, less Liabilities 0.0%[†] | | | (61,611) |
| Net Assets 100.0% | | | \$200,247,457 |

See Abbreviations on page 169 .

[†]Rounds to less than 0.1% of net assets.

^aNon-income producing.

^bSee Note 8 regarding investments in FT Underlying Funds.

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

At March 31, 2021, the Fund had the following futures contracts outstanding. See Note 3.

Futures Contracts

| Description | Type | Number of Contracts | Notional Amount* | Expiration Date | Value/ Unrealized Appreciation (Depreciation) |
|--|-------|---------------------|------------------|-----------------|---|
| Equity contracts | | | | | |
| S&P 500 E-Mini Index | Short | 43 | \$8,529,910 | 6/18/21 | \$(21,251) |
| Total Futures Contracts | | | | | \$(21,251) |

*As of period end.

At March 31, 2021, the Fund had the following total return swap contracts outstanding. See Note 3.

Total Return Swap Contracts

| Underlying Instruments | Financing Rate | Payment Frequency | Counter-party | Maturity Date | Notional Value* | Value/ Unrealized Appreciation (Depreciation) |
|--|----------------|-------------------|---------------|---------------|-----------------|---|
| OTC Swap Contracts | | | | | | |
| Long | | | | | | |
| Dynamic VIX Backwardation (BEFSDVB1 Index) | — | Monthly | BZWS | 5/28/21 | 3,500,000 | \$(1,003) |
| Total Return Swap Contracts | | | | | | \$(1,003) |

*In U.S. dollars unless otherwise indicated.

Statement of Investments (unaudited), March 31, 2021

Templeton Developing Markets VIP Fund

| | Industry | Shares | Value |
|--|--|-----------|------------|
| Common Stocks 97.2% | | | |
| Brazil 3.0% | | | |
| ^a B2W Cia Digital. | Internet & Direct Marketing Retail | 76,800 | \$828,851 |
| B3 SA - Brasil Bolsa Balcao | Capital Markets | 226,117 | 2,194,086 |
| ^a Lojas Americanas SA | Multiline Retail | 582,936 | 2,154,036 |
| ^a M Dias Branco SA. | Food Products | 106,200 | 579,204 |
| Vale SA. | Metals & Mining | 266,919 | 4,645,595 |
| | | | 10,401,772 |
| Cambodia 0.5% | | | |
| NagaCorp Ltd. | Hotels, Restaurants & Leisure | 1,371,750 | 1,626,301 |
| China 28.1% | | | |
| ^a Alibaba Group Holding Ltd. | Internet & Direct Marketing Retail | 1,057,845 | 30,056,348 |
| ^b BAIC Motor Corp. Ltd., H, 144A, Reg S | Automobiles | 1,686,100 | 541,842 |
| ^a Baidu, Inc., ADR | Interactive Media & Services | 12,214 | 2,657,156 |
| ^c Brilliance China Automotive Holdings Ltd. | Automobiles | 7,756,600 | 6,555,253 |
| China Merchants Bank Co. Ltd., A. | Banks | 340,000 | 2,661,081 |
| China Merchants Bank Co. Ltd., H. | Banks | 606,700 | 4,648,073 |
| China Resources Cement Holdings Ltd. | Construction Materials | 2,895,000 | 3,265,625 |
| China Resources Land Ltd. | Real Estate Management & Development | 248,453 | 1,210,924 |
| COSCO SHIPPING Ports Ltd. | Transportation Infrastructure | 286,759 | 209,262 |
| ^a Daqo New Energy Corp., ADR | Semiconductors & Semiconductor Equipment | 25,771 | 1,945,710 |
| ^d Flat Glass Group Co. Ltd., H | Semiconductors & Semiconductor Equipment | 298,117 | 910,205 |
| Health & Happiness H&H International Holdings Ltd. | Food Products | 431,300 | 1,639,898 |
| Longshine Technology Group Co. Ltd., A | Software | 292,300 | 699,884 |
| NetEase, Inc., ADR | Entertainment | 21,265 | 2,195,824 |
| Ping An Bank Co. Ltd., A. | Banks | 802,600 | 2,702,883 |
| Ping An Insurance Group Co. of China Ltd., A | Insurance | 174,747 | 2,104,967 |
| Ping An Insurance Group Co. of China Ltd., H | Insurance | 41,852 | 500,610 |
| ^a Prosus NV | Internet & Direct Marketing Retail | 32,057 | 3,566,959 |
| Tencent Holdings Ltd. | Interactive Media & Services | 337,501 | 26,935,303 |
| ^a Tencent Music Entertainment Group, ADR | Entertainment | 16,816 | 344,560 |
| Uni-President China Holdings Ltd. | Food Products | 1,520,451 | 1,849,986 |
| Weifu High-Tech Technology Group Co. Ltd., B | Auto Components | 306,139 | 620,189 |
| | | | 97,822,542 |
| Czech Republic 0.3% | | | |
| ^{b,c} Moneta Money Bank A/S, 144A, Reg S | Banks | 258,479 | 929,154 |
| Hungary 0.8% | | | |
| Richter Gedeon Nyrt. | Pharmaceuticals | 101,614 | 2,994,909 |
| India 6.4% | | | |
| ACC Ltd. | Construction Materials | 9,600 | 250,558 |
| Apollo Hospitals Enterprise Ltd. | Health Care Providers & Services | 10,012 | 398,205 |
| ^a Bajaj Holdings & Investment Ltd. | Diversified Financial Services | 63,532 | 2,868,934 |
| Coal India Ltd. | Oil, Gas & Consumable Fuels | 280,262 | 501,070 |
| ^a CICI Bank Ltd. | Banks | 1,579,654 | 12,630,327 |
| Infosys Ltd. | IT Services | 296,276 | 5,556,742 |
| | | | 22,205,836 |
| Indonesia 0.6% | | | |
| Astra International Tbk. PT | Automobiles | 5,624,400 | 2,049,778 |

Templeton Developing Markets VIP Fund (continued)

| | Industry | Shares | Value |
|--|--|-----------|-------------|
| Common Stocks (continued) | | | |
| Mexico 1.5% | | | |
| ^a Banco Santander Mexico SA Institucion de Banca Multiple Grupo Financiero Santand, ADR | Banks | 840,830 | \$4,624,565 |
| ^{a,b} Nemak SAB de CV, 144A, Reg S | Auto Components | 1,928,900 | 520,904 |
| | | | 5,145,469 |
| Pakistan 0.2% | | | |
| Habib Bank Ltd. | Banks | 1,013,500 | 771,968 |
| Peru 0.3% | | | |
| InterCorp Financial Services, Inc. | Banks | 31,950 | 964,890 |
| Philippines 0.2% | | | |
| BDO Unibank, Inc. | Banks | 327,469 | 689,146 |
| Russia 6.3% | | | |
| Gazprom PJSC, ADR | Oil, Gas & Consumable Fuels | 115,071 | 685,387 |
| LUKOIL PJSC, ADR | Oil, Gas & Consumable Fuels | 85,254 | 6,889,341 |
| ^{a,b} Mail.Ru Group Ltd., GDR, Reg S | Interactive Media & Services | 27,833 | 635,911 |
| Sberbank of Russia PJSC, ADR | Banks | 471,958 | 7,256,581 |
| ^a Yandex NV, A | Interactive Media & Services | 98,891 | 6,334,958 |
| | | | 21,802,178 |
| South Africa 5.2% | | | |
| ^a Massmart Holdings Ltd. | Food & Staples Retailing | 580,084 | 2,161,245 |
| Naspers Ltd., N. | Internet & Direct Marketing Retail | 66,341 | 15,887,047 |
| | | | 18,048,292 |
| South Korea 22.3% | | | |
| Fila Holdings Corp. | Textiles, Apparel & Luxury Goods | 75,091 | 2,889,939 |
| KT Skylife Co. Ltd. | Media | 92,351 | 707,606 |
| ^a LegoChem Biosciences, Inc. | Life Sciences Tools & Services | 17,813 | 891,646 |
| LG Corp. | Industrial Conglomerates | 100,768 | 8,113,402 |
| NAVER Corp. | Interactive Media & Services | 49,856 | 16,749,995 |
| POSCO | Metals & Mining | 13,480 | 3,832,935 |
| Samsung Electronics Co. Ltd. | Technology Hardware, Storage & Peripherals | 541,216 | 39,290,330 |
| Samsung Life Insurance Co. Ltd. | Insurance | 74,406 | 5,161,291 |
| | | | 77,637,144 |
| Taiwan 17.0% | | | |
| CTBC Financial Holding Co. Ltd. | Banks | 350,500 | 272,706 |
| Hon Hai Precision Industry Co. Ltd. | Electronic Equipment, Instruments & Components | 1,315,418 | 5,785,166 |
| Largan Precision Co. Ltd. | Electronic Equipment, Instruments & Components | 2,850 | 323,163 |
| MediaTek, Inc. | Semiconductors & Semiconductor Equipment | 267,000 | 9,207,507 |
| Taiwan Semiconductor Manufacturing Co. Ltd. | Semiconductors & Semiconductor Equipment | 2,071,831 | 43,743,042 |
| | | | 59,331,584 |
| Thailand 1.5% | | | |
| Kasikornbank PCL | Banks | 629,678 | 2,930,017 |
| Kiatnakin Phatra Bank PCL | Banks | 859,600 | 1,682,615 |
| Thai Beverage PCL. | Beverages | 1,450,900 | 800,047 |
| | | | 5,412,679 |
| United Kingdom 2.1% | | | |
| Unilever plc. | Personal Products | 134,023 | 7,477,373 |

Templeton Developing Markets VIP Fund (continued)

| | Industry | Shares | Value |
|---|-------------|-----------|----------------------|
| Common Stocks (continued) | | | |
| United States 0.9% | | | |
| Cognizant Technology Solutions Corp., A | IT Services | 39,862 | \$3,114,020 |
| Total Common Stocks (Cost \$185,677,529) | | | 338,425,035 |
| Preferred Stocks 2.7% | | | |
| Brazil 2.7% | | | |
| ^{a,e} Banco Bradesco SA, ADR, 3.83% | Banks | 1,026,866 | 4,826,270 |
| ^e Itau Unibanco Holding SA, ADR, 5.36% | Banks | 897,443 | 4,451,317 |
| | | | 9,277,587 |
| Total Preferred Stocks (Cost \$11,447,177) | | | 9,277,587 |
| Escrows and Litigation Trusts 0.0% | | | |
| ^c Hemisphere Properties India Ltd., Escrow Account | | 82,304 | — |
| Total Escrows and Litigation Trusts (Cost \$—) | | | — |
| Total Long Term Investments (Cost \$197,124,706) | | | 347,702,622 |
| Short Term Investments 0.0% | | | |
| | | Shares | Value |
| Money Market Funds 0.0%[†] | | | |
| United States 0.0%[†] | | | |
| ^{f,g} Institutional Fiduciary Trust - Money Market Portfolio, 0.01% | | 6 | 6 |
| Total Money Market Funds (Cost \$6) | | | 6 |
| Investments from Cash Collateral Received for Loaned Securities 0.0%[†] | | | |
| Money Market Funds 0.0%[†] | | | |
| ^{f,g} Institutional Fiduciary Trust - Money Market Portfolio, 0.01% | | 131,200 | 131,200 |
| Total Investments from Cash Collateral Received for Loaned Securities (Cost \$131,200) | | | 131,200 |
| Total Short Term Investments (Cost \$131,206) | | | 131,206 |
| Total Investments (Cost \$197,255,912) 99.9% | | | \$347,833,828 |
| Other Assets, less Liabilities 0.1% | | | 309,988 |
| Net Assets 100.0% | | | \$348,143,816 |

See Abbreviations on page 169.

Templeton Developing Markets VIP Fund (continued)

[†] Rounds to less than 0.1% of net assets.

^a Non-income producing.

^b Security was purchased pursuant to Rule 144A or Regulation S under the Securities Act of 1933. 144A securities may be sold in transactions exempt from registration only to qualified institutional buyers or in a public offering registered under the Securities Act of 1933. Regulation S securities cannot be sold in the United States without either an effective registration statement filed pursuant to the Securities Act of 1933, or pursuant to an exemption from registration. At March 31, 2021, the aggregate value of these securities was \$2,627,811, representing 0.8% of net assets.

^c Fair valued using significant unobservable inputs. See Note 11 regarding fair value measurements.

^d A portion or all of the security is on loan at March 31, 2021.

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

^f See Note 9 regarding investments in affiliated management investment companies.

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

Statement of Investments (unaudited), March 31, 2021

Templeton Foreign VIP Fund

| | Country | Shares | Value |
|---|----------------|------------|--------------|
| Common Stocks 92.3% | | | |
| Aerospace & Defense 2.2% | | | |
| BAE Systems plc | United Kingdom | 2,629,361 | \$18,308,404 |
| Dassault Aviation SA | France | 10,152 | 11,288,612 |
| | | | 29,597,016 |
| Airlines 1.3% | | | |
| ^a International Consolidated Airlines Group SA | United Kingdom | 6,519,183 | 17,820,264 |
| Auto Components 3.4% | | | |
| Cie Generale des Etablissements Michelin SCA | France | 115,491 | 17,295,641 |
| Continental AG | Germany | 111,315 | 14,734,014 |
| Toyota Industries Corp. | Japan | 147,500 | 13,180,518 |
| | | | 45,210,173 |
| Automobiles 4.9% | | | |
| Bayerische Motoren Werke AG | Germany | 205,138 | 21,286,709 |
| Honda Motor Co. Ltd. | Japan | 771,700 | 23,263,306 |
| Isuzu Motors Ltd. | Japan | 1,906,500 | 20,475,447 |
| | | | 65,025,462 |
| Banks 9.7% | | | |
| ING Groep NV | Netherlands | 1,660,582 | 20,280,767 |
| Kasikornbank PCL | Thailand | 1,860,000 | 8,654,949 |
| ^b KB Financial Group, Inc., ADR | South Korea | 596,606 | 29,490,234 |
| Shinhan Financial Group Co. Ltd. | South Korea | 619,076 | 20,632,327 |
| Standard Chartered plc. | United Kingdom | 4,207,691 | 28,968,046 |
| Sumitomo Mitsui Financial Group, Inc. | Japan | 606,500 | 21,983,989 |
| | | | 130,010,312 |
| Beverages 0.6% | | | |
| Kirin Holdings Co. Ltd. | Japan | 438,700 | 8,417,836 |
| Biotechnology 0.4% | | | |
| ^a Galapagos NV | Belgium | 62,230 | 4,801,538 |
| Chemicals 2.1% | | | |
| ^c Covestro AG, 144A, Reg S | Germany | 256,597 | 17,262,583 |
| ^b Tosoh Corp. | Japan | 574,100 | 10,995,419 |
| | | | 28,258,002 |
| Construction & Engineering 2.0% | | | |
| Sinopec Engineering Group Co. Ltd., H. | China | 11,734,000 | 6,494,711 |
| Taisei Corp. | Japan | 531,500 | 20,505,968 |
| | | | 27,000,679 |
| Electronic Equipment, Instruments & Components 3.3% | | | |
| Hitachi Ltd. | Japan | 796,900 | 36,122,187 |
| ^a Landis+Gyr Group AG | Switzerland | 120,834 | 8,129,935 |
| | | | 44,252,122 |
| Energy Equipment & Services 1.5% | | | |
| SBM Offshore NV | Netherlands | 1,076,313 | 19,686,190 |
| Food & Staples Retailing 1.4% | | | |
| ^b Matsumotokiyoshi Holdings Co. Ltd. | Japan | 109,500 | 4,884,901 |
| Sundrug Co. Ltd. | Japan | 366,100 | 13,412,645 |
| | | | 18,297,546 |

Templeton Foreign VIP Fund (continued)

| | Country | Shares | Value |
|--|----------------|-----------|--------------|
| Common Stocks (continued) | | | |
| Health Care Providers & Services 2.0% | | | |
| Fresenius Medical Care AG & Co. KGaA | Germany | 265,350 | \$19,544,413 |
| Sinopharm Group Co. Ltd., H | China | 2,794,800 | 6,771,006 |
| | | | 26,315,419 |
| Household Durables 1.7% | | | |
| Sony Group Corp. | Japan | 220,400 | 23,325,698 |
| Industrial Conglomerates 2.3% | | | |
| CK Hutchison Holdings Ltd. | United Kingdom | 3,873,500 | 30,946,800 |
| Insurance 3.5% | | | |
| AIA Group Ltd. | Hong Kong | 2,416,800 | 29,574,017 |
| Prudential plc | United Kingdom | 785,351 | 16,727,551 |
| | | | 46,301,568 |
| Interactive Media & Services 1.1% | | | |
| ^a Baidu, Inc., ADR | China | 27,630 | 6,010,907 |
| ^{a,c} Kuaishou Technology, 144A, Reg S | China | 231,200 | 8,029,791 |
| | | | 14,040,698 |
| Internet & Direct Marketing Retail 2.6% | | | |
| ^a Alibaba Group Holding Ltd. | China | 516,700 | 14,680,898 |
| ^{a,c} Just Eat Takeaway.com NV, 144A, Reg S | Germany | 210,573 | 19,374,403 |
| | | | 34,055,301 |
| IT Services 0.6% | | | |
| ^a Amadeus IT Group SA | Spain | 104,548 | 7,446,119 |
| Machinery 1.5% | | | |
| Komatsu Ltd. | Japan | 655,000 | 20,297,998 |
| Media 1.7% | | | |
| ^a Informa plc | United Kingdom | 1,217,196 | 9,396,813 |
| ^b Nippon Television Holdings, Inc. | Japan | 338,900 | 4,453,952 |
| ^b TBS Holdings, Inc. | Japan | 441,700 | 8,687,768 |
| | | | 22,538,533 |
| Metals & Mining 6.2% | | | |
| Alamos Gold, Inc., A | Canada | 1,135,752 | 8,870,223 |
| ArcelorMittal SA | Luxembourg | 949,815 | 27,334,706 |
| Sumitomo Metal Mining Co. Ltd. | Japan | 579,500 | 25,112,783 |
| Wheaton Precious Metals Corp. | Brazil | 544,400 | 20,791,853 |
| | | | 82,109,565 |
| Multi-Utilities 1.7% | | | |
| E.ON SE. | Germany | 1,972,849 | 22,989,569 |
| Oil, Gas & Consumable Fuels 5.3% | | | |
| BP plc. | United Kingdom | 6,357,681 | 25,820,878 |
| Cenovus Energy, Inc. | Canada | 912,844 | 6,856,498 |
| Equinor ASA | Norway | 1,303,205 | 25,436,297 |
| Galp Energia SGPS SA, B | Portugal | 1,139,637 | 13,209,837 |
| | | | 71,323,510 |
| Pharmaceuticals 7.0% | | | |
| Bayer AG | Germany | 552,576 | 35,015,394 |
| Roche Holding AG | Switzerland | 54,982 | 17,812,941 |
| Sanofi. | France | 67,050 | 6,629,617 |

Templeton Foreign VIP Fund (continued)

| | Country | Shares | Value |
|---|----------------|-----------------|----------------------|
| Common Stocks (continued) | | | |
| Pharmaceuticals (continued) | | | |
| Takeda Pharmaceutical Co. Ltd. | Japan | 933,094 | \$34,013,302 |
| | | | 93,471,254 |
| Real Estate Management & Development 4.4% | | | |
| China Overseas Land & Investment Ltd. | China | 4,264,000 | 11,146,056 |
| CK Asset Holdings Ltd. | Hong Kong | 3,560,500 | 21,674,971 |
| Mitsui Fudosan Co. Ltd. | Japan | 578,900 | 13,196,309 |
| Swire Pacific Ltd., A | Hong Kong | 1,628,500 | 12,267,539 |
| | | | 58,284,875 |
| Semiconductors & Semiconductor Equipment 9.3% | | | |
| Infineon Technologies AG | Germany | 590,665 | 25,129,233 |
| NXP Semiconductors NV | Netherlands | 221,300 | 44,556,542 |
| Taiwan Semiconductor Manufacturing Co. Ltd. | Taiwan | 2,587,000 | 54,619,923 |
| | | | 124,305,698 |
| Technology Hardware, Storage & Peripherals 4.8% | | | |
| Samsung Electronics Co. Ltd. | South Korea | 880,121 | 63,893,610 |
| Thriffs & Mortgage Finance 2.1% | | | |
| Housing Development Finance Corp. Ltd. | India | 822,605 | 28,250,750 |
| Tobacco 1.7% | | | |
| Imperial Brands plc | United Kingdom | 1,122,761 | 23,014,298 |
| Total Common Stocks (Cost \$947,359,060) | | | 1,231,288,403 |
| | | Warrants | |
| Warrants 0.0%[†] | | | |
| Oil, Gas & Consumable Fuels 0.0%[†] | | | |
| ^a Cenovus Energy, Inc., 1/01/26. | Canada | 75,750 | 301,360 |
| Total Warrants (Cost \$255,280) | | | 301,360 |
| Total Long Term Investments (Cost \$947,614,340) | | | 1,231,589,763 |
| Short Term Investments 5.9% | | | |
| | Country | Shares | Value |
| Money Market Funds 5.8% | | | |
| ^{d,e} Institutional Fiduciary Trust - Money Market Portfolio, 0.01% | United States | 76,565,396 | 76,565,396 |
| Total Money Market Funds (Cost \$76,565,396) | | | 76,565,396 |

Templeton Foreign VIP Fund (continued)

Short Term Investments (continued)

| | Country | Shares | Value |
|---|---------------|-----------|------------------------|
| Investments from Cash Collateral Received for Loaned Securities 0.1% | | | |
| Money Market Funds 0.1% | | | |
| ^{d,e} Institutional Fiduciary Trust - Money Market Portfolio, 0.01% | United States | 1,615,400 | \$1,615,400 |
| Total Investments from Cash Collateral Received for Loaned Securities (Cost \$1,615,400) | | | 1,615,400 |
| Total Short Term Investments (Cost \$78,180,796) | | | 78,180,796 |
| Total Investments (Cost \$1,025,795,136) 98.2% | | | \$1,309,770,559 |
| Other Assets, less Liabilities 1.8% | | | 24,354,133 |
| Net Assets 100.0% | | | \$1,334,124,692 |

See Abbreviations on page 169

[†] Rounds to less than 0.1% of net assets.

^a Non-income producing.

^b A portion or all of the security is on loan at March 31, 2021.

^c Security was purchased pursuant to Rule 144A or Regulation S under the Securities Act of 1933. 144A securities may be sold in transactions exempt from registration only to qualified institutional buyers or in a public offering registered under the Securities Act of 1933. Regulation S securities cannot be sold in the United States without either an effective registration statement filed pursuant to the Securities Act of 1933, or pursuant to an exemption from registration. At March 31, 2021, the aggregate value of these securities was \$44,666,777, representing 3.3% of net assets.

^d See Note 9 regarding investments in affiliated management investment companies.

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

Statement of Investments (unaudited), March 31, 2021

Templeton Global Bond VIP Fund

| | Principal Amount* | Value |
|--|----------------------|-------------|
| Foreign Government and Agency Securities 52.5% | | |
| Argentina 2.2% | | |
| ^{a,b} Argentina BONCER, | | |
| Index Linked, 1.1%, 4/17/21 | 408,680,842 ARS | \$2,807,556 |
| Index Linked, 1%, 8/05/21 | 220,699,848 ARS | 1,526,007 |
| Index Linked, 1.664%, 3/18/22 | 2,174,938,415 ARS | 14,987,632 |
| Index Linked, 1.3%, 9/20/22 | 18,765,779 ARS | 129,334 |
| Index Linked, 1.937%, 3/25/23 | 1,244,767,415 ARS | 8,256,901 |
| Index Linked, 2.075%, 3/25/24 | 1,244,767,419 ARS | 7,604,936 |
| ^{b,c} Argentina Bonos del Tesoro Nacional en Pesos Badlar, FRN, 36.119%, (ARS BADLAR + 2%), 4/03/22 | 24,036,000 ARS | 158,383 |
| ^b Argentina Government Bond, | | |
| 18.2%, 10/03/21 | 820,823,000 ARS | 5,186,079 |
| 16%, 10/17/23 | 844,288,000 ARS | 3,349,601 |
| 15.5%, 10/17/26 | 1,668,306,000 ARS | 4,633,844 |
| | | 48,640,273 |
| Colombia 2.1% | | |
| Colombia Government Bond, | | |
| Senior Bond, 7.75%, 4/14/21 | 2,386,000,000 COP | 654,421 |
| Senior Bond, 4.375%, 3/21/23 | 362,000,000 COP | 101,273 |
| Senior Bond, 9.85%, 6/28/27 | 576,000,000 COP | 195,153 |
| Colombia Títulos de Tesorería, | | |
| B, 7%, 5/04/22 | 17,524,600,000 COP | 5,018,217 |
| B, 10%, 7/24/24 | 67,868,000,000 COP | 21,682,113 |
| B, 7.5%, 8/26/26 | 35,134,200,000 COP | 10,377,711 |
| B, 6%, 4/28/28 | 29,113,600,000 COP | 7,780,186 |
| B, 7.75%, 9/18/30 | 8,450,000,000 COP | 2,428,778 |
| | | 48,237,852 |
| Ghana 1.8% | | |
| Ghana Government Bond, | | |
| 16.25%, 5/17/21 | 7,250,000 GHS | 1,256,482 |
| 24.5%, 6/21/21 | 80,000 GHS | 14,085 |
| 24.75%, 7/19/21 | 1,190,000 GHS | 210,919 |
| 18.75%, 1/24/22 | 26,990,000 GHS | 4,777,315 |
| 17.6%, 11/28/22 | 520,000 GHS | 91,543 |
| Senior Note, 17.6%, 2/20/23 | 1,680,000 GHS | 295,415 |
| 19%, 9/18/23 | 150,000 GHS | 26,933 |
| 19.75%, 3/25/24 | 26,840,000 GHS | 4,885,858 |
| Senior Note, 18.3%, 3/02/26 | 690,000 GHS | 118,731 |
| 19%, 11/02/26 | 80,510,000 GHS | 14,071,547 |
| 19.75%, 3/15/32 | 80,510,000 GHS | 14,053,198 |
| | | 39,802,026 |
| India 4.0% | | |
| India Government Bond, | | |
| 8.79%, 11/08/21 | 653,000,000 INR | 9,198,217 |
| 8.2%, 2/15/22 | 500,000,000 INR | 7,091,863 |
| 8.35%, 5/14/22 | 212,700,000 INR | 3,041,542 |
| 8.15%, 6/11/22 | 1,621,000,000 INR | 23,191,966 |
| 6.84%, 12/19/22 | 98,000,000 INR | 1,396,955 |
| 7.16%, 5/20/23 | 133,700,000 INR | 1,923,291 |
| 8.83%, 11/25/23 | 1,468,100,000 INR | 22,008,906 |
| Senior Note, 5.22%, 6/15/25 | 313,000,000 INR | 4,228,963 |
| 7.59%, 1/11/26 | 1,032,000,000 INR | 15,110,098 |

Templeton Global Bond VIP Fund (continued)

| | Principal Amount ^a | | Value |
|---|----------------------------------|-----|-------------|
| Foreign Government and Agency Securities (continued) | | | |
| India (continued) | | | |
| India Government Bond, (continued) | | | |
| 7.27%, 4/08/26 | 214,000,000 | INR | \$3,093,775 |
| | | | 90,285,576 |
| Indonesia 9.7% | | | |
| Indonesia Government Bond, | | | |
| FR34, 12.8%, 6/15/21 | 324,406,000,000 | IDR | 22,753,535 |
| FR61, 7%, 5/15/22 | 244,849,000,000 | IDR | 17,463,086 |
| FR35, Senior Bond, 12.9%, 6/15/22 | 71,229,000,000 | IDR | 5,436,243 |
| FR43, 10.25%, 7/15/22 | 147,832,000,000 | IDR | 10,954,326 |
| FR63, 5.625%, 5/15/23 | 289,067,000,000 | IDR | 20,206,828 |
| FR46, 9.5%, 7/15/23 | 226,780,000,000 | IDR | 17,109,627 |
| FR39, 11.75%, 8/15/23 | 5,491,000,000 | IDR | 432,823 |
| FR70, 8.375%, 3/15/24 | 53,132,000,000 | IDR | 3,943,620 |
| FR44, 10%, 9/15/24 | 4,454,000,000 | IDR | 347,519 |
| FR81, 6.5%, 6/15/25 | 594,612,000,000 | IDR | 41,981,859 |
| FR40, 11%, 9/15/25 | 46,856,000,000 | IDR | 3,858,096 |
| FR86, 5.5%, 4/15/26 | 1,104,580,000,000 | IDR | 74,754,020 |
| | | | 219,241,582 |
| Mexico 11.7% | | | |
| Mexican Bonos Desarr Fixed Rate, | | | |
| M, 6.5%, 6/10/21 | 551,640,000 | MXN | 27,074,116 |
| M, Senior Note, 7.25%, 12/09/21 | 1,499,210,000 | MXN | 74,655,807 |
| M, 6.5%, 6/09/22 | 2,147,994,000 | MXN | 107,190,147 |
| M, Senior Note, 6.75%, 3/09/23 | 229,144,000 | MXN | 11,588,307 |
| M, Senior Bond, 8%, 12/07/23 | 836,490,000 | MXN | 43,661,746 |
| | | | 264,170,123 |
| Norway 5.6% | | | |
| ^d Norway Government Bond, | | | |
| 144A, Reg S, 3.75%, 5/25/21 | 335,990,000 | NOK | 39,478,766 |
| 144A, Reg S, 2%, 5/24/23 | 315,007,000 | NOK | 37,975,449 |
| 144A, Reg S, 3%, 3/14/24 | 265,052,000 | NOK | 33,040,555 |
| 144A, Reg S, 1.75%, 3/13/25 | 89,312,000 | NOK | 10,779,189 |
| 144A, Reg S, 1.5%, 2/19/26 | 52,969,000 | NOK | 6,327,820 |
| | | | 127,601,779 |
| South Korea 14.9% | | | |
| Korea Monetary Stabilization Bond, | | | |
| Senior Note, 0.87%, 2/02/23 | 59,850,000,000 | KRW | 53,028,943 |
| Korea Treasury Bond, | | | |
| 1.25%, 12/10/22 | 43,990,000,000 | KRW | 39,244,063 |
| 3%, 3/10/23 | 3,919,000,000 | KRW | 3,613,841 |
| 2.25%, 9/10/23 | 88,312,000,000 | KRW | 80,484,956 |
| 1.875%, 3/10/24 | 33,811,000,000 | KRW | 30,564,667 |
| 1.375%, 9/10/24 | 75,881,910,000 | KRW | 67,377,063 |
| 3%, 9/10/24 | 18,500,000,000 | KRW | 17,322,256 |
| 1.375%, 12/10/29 | 53,382,000,000 | KRW | 45,178,007 |
| | | | 336,813,796 |

Templeton Global Bond VIP Fund (continued)

| | Principal Amount [*] | Value |
|--|----------------------------------|--|
| Foreign Government and Agency Securities (continued) | | |
| Supranational 0.5% | | |
| ^e Inter-American Development Bank, Senior Bond, 7.5%, 12/05/24 | 200,000,000 MXN | \$10,294,562 |
| Total Foreign Government and Agency Securities (Cost \$1,399,959,462) | | 1,185,087,569 |
| U.S. Government and Agency Securities 20.9% | | |
| United States 20.9% | | |
| U.S. Treasury Notes, | | |
| 1.125%, 9/30/21 | 3,497,000 | 3,515,716 |
| 1.5%, 9/30/21 | 15,768,000 | 15,883,354 |
| 2.125%, 12/31/21 | 3,953,000 | 4,014,293 |
| 1.5%, 10/31/24 | 64,160,000 | 66,369,259 |
| 1.5%, 11/30/24 | 50,420,000 | 52,144,325 |
| 1.75%, 12/31/24 | 22,672,000 | 23,656,372 |
| 2%, 2/15/25 | 49,140,000 | 51,770,718 |
| 2.125%, 5/15/25 | 58,760,000 | 62,215,593 |
| 2.875%, 5/31/25 | 76,680,000 | 83,558,736 |
| 2.625%, 12/31/25 | 44,803,000 | 48,491,372 |
| 1.625%, 2/15/26 | 24,220,000 | 25,054,455 |
| 2.125%, 5/31/26 | 11,063,000 | 11,707,117 |
| 1.625%, 10/31/26 | 24,220,000 | 24,928,151 |
| | | 473,309,461 |
| Total U.S. Government and Agency Securities (Cost \$462,828,054) | | 473,309,461 |
| Total Long Term Investments (Cost \$1,862,787,516) | | 1,658,397,030 |
| | Number of Contracts | Notional Amount[#] |
| Options Purchased 0.7% | | |
| Calls - Over-the-Counter | | |
| Currency Options | | |
| Foreign Exchange AUD/JPY, Counterparty CITI, April Strike Price 81.00 JPY, Expires 4/29/21 | 1 | 19,266,000 AUD 570,579 |
| Foreign Exchange AUD/JPY, Counterparty CITI, June Strike Price 81.00 JPY, Expires 6/21/21 | 1 | 29,640,000 AUD 1,002,091 |
| Foreign Exchange AUD/JPY, Counterparty CITI, June Strike Price 84.15 JPY, Expires 6/18/21 | 1 | 30,645,000 AUD 423,151 |
| Foreign Exchange AUD/JPY, Counterparty CITI, June Strike Price 84.75 JPY, Expires 6/24/21 | 1 | 28,580,000 AUD 331,340 |
| Foreign Exchange AUD/JPY, Counterparty CITI, December Strike Price 86.50 JPY, Expires 12/20/21 | 1 | 22,983,000 AUD 364,273 |
| Foreign Exchange USD/AUD, Counterparty MSCO, April Strike Price 1.48 AUD, Expires 4/16/21 | 1 | 15,551,876 213 |
| Foreign Exchange USD/JPY, Counterparty CITI, February Strike Price 107.45 JPY, Expires 2/23/22 | 1 | 9,453,000 390,818 |

Templeton Global Bond VIP Fund (continued)

| | Number of Contracts | Notional Amount [#] | Value |
|--|------------------------|---------------------------------|------------|
| Options Purchased (continued) | | | |
| Calls - Over-the-Counter (continued) | | | |
| Currency Options (continued) | | | |
| Foreign Exchange USD/JPY, Counterparty CITI, August Strike Price 115.95 JPY, Expires 8/11/21 | 1 | 27,911,000 | \$74,304 |
| Foreign Exchange USD/MXN, Counterparty CITI, August Strike Price 21.65 MXN, Expires 8/20/21 | 1 | 42,168,000 | 963,462 |
| Foreign Exchange USD/MXN, Counterparty CITI, August Strike Price 21.65 MXN, Expires 8/20/21 | 1 | 15,371,000 | 351,199 |
| Foreign Exchange USD/MXN, Counterparty CITI, August Strike Price 22.26 MXN, Expires 8/02/21 | 1 | 23,397,000 | 335,468 |
| Foreign Exchange USD/MXN, Counterparty CITI, December Strike Price 22.36 MXN, Expires 12/28/21 | 1 | 34,580,000 | 1,059,269 |
| Foreign Exchange USD/MXN, Counterparty GSCO, June Strike Price 22.83 MXN, Expires 6/09/21 | 1 | 7,291,000 | 33,081 |
| Foreign Exchange USD/MXN, Counterparty CITI, June Strike Price 24.81 MXN, Expires 6/30/21 | 1 | 35,754,000 | 76,756 |
| Foreign Exchange USD/MXN, Counterparty CITI, October Strike Price 26.30 MXN, Expires 10/19/23 | 1 | 9,033,000 | 487,160 |
| Foreign Exchange USD/MXN, Counterparty CITI, October Strike Price 26.30 MXN, Expires 10/19/23 | 1 | 16,875,000 | 910,088 |
| Foreign Exchange USD/MXN, Counterparty CITI, October Strike Price 26.30 MXN, Expires 10/19/23 | 1 | 9,033,000 | 487,160 |
| Foreign Exchange USD/MXN, Counterparty MSCO, August Strike Price 29.19 MXN, Expires 8/29/24 | 1 | 21,864,000 | 1,223,602 |
| Foreign Exchange USD/MXN, Counterparty MSCO, August Strike Price 29.71 MXN, Expires 8/09/24 | 1 | 21,864,000 | 1,124,857 |
| Foreign Exchange USD/MXN, Counterparty CITI, December Strike Price 29.73 MXN, Expires 12/07/21 | 1 | 31,535,000 | 93,079 |
| | | | 10,301,950 |
| Puts - Over-the-Counter | | | |
| Currency Options | | | |
| Foreign Exchange AUD/JPY, Counterparty CITI, June Strike Price 58.95 JPY, Expires 6/21/21 | 1 | 39,520,000 AUD | 1,566 |
| Foreign Exchange AUD/JPY, Counterparty CITI, June Strike Price 69.20 JPY, Expires 6/24/21 | 1 | 31,616,000 AUD | 11,048 |
| Foreign Exchange AUD/JPY, Counterparty CITI, June Strike Price 69.20 JPY, Expires 6/24/21 | 1 | 15,808,000 AUD | 5,524 |

Templeton Global Bond VIP Fund (continued)

| | Number of Contracts | Notional Amount# | Value |
|--|--------------------------------|-----------------------------|--------------|
| Options Purchased (continued) | | | |
| Puts - Over-the-Counter (continued) | | | |
| Currency Options (continued) | | | |
| Foreign Exchange AUD/JPY, Counterparty CITI, April Strike Price 71.00 JPY, Expires 4/29/21 | 1 | 51,376,000 AUD | \$1,061 |
| Foreign Exchange AUD/JPY, Counterparty CITI, July Strike Price 71.10 JPY, Expires 7/15/21 | 1 | 6,388,000 AUD | 6,331 |
| Foreign Exchange AUD/JPY, Counterparty CITI, June Strike Price 71.44 JPY, Expires 6/21/21 | 1 | 39,520,000 AUD | 20,916 |
| Foreign Exchange AUD/JPY, Counterparty CITI, December Strike Price 75.00 JPY, Expires 12/20/21 | 1 | 45,967,000 AUD | 339,350 |
| Foreign Exchange AUD/JPY, Counterparty CITI, June Strike Price 76.20 JPY, Expires 6/18/21 | 1 | 61,289,000 AUD | 96,077 |
| Foreign Exchange AUD/JPY, Counterparty CITI, June Strike Price 78.40 JPY, Expires 6/24/21 | 1 | 71,451,000 AUD | 222,255 |
| Foreign Exchange AUD/JPY, Counterparty CITI, July Strike Price 78.50 JPY, Expires 7/15/21 | 1 | 25,550,000 AUD | 115,062 |
| Foreign Exchange USD/AUD, Counterparty MSCO, April Strike Price 1.33 AUD, Expires 4/16/21 | 1 | 8,931,989 | 117,275 |
| Foreign Exchange USD/JPY, Counterparty CITI, August Strike Price 102.65 JPY, Expires 8/11/21 | 1 | 41,892,000 | 73,304 |
| Foreign Exchange USD/MXN, Counterparty CITI, June Strike Price 18.83 MXN, Expires 6/21/21 | 1 | 34,913,000 | 89,647 |
| Foreign Exchange USD/MXN, Counterparty CITI, August Strike Price 19.23 MXN, Expires 8/20/21 | 1 | 11,528,000 | 98,158 |
| Foreign Exchange USD/MXN, Counterparty CITI, August Strike Price 19.35 MXN, Expires 8/02/21 | 1 | 8,189,000 | 71,856 |
| Foreign Exchange USD/MXN, Counterparty MSCO, August Strike Price 19.43 MXN, Expires 8/30/21 | 1 | 16,398,000 | 185,391 |
| Foreign Exchange USD/MXN, Counterparty CITI, October Strike Price 19.85 MXN, Expires 10/19/23 | 1 | 4,517,000 | 123,568 |
| Foreign Exchange USD/MXN, Counterparty CITI, October Strike Price 19.85 MXN, Expires 10/19/23 | 1 | 8,437,000 | 230,804 |
| Foreign Exchange USD/MXN, Counterparty CITI, October Strike Price 19.85 MXN, Expires 10/19/23 | 1 | 4,517,000 | 123,568 |
| Foreign Exchange USD/MXN, Counterparty MSCO, August Strike Price 19.88 MXN, Expires 8/11/21 | 1 | 16,398,000 | 276,244 |
| Foreign Exchange USD/MXN, Counterparty CITI, April Strike Price 20.26 MXN, Expires 4/28/21 | 1 | 30,864,000 | 345,576 |

Templeton Global Bond VIP Fund (continued)

| | Number of Contracts | Notional Amount [#] | Value |
|---|------------------------|----------------------------------|-------------|
| Options Purchased (continued) | | | |
| Puts - Over-the-Counter (continued) | | | |
| Currency Options (continued) | | | |
| Foreign Exchange USD/MXN, Counterparty CITI, May Strike Price 20.38 MXN, Expires 5/20/21. | 1 | 56,224,000 | \$1,028,726 |
| Foreign Exchange USD/MXN, Counterparty CITI, August Strike Price 21.15 MXN, Expires 8/20/21. | 1 | 14,780,000 | 722,323 |
| Foreign Exchange USD/MXN, Counterparty GSCO, June Strike Price 22.83 MXN, Expires 6/09/21. | 1 | 7,291,000 | 828,416 |
| | | | 5,134,046 |
| Total Options Purchased (Cost \$25,529,068) | | | 15,435,996 |
| Short Term Investments 25.0% | | | |
| | | Principal Amount [*] | Value |
| Foreign Government and Agency Securities 4.6% | | | |
| Argentina 0.1% | | | |
| ^{a,b,f} Argentina Letras de la Nacion Argentina con Ajuste por CER, Index Linked, 5/21/21. | | 227,299,481 ARS | 1,562,342 |
| Index Linked, 9/13/21. | | 125,420,461 ARS | 869,209 |
| Index Linked, 2/28/22. | | 60,891,838 ARS | 420,320 |
| | | | 2,851,871 |
| Japan 4.5% | | | |
| ^f Japan Treasury Bills, 4/12/21 | | 290,800,000 JPY | 2,626,407 |
| 6/16/21 | | 906,750,000 JPY | 8,190,998 |
| 8/10/21 | | 1,179,000,000 JPY | 10,652,169 |
| 11/22/21 | | 4,069,650,000 JPY | 36,782,991 |
| 12/20/21 | | 4,837,300,000 JPY | 43,725,952 |
| | | | 101,978,517 |
| Total Foreign Government and Agency Securities (Cost \$111,542,054) | | | 104,830,388 |
| U.S. Government and Agency Securities 2.9% | | | |
| United States 2.9% | | | |
| ^f U.S. Treasury Bills, 4/08/21. | | 64,460,000 | 64,460,000 |
| Total U.S. Government and Agency Securities (Cost \$64,458,997) | | | 64,460,000 |

Templeton Global Bond VIP Fund (continued)

Short Term Investments (continued)

| | Shares | | | Value |
|--|--------|------------------------|---------------------------------|-----------------|
| Money Market Funds 17.5% | | | | |
| United States 17.5% | | | | |
| ^{g,h} Institutional Fiduciary Trust - Money Market Portfolio, 0.01% | | 395,554,464 | | \$395,554,464 |
| Total Money Market Funds (Cost \$395,554,464) | | | | 395,554,464 |
| Total Short Term Investments (Cost \$571,555,515). | | | | 564,844,852 |
| Total Investments (Cost \$2,459,872,099) 99.1%. | | | | \$2,238,677,878 |
| Options Written (0.8)% | | | | (17,598,535) |
| Other Assets, less Liabilities 1.7%. | | | | 38,286,886 |
| Net Assets 100.0%. | | | | \$2,259,366,229 |
| | | Number of Contracts | Notional Amount [#] | |
| Options Written (0.8)% | | | | |
| Calls - Over-the-Counter | | | | |
| Currency Options | | | | |
| Foreign Exchange AUD/JPY, Counterparty CITI, April Strike Price 76.80 JPY, Expires 4/29/21 | 1 | 38,532,000 | AUD | (2,547,878) |
| Foreign Exchange AUD/JPY, Counterparty CITI, June Strike Price 78.00 JPY, Expires 6/21/21 | 1 | 29,640,000 | AUD | (1,704,987) |
| Foreign Exchange AUD/JPY, Counterparty CITI, June Strike Price 80.50 JPY, Expires 6/18/21 | 1 | 30,645,000 | AUD | (1,143,939) |
| Foreign Exchange AUD/JPY, Counterparty CITI, December Strike Price 81.20 JPY, Expires 12/20/21 | 1 | 22,983,000 | AUD | (977,574) |
| Foreign Exchange AUD/JPY, Counterparty CITI, June Strike Price 82.45 JPY, Expires 6/24/21 | 1 | 57,160,000 | AUD | (1,374,386) |
| Foreign Exchange USD/JPY, Counterparty CITI, August Strike Price 109.90 JPY, Expires 8/11/21 | 1 | 41,892,000 | | (806,224) |
| Foreign Exchange USD/MXN, Counterparty CITI, August Strike Price 21.15 MXN, Expires 8/20/21 | 1 | 14,780,000 | | (444,365) |
| Foreign Exchange USD/MXN, Counterparty CITI, April Strike Price 21.90 MXN, Expires 4/30/21 | 1 | 9,359,000 | | (26,279) |
| Foreign Exchange USD/MXN, Counterparty CITI, May Strike Price 22.48 MXN, Expires 5/20/21 | 1 | 28,112,000 | | (97,525) |
| Foreign Exchange USD/MXN, Counterparty CITI, June Strike Price 22.53 MXN, Expires 6/30/21 | 1 | 11,920,000 | | (100,401) |
| Foreign Exchange USD/MXN, Counterparty CITI, August Strike Price 23.43 MXN, Expires 8/20/21 | 1 | 15,371,000 | | (141,504) |
| Foreign Exchange USD/MXN, Counterparty CITI, August Strike Price 24.62 MXN, Expires 8/02/21 | 1 | 5,849,000 | | (25,539) |

Templeton Global Bond VIP Fund (continued)

| | Number of Contracts | Notional Amount# | Value |
|--|------------------------|---------------------|--------------------|
| Options Written (continued) | | | |
| Calls - Over-the-Counter (continued) | | | |
| Currency Options (continued) | | | |
| Foreign Exchange USD/MXN, Counterparty CITI, August Strike Price 25.22 MXN, Expires 8/20/21 | 1 | 14,056,000 | \$(58,641) |
| Foreign Exchange USD/MXN, Counterparty CITI, December Strike Price 25.33 MXN, Expires 12/28/21 | 1 | 22,150,000 | (245,674) |
| Foreign Exchange USD/MXN, Counterparty MSCO, August Strike Price 26.61 MXN, Expires 8/30/21 | 1 | 16,398,000 | (44,699) |
| Foreign Exchange USD/MXN, Counterparty MSCO, August Strike Price 27.38 MXN, Expires 8/11/21 | 1 | 16,398,000 | (27,030) |
| Foreign Exchange USD/MXN, Counterparty CITI, December Strike Price 27.93 MXN, Expires 12/07/21 | 1 | 10,512,000 | (48,522) |
| Foreign Exchange USD/MXN, Counterparty GSCO, June Strike Price 30.36 MXN, Expires 6/09/21 | 1 | 7,291,000 | (547) |
| Foreign Exchange USD/MXN, Counterparty CITI, October Strike Price 34.95 MXN, Expires 10/19/23 | 1 | 4,517,000 | (81,907) |
| Foreign Exchange USD/MXN, Counterparty CITI, October Strike Price 34.95 MXN, Expires 10/19/23 | 1 | 4,517,000 | (81,907) |
| | | | <u>(9,979,528)</u> |
| Puts - Over-the-Counter | | | |
| Currency Options | | | |
| Foreign Exchange AUD/JPY, Counterparty CITI, June Strike Price 64.86 JPY, Expires 6/21/21 | 1 | 59,280,000 AUD | (7,581) |
| Foreign Exchange AUD/JPY, Counterparty CITI, April Strike Price 66.00 JPY, Expires 4/29/21 | 1 | 25,688,000 AUD | (92) |
| Foreign Exchange AUD/JPY, Counterparty CITI, December Strike Price 68.40 JPY, Expires 12/20/21 | 1 | 22,983,000 AUD | (70,797) |
| Foreign Exchange AUD/JPY, Counterparty CITI, June Strike Price 71.60 JPY, Expires 6/18/21 | 1 | 61,289,000 AUD | (31,210) |
| Foreign Exchange AUD/JPY, Counterparty CITI, June Strike Price 75.60 JPY, Expires 6/24/21 | 1 | 35,725,000 AUD | (54,470) |
| Foreign Exchange AUD/JPY, Counterparty CITI, July Strike Price 75.90 JPY, Expires 7/15/21 | 1 | 25,550,000 AUD | (65,562) |
| Foreign Exchange USD/AUD, Counterparty HSBK, May Strike Price 1.29 AUD, Expires 5/05/21 | 1 | 15,290,750 | (65,884) |
| Foreign Exchange USD/AUD, Counterparty MSCO, April Strike Price 1.38 AUD, Expires 4/16/21 | 1 | 5,718,544 | (288,189) |

Templeton Global Bond VIP Fund (continued)

| | Number of Contracts | Notional Amount [#] | Value |
|--|------------------------|---------------------------------|-----------------------|
| Options Written (continued) | | | |
| Puts - Over-the-Counter (continued) | | | |
| Currency Options (continued) | | | |
| Foreign Exchange USD/JPY, Counterparty CITI, February Strike Price 95.85 JPY, Expires 2/23/22 . . . | 1 | 9,453,000 | \$(23,671) |
| Foreign Exchange USD/JPY, Counterparty CITI, August Strike Price 98.00 JPY, Expires 8/11/21 | 1 | 13,980,000 | (8,118) |
| Foreign Exchange USD/MXN, Counterparty CITI, April Strike Price 19.59 MXN, Expires 4/28/21 | 1 | 30,864,000 | (71,448) |
| Foreign Exchange USD/MXN, Counterparty GSCO, June Strike Price 19.61 MXN, Expires 6/09/21 | 1 | 7,291,000 | (54,879) |
| Foreign Exchange USD/MXN, Counterparty CITI, June Strike Price 19.79 MXN, Expires 6/21/21 | 1 | 34,913,000 | (400,683) |
| Foreign Exchange USD/MXN, Counterparty CITI, August Strike Price 19.86 MXN, Expires 8/20/21 | 1 | 23,056,000 | (391,251) |
| Foreign Exchange USD/MXN, Counterparty CITI, December Strike Price 19.92 MXN, Expires 12/28/21 | 1 | 19,450,000 | (455,880) |
| Foreign Exchange USD/MXN, Counterparty CITI, August Strike Price 20.36 MXN, Expires 8/20/21 | 1 | 56,224,000 | (1,519,987) |
| Foreign Exchange USD/MXN, Counterparty MSCO, August Strike Price 20.94 MXN, Expires 8/30/21 | 1 | 16,398,000 | (704,515) |
| Foreign Exchange USD/MXN, Counterparty MSCO, August Strike Price 21.43 MXN, Expires 8/11/21 | 1 | 16,398,000 | (951,659) |
| Foreign Exchange USD/MXN, Counterparty CITI, October Strike Price 22.32 MXN, Expires 10/19/23 | 1 | 9,033,000 | (634,187) |
| Foreign Exchange USD/MXN, Counterparty CITI, October Strike Price 22.32 MXN, Expires 10/19/23 | 1 | 16,875,000 | (1,184,757) |
| Foreign Exchange USD/MXN, Counterparty CITI, October Strike Price 22.32 MXN, Expires 10/19/23 | 1 | 9,033,000 | (634,187) |
| | | | (7,619,007) |
| Total Options Written (Premiums received \$14,519,160) | | | \$(17,598,535) |

[#]Notional amount is the number of units specified in the contract, and can 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.

^aRedemption price at maturity is adjusted for inflation.

^bSecurities denominated in Argentine Peso have been designated as Level 3 investments. See Note 11 regarding fair value measurements.

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

^dSecurity was purchased pursuant to Rule 144A or Regulation S under the Securities Act of 1933. 144A securities may be sold in transactions exempt from registration only to qualified institutional buyers or in a public offering registered under the Securities Act of 1933. Regulation S securities cannot be sold in the United States without either an effective registration statement filed pursuant to the Securities Act of 1933, or pursuant to an exemption from registration. At March 31, 2021, the aggregate value of these securities was \$127,601,779, representing 5.6% of net assets.

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

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

Templeton Global Bond VIP Fund (continued)^a See Note 9 regarding investments in affiliated management investment companies.^b The rate shown is the annualized seven-day effective yield at period end.

At March 31, 2021, the Fund had the following forward exchange contracts outstanding. See Note 3.

Forward Exchange Contracts

| Currency | Counter-party ^a | Type | Quantity | Contract Amount* | Settlement Date | Unrealized Appreciation | Unrealized Depreciation |
|---------------------------------------|----------------------------|------|---------------|-------------------|-----------------|-------------------------|-------------------------|
| OTC Forward Exchange Contracts | | | | | | | |
| Japanese Yen | CITI | Buy | 2,796,566,000 | 26,363,522 | 4/01/21 | \$— | \$(1,106,661) |
| Japanese Yen | CITI | Sell | 2,796,566,000 | 26,149,407 | 4/01/21 | 892,545 | — |
| Japanese Yen | JPHQ | Buy | 4,594,279,100 | 43,304,589 | 4/01/21 | — | (1,811,890) |
| Japanese Yen | JPHQ | Sell | 4,594,279,100 | 42,279,886 | 4/01/21 | 787,187 | — |
| Brazilian Real | CITI | Buy | 196,017,781 | 34,899,126 | 4/05/21 | — | (76,283) |
| Brazilian Real | CITI | Sell | 196,017,781 | 35,427,034 | 4/05/21 | 604,192 | — |
| Brazilian Real | HSBK | Buy | 42,993,575 | 7,919,801 | 4/05/21 | — | (281,930) |
| Brazilian Real | HSBK | Sell | 42,993,575 | 8,061,497 | 4/05/21 | 423,626 | — |
| Brazilian Real | JPHQ | Buy | 60,285,900 | 10,763,417 | 4/05/21 | — | (53,540) |
| Brazilian Real | JPHQ | Sell | 60,285,900 | 11,154,554 | 4/05/21 | 444,676 | — |
| Mexican Peso | GSCO | Buy | 452,466,000 | 21,668,925 | 4/05/21 | 466,835 | — |
| Mexican Peso | GSCO | Sell | 452,466,000 | 20,057,895 | 4/05/21 | — | (2,077,865) |
| Japanese Yen | JPHQ | Buy | 1,198,805,442 | 11,687,966 | 4/07/21 | — | (860,891) |
| Japanese Yen | JPHQ | Sell | 1,198,805,442 | 11,032,143 | 4/07/21 | 205,068 | — |
| Australian Dollar | HSBK | Sell | 14,684,959 | 1,111,761,533 JPY | 4/13/21 | — | (1,112,760) |
| Australian Dollar | JPHQ | Sell | 28,382,293 | 2,152,140,576 JPY | 4/13/21 | — | (2,120,080) |
| Euro | GSCO | Sell | 7,929,023 | 8,527,545 CHF | 4/13/21 | — | (273,763) |
| Euro | UBSW | Sell | 5,043,109 | 5,430,597 CHF | 4/13/21 | — | (166,916) |
| Japanese Yen | HSBK | Sell | 1,165,175,134 | 14,684,959 AUD | 4/13/21 | 630,325 | — |
| Japanese Yen | JPHQ | Buy | 1,064,193,098 | 10,377,208 | 4/13/21 | — | (765,355) |
| Japanese Yen | JPHQ | Sell | 1,064,193,098 | 9,782,275 | 4/13/21 | 170,422 | — |
| Japanese Yen | JPHQ | Sell | 2,262,998,540 | 28,382,293 AUD | 4/13/21 | 1,118,805 | — |
| Mexican Peso | CITI | Buy | 448,871,600 | 21,745,573 | 4/13/21 | 195,322 | — |
| Mexican Peso | CITI | Sell | 448,871,600 | 21,252,310 | 4/13/21 | — | (688,584) |
| Swiss Franc | GSCO | Sell | 8,527,545 | 7,869,025 EUR | 4/13/21 | 203,399 | — |
| Swiss Franc | UBSW | Sell | 5,430,597 | 5,022,192 EUR | 4/13/21 | 142,385 | — |
| Chinese Yuan | HSBK | Buy | 135,702,480 | 20,885,659 | 4/14/21 | — | (230,926) |
| Euro | DBAB | Sell | 13,397,109 | 138,688,215 SEK | 4/15/21 | 167,737 | — |
| Euro | DBAB | Sell | 10,025,271 | 104,016,200 SEK | 4/16/21 | 152,136 | — |
| Euro | DBAB | Sell | 10,277,367 | 104,016,200 SEK | 4/19/21 | — | (143,948) |
| Euro | JPHQ | Sell | 19,186,752 | 198,445,700 NOK | 4/19/21 | 695,089 | — |
| South Korean Won | HSBK | Buy | 7,007,000,000 | 6,387,187 | 4/20/21 | — | (173,996) |
| South Korean Won | HSBK | Sell | 7,007,000,000 | 6,116,980 | 4/20/21 | — | (96,212) |
| Australian Dollar | MSCO | Buy | 2,096,000 | 1,573,425 | 4/21/21 | 18,675 | — |
| Australian Dollar | MSCO | Sell | 2,096,000 | 1,489,732 | 4/21/21 | — | (102,369) |
| Euro | CITI | Sell | 20,106,927 | 2,467,743,293 JPY | 4/30/21 | — | (1,297,194) |
| Japanese Yen | CITI | Buy | 4,212,680,000 | 40,850,745 | 4/30/21 | — | (2,795,538) |
| Japanese Yen | CITI | Sell | 4,212,680,000 | 38,740,850 | 4/30/21 | 685,643 | — |
| Mexican Peso | CITI | Buy | 788,670 | 38,192 | 4/30/21 | 287 | — |
| Mexican Peso | CITI | Sell | 660,655,100 | 29,513,293 | 4/30/21 | — | (2,720,122) |
| Euro | HSBK | Sell | 25,280,325 | 39,218,884 CAD | 5/03/21 | 1,546,506 | — |
| Indian Rupee | JPHQ | Buy | 205,330,400 | 2,777,926 | 5/04/21 | 13,930 | — |
| Australian Dollar | CITI | Sell | 2,393,000 | 178,673,345 JPY | 5/06/21 | — | (203,657) |
| Indian Rupee | CITI | Buy | 149,657,200 | 2,021,165 | 5/10/21 | 11,698 | — |
| Indian Rupee | HSBK | Buy | 241,380,400 | 3,265,648 | 5/10/21 | 13,133 | — |
| Mexican Peso | CITI | Buy | 23,651,000 | 1,143,168 | 5/13/21 | 9,060 | — |
| Mexican Peso | CITI | Sell | 23,651,000 | 1,136,767 | 5/13/21 | — | (15,461) |
| Australian Dollar | MSCO | Sell | 32,500,000 | 25,240,800 | 5/14/21 | 552,208 | — |
| Euro | DBAB | Sell | 25,323,276 | 255,476,400 SEK | 5/17/21 | — | (458,530) |
| Japanese Yen | CITI | Buy | 727,486,679 | 6,927,290 | 5/17/21 | — | (354,621) |
| Japanese Yen | CITI | Sell | 407,000,000 | 3,743,527 | 5/17/21 | 66,379 | — |

Templeton Global Bond VIP Fund (continued)

Forward Exchange Contracts (continued)

| Currency | Counter-party ^a | Type | Quantity | Contract Amount* | Settlement Date | Unrealized Appreciation | Unrealized Depreciation |
|---|----------------------------|------|----------------|-------------------|-----------------|-------------------------|-------------------------|
| OTC Forward Exchange Contracts (continued) | | | | | | | |
| Chinese Yuan | JPHQ | Buy | 94,285,000 | 14,582,003 | 5/20/21 | \$— | \$(270,628) |
| Euro | GSCO | Sell | 1,230,811 | 1,466,757 | 5/20/21 | 22,130 | — |
| Mexican Peso | CITI | Buy | 450,000,000 | 21,361,030 | 5/20/21 | 544,043 | — |
| Mexican Peso | CITI | Sell | 659,799,977 | 32,650,691 | 5/20/21 | 532,988 | — |
| Euro | JPHQ | Sell | 13,349,846 | 15,865,958 | 5/24/21 | 195,571 | — |
| Euro | BOFA | Sell | 1,336,000 | 1,612,686 | 5/27/21 | 44,349 | — |
| Euro | MSCO | Sell | 30,744,500 | 36,649,289 | 5/27/21 | 558,188 | — |
| Mexican Peso | CITI | Sell | 861,862,000 | 40,839,766 | 6/02/21 | — | (1,049,919) |
| Indian Rupee | CITI | Buy | 151,776,500 | 2,018,439 | 6/08/21 | 33,847 | — |
| Euro | UBSW | Sell | 8,063,735 | 8,689,078 CHF | 6/09/21 | — | (257,840) |
| Indian Rupee | CITI | Buy | 89,376,700 | 1,187,888 | 6/09/21 | 20,479 | — |
| Swiss Franc | UBSW | Sell | 8,689,078 | 8,031,536 EUR | 6/09/21 | 220,031 | — |
| Chinese Yuan | BOFA | Buy | 184,017,140 | 27,999,560 | 6/11/21 | — | (114,868) |
| Chinese Yuan | CITI | Buy | 110,295,310 | 16,799,736 | 6/11/21 | — | (86,343) |
| Chinese Yuan | JPHQ | Buy | 109,163,880 | 16,631,739 | 6/11/21 | — | (89,795) |
| Euro | DBAB | Sell | 26,961,737 | 277,376,415 SEK | 6/11/21 | 116,799 | — |
| Indian Rupee | HSBK | Buy | 242,055,750 | 3,268,285 | 6/11/21 | 3,411 | — |
| Chinese Yuan | BOFA | Buy | 220,626,460 | 33,599,471 | 6/15/21 | — | (177,442) |
| Chinese Yuan | CITI | Buy | 174,157,260 | 26,530,972 | 6/15/21 | — | (148,420) |
| Chinese Yuan | JPHQ | Buy | 188,842,190 | 28,788,718 | 6/15/21 | — | (181,591) |
| Euro | DBAB | Sell | 5,298,434 | 54,462,600 SEK | 6/15/21 | 17,334 | — |
| Euro | DBAB | Sell | 6,199,274 | 66,595,700 NOK | 6/15/21 | 504,805 | — |
| Japanese Yen | CITI | Buy | 3,558,290,259 | 34,310,002 | 6/15/21 | — | (2,153,423) |
| Japanese Yen | JPHQ | Buy | 14,722,547,314 | 141,897,232 | 6/15/21 | — | (8,848,291) |
| Chinese Yuan | HSBK | Buy | 136,590,880 | 20,820,733 | 6/16/21 | — | (130,574) |
| Euro | DBAB | Sell | 9,571,391 | 101,812,800 NOK | 6/16/21 | 661,324 | — |
| Euro | DBAB | Sell | 30,655,025 | 312,096,855 SEK | 6/16/21 | — | (244,547) |
| Mexican Peso | MSCO | Sell | 720,230,800 | 33,252,814 | 6/16/21 | — | (1,700,362) |
| Euro | DBAB | Sell | 8,945,963 | 95,003,000 NOK | 6/18/21 | 599,293 | — |
| Euro | JPHQ | Sell | 2,465,027 | 25,140,000 SEK | 6/18/21 | — | (14,723) |
| Japanese Yen | BNDP | Buy | 2,244,657,680 | 21,784,862 | 6/22/21 | — | (1,498,193) |
| Euro | HSBK | Sell | 25,254,215 | 3,284,638,992 JPY | 6/25/21 | 21,833 | — |
| Euro | CITI | Sell | 33,700,000 | 39,765,036 | 6/28/21 | 176,738 | — |
| Euro | CITI | Sell | 67,857,228 | 8,642,895,817 JPY | 6/30/21 | — | (1,598,179) |
| Mexican Peso | CITI | Sell | 985,173,000 | 45,889,746 | 7/08/21 | — | (1,807,389) |
| Australian Dollar | JPHQ | Sell | 5,931,544 | 451,307,483 JPY | 7/13/21 | — | (427,075) |
| Japanese Yen | JPHQ | Sell | 472,283,477 | 5,931,544 AUD | 7/13/21 | 237,456 | — |
| Chinese Yuan | CITI | Buy | 125,329,450 | 19,205,224 | 7/14/21 | — | (261,524) |
| Euro | CITI | Sell | 4,519,702 | 7,054,790 CAD | 8/03/21 | 300,295 | — |
| Euro | HSBK | Sell | 50,388,544 | 78,404,584 CAD | 8/03/21 | 3,151,526 | — |
| Euro | JPHQ | Sell | 13,349,845 | 16,142,686 | 8/23/21 | 440,569 | — |
| Mexican Peso | CITI | Sell | 539,656,000 | 24,938,584 | 8/23/21 | — | (1,046,778) |
| Euro | CITI | Sell | 15,587,141 | 2,000,157,581 JPY | 8/24/21 | — | (244,551) |
| Japanese Yen | CITI | Buy | 990,030,000 | 9,397,050 | 8/24/21 | — | (443,186) |
| Indian Rupee | JPHQ | Buy | 205,911,800 | 2,737,497 | 9/07/21 | 13,552 | — |
| Indian Rupee | CITI | Buy | 200,059,600 | 2,660,544 | 9/08/21 | 11,967 | — |
| Indian Rupee | JPHQ | Buy | 266,347,200 | 3,564,031 | 9/08/21 | — | (6,013) |
| Euro | DBAB | Sell | 5,298,436 | 54,526,200 SEK | 9/15/21 | 17,223 | — |
| Euro | DBAB | Sell | 6,199,272 | 66,742,600 NOK | 9/15/21 | 506,360 | — |
| Euro | DBAB | Sell | 17,057,650 | 173,360,316 SEK | 9/16/21 | — | (194,796) |
| Euro | JPHQ | Sell | 19,578,885 | 198,445,700 NOK | 9/16/21 | 155,691 | — |
| Euro | JPHQ | Sell | 19,009,633 | 202,667,400 NOK | 9/20/21 | 1,316,984 | — |
| Japanese Yen | JPHQ | Buy | 1,180,260,000 | 11,507,883 | 9/21/21 | — | (830,248) |
| Japanese Yen | MSCO | Buy | 9,526,876,470 | 92,355,861 | 9/21/21 | — | (6,167,638) |
| Euro | JPHQ | Sell | 22,781,770 | 230,077,650 NOK | 9/30/21 | 75,135 | — |
| Euro | HSBK | Sell | 25,253,939 | 3,185,910,659 JPY | 10/25/21 | — | (911,520) |

Templeton Global Bond VIP Fund (continued)

Forward Exchange Contracts (continued)

| Currency | Counter-party ^a | Type | Quantity | Contract Amount* | Settlement Date | Unrealized Appreciation | Unrealized Depreciation |
|--|----------------------------|------|-----------|------------------|-----------------|-------------------------|-------------------------|
| OTC Forward Exchange Contracts (continued) | | | | | | | |
| Euro | BOFA | Sell | 5,729,854 | 8,949,000 CAD | 11/02/21 | \$370,297 | \$— |
| Total Forward Exchange Contracts | | | | | | \$21,087,486 | \$(50,894,948) |
| Net unrealized appreciation (depreciation) | | | | | | | \$(29,807,462) |

* In U.S. dollars unless otherwise indicated.

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

See Abbreviations on page 169 .

Statement of Investments (unaudited), March 31, 2021

Templeton Growth VIP Fund

| | Country | Shares | Value |
|---|----------------|-----------|-------------|
| Common Stocks 93.3% | | | |
| Aerospace & Defense 1.1% | | | |
| BAE Systems plc | United Kingdom | 1,134,492 | \$7,899,538 |
| Air Freight & Logistics 1.2% | | | |
| United Parcel Service, Inc., B | United States | 49,933 | 8,488,111 |
| Airlines 3.2% | | | |
| ^a International Consolidated Airlines Group SA | United Kingdom | 2,386,178 | 6,522,646 |
| ^a Japan Airlines Co. Ltd. | Japan | 302,900 | 6,783,735 |
| ^a Southwest Airlines Co. | United States | 156,671 | 9,566,331 |
| | | | 22,872,712 |
| Auto Components 2.9% | | | |
| BorgWarner, Inc. | United States | 157,695 | 7,310,740 |
| Continental AG | Germany | 55,291 | 7,318,496 |
| Lear Corp. | United States | 33,796 | 6,125,525 |
| | | | 20,754,761 |
| Automobiles 1.6% | | | |
| Honda Motor Co. Ltd. | Japan | 272,606 | 8,217,852 |
| Isuzu Motors Ltd. | Japan | 304,100 | 3,265,976 |
| | | | 11,483,828 |
| Beverages 5.1% | | | |
| Anheuser-Busch InBev SA/NV | Belgium | 279,958 | 17,597,456 |
| Kirin Holdings Co. Ltd. | Japan | 343,271 | 6,586,731 |
| Pernod Ricard SA | France | 35,070 | 6,563,816 |
| Suntory Beverage & Food Ltd. | Japan | 166,475 | 6,207,966 |
| | | | 36,955,969 |
| Chemicals 4.2% | | | |
| Albemarle Corp. | United States | 67,929 | 9,925,106 |
| DuPont de Nemours, Inc. | United States | 167,810 | 12,968,357 |
| Umicore SA | Belgium | 135,579 | 7,192,454 |
| | | | 30,085,917 |
| Consumer Finance 1.3% | | | |
| American Express Co. | United States | 64,909 | 9,180,729 |
| Diversified Telecommunication Services 2.0% | | | |
| ^a Verizon Communications, Inc. | United States | 248,957 | 14,476,850 |
| Electric Utilities 1.0% | | | |
| Southern Co. (The) | United States | 120,348 | 7,480,832 |
| Electrical Equipment 1.2% | | | |
| Mitsubishi Electric Corp. | Japan | 565,700 | 8,645,622 |
| Electronic Equipment, Instruments & Components 1.3% | | | |
| Kyocera Corp. | Japan | 148,032 | 9,419,268 |
| Entertainment 3.1% | | | |
| Nexon Co. Ltd. | Japan | 178,387 | 5,788,309 |
| ^a Walt Disney Co. (The) | United States | 90,835 | 16,760,874 |
| | | | 22,549,183 |
| Food & Staples Retailing 2.2% | | | |
| Sysco Corp. | United States | 199,267 | 15,690,284 |
| Food Products 0.5% | | | |
| Danone SA | France | 48,706 | 3,333,547 |

Templeton Growth VIP Fund (continued)

| | Country | Shares | Value |
|---|----------------|-----------|--------------|
| Common Stocks (continued) | | | |
| Health Care Equipment & Supplies 2.8% | | | |
| Medtronic plc | United States | 87,358 | \$10,319,600 |
| Zimmer Biomet Holdings, Inc. | United States | 61,949 | 9,916,796 |
| | | | 20,236,396 |
| Health Care Providers & Services 1.5% | | | |
| ^a Laboratory Corp. of America Holdings | United States | 32,468 | 8,280,314 |
| UnitedHealth Group, Inc. | United States | 6,402 | 2,381,992 |
| | | | 10,662,306 |
| Hotels, Restaurants & Leisure 7.5% | | | |
| ^a Compass Group plc | United Kingdom | 473,633 | 9,567,789 |
| ^a Galaxy Entertainment Group Ltd. | Macau | 985,743 | 8,911,506 |
| ^a Hyatt Hotels Corp., A. | United States | 51,013 | 4,218,775 |
| ^a InterContinental Hotels Group plc | United Kingdom | 126,410 | 8,691,877 |
| ^a Starbucks Corp. | United States | 56,480 | 6,171,569 |
| ^a Whitbread plc | United Kingdom | 118,727 | 5,603,750 |
| Yum China Holdings, Inc. | China | 181,765 | 10,762,306 |
| | | | 53,927,572 |
| Household Durables 3.6% | | | |
| Gree Electric Appliances, Inc. of Zhuhai, A. | China | 418,320 | 4,015,153 |
| Panasonic Corp. | Japan | 739,440 | 9,575,347 |
| Sony Group Corp. | Japan | 116,299 | 12,308,327 |
| | | | 25,898,827 |
| Industrial Conglomerates 2.3% | | | |
| Honeywell International, Inc. | United States | 31,539 | 6,846,170 |
| Siemens AG | Germany | 60,461 | 9,933,596 |
| | | | 16,779,766 |
| Insurance 1.9% | | | |
| AIA Group Ltd. | Hong Kong | 1,101,645 | 13,480,664 |
| Internet & Direct Marketing Retail 1.9% | | | |
| ^a Booking Holdings, Inc. | United States | 5,950 | 13,862,548 |
| IT Services 3.9% | | | |
| ^a EPAM Systems, Inc. | United States | 32,355 | 12,834,905 |
| Fujitsu Ltd. | Japan | 40,441 | 5,884,719 |
| Visa, Inc., A. | United States | 43,948 | 9,305,110 |
| | | | 28,024,734 |
| Machinery 3.3% | | | |
| Komatsu Ltd. | Japan | 440,500 | 13,650,791 |
| Makita Corp. | Japan | 141,800 | 6,090,582 |
| Stanley Black & Decker, Inc. | United States | 22,400 | 4,472,608 |
| | | | 24,213,981 |
| Marine 0.8% | | | |
| AP Moller - Maersk A/S, B. | Denmark | 2,632 | 6,110,044 |
| Media 1.6% | | | |
| ^a Comcast Corp., A | United States | 190,501 | 10,308,009 |
| SES SA, FDR | Luxembourg | 139,722 | 1,108,327 |
| | | | 11,416,336 |
| Metals & Mining 4.0% | | | |
| ArcelorMittal SA | Luxembourg | 394,019 | 11,339,465 |
| ^a Freeport-McMoRan, Inc. | United States | 274,582 | 9,041,985 |

Templeton Growth VIP Fund (continued)

| | Country | Shares | Value |
|---|----------------|-------------------------------|--------------------|
| Common Stocks (continued) | | | |
| Metals & Mining (continued) | | | |
| Wheaton Precious Metals Corp. | Brazil | 220,413 | \$8,418,065 |
| | | | 28,799,515 |
| Multiline Retail 2.2% | | | |
| ^a Dollar Tree, Inc. | United States | 138,131 | 15,810,474 |
| Multi-Utilities 2.5% | | | |
| E.ON SE. | Germany | 1,233,652 | 14,375,722 |
| Public Service Enterprise Group, Inc. | United States | 62,953 | 3,790,400 |
| | | | 18,166,122 |
| Oil, Gas & Consumable Fuels 4.0% | | | |
| BP plc. | United Kingdom | 1,941,401 | 7,884,743 |
| Equinor ASA. | Norway | 403,332 | 7,872,340 |
| Marathon Petroleum Corp. | United States | 246,250 | 13,171,912 |
| | | | 28,928,995 |
| Pharmaceuticals 4.4% | | | |
| Roche Holding AG | Switzerland | 46,662 | 15,117,447 |
| Sanofi. | France | 168,050 | 16,616,064 |
| | | | 31,733,511 |
| Road & Rail 0.7% | | | |
| East Japan Railway Co. | Japan | 31,800 | 2,261,214 |
| Keisei Electric Railway Co. Ltd. | Japan | 80,000 | 2,619,283 |
| | | | 4,880,497 |
| Semiconductors & Semiconductor Equipment 2.7% | | | |
| Infineon Technologies AG | Germany | 190,200 | 8,091,863 |
| NXP Semiconductors NV | Netherlands | 55,236 | 11,121,216 |
| | | | 19,213,079 |
| Specialty Retail 3.5% | | | |
| Ross Stores, Inc. | United States | 106,555 | 12,777,010 |
| TJX Cos., Inc. (The) | United States | 194,298 | 12,852,813 |
| | | | 25,629,823 |
| Technology Hardware, Storage & Peripherals 3.6% | | | |
| Samsung Electronics Co. Ltd. | South Korea | 354,453 | 25,732,009 |
| Textiles, Apparel & Luxury Goods 1.8% | | | |
| ^a adidas AG. | Germany | 14,503 | 4,530,219 |
| ^a Burberry Group plc | United Kingdom | 339,141 | 8,870,587 |
| | | | 13,400,806 |
| Wireless Telecommunication Services 0.9% | | | |
| ^a T-Mobile US, Inc. | United States | 52,221 | 6,542,769 |
| Total Common Stocks (Cost \$490,317,268) | | | 672,767,925 |
| Short Term Investments 2.2% | | | |
| | Country | Principal Amount ^c | Value |
| U.S. Government and Agency Securities 0.1% | | | |
| ^b FFCB, 4/01/21 | United States | 600,000 | 600,000 |
| Total U.S. Government and Agency Securities (Cost \$600,000). | | | 600,000 |

Templeton Growth VIP Fund (continued)

Short Term Investments (continued)

| | Country | Principal Amount [*] | Value |
|---|---------|----------------------------------|----------------------|
| Time Deposits 2.1% | | | |
| Royal Bank of Canada, 0.02%, 4/01/21 | Canada | 15,000,000 | \$15,000,000 |
| Total Time Deposits (Cost \$15,000,000) | | | 15,000,000 |
| Total Short Term Investments (Cost \$15,600,000) | | | 15,600,000 |
| Total Investments (Cost \$505,917,268) 95.5% | | | \$688,367,925 |
| Other Assets, less Liabilities 4.5% | | | 32,947,487 |
| Net Assets 100.0% | | | \$721,315,412 |

See Abbreviations on page 169.

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

^aNon-income producing.

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

Notes to Statement of Investments (unaudited)

1. Organization

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 (Funds) and applies the specialized accounting and reporting guidance in U.S. Generally Accepted Accounting Principles (U.S. GAAP). Shares of the Funds are generally sold only to insurance company separate accounts to fund the benefits of variable life insurance policies or variable annuity contracts.

Certain or all Funds invest primarily in other funds of the Trust (Underlying Funds) and/or exchange traded funds (ETFs).

The accounting policies of the Underlying Funds are outlined in their respective shareholder reports. A copy of the Underlying Funds' shareholder reports is available on the U.S. Securities and Exchange Commission (SEC) website at sec.gov. The Underlying Funds' shareholder reports are not covered by this report.

2. Financial Instrument Valuation

The Funds' 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 Funds calculate 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 Funds' administrator has responsibility for oversight of valuation, including leading the cross-functional Valuation Committee (VC). The Funds 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 Funds' 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. Investments in repurchase agreements are valued at cost, which approximates fair value.

Certain derivative financial instruments are centrally cleared or trade in the OTC market. The Funds' 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 Funds' net benefit or obligation under the derivative contract, as measured by the fair value of the contract, is included in net assets.

2. Financial Instrument Valuation (continued)

The Funds have procedures to determine the fair value of financial instruments for which market prices are not reliable or readily available. Under these procedures, the Funds primarily employ a market-based approach which may use related or comparable assets or liabilities, recent transactions, market multiples, book values, 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 Funds' 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 Funds' 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 Funds' portfolio securities to the latest indications of fair value at 4 p.m. Eastern time. At March 31, 2021, certain securities may have been fair valued using these procedures, in which case the securities were categorized as Level 2 inputs 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 Funds' NAV is not calculated, which could result in differences between the value of the Funds' 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 Funds for financial reporting purposes.

3. Derivative Financial Instruments

Certain or all Funds 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.

Derivative counterparty credit risk is managed through a formal evaluation of the creditworthiness of all potential counterparties. Certain or all Funds attempt to reduce their 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 Funds include failure of the Funds 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. Early termination by the counterparty may result in an immediate payment by the Funds of any net liability owed to that counterparty under the ISDA agreement.

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

3. Derivative Financial Instruments (continued)

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 the 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 Funds' 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.

At March 31, 2021, Funds received U.S. Treasury Bills, Bonds and Notes as collateral for derivatives, as follows:

Franklin Mutual Global Discovery VIP Fund- \$1,155,654

Franklin Mutual Shares VIP Fund- \$1,904,674

Templeton Global Bond VIP Fund- \$2,714,193

Certain or all Funds entered into exchange traded futures contracts primarily to manage and/or gain exposure to interest rate/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.

Certain or all Funds 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.

Certain or all Funds 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 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. 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 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.

Certain or all Funds entered into OTC cross currency swap contracts primarily to manage and/or gain exposure to interest rate risk and certain foreign currencies. A cross currency swap is an agreement between the Fund and a counterparty to exchange cash flows (determined using either a fixed or floating rate) based on the notional amounts of two different currencies. The notional amounts are typically determined based on the spot exchange rates at the opening of the contract. Cross currency swaps may require the exchange of notional amounts at the opening and/or closing of the contract. Over the term of the

3. Derivative Financial Instruments (continued)

contract, contractually required payments to be paid and to be received are accrued daily and recorded as unrealized depreciation and appreciation until the payments are made, at which time they are realized. Upfront payments and receipts represent compensating factors between stated terms of the cross currency swap contract and prevailing market conditions (interest rate spreads and other relevant factors). These upfront payments and receipts are amortized over the term of the contract as a realized gain or loss.

Certain or all Funds entered into inflation index swap contracts primarily to manage and/or gain exposure to inflation risk. An inflation index swap is an agreement between the Fund and a counterparty to exchange cash flows whereby one party makes payments based on the percentage change in an index that serves as a measure of inflation and the other party makes a regular payment based on a compounded fixed rate, applied to a notional amount. These agreements may be privately negotiated in the over-the-counter market (OTC inflation index swap) or may be executed on a registered exchange (centrally cleared inflation index swap). For centrally cleared inflation index 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. Over the term of the contract, contractually required payments to be paid and to be received are accrued daily and recorded as unrealized depreciation and appreciation until the payments are made, at which time they are realized. Typically, an inflation index swap has payment obligations netted and exchanged upon maturity.

Certain or all Funds entered into OTC total return swap contracts primarily to manage and/or gain exposure to equity price risk of an underlying instrument such as a stock, bond, index or basket of securities or indices. A total return swap is an agreement between the Fund and a counterparty to exchange a return linked to an underlying instrument for a floating or fixed rate payment, both based upon a notional amount. Over the term of the contract, contractually required payments to be paid or received are accrued daily and recorded as unrealized appreciation or depreciation until the payments are made, at which time they are recognized as realized gain or loss.

Certain or all Funds purchased or wrote exchange traded and OTC option contracts primarily to manage exposure to equity price and foreign exchange 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.

Certain or all Funds invest in value recovery instruments (VRI) primarily to gain exposure to economic growth. Periodic payments from VRI are dependent on established benchmarks for underlying variables. VRI has a notional amount, which is used to calculate amounts of payments to holders. Payments are recorded upon receipt as realized gains. The risks of investing in VRI include growth risk, liquidity, and the potential loss of investment.

The following Funds have invested in derivatives during the period.

Franklin Allocation VIP Fund – Futures

Franklin Mutual Global Discovery VIP Fund - Futures and forwards

Franklin Mutual Shares VIP Fund - Futures and forwards

Franklin Strategic Income VIP Fund - Futures, forwards, options, swaps and VRI.

Franklin VolSmart Allocation VIP Fund - Futures and swaps

3. Derivative Financial Instruments (continued)

Templeton Global Bond VIP Fund – Options and forwards

4. Mortgage Dollar Rolls

Franklin Strategic Income VIP Fund enters into mortgage dollar rolls, typically on a to-be-announced 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.

5. Concentration of Risk

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

Certain or all Funds invest a large percentage of their total assets in Real Estate Investment Trust securities. Such concentration may subject the Funds to special risks associated with real estate securities. These securities may be more sensitive to economic or regulatory developments due to a variety of factors such as local, regional, national and global economic conditions, interest rates and tax considerations.

The United States and other nations have imposed and could impose additional sanctions on certain issuers in Russia due to regional conflicts. These sanctions could result in the devaluation of Russia's currency, a downgrade in Russian issuers' credit ratings, or a decline in the value and liquidity of Russian stocks or other securities. Such sanctions could also adversely affect Russia's economy. Certain or all Funds may be prohibited from investing in securities issued by companies subject to such sanctions. In addition, if the Fund holds the securities of an issuer that is subject to such sanctions, an immediate freeze of that issuer's securities could result, impairing the ability of the Fund to buy, sell, receive or deliver those securities. There is also the risk that countermeasures could be taken by Russia's government, which could involve the seizure of the Fund's assets. These risks could affect the value of the Funds' portfolio. While the Funds hold securities of certain issuers impacted by the sanctions, existing investments do not presently violate the applicable terms and conditions of the sanctions. The sanctions currently do not affect the Funds' ability to sell these securities. At March 31, 2021, Templeton Developing Markets VIP Fund had 6.3% of its net assets invested in Russia. The remaining Funds in the Trust did not have a significant investment in Russia.

Investments in issuers domiciled or with significant operations in developing or emerging market countries may be subject to higher risks than investments in developed countries. These risks include fluctuating currency values, underdeveloped legal or business systems, and changing local and regional economic, political and social conditions, which may result in greater market volatility. In addition, certain foreign securities may not be as liquid as U.S. securities. Currencies of developing or emerging market countries may be subject to significantly greater risks than currencies of developed countries, including the potential inability to repatriate those currencies into U.S. dollars.

5. Concentration of Risk (continued)

At March 31, 2021, Templeton Global Bond VIP Fund had 2.4% of its net assets denominated in Argentine Pesos, which has restricted currency repatriation since September 2019, and had restructured certain issues of its debt. Political and economic conditions in Argentina could continue to affect the value of the Fund's holdings.

6. Novel Coronavirus Pandemic

The global outbreak of the novel coronavirus disease, known as COVID-19, has caused adverse effects on many companies, sectors, nations, regions and the markets in general, and may continue for an unpredictable duration. The effects of this pandemic may materially impact the value and performance of the Funds, their ability to buy and sell fund investments at appropriate valuations and their ability to achieve their investment objectives.

7. Restricted Securities

At March 31, 2021, investments in restricted securities, excluding securities exempt from registration under the Securities Act of 1933, were as follows:

| Shares | Issuer | Acquisition Date | Cost | Value |
|--|---|------------------|-----------|---------|
| Franklin Mutual Global Discovery VIP Fund | | | | |
| 424,073 | International Automotive Components Group BVBA . . | 12/26/08 | \$281,629 | \$7,645 |
| | Total Restricted Securities (Value is 0.0%* of Net Assets) | | \$281,629 | \$7,645 |

| Shares/ Warrants | Issuer | Acquisition Date | Cost | Value |
|--|--|------------------|-------------|-------------|
| Franklin Mutual Shares VIP Fund | | | | |
| 1,730,515 | International Automotive Components Group BVBA . . | 4/13/06-12/26/08 | \$1,149,241 | \$31,198 |
| 2,039 | Wayne Services Legacy Inc | 1/22/20 | — | — |
| 609,467 | Windstream Holdings, Inc. | 9/21/20 | 4,827,676 | 9,214,017 |
| 34,368 | Windstream Holdings, Inc. 9/21/55 | 9/21/20 | 436,130 | 519,581 |
| | Total Restricted Securities (Value is 0.32% of Net Assets). | | \$6,413,047 | \$9,764,796 |

| Shares | Issuer | Acquisition Date | Cost | Value |
|---|--|------------------|--------------|--------------|
| Franklin Small-Mid Cap Growth VIP Fund | | | | |
| 48,025 | Alkami Technology, Inc., F | 9/24/20 | \$768,400 | \$798,170 |
| 92,392 | Allbirds, Inc., E | 9/22/20 | 1,068,276 | 1,105,631 |
| 141,632 | Blaize, Inc., D | 3/02/21 | 1,478,997 | 1,478,992 |
| 79,866 | Churchill Capital Corp IV | 2/22/21 | 1,197,990 | 1,197,990 |
| 8,626 | Databricks Inc | 2/01/21 | 1,529,976 | 1,529,976 |
| 92,539 | Fanatics, Inc., E | 8/13/20 | 1,600,000 | 2,477,270 |
| 2,000 | Fanatics, Inc., F | 3/22/21 | 69,739 | 69,740 |
| 129,178 | Marqeta, Inc. | 8/20/20 | 1,077,009 | 1,208,923 |
| 74,800 | NEW Starship Parent, Inc. | 2/02/21 | 748,000 | 748,000 |
| 48,915 | Newsela, Inc., D | 1/21/21 | 1,034,806 | 1,034,805 |
| | Total Restricted Securities (Value is 2.03% of Net Assets). | | \$10,573,193 | \$11,649,497 |

7. Restricted Securities (continued)

| Shares | Issuer | Acquisition Date | Cost | Value |
|--|----------------------------------|------------------|------------------|------------|
| Franklin Strategic Income VIP Fund | | | | |
| 14,792,309 | K2016470219 South Africa Ltd., A | 2/01/17 | \$114,768 | \$— |
| 1,472,041 | K2016470219 South Africa Ltd., B | 2/01/17 | 1,093 | — |
| Total Restricted Securities (Value is —% of Net Assets) | | | \$115,861 | \$— |

^aRounds to less than 0.1% of net assets.

8. Investments in FT Underlying Funds

Certain or all Funds invest in FT Underlying Funds which are managed by affiliates of the Fund's administrative manager, Franklin Templeton Services, LLC. The Fund does not invest in FT Underlying Funds for the purpose of exercising a controlling influence over the management or policies. Investments in FT Underlying Funds for the three months ended March 31, 2021, were as follows:

| | Value at Beginning of Period | Purchases | Sales | Realized Gain (Loss) | Net Change in Unrealized Appreciation (Depreciation) | Value at End of Period | Number of Shares Held at End of Period | Dividends |
|---|------------------------------|---------------------|-----------------------|----------------------|--|------------------------|--|------------------|
| Franklin VolSmart Allocation VIP Fund | | | | | | | | |
| Non-Controlled Affiliates | | | | | | | | |
| Franklin Income Fund, Class R6. | \$15,594,859 | \$4,138,736 | \$(20,664,426) | \$1,750,536 | \$(819,705) | \$— ^a | | \$218,735 |
| Franklin Income VIP Fund, Class 1 | — | 20,492,223 | (1,000,000) | 16,110 | 248,438 | 19,756,771 | 1,183,040 | — |
| Franklin Liberty U.S. Core Bond ETF | 26,945,614 | 3,996,383 | — | — | (1,108,733) | 29,833,264 | 1,184,800 | 180,383 |
| Franklin Low Duration Total Return Fund, Class R6 | 6,591,183 | 41,140 | (1,960,000) | (4,045) | (12,369) | 4,655,909 | 481,480 | 40,970 |
| Franklin Strategic Income Fund, Class R6 | 6,368,172 | 4,090,711 | (1,960,000) | (11,509) | (119,732) | 8,367,642 | 891,123 | 116,829 |
| Institutional Fiduciary Trust - Money Market Portfolio, 0.01% | 3,563,810 | 7,716,841 | (7,178,995) | — | — | 4,101,656 | 4,101,656 | 31 |
| Total Affiliated Securities | \$59,063,638 | \$40,476,034 | \$(32,763,421) | \$1,751,092 | \$(1,812,101) | \$66,715,242 | | \$556,948 |

^aAs of March 31, 2021, no longer held by the fund.

9. Investments in Affiliated Management Investment Companies

Certain or all Funds invest in one or more affiliated management investment companies for purposes other than exercising a controlling influence over the management or policies. During the period ended March 31, 2021, investments in affiliated management investment companies were as follows:

9. Investments in Affiliated Management Investment Companies (continued)

| | Value at Beginning of Period | Purchases | Sales | Realized Gain (Loss) | Net Change in Unrealized Appreciation (Depreciation) | Value at End of Period | Number of Shares Held at End of Period | Investment Income |
|--|------------------------------------|---------------------|-----------------------|-------------------------|---|------------------------------|---|-------------------------------------|
| Franklin Allocation VIP Fund | | | | | | | | |
| Non-Controlled Affiliates | | | | | | | | |
| | | | | | | | | Dividends |
| Institutional Fiduciary Trust - Money Market Portfolio, 0.01% | \$24,011,384 | \$30,279,187 | \$(32,732,040) | \$— | \$— | \$21,558,531 | 21,558,531 | \$190 |
| Templeton Global Bond VIP Fund, Class 1 | \$7,821,152 | \$— | \$— | \$— | \$(231,938) | \$7,589,214 | 539,390 | \$— |
| Total Affiliated Securities | \$31,832,536 | \$30,279,187 | \$(32,732,040) | \$— | \$(231,938) | \$29,147,745 | | \$190 |
| Franklin Flex Cap Growth VIP Fund | | | | | | | | |
| Non-Controlled Affiliates | | | | | | | | |
| | | | | | | | | Dividends |
| Institutional Fiduciary Trust - Money Market Portfolio, 0.01% | \$3,334,677 | \$5,041,274 | \$(8,375,940) | \$— | \$— | \$11 | 11 | \$12 |
| Non-Controlled Affiliates | | | | | | | | |
| | | | | | | | | Income from securities loaned |
| Institutional Fiduciary Trust - Money Market Portfolio, 0.01% | \$466,550 | \$2,646,410 | \$(3,085,960) | \$— | \$— | \$27,000 | 27,000 | \$— |
| Total Affiliated Securities | \$3,801,227 | \$7,687,684 | \$(11,461,900) | \$— | \$— | \$27,011 | | \$12 |
| Franklin Global Real Estate VIP Fund | | | | | | | | |
| Non-Controlled Affiliates | | | | | | | | |
| | | | | | | | | Income from securities loaned |
| Institutional Fiduciary Trust - Money Market Portfolio, 0.01% | \$163,000 | \$1,969,000 | \$(1,322,000) | — | — | \$810,000 | 810,000 | \$5 |
| Total Affiliated Securities | \$163,000 | \$1,969,000 | \$(1,322,000) | \$— | \$— | \$810,000 | | \$5 |
| Franklin Growth and Income VIP Fund | | | | | | | | |
| Non-Controlled Affiliates | | | | | | | | |
| | | | | | | | | Income from securities loaned |
| Institutional Fiduciary Trust - Money Market Portfolio, 0.01% | \$114,000 | \$2,370,000 | \$(2,381,000) | — | — | \$103,000 | 103,000 | \$1 |
| Total Affiliated Securities | \$114,000 | \$2,370,000 | \$(2,381,000) | \$— | \$— | \$103,000 | | \$1 |

9. Investments in Affiliated Management Investment Companies (continued)

| | Value at Beginning of Period | Purchases | Sales | Realized Gain (Loss) | Net Change in Unrealized Appreciation (Depreciation) | Value at End of Period | Number of Shares Held at End of Period | Investment Income |
|--|------------------------------------|----------------------|------------------------|-------------------------|---|------------------------------|---|-------------------------------------|
| Franklin Income VIP Fund | | | | | | | | |
| Non-Controlled Affiliates | | | | | | | | |
| | | | | | | | | Dividends |
| Institutional Fiduciary Trust - Money Market Portfolio, 0.01% | \$129,156,296 | \$394,995,366 | \$(501,138,677) | \$— | \$— | \$23,012,985 | 23,012,985 | \$464 |
| Non-Controlled Affiliates | | | | | | | | |
| | | | | | | | | Income from securities loaned |
| Institutional Fiduciary Trust - Money Market Portfolio, 0.01% | \$8,117,000 | \$89,381,000 | \$(93,055,000) | \$— | \$— | \$4,443,000 | 4,443,000 | \$127 |
| Total Affiliated Securities | \$137,273,296 | \$484,376,366 | \$(594,193,677) | \$— | \$— | \$27,455,985 | | \$591 |
| Franklin Large Cap Growth VIP Fund | | | | | | | | |
| Non-Controlled Affiliates | | | | | | | | |
| | | | | | | | | Income from securities loaned |
| Institutional Fiduciary Trust - Money Market Portfolio, 0.01% | \$14,000 | \$6,188,000 | \$(4,772,000) | — | — | \$1,430,000 | 1,430,000 | \$9 |
| Total Affiliated Securities | \$14,000 | \$6,188,000 | \$(4,772,000) | \$— | \$— | \$1,430,000 | | \$9 |
| Franklin Mutual Global Discovery VIP Fund | | | | | | | | |
| Non-Controlled Affiliates | | | | | | | | |
| | | | | | | | | Income from securities loaned |
| Institutional Fiduciary Trust - Money Market Portfolio, 0.01% | \$— | \$1,528,000 | \$(236,000) | — | — | \$1,292,000 | 1,292,000 | \$5 |
| Total Affiliated Securities | \$— | \$1,528,000 | \$(236,000) | \$— | \$— | \$1,292,000 | | \$5 |
| Franklin Rising Dividends VIP Fund | | | | | | | | |
| Non-Controlled Affiliates | | | | | | | | |
| | | | | | | | | Dividends |
| Institutional Fiduciary Trust - Money Market Portfolio, 0.01% | \$18,135,871 | \$32,736,169 | \$(34,114,877) | \$— | \$— | \$16,757,163 | 16,757,163 | \$131 |
| Total Affiliated Securities | \$18,135,871 | \$32,736,169 | \$(34,114,877) | \$— | \$— | \$16,757,163 | | \$131 |

9. Investments in Affiliated Management Investment Companies (continued)

| | Value at Beginning of Period | Purchases | Sales | Realized Gain (Loss) | Net Change in Unrealized Appreciation (Depreciation) | Value at End of Period | Number of Shares Held at End of Period | Investment Income |
|--|------------------------------------|---------------------|-----------------------|-------------------------|---|------------------------------|---|-------------------------------------|
| Franklin Small Cap Value VIP Fund | | | | | | | | |
| Non-Controlled Affiliates | | | | | | | | |
| | | | | | | | | Dividends |
| Institutional Fiduciary Trust - Money Market Portfolio, 0.01% | \$21,360,711 | \$82,365,656 | \$(93,951,682) | \$— | \$— | \$9,774,685 | 9,774,685 | \$101 |
| Total Affiliated Securities | \$21,360,711 | \$82,365,656 | \$(93,951,682) | \$— | \$— | \$9,774,685 | | \$101 |
| Franklin Small-Mid Cap Growth VIP Fund | | | | | | | | |
| Non-Controlled Affiliates | | | | | | | | |
| | | | | | | | | Dividends |
| Institutional Fiduciary Trust - Money Market Portfolio, 0.01% | \$12,671,175 | \$49,670,223 | \$(44,883,806) | \$— | \$— | \$17,457,592 | 17,457,592 | \$125 |
| Non-Controlled Affiliates | | | | | | | | |
| | | | | | | | | Income from securities loaned |
| Institutional Fiduciary Trust - Money Market Portfolio, 0.01% | \$8,418,420 | \$38,098,069 | \$(41,376,754) | \$— | \$— | \$5,139,735 | 5,139,735 | \$47 |
| Total Affiliated Securities | \$21,089,595 | \$87,768,292 | \$(86,260,560) | \$— | \$— | \$22,597,327 | | \$172 |
| Franklin Strategic Income VIP Fund | | | | | | | | |
| Non-Controlled Affiliates | | | | | | | | |
| | | | | | | | | Dividends |
| Franklin Floating Rate Income Fund | \$8,481,652 | \$20,570,676 | \$— | \$— | \$(2,681,258) | \$26,371,070 | 3,420,372 | \$112,476 |
| Institutional Fiduciary Trust - Money Market Portfolio, 0.01% | \$12,853,316 | \$29,506,257 | \$(34,601,533) | \$— | \$— | \$7,758,040 | 7,758,040 | \$76 |
| Total Affiliated Securities | \$21,334,968 | \$50,076,933 | \$(34,601,533) | \$— | \$(2,681,258) | \$34,129,110 | | \$112,552 |
| Templeton Developing Markets VIP Fund | | | | | | | | |
| Non-Controlled Affiliates | | | | | | | | |
| | | | | | | | | Dividends |
| Institutional Fiduciary Trust - Money Market Portfolio, 0.01% | \$1,250,033 | \$11,014,820 | \$(12,264,847) | \$— | \$— | \$6 | 6 | \$6 |
| Non-Controlled Affiliates | | | | | | | | |
| | | | | | | | | Income from securities loaned |
| Institutional Fiduciary Trust - Money Market Portfolio, 0.01% | \$518,425 | \$445,189 | \$(832,414) | — | — | \$131,200 | 131,200 | \$1 |
| Total Affiliated Securities | \$1,768,458 | \$11,460,009 | \$(13,097,261) | \$— | \$— | \$131,206 | | \$7 |

9. Investments in Affiliated Management Investment Companies (continued)

| | Value at Beginning of Period | Purchases | Sales | Realized Gain (Loss) | Net Change in Unrealized Appreciation (Depreciation) | Value at End of Period | Number of Shares Held at End of Period | Investment Income |
|--|------------------------------------|----------------------|------------------------|-------------------------|---|------------------------------|---|-------------------------------------|
| Templeton Foreign VIP Fund | | | | | | | | |
| Non-Controlled Affiliates | | | | | | | | |
| | | | | | | | | Dividends |
| Institutional Fiduciary Trust - Money Market Portfolio, 0.01% | \$120,292,539 | \$31,790,194 | \$(75,517,337) | \$— | \$— | \$76,565,396 | 76,565,396 | \$638 |
| Non-Controlled Affiliates | | | | | | | | |
| | | | | | | | | Income from securities loaned |
| Institutional Fiduciary Trust - Money Market Portfolio, 0.01% | \$— | \$39,445,505 | \$(37,830,105) | \$— | \$— | \$1,615,400 | 1,615,400 | \$32 |
| Total Affiliated Securities | \$120,292,539 | \$71,235,699 | \$(113,347,442) | \$— | \$— | \$78,180,796 | | \$670 |
| Templeton Global Bond VIP Fund | | | | | | | | |
| Non-Controlled Affiliates | | | | | | | | |
| | | | | | | | | Dividends |
| Institutional Fiduciary Trust - Money Market Portfolio, 0.01% | \$221,215,254 | \$527,944,620 | \$(353,605,410) | \$— | \$— | \$395,554,464 | 395,554,464 | \$2,087 |
| Total Affiliated Securities | \$221,215,254 | \$527,944,620 | \$(353,605,410) | \$— | \$— | \$395,554,464 | | \$2,087 |
| Templeton Growth VIP Fund | | | | | | | | |
| Non-Controlled Affiliates | | | | | | | | |
| | | | | | | | | Income from securities loaned |
| Institutional Fiduciary Trust - Money Market Portfolio, 0.01% | \$— | \$13,585,096 | \$(13,585,096) | — | — | \$— | — | \$5 |
| Total Affiliated Securities | \$— | \$13,585,096 | \$(13,585,096) | \$— | \$— | \$— | | \$5 |

10. Investments in FT Holdings Corporation III (FT Subsidiary)

Franklin Strategic Income VIP Fund invests in a certain financial instrument through its investment in FT Subsidiary. FT Subsidiary is a Delaware Corporation, is a wholly-owned subsidiary of the Fund, and is able to invest in certain financial instruments consistent with the investment objective of the Fund. In December 2020, FT Subsidiary's investment, Turtle Bay Resort, liquidated and paid a final distribution. At March 31, 2021, other assets and liabilities of FT Subsidiary are reflected in the Fund's Consolidated Statement of Investments. At March 31, 2021, the net assets of FT subsidiary were \$6,317,713, representing 1.6% of the Fund's consolidated net assets.

11. Fair Value Measurements

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

11. Fair Value Measurements (continued)

- 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 Funds' 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 March 31, 2021, in valuing the Funds' 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 | \$8,717,709 | \$2,541,294 | \$— | \$11,259,003 |
| Air Freight & Logistics | 2,764,252 | 2,571,025 | — | 5,335,277 |
| Airlines | — | 420,548 | — | 420,548 |
| Auto Components | 541,320 | 1,147,424 | — | 1,688,744 |
| Automobiles | 1,473,670 | 3,674,185 | — | 5,147,855 |
| Banks | 5,102,191 | 9,405,430 | — | 14,507,621 |
| Beverages | 6,620,370 | 885,424 | — | 7,505,794 |
| Biotechnology | 7,864,971 | 3,224,244 | — | 11,089,215 |
| Building Products | 3,093,992 | 1,447,362 | — | 4,541,354 |
| Capital Markets | 13,948,582 | 7,468,675 | — | 21,417,257 |
| Chemicals | 12,630,754 | 6,517,727 | — | 19,148,481 |
| Commercial Services & Supplies | 2,256,896 | 217,415 | — | 2,474,311 |
| Communications Equipment | 1,158,939 | — | — | 1,158,939 |
| Construction & Engineering | 280,392 | 1,021,680 | — | 1,302,072 |
| Construction Materials | 726,379 | 134,382 | — | 860,761 |
| Consumer Finance | 1,242,648 | — | — | 1,242,648 |
| Containers & Packaging | 257,389 | — | — | 257,389 |
| Distributors | 233,037 | — | — | 233,037 |
| Diversified Consumer Services | 1,829,300 | — | — | 1,829,300 |
| Diversified Financial Services | 851,202 | 1,640,413 | — | 2,491,615 |
| Diversified Telecommunication Services | 1,159,180 | 2,832,492 | — | 3,991,672 |
| Electric Utilities | 3,517,575 | — | — | 3,517,575 |
| Electrical Equipment | 1,978,539 | 810,002 | — | 2,788,541 |
| Electronic Equipment, Instruments & Components | 3,343,036 | 1,518,916 | — | 4,861,952 |
| Energy Equipment & Services | 120,927 | 857,442 | — | 978,369 |
| Entertainment | 3,696,389 | 2,126,345 | — | 5,822,734 |
| Equity Real Estate Investment Trusts (REITs) | 5,791,442 | 636,164 | — | 6,427,606 |
| Food & Staples Retailing | 4,355,995 | 833,427 | — | 5,189,422 |
| Food Products | 2,776,035 | 349,748 | — | 3,125,783 |
| Gas Utilities | 96,675 | 1,030,757 | — | 1,127,432 |
| Health Care Equipment & Supplies | 20,014,742 | 6,890,725 | — | 26,905,467 |
| Health Care Providers & Services | 4,146,388 | 1,077,203 | — | 5,223,591 |
| Health Care Technology | 1,626,533 | 54,919 | — | 1,681,452 |
| Hotels, Restaurants & Leisure | 3,497,555 | 119,494 | — | 3,617,049 |
| Household Durables | 1,039,590 | 2,591,219 | — | 3,630,809 |
| Household Products | 5,854,359 | — | — | 5,854,359 |
| Industrial Conglomerates | 6,753,259 | 1,206,703 | — | 7,959,962 |
| Insurance | 1,834,549 | 2,706,054 | — | 4,540,603 |
| Interactive Media & Services | 15,927,923 | 631,337 | — | 16,559,260 |

11. Fair Value Measurements (continued)

| | Level 1 | Level 2 | Level 3 | Total |
|--|---------------|----------------------------|---------|---------------|
| Franklin Allocation VIP Fund (continued) | | | | |
| Assets: (continued) | | | | |
| Investments in Securities: | | | | |
| Common Stocks: | | | | |
| Internet & Direct Marketing Retail | \$11,581,914 | \$3,567,949 | \$— | \$15,149,863 |
| IT Services | 18,551,097 | 5,071,853 | — | 23,622,950 |
| Life Sciences Tools & Services | 8,073,248 | 1,002,828 | — | 9,076,076 |
| Machinery | 9,238,649 | 3,527,354 | — | 12,766,003 |
| Marine | — | 217,600 | — | 217,600 |
| Media | 2,276,958 | 3,808,991 | — | 6,085,949 |
| Metals & Mining | 2,293,783 | 4,430,591 | — | 6,724,374 |
| Multiline Retail | 3,407,821 | 894,599 | — | 4,302,420 |
| Multi-Utilities | 1,622,987 | 713,663 | — | 2,336,650 |
| Oil, Gas & Consumable Fuels | 4,617,675 | 4,446,964 | — | 9,064,639 |
| Personal Products | 709,413 | 1,612,546 | — | 2,321,959 |
| Pharmaceuticals | 13,259,884 | 6,688,551 | — | 19,948,435 |
| Professional Services | 5,538,545 | 3,891,358 | — | 9,429,903 |
| Real Estate Management & Development | 202,126 | 3,251,526 | — | 3,453,652 |
| Road & Rail | 7,356,493 | 231,235 | — | 7,587,728 |
| Semiconductors & Semiconductor Equipment | 24,950,094 | 4,032,532 | — | 28,982,626 |
| Software | 38,549,208 | 4,650,565 | — | 43,199,773 |
| Specialty Retail | 8,801,987 | 614,562 | — | 9,416,549 |
| Technology Hardware, Storage & Peripherals | 12,282,638 | 2,297,659 | — | 14,580,297 |
| Textiles, Apparel & Luxury Goods | 3,893,169 | 825,873 | — | 4,719,042 |
| Thriffs & Mortgage Finance | — | 823,580 | — | 823,580 |
| Tobacco | 2,124,330 | 927,675 | — | 3,052,005 |
| Trading Companies & Distributors | 2,881,946 | 2,102,581 | — | 4,984,527 |
| Water Utilities | 542,560 | — | — | 542,560 |
| Wireless Telecommunication Services | — | 705,565 | — | 705,565 |
| Management Investment Companies | 22,802,764 | — | — | 22,802,764 |
| Preferred Stocks | — | 432,058 | — | 432,058 |
| Corporate Bonds | — | 85,686,160 | — | 85,686,160 |
| Foreign Government and Agency Securities | — | 6,769,658 | — | 6,769,658 |
| U.S. Government and Agency Securities | — | 98,040,512 | — | 98,040,512 |
| Asset-Backed Securities | — | 3,529,494 | — | 3,529,494 |
| Mortgage-Backed Securities | — | 78,687,674 | — | 78,687,674 |
| Municipal Bonds | — | 4,727,267 | — | 4,727,267 |
| Short Term Investments | 21,558,531 | — | — | 21,558,531 |
| Total Investments in Securities | \$386,242,504 | \$406,801,198 ^a | \$— | \$793,043,702 |
| Other Financial Instruments: | | | | |
| Futures contracts | \$830,289 | \$— | \$— | \$830,289 |
| Total Other Financial Instruments | \$830,289 | \$— | \$— | \$830,289 |
| Liabilities: | | | | |
| Other Financial Instruments: | | | | |
| Futures contracts | \$84,056 | \$— | \$— | \$84,056 |
| Franklin Flex Cap Growth VIP Fund | | | | |
| Assets: | | | | |
| Investments in Securities: ^b | | | | |
| Common Stocks | 155,674,770 | — | — | 155,674,770 |
| Short Term Investments | 27,011 | — | — | 27,011 |
| Total Investments in Securities | \$155,701,781 | \$— | \$— | \$155,701,781 |

11. Fair Value Measurements (continued)

| | Level 1 | Level 2 | Level 3 | Total |
|--|--------------|---------------------------|---------|---------------|
| Franklin Global Real Estate VIP Fund | | | | |
| Assets: | | | | |
| Investments in Securities: | | | | |
| Common Stocks: | | | | |
| Diversified Telecommunication Services | \$— | \$822,570 | \$— | \$822,570 |
| Equity Real Estate Investment Trusts (REITs) | 79,091,901 | 28,026,124 | — | 107,118,025 |
| Real Estate Management & Development | 925,537 | 26,261,435 | — | 27,186,972 |
| Short Term Investments | 810,000 | 782,233 | — | 1,592,233 |
| Total Investments in Securities | \$80,827,438 | \$55,892,362 ^c | \$— | \$136,719,800 |
| Franklin Growth and Income VIP Fund | | | | |
| Assets: | | | | |
| Investments in Securities: | | | | |
| Common Stocks: | | | | |
| Aerospace & Defense | 2,703,596 | — | — | 2,703,596 |
| Air Freight & Logistics | 1,665,902 | — | — | 1,665,902 |
| Banks | 8,280,872 | — | — | 8,280,872 |
| Beverages | 2,745,784 | — | — | 2,745,784 |
| Capital Markets | 5,172,580 | — | — | 5,172,580 |
| Chemicals | 1,019,277 | 636,930 | — | 1,656,207 |
| Commercial Services & Supplies | 1,065,032 | — | — | 1,065,032 |
| Communications Equipment | 445,482 | — | — | 445,482 |
| Diversified Telecommunication Services | 1,725,759 | — | — | 1,725,759 |
| Electric Utilities | 4,572,852 | — | — | 4,572,852 |
| Electrical Equipment | 1,109,382 | — | — | 1,109,382 |
| Equity Real Estate Investment Trusts (REITs) | 867,651 | — | — | 867,651 |
| Food & Staples Retailing | 935,869 | — | — | 935,869 |
| Food Products | — | 313,282 | — | 313,282 |
| Health Care Equipment & Supplies | 1,964,502 | — | — | 1,964,502 |
| Health Care Providers & Services | 1,366,690 | — | — | 1,366,690 |
| Hotels, Restaurants & Leisure | 1,144,235 | — | — | 1,144,235 |
| Household Products | 1,738,244 | — | — | 1,738,244 |
| Insurance | 379,925 | — | — | 379,925 |
| IT Services | 390,642 | — | — | 390,642 |
| Machinery | 880,701 | — | — | 880,701 |
| Media | 1,341,928 | — | — | 1,341,928 |
| Multiline Retail | 1,907,414 | — | — | 1,907,414 |
| Oil, Gas & Consumable Fuels | 3,473,601 | — | — | 3,473,601 |
| Pharmaceuticals | 3,874,499 | — | — | 3,874,499 |
| Road & Rail | 1,374,822 | — | — | 1,374,822 |
| Semiconductors & Semiconductor Equipment | 1,994,407 | — | — | 1,994,407 |
| Software | 1,193,335 | — | — | 1,193,335 |
| Specialty Retail | 1,630,508 | — | — | 1,630,508 |
| Technology Hardware, Storage & Peripherals | 441,572 | — | — | 441,572 |
| Equity-Linked Securities | — | 6,978,116 | — | 6,978,116 |
| Convertible Preferred Stocks | 4,682,212 | — | — | 4,682,212 |
| Short Term Investments | 103,000 | 26,739 | — | 129,739 |
| Total Investments in Securities | \$62,192,275 | \$7,955,067 ^d | \$— | \$70,147,342 |
| Franklin Income VIP Fund | | | | |
| Assets: | | | | |
| Investments in Securities: | | | | |
| Common Stocks: | | | | |
| Aerospace & Defense | 71,216,000 | — | — | 71,216,000 |
| Air Freight & Logistics | 37,006,823 | — | — | 37,006,823 |
| Banks | 338,197,150 | 32,006,861 | — | 370,204,011 |
| Beverages | 153,019,350 | — | — | 153,019,350 |
| Biotechnology | 35,703,000 | — | — | 35,703,000 |

11. Fair Value Measurements (continued)

| | Level 1 | Level 2 | Level 3 | Total |
|--|-----------------|------------------------------|---------|-----------------|
| Franklin Income VIP Fund (continued) | | | | |
| Assets: (continued) | | | | |
| Investments in Securities: | | | | |
| Common Stocks: | | | | |
| Capital Markets | \$47,877,390 | \$— | \$— | \$47,877,390 |
| Chemicals | 2,110,050 | 27,006,164 | — | 29,116,214 |
| Diversified Telecommunication Services | 90,814,516 | — | — | 90,814,516 |
| Electric Utilities | 243,976,725 | — | — | 243,976,725 |
| Energy Equipment & Services | 8,918,000 | — | — | 8,918,000 |
| Equity Real Estate Investment Trusts (REITs) | 16,850,000 | — | — | 16,850,000 |
| Health Care Providers & Services | 62,419,500 | — | — | 62,419,500 |
| Household Products | 94,801,000 | — | — | 94,801,000 |
| Industrial Conglomerates | 65,121,000 | — | — | 65,121,000 |
| Insurance | 81,161,215 | — | — | 81,161,215 |
| IT Services | 34,604,824 | — | — | 34,604,824 |
| Machinery | 25,911,000 | — | — | 25,911,000 |
| Media | 27,055,000 | — | — | 27,055,000 |
| Metals & Mining | 62,120,000 | — | — | 62,120,000 |
| Multi-Utilities | 118,641,722 | — | — | 118,641,722 |
| Oil, Gas & Consumable Fuels | 287,631,500 | — | — | 287,631,500 |
| Personal Products | — | 16,737,514 | — | 16,737,514 |
| Pharmaceuticals | 221,099,000 | 45,406,326 | — | 266,505,326 |
| Road & Rail | 35,596,215 | — | — | 35,596,215 |
| Semiconductors & Semiconductor Equipment | 77,746,400 | — | — | 77,746,400 |
| Specialty Retail | 9,768,000 | — | — | 9,768,000 |
| Tobacco | 31,059,000 | — | — | 31,059,000 |
| Equity-Linked Securities | — | 565,035,548 | — | 565,035,548 |
| Convertible Preferred Stocks: | | | | |
| Capital Markets | 5,665,250 | — | — | 5,665,250 |
| Electric Utilities | 75,998,920 | — | — | 75,998,920 |
| Multi-Utilities | 68,016,000 | — | — | 68,016,000 |
| Semiconductors & Semiconductor Equipment | 73,724,500 | — | — | 73,724,500 |
| Thriffs & Mortgage Finance | — | 8,906,350 | — | 8,906,350 |
| Preferred Stocks | 425,968 | — | — | 425,968 |
| Convertible Bonds | — | 19,031,512 | — | 19,031,512 |
| Corporate Bonds | — | 1,163,365,194 | — | 1,163,365,194 |
| Index-Linked Notes | — | 36,803,984 | — | 36,803,984 |
| U.S. Government and Agency Securities | — | 52,768,554 | — | 52,768,554 |
| Asset-Backed Securities | — | 10,840,227 | — | 10,840,227 |
| Mortgage-Backed Securities | — | 58,359,819 | — | 58,359,819 |
| Escrows and Litigation Trusts | — | 10,087,813 | — | 10,087,813 |
| Short Term Investments | 27,455,985 | 1,111,849 | — | 28,567,834 |
| Total Investments in Securities | \$2,531,711,003 | \$2,047,467,715 ^e | \$— | \$4,579,178,718 |

Franklin Large Cap Growth VIP Fund

Assets:

Investments in Securities:

Common Stocks:

| | | | | |
|--|-----------|---|---|-----------|
| Auto Components | 938,409 | — | — | 938,409 |
| Automobiles | 1,412,004 | — | — | 1,412,004 |
| Beverages | 1,820,909 | — | — | 1,820,909 |
| Biotechnology | 2,160,007 | — | — | 2,160,007 |
| Capital Markets | 8,538,159 | — | — | 8,538,159 |
| Chemicals | 1,730,528 | — | — | 1,730,528 |
| Commercial Services & Supplies | 405,249 | — | — | 405,249 |
| Electric Utilities | 601,629 | — | — | 601,629 |
| Entertainment | 952,308 | — | — | 952,308 |
| Equity Real Estate Investment Trusts (REITs) | 3,391,989 | — | — | 3,391,989 |

11. Fair Value Measurements (continued)

| | Level 1 | Level 2 | Level 3 | Total |
|---|---------------|--------------------------|---------|---------------|
| Franklin Large Cap Growth VIP Fund (continued) | | | | |
| Assets: (continued) | | | | |
| Investments in Securities: | | | | |
| Common Stocks: | | | | |
| Food Products | \$1,219,275 | \$— | \$— | \$1,219,275 |
| Health Care Equipment & Supplies | 8,377,884 | — | — | 8,377,884 |
| Health Care Providers & Services | 3,430,348 | — | — | 3,430,348 |
| Health Care Technology | 2,298,128 | — | — | 2,298,128 |
| Hotels, Restaurants & Leisure | 1,939,007 | — | — | 1,939,007 |
| Industrial Conglomerates | 2,301,090 | — | — | 2,301,090 |
| Interactive Media & Services | 4,780,880 | — | — | 4,780,880 |
| Internet & Direct Marketing Retail | 11,733,453 | — | — | 11,733,453 |
| IT Services | 18,900,392 | — | — | 18,900,392 |
| Life Sciences Tools & Services | 859,180 | 911,612 | — | 1,770,792 |
| Media | 911,110 | — | — | 911,110 |
| Pharmaceuticals | 2,114,555 | — | — | 2,114,555 |
| Professional Services | 5,231,951 | — | — | 5,231,951 |
| Road & Rail | 1,332,819 | — | — | 1,332,819 |
| Semiconductors & Semiconductor Equipment | 5,410,018 | — | — | 5,410,018 |
| Software | 22,286,980 | — | — | 22,286,980 |
| Specialty Retail | 395,910 | — | — | 395,910 |
| Technology Hardware, Storage & Peripherals | 5,008,394 | — | — | 5,008,394 |
| Textiles, Apparel & Luxury Goods | 885,712 | — | — | 885,712 |
| Wireless Telecommunication Services | 1,380,821 | — | — | 1,380,821 |
| Short Term Investments | 1,430,000 | 3,691,790 | — | 5,121,790 |
| Total Investments in Securities | \$124,179,098 | \$4,603,402 ^f | \$— | \$128,782,500 |
| Franklin Mutual Global Discovery VIP Fund | | | | |
| Assets: | | | | |
| Investments in Securities: | | | | |
| Common Stocks: | | | | |
| Aerospace & Defense | — | 8,138,684 | — | 8,138,684 |
| Auto Components | — | — | 7,645 | 7,645 |
| Automobiles | 6,849,232 | — | — | 6,849,232 |
| Banks | 30,461,429 | 12,742,275 | — | 43,203,704 |
| Beverages | — | 5,652,478 | — | 5,652,478 |
| Biotechnology | 3,731,004 | — | — | 3,731,004 |
| Building Products | 7,795,408 | — | — | 7,795,408 |
| Capital Markets | — | 10,313,109 | — | 10,313,109 |
| Chemicals | — | 15,648,020 | — | 15,648,020 |
| Communications Equipment | 5,237,189 | — | — | 5,237,189 |
| Construction Materials | — | 6,447,412 | — | 6,447,412 |
| Consumer Finance | 10,138,704 | — | — | 10,138,704 |
| Containers & Packaging | 4,931,184 | — | — | 4,931,184 |
| Diversified Financial Services | 10,255,586 | — | — | 10,255,586 |
| Diversified Telecommunication Services | — | 10,918,342 | — | 10,918,342 |
| Entertainment | 9,076,723 | — | — | 9,076,723 |
| Food Products | 9,528,000 | — | — | 9,528,000 |
| Health Care Equipment & Supplies | 12,003,544 | — | — | 12,003,544 |
| Health Care Providers & Services | 25,430,464 | — | — | 25,430,464 |
| Hotels, Restaurants & Leisure | — | 6,306,555 | — | 6,306,555 |
| Industrial Conglomerates | 8,206,907 | — | — | 8,206,907 |
| Insurance | 31,597,897 | 17,862,591 | — | 49,460,488 |
| IT Services | 9,980,611 | 3,097,797 | — | 13,078,408 |
| Media | 14,059,418 | — | — | 14,059,418 |
| Oil, Gas & Consumable Fuels | 32,220,252 | 12,046,202 | — | 44,266,454 |
| Pharmaceuticals | 37,107,319 | 16,054,271 | — | 53,161,590 |
| Semiconductors & Semiconductor Equipment | 5,737,512 | 7,832,378 | — | 13,569,890 |

11. Fair Value Measurements (continued)

| | Level 1 | Level 2 | Level 3 | Total |
|--|---------------|----------------------------|--------------------|---------------|
| Franklin Mutual Global Discovery VIP Fund (continued) | | | | |
| Assets: (continued) | | | | |
| Investments in Securities: | | | | |
| Common Stocks: | | | | |
| Software | \$23,517,432 | \$— | \$— | \$23,517,432 |
| Technology Hardware, Storage & Peripherals | 11,110,270 | 11,959,601 | — | 23,069,871 |
| Textiles, Apparel & Luxury Goods | — | 7,075,075 | — | 7,075,075 |
| Tobacco | 7,494,122 | 11,054,767 | — | 18,548,889 |
| Wireless Telecommunication Services | — | 3,876,295 | — | 3,876,295 |
| Preferred Stocks | — | 5,903,865 | — | 5,903,865 |
| Warrants | 85,905 | — | — | 85,905 |
| Corporate Bonds | — | 15,661,615 | — | 15,661,615 |
| Senior Floating Rate Interests | — | 433,907 | — | 433,907 |
| Companies in Liquidation | — | — | 8,868 ^g | 8,868 |
| Short Term Investments | 9,791,723 | 323,854 | — | 10,115,577 |
| Total Investments in Securities | \$326,347,835 | \$189,349,093 ^h | \$16,513 | \$515,713,441 |
| Other Financial Instruments: | | | | |
| Forward exchange contracts | — | 1,897,160 | — | 1,897,160 |
| Futures contracts | 299,112 | — | — | 299,112 |
| Total Other Financial Instruments | \$299,112 | \$1,897,160 | \$— | \$2,196,272 |
| Liabilities: | | | | |
| Other Financial Instruments: | | | | |
| Securities Sold Short | 15,989,734 | — | — | 15,989,734 |
| Forward exchange contracts | — | 190,957 | — | 190,957 |
| Total Other Financial Instruments | \$15,989,734 | \$190,957 | \$— | \$16,180,691 |
| Franklin Mutual Shares VIP Fund | | | | |
| Assets: | | | | |
| Investments in Securities: | | | | |
| Common Stocks: | | | | |
| Aerospace & Defense | 48,095,617 | 8,691,092 | — | 56,786,709 |
| Auto Components | — | — | 31,198 | 31,198 |
| Automobiles | 31,490,953 | — | — | 31,490,953 |
| Banks | 274,736,455 | — | — | 274,736,455 |
| Beverages | — | 29,526,614 | — | 29,526,614 |
| Biotechnology | 21,682,638 | — | — | 21,682,638 |
| Building Products | 62,793,665 | — | — | 62,793,665 |
| Capital Markets | — | 28,996,439 | — | 28,996,439 |
| Communications Equipment | 33,393,077 | — | — | 33,393,077 |
| Consumer Finance | 71,118,771 | — | — | 71,118,771 |
| Containers & Packaging | 37,502,087 | — | — | 37,502,087 |
| Diversified Financial Services | 48,252,484 | — | — | 48,252,484 |
| Diversified Telecommunication Services | — | — | 9,214,017 | 9,214,017 |
| Electric Utilities | 59,019,278 | — | — | 59,019,278 |
| Electrical Equipment | 70,337,971 | — | — | 70,337,971 |
| Entertainment | 54,387,085 | — | — | 54,387,085 |
| Equity Real Estate Investment Trusts (REITs) | 44,796,727 | — | — | 44,796,727 |
| Food & Staples Retailing | 32,276,372 | — | — | 32,276,372 |
| Food Products | 118,359,808 | — | — | 118,359,808 |
| Health Care Equipment & Supplies | 74,284,751 | — | — | 74,284,751 |
| Health Care Providers & Services | 144,976,759 | — | — | 144,976,759 |
| Household Durables | 80,408,221 | — | — | 80,408,221 |
| Household Products | 23,446,237 | — | — | 23,446,237 |
| Industrial Conglomerates | 49,672,576 | — | — | 49,672,576 |
| Insurance | 253,231,251 | — | — | 253,231,251 |
| IT Services | 58,485,163 | — | — | 58,485,163 |
| Media | 152,711,231 | — | — | 152,711,231 |

11. Fair Value Measurements (continued)

| | Level 1 | Level 2 | Level 3 | Total |
|--|-----------------|----------------------------|----------------------|-----------------|
| Franklin Mutual Shares VIP Fund (continued) | | | | |
| Assets: (continued) | | | | |
| Investments in Securities: | | | | |
| Common Stocks: | | | | |
| Oil, Gas & Consumable Fuels | \$102,158,578 | \$55,897,195 | \$— | \$158,055,773 |
| Pharmaceuticals | 207,698,690 | 71,750,631 | — | 279,449,321 |
| Semiconductors & Semiconductor Equipment | 33,243,573 | — | — | 33,243,573 |
| Software | 141,082,868 | — | — | 141,082,868 |
| Specialty Retail | — | — | — ^g | — |
| Technology Hardware, Storage & Peripherals | 53,111,773 | 56,070,986 | — | 109,182,759 |
| Textiles, Apparel & Luxury Goods | 44,120,343 | — | — | 44,120,343 |
| Tobacco | 34,521,592 | 49,139,646 | — | 83,661,238 |
| Wireless Telecommunication Services | 48,480,214 | — | — | 48,480,214 |
| Warrants: | | | | |
| Diversified Telecommunication Services | — | — | 519,581 | 519,581 |
| Software | 526,426 | — | — | 526,426 |
| Corporate Bonds | — | 121,990,870 | — | 121,990,870 |
| Senior Floating Rate Interests | — | 15,277,322 | — | 15,277,322 |
| Asset-Backed Securities | — | 5,319,058 | — | 5,319,058 |
| Companies in Liquidation | — | — | 135,928 ^g | 135,928 |
| Short Term Investments | 41,497,769 | — | — | 41,497,769 |
| Total Investments in Securities | \$2,551,901,003 | \$442,659,853 ⁱ | \$9,900,724 | \$3,004,461,580 |
| Other Financial Instruments: | | | | |
| Forward exchange contracts | — | 3,887,160 | — | 3,887,160 |
| Futures contracts | 279,045 | — | — | 279,045 |
| Total Other Financial Instruments | \$279,045 | \$3,887,160 | \$— | \$4,166,205 |
| Liabilities: | | | | |
| Other Financial Instruments: | | | | |
| Securities Sold Short | 92,763,569 | — | — | 92,763,569 |
| Forward exchange contracts | — | 1,218,238 | — | 1,218,238 |
| Total Other Financial Instruments | \$92,763,569 | \$1,218,238 | \$— | \$93,981,807 |
| Franklin Rising Dividends VIP Fund | | | | |
| Assets: | | | | |
| Investments in Securities: ^b | | | | |
| Common Stocks | 1,580,291,159 | — | — | 1,580,291,159 |
| Short Term Investments | 16,757,163 | — | — | 16,757,163 |
| Total Investments in Securities | \$1,597,048,322 | \$— | \$— | \$1,597,048,322 |
| Franklin Small Cap Value VIP Fund | | | | |
| Assets: | | | | |
| Investments in Securities: | | | | |
| Common Stocks: | | | | |
| Aerospace & Defense | — | 17,066,844 | — | 17,066,844 |
| Auto Components | 2,368,870 | — | — | 2,368,870 |
| Automobiles | 17,929,852 | — | — | 17,929,852 |
| Banks | 207,184,976 | — | — | 207,184,976 |
| Building Products | 45,883,890 | — | — | 45,883,890 |
| Chemicals | 115,562,554 | — | — | 115,562,554 |
| Communications Equipment | 24,517,138 | — | — | 24,517,138 |
| Construction & Engineering | 38,519,580 | — | — | 38,519,580 |
| Construction Materials | 16,992,953 | — | — | 16,992,953 |
| Electric Utilities | 7,207,937 | — | — | 7,207,937 |
| Electrical Equipment | 13,653,905 | — | — | 13,653,905 |
| Electronic Equipment, Instruments & Components | 28,065,745 | — | — | 28,065,745 |
| Energy Equipment & Services | 6,567,216 | — | — | 6,567,216 |

11. Fair Value Measurements (continued)

| | Level 1 | Level 2 | Level 3 | Total |
|--|-----------------|---------------------------|---------|-----------------|
| Franklin Small Cap Value VIP Fund (continued) | | | | |
| Assets: (continued) | | | | |
| Investments in Securities: | | | | |
| Common Stocks: | | | | |
| Equity Real Estate Investment Trusts (REITs) | \$10,465,476 | \$— | \$— | \$10,465,476 |
| Food & Staples Retailing | 921,559 | — | — | 921,559 |
| Food Products | 1,061,085 | 23,741,352 | — | 24,802,437 |
| Gas Utilities | 2,232,808 | — | — | 2,232,808 |
| Health Care Equipment & Supplies | 51,631,674 | — | — | 51,631,674 |
| Hotels, Restaurants & Leisure | 77,918,536 | — | — | 77,918,536 |
| Household Durables | 3,243,475 | — | — | 3,243,475 |
| Insurance | 155,720,414 | — | — | 155,720,414 |
| Leisure Products | 38,458,252 | — | — | 38,458,252 |
| Machinery | 234,777,909 | — | — | 234,777,909 |
| Metals & Mining | 12,843,860 | — | — | 12,843,860 |
| Multi-Utilities | 18,038,049 | — | — | 18,038,049 |
| Oil, Gas & Consumable Fuels | 49,396,326 | — | — | 49,396,326 |
| Paper & Forest Products | 8,888,828 | — | — | 8,888,828 |
| Professional Services | 11,450,622 | — | — | 11,450,622 |
| Software | 16,323,412 | 4,689,824 | — | 21,013,236 |
| Specialty Retail | 30,787,699 | 12,582,256 | — | 43,369,955 |
| Textiles, Apparel & Luxury Goods | 19,617,916 | — | — | 19,617,916 |
| Thriffs & Mortgage Finance | 5,768,499 | — | — | 5,768,499 |
| Trading Companies & Distributors | 21,880,103 | — | — | 21,880,103 |
| Short Term Investments | 9,774,685 | — | — | 9,774,685 |
| Total Investments in Securities | \$1,305,655,803 | \$58,080,276 ^j | \$— | \$1,363,736,079 |

Franklin Small-Mid Cap Growth VIP Fund

Assets:

Investments in Securities:

Common Stocks:

| | | | | |
|--|------------|---|-----------|------------|
| Aerospace & Defense | 9,210,581 | — | — | 9,210,581 |
| Airlines | 3,181,226 | — | — | 3,181,226 |
| Banks | 2,468,300 | — | — | 2,468,300 |
| Biotechnology | 18,434,879 | — | — | 18,434,879 |
| Capital Markets | 26,512,478 | — | 2,278,560 | 28,791,038 |
| Commercial Services & Supplies | 6,050,415 | — | — | 6,050,415 |
| Construction Materials | 2,787,306 | — | — | 2,787,306 |
| Containers & Packaging | 6,296,182 | — | — | 6,296,182 |
| Electronic Equipment, Instruments & Components | 9,064,329 | — | — | 9,064,329 |
| Entertainment | 14,552,752 | — | — | 14,552,752 |
| Equity Real Estate Investment Trusts (REITs) | 11,595,781 | — | — | 11,595,781 |
| Food & Staples Retailing | 2,951,200 | — | — | 2,951,200 |
| Food Products | 3,876,588 | — | — | 3,876,588 |
| Health Care Equipment & Supplies | 41,383,256 | — | — | 41,383,256 |
| Health Care Providers & Services | 9,967,950 | — | — | 9,967,950 |
| Health Care Technology | 14,343,157 | — | — | 14,343,157 |
| Hotels, Restaurants & Leisure | 19,703,671 | — | — | 19,703,671 |
| Household Durables | 4,155,040 | — | — | 4,155,040 |
| Household Products | 6,254,260 | — | — | 6,254,260 |
| Interactive Media & Services | 11,799,039 | — | — | 11,799,039 |
| Internet & Direct Marketing Retail | 10,843,584 | — | 1,208,923 | 12,052,507 |
| IT Services | 48,197,230 | — | — | 48,197,230 |
| Life Sciences Tools & Services | 22,898,384 | — | — | 22,898,384 |
| Machinery | 12,755,671 | — | — | 12,755,671 |
| Personal Products | 3,064,578 | — | — | 3,064,578 |
| Pharmaceuticals | 8,475,866 | — | — | 8,475,866 |

11. Fair Value Measurements (continued)

| | Level 1 | Level 2 | Level 3 | Total |
|---|---------------|------------|----------------|---------------|
| Franklin Small-Mid Cap Growth VIP Fund (continued) | | | | |
| Assets: (continued) | | | | |
| Investments in Securities: | | | | |
| Common Stocks: | | | | |
| Professional Services | \$32,414,440 | \$— | \$— | \$32,414,440 |
| Road & Rail | 5,757,820 | — | 748,000 | 6,505,820 |
| Semiconductors & Semiconductor Equipment | 38,040,270 | — | — | 38,040,270 |
| Software | 92,941,477 | — | — | 92,941,477 |
| Specialty Retail | 25,308,021 | — | — | 25,308,021 |
| Textiles, Apparel & Luxury Goods | 10,701,731 | — | — | 10,701,731 |
| Trading Companies & Distributors | 6,295,056 | — | — | 6,295,056 |
| Convertible Preferred Stocks | — | — | 2,634,521 | 2,634,521 |
| Preferred Stocks | — | — | 5,860,063 | 5,860,063 |
| Warrants | — | — | — ^g | — |
| Short Term Investments | 22,597,327 | — | — | 22,597,327 |
| Total Investments in Securities | \$564,879,845 | \$— | \$12,730,067 | \$577,609,912 |
| Franklin Strategic Income VIP Fund | | | | |
| Assets: | | | | |
| Investments in Securities: | | | | |
| Common Stocks: | | | | |
| Energy Equipment & Services | 175,735 | — | — | 175,735 |
| Machinery | — | 507,642 | — | 507,642 |
| Media | 189,617 | — | 2,397 | 192,014 |
| Multiline Retail | — | — | — ^g | — |
| Oil, Gas & Consumable Fuels | 1,198 | — | 1,710 | 2,908 |
| Paper & Forest Products | 81,996 | — | — | 81,996 |
| Specialty Retail | 139,378 | — | — | 139,378 |
| Management Investment Companies | 29,358,620 | — | — | 29,358,620 |
| Warrants: | | | | |
| Oil, Gas & Consumable Fuels | — | — | 332 | 332 |
| Paper & Forest Products | 1,243 | — | — | 1,243 |
| Convertible Bonds | — | 18,356 | — | 18,356 |
| Corporate Bonds: | | | | |
| Aerospace & Defense | — | 2,284,102 | — | 2,284,102 |
| Air Freight & Logistics | — | 2,452,304 | — | 2,452,304 |
| Airlines | — | 3,020,990 | — | 3,020,990 |
| Auto Components | — | 5,020,589 | — | 5,020,589 |
| Banks | — | 9,028,863 | — | 9,028,863 |
| Beverages | — | 1,843,150 | — | 1,843,150 |
| Biotechnology | — | 745,189 | — | 745,189 |
| Building Products | — | 1,594,064 | — | 1,594,064 |
| Capital Markets | — | 1,542,272 | — | 1,542,272 |
| Chemicals | — | 11,487,688 | — | 11,487,688 |
| Commercial Services & Supplies | — | 2,355,211 | — | 2,355,211 |
| Communications Equipment | — | 1,363,702 | — | 1,363,702 |
| Construction & Engineering | — | 443,000 | — | 443,000 |
| Construction Materials | — | 390,681 | — | 390,681 |
| Consumer Finance | — | 2,546,375 | — | 2,546,375 |
| Containers & Packaging | — | 6,763,384 | — | 6,763,384 |
| Diversified Financial Services | — | 1,464,375 | — | 1,464,375 |
| Diversified Telecommunication Services | — | 4,572,737 | — | 4,572,737 |
| Electric Utilities | — | 6,155,935 | — | 6,155,935 |
| Electrical Equipment | — | 1,019,905 | — | 1,019,905 |
| Electronic Equipment, Instruments & Components | — | 1,993,384 | — | 1,993,384 |
| Energy Equipment & Services | — | 1,559,287 | — | 1,559,287 |
| Entertainment | — | 2,627,035 | — | 2,627,035 |

11. Fair Value Measurements (continued)

| | Level 1 | Level 2 | Level 3 | Total |
|---|---------|-------------|--------------------|-------------|
| Franklin Strategic Income VIP Fund (continued) | | | | |
| Assets: (continued) | | | | |
| Investments in Securities: | | | | |
| Corporate Bonds: | | | | |
| Equity Real Estate Investment Trusts (REITs) | \$— | \$6,823,521 | \$— | \$6,823,521 |
| Food & Staples Retailing | — | 776,204 | — | 776,204 |
| Food Products | — | 7,443,808 | — | 7,443,808 |
| Gas Utilities | — | 292,444 | — | 292,444 |
| Health Care Providers & Services | — | 4,797,163 | — | 4,797,163 |
| Hotels, Restaurants & Leisure | — | 11,794,015 | — | 11,794,015 |
| Household Durables | — | 2,417,542 | — | 2,417,542 |
| Household Products | — | 2,304,736 | — | 2,304,736 |
| Independent Power and Renewable Electricity Producers | — | 5,723,314 | — | 5,723,314 |
| Insurance | — | 1,004,575 | — | 1,004,575 |
| Interactive Media & Services | — | 2,030,632 | — | 2,030,632 |
| Internet & Direct Marketing Retail | — | 1,239,049 | — | 1,239,049 |
| IT Services | — | 4,560,838 | — | 4,560,838 |
| Life Sciences Tools & Services | — | 404,126 | — | 404,126 |
| Machinery | — | 2,755,789 | — | 2,755,789 |
| Marine | — | 1,272,600 | — | 1,272,600 |
| Media | — | 10,914,484 | — | 10,914,484 |
| Metals & Mining | — | 5,621,047 | — | 5,621,047 |
| Multiline Retail | — | 336,716 | 1,983 ⁹ | 338,699 |
| Multi-Utilities | — | 1,385,711 | — | 1,385,711 |
| Oil, Gas & Consumable Fuels | — | 21,341,395 | — | 21,341,395 |
| Paper & Forest Products | — | 721,409 | — | 721,409 |
| Personal Products | — | 286,875 | — | 286,875 |
| Pharmaceuticals | — | 3,435,521 | — | 3,435,521 |
| Real Estate Management & Development | — | 2,685,288 | — | 2,685,288 |
| Road & Rail | — | 3,126,326 | — | 3,126,326 |
| Semiconductors & Semiconductor Equipment | — | 1,443,632 | — | 1,443,632 |
| Software | — | 2,115,365 | — | 2,115,365 |
| Specialty Retail | — | 2,903,299 | — | 2,903,299 |
| Textiles, Apparel & Luxury Goods | — | 1,483,923 | — | 1,483,923 |
| Thrifts & Mortgage Finance | — | 3,997,485 | — | 3,997,485 |
| Tobacco | — | 1,307,823 | — | 1,307,823 |
| Trading Companies & Distributors | — | 4,680,453 | — | 4,680,453 |
| Wireless Telecommunication Services | — | 3,992,946 | — | 3,992,946 |
| Senior Floating Rate Interests | — | 4,775,844 | — | 4,775,844 |
| Marketplace Loans | — | — | 939,990 | 939,990 |
| Loan Participations and Assignments | — | 1,568,347 | — | 1,568,347 |
| Foreign Government and Agency Securities | — | 56,540,887 | — | 56,540,887 |
| U.S. Government and Agency Securities | — | 10,936,744 | — | 10,936,744 |
| Asset-Backed Securities | — | 31,038,354 | — | 31,038,354 |
| Commercial Mortgage-Backed Securities | — | 167,641 | — | 167,641 |
| Mortgage-Backed Securities | — | 12,292,489 | — | 12,292,489 |
| Municipal Bonds | — | 7,682,670 | — | 7,682,670 |
| Residential Mortgage-Backed Securities | — | 35,394,778 | — | 35,394,778 |
| Escrows and Litigation Trusts | — | 1,519 | 4,500 ⁹ | 6,019 |

11. Fair Value Measurements (continued)

| | Level 1 | Level 2 | Level 3 | Total |
|---|---------------|---------------|-----------|---------------|
| Franklin Strategic Income VIP Fund (continued) | | | | |
| Assets: (continued) | | | | |
| Investments in Securities: | | | | |
| Corporate Bonds: | | | | |
| Options purchased | — | \$62,227 | — | \$62,227 |
| Short Term Investments | \$7,758,040 | — | — | 7,758,040 |
| Total Investments in Securities | \$37,705,827 | \$360,681,774 | \$950,912 | \$399,338,513 |
| Other Financial Instruments: | | | | |
| Forward exchange contracts | — | 123,260 | \$— | 123,260 |
| Futures contracts | 530,993 | — | — | 530,993 |
| Swap contracts | — | 377,640 | — | 377,640 |
| Total Other Financial Instruments | \$530,993 | \$500,900 | \$— | \$1,031,893 |
| Liabilities: | | | | |
| Other Financial Instruments: | | | | |
| Options written | \$— | \$152,312 | \$— | \$152,312 |
| Forward exchange contracts | — | 302,444 | — | 302,444 |
| Futures contracts | 397,662 | — | — | 397,662 |
| Swap contracts | — | 51,012 | — | 51,012 |
| Total Other Financial Instruments | \$397,662 | \$505,768 | \$— | \$903,430 |
| Franklin U.S. Government Securities VIP Fund | | | | |
| Assets: | | | | |
| Investments in Securities: ^b | | | | |
| Corporate Bonds | — | 19,351,678 | — | 19,351,678 |
| Foreign Government and Agency Securities | — | 13,522,011 | — | 13,522,011 |
| U.S. Government and Agency Securities | — | 111,089,008 | — | 111,089,008 |
| Mortgage-Backed Securities | — | 636,297,174 | — | 636,297,174 |
| Short Term Investments | — | 33,636,367 | — | 33,636,367 |
| Total Investments in Securities | \$— | \$813,896,238 | \$— | \$813,896,238 |
| Franklin VoISmart Allocation VIP Fund | | | | |
| Assets: | | | | |
| Investments in Securities: ^b | | | | |
| Common Stocks | 133,593,826 | — | — | 133,593,826 |
| Management Investment Companies | 62,613,586 | — | — | 62,613,586 |
| Short Term Investments | 4,101,656 | — | — | 4,101,656 |
| Total Investments in Securities | \$200,309,068 | \$— | \$— | \$200,309,068 |
| Liabilities: | | | | |
| Other Financial Instruments: | | | | |
| Futures contracts | 21,251 | — | — | 21,251 |
| Swap contracts | — | 1,003 | — | 1,003 |
| Total Other Financial Instruments | \$21,251 | \$1,003 | \$— | \$22,254 |
| | Level 1 | Level 2 | Level 3 | Total |
| Templeton Developing Markets VIP Fund | | | | |
| Assets: | | | | |
| Investments in Securities: | | | | |
| Common Stocks: | | | | |
| Brazil | \$10,401,772 | \$— | \$— | \$10,401,772 |
| Cambodia | — | 1,626,301 | — | 1,626,301 |
| China | 7,143,250 | 84,124,039 | 6,555,253 | 97,822,542 |
| Czech Republic | — | — | 929,154 | 929,154 |
| Hungary | — | 2,994,909 | — | 2,994,909 |
| India | — | 22,205,836 | — | 22,205,836 |
| Indonesia | — | 2,049,778 | — | 2,049,778 |

11. Fair Value Measurements (continued)

| | Level 1 | Level 2 | Level 3 | Total |
|--|--------------|----------------------------|----------------|---------------|
| Templeton Developing Markets VIP Fund (continued) | | | | |
| Assets: | | | | |
| Investments in Securities: | | | | |
| Common Stocks: | | | | |
| Mexico | \$5,145,469 | \$— | \$— | \$5,145,469 |
| Pakistan | — | 771,968 | — | 771,968 |
| Peru | 964,890 | — | — | 964,890 |
| Philippines | — | 689,146 | — | 689,146 |
| Russia | 6,334,958 | 15,467,220 | — | 21,802,178 |
| South Africa | 2,161,245 | 15,887,047 | — | 18,048,292 |
| South Korea | — | 77,637,144 | — | 77,637,144 |
| Taiwan | — | 59,331,584 | — | 59,331,584 |
| Thailand | — | 5,412,679 | — | 5,412,679 |
| United Kingdom | — | 7,477,373 | — | 7,477,373 |
| United States | 3,114,020 | — | — | 3,114,020 |
| Preferred Stocks | 9,277,587 | — | — | 9,277,587 |
| Escrows and Litigation Trusts | — | — | — ⁹ | — |
| Short Term Investments | 131,206 | — | — | 131,206 |
| Total Investments in Securities | \$44,674,397 | \$295,675,024 ^K | \$7,484,407 | \$347,833,828 |

| | Level 1 | Level 2 | Level 3 | Total |
|--|------------|--------------|---------|--------------|
| Templeton Foreign VIP Fund | | | | |
| Assets: | | | | |
| Investments in Securities: | | | | |
| Common Stocks: | | | | |
| Aerospace & Defense | \$— | \$29,597,016 | \$— | \$29,597,016 |
| Airlines | — | 17,820,264 | — | 17,820,264 |
| Auto Components | — | 45,210,173 | — | 45,210,173 |
| Automobiles | — | 65,025,462 | — | 65,025,462 |
| Banks | 29,490,234 | 100,520,078 | — | 130,010,312 |
| Beverages | — | 8,417,836 | — | 8,417,836 |
| Biotechnology | — | 4,801,538 | — | 4,801,538 |
| Chemicals | — | 28,258,002 | — | 28,258,002 |
| Construction & Engineering | — | 27,000,679 | — | 27,000,679 |
| Electronic Equipment, Instruments & Components | — | 44,252,122 | — | 44,252,122 |
| Energy Equipment & Services | — | 19,686,190 | — | 19,686,190 |
| Food & Staples Retailing | — | 18,297,546 | — | 18,297,546 |
| Health Care Providers & Services | — | 26,315,419 | — | 26,315,419 |
| Household Durables | — | 23,325,698 | — | 23,325,698 |
| Industrial Conglomerates | — | 30,946,800 | — | 30,946,800 |
| Insurance | — | 46,301,568 | — | 46,301,568 |
| Interactive Media & Services | 14,040,698 | — | — | 14,040,698 |
| Internet & Direct Marketing Retail | — | 34,055,301 | — | 34,055,301 |
| IT Services | — | 7,446,119 | — | 7,446,119 |
| Machinery | — | 20,297,998 | — | 20,297,998 |
| Media | — | 22,538,533 | — | 22,538,533 |
| Metals & Mining | 29,662,076 | 52,447,489 | — | 82,109,565 |
| Multi-Utilities | — | 22,989,569 | — | 22,989,569 |
| Oil, Gas & Consumable Fuels | 6,856,498 | 64,467,012 | — | 71,323,510 |
| Pharmaceuticals | — | 93,471,254 | — | 93,471,254 |
| Real Estate Management & Development | — | 58,284,875 | — | 58,284,875 |
| Semiconductors & Semiconductor Equipment | 44,556,542 | 79,749,156 | — | 124,305,698 |
| Technology Hardware, Storage & Peripherals | — | 63,893,610 | — | 63,893,610 |
| Thriffs & Mortgage Finance | — | 28,250,750 | — | 28,250,750 |

11. Fair Value Measurements (continued)

| | Level 1 | Level 2 | Level 3 | Total |
|---|---------------|------------------------------|---------|-----------------|
| Templeton Foreign VIP Fund (continued) | | | | |
| Assets: (continued) | | | | |
| Investments in Securities: | | | | |
| Common Stocks: | | | | |
| Tobacco | \$— | \$23,014,298 | \$— | \$23,014,298 |
| Warrants | 301,360 | — | — | 301,360 |
| Short Term Investments | 78,180,796 | — | — | 78,180,796 |
| Total Investments in Securities | \$203,088,204 | \$1,106,682,355 ¹ | \$— | \$1,309,770,559 |

| | Level 1 | Level 2 | Level 3 | Total |
|---|---------------|------------------------------|--------------|-----------------|
| Templeton Global Bond VIP Fund | | | | |
| Assets: | | | | |
| Investments in Securities: | | | | |
| Foreign Government and Agency Securities: | | | | |
| Argentina | \$— | \$— | \$48,640,273 | \$48,640,273 |
| Colombia | — | 48,237,852 | — | 48,237,852 |
| Ghana | — | 39,802,026 | — | 39,802,026 |
| India | — | 90,285,576 | — | 90,285,576 |
| Indonesia | — | 219,241,582 | — | 219,241,582 |
| Mexico | — | 264,170,123 | — | 264,170,123 |
| Norway | — | 127,601,779 | — | 127,601,779 |
| South Korea | — | 336,813,796 | — | 336,813,796 |
| Supranational | — | 10,294,562 | — | 10,294,562 |
| U.S. Government and Agency Securities | — | 473,309,461 | — | 473,309,461 |
| Options purchased | — | 15,435,996 | — | 15,435,996 |
| Short Term Investments | 460,014,464 | 101,978,517 | 2,851,871 | 564,844,852 |
| Total Investments in Securities | \$460,014,464 | \$1,727,171,270 ^a | \$51,492,144 | \$2,238,677,878 |
| Other Financial Instruments: | | | | |
| Forward exchange contracts | \$— | \$21,087,486 | \$— | \$21,087,486 |
| Restricted Currency (ARS) | — | — | 567,753 | 567,753 |
| Total Other Financial Instruments | \$— | \$21,087,486 | \$567,753 | \$21,655,239 |
| Receivables: | | | | |
| Interest (ARS) | \$— | \$— | \$1,777,565 | \$1,777,565 |
| Liabilities: | | | | |
| Other Financial Instruments: | | | | |
| Options written | \$— | \$17,598,535 | \$— | \$17,598,535 |
| Forward exchange contracts | — | 50,894,948 | — | 50,894,948 |
| Total Other Financial Instruments | \$— | \$68,493,483 | \$— | \$68,493,483 |
| Payables: | | | | |
| Deferred Tax(ARS) | \$— | \$— | \$2,090 | \$2,090 |

| | Level 1 | Level 2 | Level 3 | Total |
|-----------------------------------|------------|-------------|---------|-------------|
| Templeton Growth VIP Fund | | | | |
| Assets: | | | | |
| Investments in Securities: | | | | |
| Common Stocks: | | | | |
| Aerospace & Defense | \$— | \$7,899,538 | \$— | \$7,899,538 |
| Air Freight & Logistics | 8,488,111 | — | — | 8,488,111 |
| Airlines | 9,566,331 | 13,306,381 | — | 22,872,712 |
| Auto Components | 13,436,265 | 7,318,496 | — | 20,754,761 |
| Automobiles | — | 11,483,828 | — | 11,483,828 |
| Beverages | — | 36,955,969 | — | 36,955,969 |
| Chemicals | 22,893,463 | 7,192,454 | — | 30,085,917 |

11. Fair Value Measurements (continued)

| | Level 1 | Level 2 | Level 3 | Total |
|--|---------------|----------------------------|---------|---------------|
| Templeton Growth VIP Fund (continued) | | | | |
| Assets: (continued) | | | | |
| Investments in Securities: | | | | |
| Common Stocks: | | | | |
| Consumer Finance | \$9,180,729 | \$— | \$— | \$9,180,729 |
| Diversified Telecommunication Services | 14,476,850 | — | — | 14,476,850 |
| Electric Utilities | 7,480,832 | — | — | 7,480,832 |
| Electrical Equipment | — | 8,645,622 | — | 8,645,622 |
| Electronic Equipment, Instruments & Components | — | 9,419,268 | — | 9,419,268 |
| Entertainment | 16,760,874 | 5,788,309 | — | 22,549,183 |
| Food & Staples Retailing | 15,690,284 | — | — | 15,690,284 |
| Food Products | — | 3,333,547 | — | 3,333,547 |
| Health Care Equipment & Supplies | 20,236,396 | — | — | 20,236,396 |
| Health Care Providers & Services | 10,662,306 | — | — | 10,662,306 |
| Hotels, Restaurants & Leisure | 21,152,650 | 32,774,922 | — | 53,927,572 |
| Household Durables | — | 25,898,827 | — | 25,898,827 |
| Industrial Conglomerates | 6,846,170 | 9,933,596 | — | 16,779,766 |
| Insurance | — | 13,480,664 | — | 13,480,664 |
| Internet & Direct Marketing Retail | 13,862,548 | — | — | 13,862,548 |
| IT Services | 22,140,015 | 5,884,719 | — | 28,024,734 |
| Machinery | 4,472,608 | 19,741,373 | — | 24,213,981 |
| Marine | — | 6,110,044 | — | 6,110,044 |
| Media | 10,308,009 | 1,108,327 | — | 11,416,336 |
| Metals & Mining | 17,460,050 | 11,339,465 | — | 28,799,515 |
| Multiline Retail | 15,810,474 | — | — | 15,810,474 |
| Multi-Utilities | 3,790,400 | 14,375,722 | — | 18,166,122 |
| Oil, Gas & Consumable Fuels | 13,171,912 | 15,757,083 | — | 28,928,995 |
| Pharmaceuticals | — | 31,733,511 | — | 31,733,511 |
| Road & Rail | — | 4,880,497 | — | 4,880,497 |
| Semiconductors & Semiconductor Equipment | 11,121,216 | 8,091,863 | — | 19,213,079 |
| Specialty Retail | 25,629,823 | — | — | 25,629,823 |
| Technology Hardware, Storage & Peripherals | — | 25,732,009 | — | 25,732,009 |
| Textiles, Apparel & Luxury Goods | — | 13,400,806 | — | 13,400,806 |
| Wireless Telecommunication Services | 6,542,769 | — | — | 6,542,769 |
| Short Term Investments | — | 15,600,000 | — | 15,600,000 |
| Total Investments in Securities | \$321,181,085 | \$367,186,840 ^m | \$— | \$688,367,925 |

^aIncludes foreign securities valued at \$125,721,130, 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.

^bFor detailed categories, see the accompanying Statement of Investments.

^cIncludes foreign securities valued at \$55,110,128, 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.

^dIncludes foreign securities valued at \$950,212, 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.

^eIncludes foreign securities valued at \$121,156,865, 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.

^fIncludes foreign securities valued at \$911,612, 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.

^gIncludes securities determined to have no value at March 31, 2021.

^hIncludes foreign securities valued at \$172,929,717, 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.

ⁱIncludes foreign securities valued at \$300,072,604, 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.

^jIncludes foreign securities valued at \$58,080,276, 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.

11. Fair Value Measurements (continued)

^kIncludes foreign securities valued at \$294,989,639, 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.

^lIncludes foreign securities valued at \$1,106,682,355, 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.

^mIncludes foreign securities valued at \$351,586,838, which were categorized as Level 2 as a result of the application of market level fair value procedures. See the Financial Instrument Valuation note for more information.

A reconciliation in which Level 3 inputs are used in determining fair value is presented when there are significant Level 3 assets and/or liabilities at the beginning and/or end of the period. At March 31, 2021, the reconciliation is as follows:

| | Balance at Beginning of Period | Purchases | Sales | Transfer Into Level 3 | Transfer Out of Level 3 | Cost Basis Adjust- ments | Net Realized Gain (Loss) | Net Unrealized Appreciation (Depreciation) | Balance at End of Period | Net Change in Unrealized Appreciation (Depreciation) on Assets Held at Period End |
|---|--------------------------------------|-------------|-------|-----------------------------|-------------------------------|--------------------------------|-----------------------------------|---|--------------------------------|---|
| Franklin Small-Mid Cap Growth VIP Fund | | | | | | | | | | |
| Assets: | | | | | | | | | | |
| Investments in Securities: | | | | | | | | | | |
| Common Stocks: | | | | | | | | | | |
| Capital Markets | \$— | \$2,278,560 | \$— | \$— | \$— | \$— | \$— | \$— | \$2,278,560 | \$— |
| Consumer Discretionary | — | — | — | — | — | — | — | — | — | — |
| Information Technology | — | — | — | — | — | — | — | — | — | — |
| Internet & Direct | — | — | — | — | — | — | — | — | — | — |
| Marketing Retail | 1,208,923 | — | — | — | — | — | — | — | 1,208,923 | — |
| Road & Rail | — | 748,000 | — | — | — | — | — | — | 748,000 | — |
| Convertible Preferred Stocks: | | | | | | | | | | |
| Diversified Consumer Services | — | 1,034,805 | — | — | — | — | — | — | 1,034,805 | — |
| Internet & Direct | — | — | — | — | — | — | — | — | — | — |
| Marketing Retail | — | 69,740 | — | — | — | — | — | — | 69,740 | — |
| Software | — | 1,529,976 | — | — | — | — | — | — | 1,529,976 | — |
| Preferred Stocks: | | | | | | | | | | |
| Internet & Direct | — | — | — | — | — | — | — | 820,247 | 2,477,270 | 820,247 |
| Marketing Retail | 1,657,023 | — | — | — | — | — | — | 29,765 | 2,277,162 | 29,765 |
| Software | 768,400 | 1,478,997 | — | — | — | — | — | — | — | — |
| Textiles, Apparel & Luxury Goods | 1,068,276 | — | — | — | — | — | — | 37,355 | 1,105,631 | 37,355 |
| Total Investments in Securities. | \$4,702,622 | \$7,140,078 | \$— | \$— | \$— | \$— | \$— | \$887,367 | \$12,730,067 | \$887,367 |

| | Balance at Beginning of Period | Purchases | Sales | Transfer Into Level 3 ^a | Transfer Out of Level 3 | Cost Basis Adjust- ments ^b | Net Realized Gain (Loss) | Net Unrealized Appreciation (Depreciation) | Balance at End of Period | Net Change in Unrealized Appreciation (Depreciation) on Assets Held at Period End |
|--|--------------------------------------|-----------|-------------|--|-------------------------------|---|-----------------------------------|---|--------------------------------|---|
| Templeton Developing Markets VIP Fund | | | | | | | | | | |
| Assets: | | | | | | | | | | |
| Investments in Securities: | | | | | | | | | | |
| Common Stocks: | | | | | | | | | | |
| China | \$— | \$— | \$— | \$7,080,740 | \$— | \$— | \$— | \$(525,487) | \$6,555,253 | \$(525,487) |
| Czech Republic | — | — | (475,103) | 1,236,955 | — | — | 44,240 | 123,062 | 929,154 | 123,062 |
| Escrows and Litigation Trusts | — ^c | — | — | — | — | — | — | — | — ^c | — |
| Total Investments in Securities. | \$— | \$— | \$(475,103) | \$8,317,695 | \$— | \$— | \$44,240 | \$(402,425) | \$7,484,407 | \$(402,425) |

11. Fair Value Measurements (continued)

| | Balance at Beginning of Period | Purchases | Sales | Transfer Into Level 3 ^a | Transfer Out of Level 3 | Cost Basis Adjust- ments ^b | Net Realized Gain (Loss) | Net Unrealized Appreciation (Depreciation) | Balance at End of Period | Net Change in Unrealized Appreciation (Depreciation) on Assets Held at Period End |
|--|--------------------------------------|-------------|---------------|--|-------------------------------|---|-----------------------------------|---|--------------------------------|---|
| Templeton Global Bond VIP Fund | | | | | | | | | | |
| Assets: | | | | | | | | | | |
| Investments in Securities: | | | | | | | | | | |
| Foreign Government and Agency Securities: | | | | | | | | | | |
| Argentina | \$43,034,720 | \$3,772,008 | \$— | \$— | \$— | \$926,787 | \$— | \$906,758 | \$48,640,273 | \$906,758 |
| Short Term Investments . . | 3,010,391 | 1,200,103 | (782,319) | \$— | — | 29,990 | \$12,610 | (618,904) | 2,851,871 | (590,396) |
| Total Investments in Securities. | \$46,045,111 | \$4,972,111 | \$(782,319) | \$— | \$— | \$956,777 | \$12,610 | \$287,854 | \$51,492,144 | \$316,362 |
| Other Financial Instruments: | | | | | | | | | | |
| Restricted Currency (ARS) | \$3,151 | \$5,983,149 | \$(5,407,742) | \$— | \$— | \$— | \$(11,174) | \$369 | \$567,753 | \$327 |
| Receivables: | | | | | | | | | | |
| Interest (ARS) | \$947,439 | \$5,108,267 | \$(4,282,401) | \$— | \$— | \$— | \$(3,841) | \$8,101 | \$1,777,565 | \$41,678 |
| Liabilities: | | | | | | | | | | |
| Payables: | | | | | | | | | | |
| Deferred Tax (ARS) | \$2,124 | \$— | \$— | \$— | \$— | \$— | \$— | \$(34) | \$2,090 | \$(34) |
| Investment Securities Purchased (ARS) | \$463,749 | \$— | \$(467,633) | \$— | \$— | \$— | \$3,884 | \$— | \$— | \$— |

^aTransferred into level 3 as a result of the unavailability of a quoted market price in an active market for identical securities or as a result of the unreliability of the foreign exchange rate and other significant observable valuation inputs. May include amounts related to a corporate action.

^bMay include accretion, amortization, partnership adjustments, and/or other cost basis adjustments.

^cIncludes securities determined to have no value.

Significant unobservable valuation inputs for material Level 3 assets and/or liabilities and impact to fair value as a result of changes in unobservable valuation inputs as of March 31, 2021, are as follows:

11. Fair Value Measurements (continued)

| Description | Fair Value at End of Period | Valuation Technique | Unobservable Inputs | Amount / Range (Weighted Average) ^a | Impact to Fair Value if Input Increases ^b |
|---|-----------------------------------|----------------------------------|---------------------------------------|---|---|
| Franklin Small-Mid Cap Growth VIP Fund | | | | | |
| Assets: | | | | | |
| Investments in Securities: | | | | | |
| Common Stocks | | | | | |
| Capital Markets | \$2,278,560 | Market comparables | Discount for lack of marketability | 6.0% - 44.1% (26.0%) | Decrease |
| Road & Rail. | 748,000 | Market comparables | Discount for lack of marketability | 14.2% | Decrease |
| Preferred Stocks | | | | | |
| Internet & Direct Marketing Retail. . . . | 2,477,270 | Market comparables | Discount for lack of marketability | 16.1% | Decrease |
| Software | 798,170 | Market comparables | Discount for lack of marketability | 11.8% | Decrease ^c |
| | | | EV / revenue multiple | 19.8x | Increase ^c |
| Textiles, Apparel & Luxury Goods. . . . | 1,105,631 | Market comparables | Discount for lack of marketability | 10.2% | Decrease ^c |
| | | | EV / revenue multiple | 5.2x | Increase |
| All Other Investments | 5,322,436 ^d | | | | |
| Total | \$12,730,067 | | | | |
| Templeton Developing Markets VIP Fund | | | | | |
| Assets: | | | | | |
| Investments in Securities: | | | | | |
| Common Stocks | | | | | |
| China | \$6,555,253 | Discount to last traded price | Discount for lack of marketability | 10.0% | Decrease ^e |
| All Other Investments | 929,154 ^{d, f} | | | | |
| Total | \$7,484,407 | | | | |
| Templeton Global Bond VIP Fund | | | | | |
| Assets: | | | | | |
| Investments in Securities: | | | | | |
| Foreign Government and Agency Securities: | | | | | |
| Argentina | \$48,640,273 | Market comparables | Implied foreign exchange rate | 146.2 ARS/USD | Decrease ^e |
| Short Term Investments: | | | | | |
| Argentina | 2,851,871 | Market comparables | Implied foreign exchange rate | 146.2 ARS/USD | Decrease ^c |
| All Other | 2,345,318 ^d | | | | |
| Liabilities: | | | | | |
| All Other | 2,090 ^d | | | | |
| Total | \$53,835,372 | | | | |

11. Fair Value Measurements (continued)

^aWeighted based on the relative fair value of the financial instruments.

^bRepresents the directional change in the fair value that would result from a significant and reasonable increase in the corresponding input. A significant and reasonable decrease in the input would have the opposite effect. Significant impacts, if any, to fair value and/or net assets have been indicated.

^cRepresents a significant impact to fair value but not net assets.

^dIncludes fair value of immaterial assets and/or liabilities developed using various valuation techniques and unobservable inputs. May also include values derived using private transaction prices or non-public third party pricing information which is unobservable.

^eRepresents a significant impact to fair value and net assets.

^fIncludes securities determined to have no value at March 31, 2021.

Abbreviations List

EV - Enterprise value

12. Subsequent Events

The Funds have evaluated subsequent events through the issuance of the Statements of Investments and determined that no events have occurred that require disclosure.

Abbreviations

Counterparty

| | |
|-------------|---------------------------------|
| BNDP | BNP Paribas SA |
| BOFA | Bank of America Corp. |
| BZWS | Barclays Bank plc |
| CITI | Citibank NA |
| CITI | Citigroup, Inc |
| DBAB | Deutsche Bank AG |
| FBCO | Credit Suisse Group AG |
| GSCO | Goldman Sachs Group, Inc. |
| HSBK | HSBC Bank plc |
| JPHQ | JPMorgan Chase Bank NA |
| JPHQ | JPMORGAN SINGAPORE |
| MSCO | Morgan Stanley |
| SSBT | State Street Bank and Trust Co. |
| UBSW | UBS AG |

Selected Portfolio

| | |
|----------------|--|
| ADR | American Depositary Receipts |
| AGMC | Assured Guaranty Municipal Corp. |
| CLO | Collateralized Loan Obligation |
| CMT | Constant Monthly U.S. Treasury Securities Yield Curve Rate Index |
| COFI | Cost of Funds Index |
| CVR | Contingent Voting Rights |
| ETF | Exchange-Traded Fund |
| EURIBOR | Euro Inter-Bank Offer Rate |
| FFCB | Federal Farm Credit Banks Funding Corp. |
| FHLB | Federal Home Loan Banks |
| FHLMC | Federal Home Loan Mortgage Corp. |
| FNMA | Federal National Mortgage Association |
| FRN | Floating Rate Note |
| GDR | Global Depositary Receipt |
| GNMA | Government National Mortgage Association |
| GO | General Obligation |
| LIBOR | London Inter-Bank Offered Rate |
| MBS | Mortgage-Backed Security |
| NYRS | New York Registry Shares |
| PIK | Payment-In-Kind |
| REIT | Real Estate Investment Trust |
| SOFR | Secured Overnight Financing Rate |
| T-Note | Treasury Note |
| VRI | Value Recovery Instruments |

Currency

| | |
|------------|----------------------|
| ARS | Argentine Peso |
| AUD | Australian Dollar |
| BRL | Brazilian Real |
| CAD | Canadian Dollar |
| CHF | Swiss Franc |
| COP | Colombian Peso |
| DOP | Dominican Peso |
| EUR | Euro |
| GBP | British Pound |
| GHS | Ghanaian Cedi |
| IDR | Indonesian Rupiah |
| INR | Indian Rupee |
| JPY | Japanese Yen |
| KRW | South Korean Won |
| MXN | Mexican Peso |
| NOK | Norwegian Krone |
| SEK | Swedish Krona |
| USD | United States Dollar |
| UYU | Uruguayan Peso |
| ZAR | South African Rand |

Index

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|-------------------------|--|
| CDX.NA.EM. | |
| Series number | CDX North America Emerging Markets Index |
| MCDX. | |
| NA.Series number | MCDX North America Index |

For additional information on the Funds' significant policies, please refer to the Funds' most recent semiannual or annual shareholder report.

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