

Statement of Investments (unaudited), September 30, 2020

Franklin Allocation VIP Fund

	Country	Shares	Value
Common Stocks 58.5%			
Aerospace & Defense 1.5%			
BAE Systems plc	United Kingdom	89,830	\$557,912
Boeing Co. (The)	United States	584	96,512
BWX Technologies, Inc.	United States	10,563	594,803
^a Dassault Aviation SA	France	381	321,325
General Dynamics Corp.	United States	4,900	678,307
Huntington Ingalls Industries, Inc.	United States	1,598	224,918
Lockheed Martin Corp.	United States	8,144	3,121,432
^a Mercury Systems, Inc.	United States	4,600	356,316
MTU Aero Engines AG	Germany	8,500	1,408,751
Northrop Grumman Corp.	United States	7,284	2,298,029
Raytheon Technologies Corp.	United States	36,217	2,083,926
			11,742,231
Air Freight & Logistics 0.7%			
CH Robinson Worldwide, Inc.	United States	3,576	365,431
DSV PANALPINA A/S	Denmark	12,000	1,946,025
Expeditors International of Washington, Inc.	United States	4,593	415,758
United Parcel Service, Inc., B	United States	13,796	2,298,828
			5,026,042
Airlines 0.0%[†]			
^a Deutsche Lufthansa AG	Germany	5,928	51,336
International Consolidated Airlines Group SA	United Kingdom	209,596	255,994
^a Japan Airlines Co. Ltd.	Japan	100	1,865
			309,195
Auto Components 0.2%			
Cie Generale des Etablissements Michelin SCA	France	7,713	827,796
^a Faurecia SE	France	1,347	58,049
Gentex Corp.	United States	7,256	186,842
Toyota Industries Corp.	Japan	6,574	416,159
			1,488,846
Automobiles 0.3%			
Bayerische Motoren Werke AG	Germany	8,340	605,165
Fiat Chrysler Automobiles NV	United Kingdom	5,139	63,067
Honda Motor Co. Ltd.	Japan	21,300	505,673
Isuzu Motors Ltd.	Japan	65,600	573,560
Peugeot SA	France	3,248	58,888
^a Tesla, Inc.	United States	725	311,032
			2,117,385
Banks 1.3%			
Banco de Sabadell SA	Spain	226,342	78,542
Bank of America Corp.	United States	8,254	198,839
^a Bank of Ireland Group plc	Ireland	29,169	54,067
^a FinecoBank Banca Fineco SpA	Italy	117,493	1,617,971
^a ING Groep NV	Netherlands	166,078	1,185,024
JPMorgan Chase & Co.	United States	4,998	481,157
Kasikornbank PCL	Thailand	99,900	244,597
KB Financial Group, Inc.	South Korea	28,480	919,974
KBC Group NV	Belgium	24,689	1,237,793
Shinhan Financial Group Co. Ltd.	South Korea	15,279	359,595
Shinsei Bank Ltd.	Japan	4,500	55,547
^a Standard Chartered plc	United Kingdom	193,778	891,722
Sumitomo Mitsui Financial Group, Inc., ADR	Japan	109,500	612,105
Sumitomo Mitsui Financial Group, Inc.	Japan	29,300	819,019

FRANKLIN TEMPLETON VARIABLE INSURANCE PRODUCTS TRUST
STATEMENT OF INVESTMENTS (UNAUDITED)

Franklin Allocation VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Banks (continued)			
Truist Financial Corp.	United States	3,234	\$123,054
Wells Fargo & Co.	United States	32,831	771,857
			9,650,863
Beverages 0.9%			
Anheuser-Busch InBev SA/NV	Belgium	3,120	167,946
^a Boston Beer Co., Inc. (The), A.	United States	25	22,084
Brown-Forman Corp., A.	United States	488	33,516
Brown-Forman Corp., B.	United States	9,890	744,915
Coca-Cola Co. (The)	United States	10,526	519,669
Constellation Brands, Inc., A.	United States	3,104	588,239
Kirin Holdings Co. Ltd.	Japan	39,500	741,702
^a Monster Beverage Corp.	United States	21,345	1,711,869
PepsiCo, Inc.	United States	18,846	2,612,055
			7,141,995
Biotechnology 1.7%			
AbbVie, Inc.	United States	21,410	1,875,302
Amgen, Inc.	United States	9,834	2,499,409
^a Biogen, Inc.	United States	5,112	1,450,172
CSL Ltd.	Australia	10,542	2,176,715
^a Deciphera Pharmaceuticals, Inc.	United States	3,300	169,290
^a Exelixis, Inc.	United States	6,762	165,331
^a Galapagos NV	Belgium	3,584	507,995
^a Genmab A/S	Denmark	2,900	1,052,203
Gilead Sciences, Inc.	United States	13,246	837,015
^a Iovance Biotherapeutics, Inc.	United States	2,300	75,716
^a Neurocrine Biosciences, Inc.	United States	2,609	250,882
^a PTC Therapeutics, Inc.	United States	2,200	102,850
^a Regeneron Pharmaceuticals, Inc.	United States	1,562	874,376
^a United Therapeutics Corp.	United States	1,333	134,633
^a Vertex Pharmaceuticals, Inc.	United States	2,124	577,983
			12,749,872
Building Products 0.5%			
A O Smith Corp.	United States	3,394	179,203
Allegion plc.	United States	4,306	425,907
Geberit AG	Switzerland	1,449	857,031
Johnson Controls International plc.	United States	19,600	800,660
^a Kingspan Group plc	Ireland	729	66,329
Lennox International, Inc.	United States	200	54,522
Masco Corp.	United States	1,192	65,715
Owens Corning	United States	2,168	149,180
Trane Technologies plc	United States	6,156	746,415
^a Trex Co., Inc.	United States	2,668	191,029
			3,535,991
Capital Markets 2.6%			
3i Group plc	United Kingdom	4,485	57,596
^{a,b} Amundi SA, 144A, Reg S	France	2,392	168,563
Bank of New York Mellon Corp. (The)	United States	12,809	439,861
BlackRock, Inc.	United States	2,201	1,240,373
Choe Global Markets, Inc.	United States	1,340	117,572
Charles Schwab Corp. (The)	United States	17,031	617,033
Daiwa Securities Group, Inc.	Japan	11,700	49,195
Deutsche Boerse AG.	Germany	10,647	1,866,238
Eaton Vance Corp.	United States	3,470	132,380
Evercore, Inc., A.	United States	75	4,909

Franklin Allocation VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Capital Markets (continued)			
FactSet Research Systems, Inc.	United States	1,520	\$509,018
^b Flow Traders, 144A, Reg S	Netherlands	10,180	406,728
Hargreaves Lansdown plc.	United Kingdom	12,481	251,071
Hong Kong Exchanges & Clearing Ltd.	Hong Kong	16,000	753,181
Intercontinental Exchange, Inc.	United States	7,855	785,893
Intermediate Capital Group plc	United Kingdom	74,000	1,138,155
Invesco Ltd.	United States	14,654	167,202
Japan Exchange Group, Inc.	Japan	8,400	235,371
Lazard Ltd., A	United States	1,181	39,032
Magellan Financial Group Ltd.	Australia	5,010	206,546
MarketAxess Holdings, Inc.	United States	1,375	662,186
Moody's Corp.	United States	5,615	1,627,508
Morgan Stanley.	United States	7,096	343,092
Morningstar, Inc.	United States	167	26,822
MSCI, Inc.	United States	3,377	1,204,846
Nasdaq, Inc.	United States	3,200	392,672
^a Natixis SA.	France	21,564	48,450
Nomura Holdings, Inc.	Japan	94,900	433,563
Partners Group Holding AG.	Switzerland	721	662,999
S&P Global, Inc.	United States	7,733	2,788,520
SEI Investments Co.	United States	4,433	224,842
Singapore Exchange Ltd.	Singapore	30,700	207,076
State Street Corp.	United States	5,845	346,784
T Rowe Price Group, Inc.	United States	9,472	1,214,500
Tradeweb Markets, Inc., A.	United States	3,600	208,800
UBS Group AG	Switzerland	71,266	796,032
			20,374,609
Chemicals 2.5%			
Air Products and Chemicals, Inc.	United States	12,282	3,658,317
Albemarle Corp.	United States	13,330	1,190,102
Celanese Corp.	United States	7,544	810,603
^b Covestro AG, 144A, Reg S	Germany	11,099	550,283
Eastman Chemical Co.	United States	1,029	80,385
Ecolab, Inc.	United States	8,721	1,742,805
EMS-Chemie Holding AG	Switzerland	316	283,838
Huntsman Corp.	United States	475	10,550
International Flavors & Fragrances, Inc.	United States	2,316	283,594
Koninklijke DSM NV	Netherlands	9,800	1,613,046
Linde plc.	United Kingdom	13,485	3,211,183
LyondellBasell Industries NV, A	United States	11,816	832,910
NewMarket Corp.	United States	64	21,908
Nitto Denko Corp.	Japan	6,200	403,807
Sherwin-Williams Co. (The).	United States	1,044	727,397
Shin-Etsu Chemical Co. Ltd.	Japan	1,000	130,817
Symrise AG	Germany	12,000	1,657,117
Tosoh Corp.	Japan	31,300	508,042
Umicore SA	Belgium	36,000	1,497,084
Valvoline, Inc.	United States	1,002	19,078
			19,232,866
Commercial Services & Supplies 0.4%			
Cintas Corp.	United States	4,628	1,540,337
^a Copart, Inc.	United States	5,074	533,582
Downer EDI Ltd.	Australia	53,536	170,089
^a IAA, Inc.	United States	514	26,764
Republic Services, Inc.	United States	3,700	345,395

Franklin Allocation VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Commercial Services & Supplies (continued)			
Rollins, Inc.	United States	5,954	\$322,647
			2,938,814
Communications Equipment 0.2%			
^a Arista Networks, Inc.	United States	125	25,866
^a Ciena Corp.	United States	350	13,892
Cisco Systems, Inc.	United States	19,185	755,697
^a F5 Networks, Inc.	United States	2,539	311,713
Motorola Solutions, Inc.	United States	1,582	248,074
Ubiquiti, Inc.	United States	93	15,499
			1,370,741
Construction & Engineering 0.1%			
Obayashi Corp.	Japan	26,200	239,119
Sinopec Engineering Group Co. Ltd., H.	China	649,500	240,088
			479,207
Construction Materials 0.1%			
Martin Marietta Materials, Inc.	United States	2,263	532,620
Taiheiyo Cement Corp.	Japan	2,300	58,710
			591,330
Consumer Finance 0.0%[†]			
Santander Consumer USA Holdings, Inc.	United States	915	16,644
Containers & Packaging 0.1%			
Avery Dennison Corp.	United States	1,680	214,771
Graphic Packaging Holding Co.	United States	8,779	123,696
Packaging Corp. of America	United States	803	87,567
Sonoco Products Co.	United States	989	50,509
			476,543
Distributors 0.1%			
Pool Corp.	United States	1,557	520,879
Diversified Consumer Services 0.2%			
^a Grand Canyon Education, Inc.	United States	1,533	122,548
H&R Block, Inc.	United States	2,540	41,377
^a TAL Education Group, ADR.	China	21,000	1,596,840
			1,760,765
Diversified Financial Services 0.3%			
^a Berkshire Hathaway, Inc., B.	United States	4,936	1,051,072
Equitable Holdings, Inc.	United States	1,000	18,240
EXOR NV	Netherlands	3,786	205,471
Jefferies Financial Group, Inc.	United States	600	10,800
M&G plc	United Kingdom	98,226	201,904
Mitsubishi UFJ Lease & Finance Co. Ltd.	Japan	16,000	74,321
ORIX Corp.	Japan	53,600	669,288
Sofina SA	Belgium	582	158,856
			2,389,952
Diversified Telecommunication Services 0.9%			
AT&T, Inc.	United States	41,861	1,193,457
^b Cellnex Telecom SA, 144A, Reg S.	Spain	16,000	971,036
Deutsche Telekom AG.	Germany	56,626	942,625
Nippon Telegraph & Telephone Corp.	Japan	28,700	585,792
Proximus SADP	Belgium	5,777	105,367

Franklin Allocation VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Diversified Telecommunication Services (continued)			
Swisscom AG	Switzerland	1,006	\$532,792
Telefonica SA	Spain	12,485	42,759
Verizon Communications, Inc.	United States	36,803	2,189,410
			6,563,238
Electric Utilities 0.5%			
Alliant Energy Corp.	United States	2,179	112,545
American Electric Power Co., Inc.	United States	2,004	163,787
Endesa SA	Spain	12,174	325,561
Evergy, Inc.	United States	1,583	80,448
Eversource Energy	United States	2,894	241,794
Hawaiian Electric Industries, Inc.	United States	1,062	35,301
NextEra Energy, Inc.	United States	6,110	1,695,892
NRG Energy, Inc.	United States	7,353	226,031
PPL Corp.	United States	5,355	145,709
Red Electrica Corp. SA	Spain	11,169	209,434
Southern Co. (The)	United States	7,582	411,096
Xcel Energy, Inc.	United States	2,225	153,547
			3,801,145
Electrical Equipment 0.5%			
Acuity Brands, Inc.	United States	1,237	126,607
AMETEK, Inc.	United States	3,818	379,509
Emerson Electric Co.	United States	6,066	397,747
^a Generac Holdings, Inc.	United States	125	24,205
Mitsubishi Electric Corp.	Japan	49,700	674,198
nVent Electric plc	United States	13,900	245,891
Rockwell Automation, Inc.	United States	2,594	572,444
Schneider Electric SE	France	8,750	1,087,384
			3,507,985
Electronic Equipment, Instruments & Components 0.5%			
Amphenol Corp., A	United States	8,233	891,387
^a Arrow Electronics, Inc.	United States	2,271	178,637
Avnet, Inc.	United States	12,440	321,450
Cognex Corp.	United States	2,187	142,374
Hitachi Ltd.	Japan	25,472	862,223
Jabil, Inc.	United States	2,663	91,234
^a Keysight Technologies, Inc.	United States	4,062	401,244
SYNNEX Corp.	United States	1,256	175,915
TE Connectivity Ltd.	United States	10,449	1,021,285
Topcon Corp.	Japan	6,000	55,103
			4,140,852
Energy Equipment & Services 0.1%			
SBM Offshore NV	Netherlands	45,637	727,830
^a Tecnicas Reunidas SA	Spain	10,371	110,871
Tenaris SA	United States	8,984	44,749
			883,450
Entertainment 0.6%			
Activision Blizzard, Inc.	United States	5,472	442,958
CTS Eventim AG & Co. KGaA	Germany	24,000	1,159,749
^a Electronic Arts, Inc.	United States	4,785	624,012
^a Netflix, Inc.	United States	801	400,524
^a Spotify Technology SA	United States	918	222,679
^a Ubisoft Entertainment SA	France	626	56,408

Franklin Allocation VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Entertainment (continued)			
Walt Disney Co. (The)	United States	14,608	\$1,812,561
			<u>4,718,891</u>
Equity Real Estate Investment Trusts (REITs) 0.9%			
American Tower Corp.	United States	1,958	473,307
Brixmor Property Group, Inc.	United States	8,043	94,023
CoreSite Realty Corp.	United States	75	8,916
Crown Castle International Corp.	United States	6,485	1,079,753
EPR Properties.	United States	663	18,233
Equinix, Inc.	United States	1,098	834,623
Equity Commonwealth	United States	3,582	95,389
Gaming and Leisure Properties, Inc.	United States	7,966	294,184
Gecina SA	France	405	53,378
Goodman Group	Australia	50,394	652,200
Highwoods Properties, Inc.	United States	3,213	107,860
Host Hotels & Resorts, Inc.	United States	8,574	92,513
Kimco Realty Corp.	United States	3,657	41,178
Lamar Advertising Co., A.	United States	2,664	176,277
Link REIT	Hong Kong	6,600	54,083
National Retail Properties, Inc.	United States	1,792	61,842
Omega Healthcare Investors, Inc.	United States	3,483	104,281
Public Storage	United States	5,329	1,186,875
Realty Income Corp.	United States	3,305	200,779
Segro plc	United Kingdom	4,130	49,634
Simon Property Group, Inc.	United States	12,240	791,683
Spirit Realty Capital, Inc.	United States	1,021	34,459
STORE Capital Corp.	United States	2,012	55,189
Ventas, Inc.	United States	9,905	415,614
Vornado Realty Trust.	United States	5,595	188,607
WP Carey, Inc.	United States	1,418	92,397
			<u>7,257,277</u>
Food & Staples Retailing 1.0%			
Casey's General Stores, Inc.	United States	312	55,427
Coles Group Ltd.	Australia	4,028	49,052
Costco Wholesale Corp.	United States	1,624	576,520
Jeronimo Martins SGPS SA	Portugal	3,098	49,806
Koninklijke Ahold Delhaize NV.	Netherlands	40,441	1,195,097
Kroger Co. (The)	United States	29,614	1,004,211
Lawson, Inc.	Japan	2,000	95,338
Matsumotokiyoshi Holdings Co. Ltd.	Japan	18,100	659,772
Seven & i Holdings Co. Ltd.	Japan	2,900	90,078
^a Sprouts Farmers Market, Inc.	United States	4,578	95,818
Sundrug Co. Ltd.	Japan	20,043	755,305
Walgreens Boots Alliance, Inc.	United States	6,675	239,766
Walmart, Inc.	United States	16,608	2,323,625
Welcia Holdings Co. Ltd.	Japan	4,000	175,364
			<u>7,365,179</u>
Food Products 0.5%			
^a a2 Milk Co. Ltd. (The)	New Zealand	4,223	42,976
Calbee, Inc.	Japan	2,900	95,493
Campbell Soup Co.	United States	400	19,348
Flowers Foods, Inc.	United States	1,943	47,273
General Mills, Inc.	United States	6,587	406,286
Hershey Co. (The)	United States	1,804	258,585
Hormel Foods Corp.	United States	3,085	150,826
Ingredion, Inc.	United States	618	46,770

Franklin Allocation VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Food Products (continued)			
J M Smucker Co. (The)	United States	856	\$98,885
Kellogg Co.	United States	1,790	115,616
Lamb Weston Holdings, Inc.	United States	2,932	194,304
McCormick & Co., Inc.	United States	5,300	1,028,730
Mondelez International, Inc., A.	United States	8,269	475,054
Nestle SA	Switzerland	2,978	354,322
Orkla ASA	Norway	5,310	53,571
Tyson Foods, Inc., A	United States	2,893	172,076
^b WH Group Ltd., 144A, Reg S	Hong Kong	366,000	298,551
Yamazaki Baking Co. Ltd.	Japan	3,000	52,278
			3,910,944
Gas Utilities 0.1%			
Atmos Energy Corp.	United States	1,113	106,392
Toho Gas Co. Ltd.	Japan	2,900	143,453
Tokyo Gas Co. Ltd.	Japan	14,600	333,085
			582,930
Health Care Equipment & Supplies 3.3%			
Abbott Laboratories.	United States	19,160	2,085,183
^a ABIOMED, Inc.	United States	75	20,779
^a Alcon, Inc.	Switzerland	21,000	1,190,287
^a Align Technology, Inc.	United States	200	65,472
Becton Dickinson and Co.	United States	6,900	1,605,492
Cochlear Ltd.	Australia	10,700	1,528,054
Coloplast A/S, B	Denmark	2,654	420,541
Danaher Corp.	United States	10,116	2,178,278
DENTSPLY SIRONA, Inc.	United States	4,459	194,992
DiaSorin SpA	Italy	977	196,523
^a Edwards Lifesciences Corp.	United States	14,150	1,129,453
Fisher & Paykel Healthcare Corp. Ltd.	New Zealand	8,385	185,047
GN Store Nord A/S	Denmark	25,000	1,883,019
^a Haemonetics Corp.	United States	5,424	473,244
Hoya Corp.	Japan	4,000	451,537
^a IDEXX Laboratories, Inc.	United States	1,861	731,578
^a Intuitive Surgical, Inc.	United States	2,522	1,789,460
^a LiVaNova plc.	United States	14,000	632,940
^a Masimo Corp.	United States	421	99,381
Medtronic plc	United States	17,130	1,780,150
ResMed, Inc.	United States	1,902	326,060
Stryker Corp.	United States	12,592	2,623,795
Teleflex, Inc.	United States	2,984	1,015,813
West Pharmaceutical Services, Inc.	United States	9,441	2,595,331
			25,202,409
Health Care Providers & Services 0.6%			
Chemed Corp.	United States	310	148,908
Cigna Corp.	United States	1,027	173,984
CVS Health Corp.	United States	7,565	441,796
Humana, Inc.	United States	618	255,784
^a Laboratory Corp. of America Holdings	United States	3,010	566,693
Medipal Holdings Corp.	Japan	2,800	56,130
Premier, Inc., A	United States	301	9,882
Quest Diagnostics, Inc.	United States	4,873	557,910
Sinopharm Group Co. Ltd., H	China	104,800	221,465
Suzuken Co. Ltd.	Japan	1,400	53,387
UnitedHealth Group, Inc.	United States	5,951	1,855,343

Franklin Allocation VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Health Care Providers & Services (continued)			
Universal Health Services, Inc., B	United States	1,401	\$149,935
			<u>4,491,217</u>
Health Care Technology 0.2%			
^a American Well Corp., A	United States	400	11,856
Cerner Corp.	United States	12,551	907,312
^a GoodRx Holdings, Inc., A	United States	300	16,680
^a Veeva Systems, Inc., A	United States	2,606	732,781
			<u>1,668,629</u>
Hotels, Restaurants & Leisure 0.5%			
Darden Restaurants, Inc.	United States	1,423	143,353
Domino's Pizza, Inc.	United States	1,628	692,356
Las Vegas Sands Corp.	United States	11,173	521,332
McDonald's Corp.	United States	7,779	1,707,413
Starbucks Corp.	United States	5,518	474,107
Yum China Holdings, Inc.	China	2,155	114,107
Yum! Brands, Inc.	United States	4,704	429,475
			<u>4,082,143</u>
Household Durables 0.4%			
Barratt Developments plc	United Kingdom	39,662	243,246
Berkeley Group Holdings plc	United Kingdom	4,942	269,413
DR Horton, Inc.	United States	1,418	107,243
Garmin Ltd.	United States	1,510	143,239
Lennar Corp., A	United States	1,916	156,499
^a Mohawk Industries, Inc.	United States	1,155	112,716
^a NVR, Inc.	United States	54	220,489
Persimmon plc	United Kingdom	12,363	394,004
PulteGroup, Inc.	United States	5,677	262,788
Sekisui Chemical Co. Ltd.	Japan	3,800	60,765
Sekisui House Ltd.	Japan	24,900	441,121
Sony Corp.	Japan	8,670	664,297
Taylor Wimpey plc	United Kingdom	33,713	47,142
			<u>3,122,962</u>
Household Products 0.8%			
Church & Dwight Co., Inc.	United States	2,581	241,866
Clorox Co. (The)	United States	3,786	795,704
Colgate-Palmolive Co.	United States	19,373	1,494,627
^a Essity AB, B	Sweden	1,580	53,331
Kimberly-Clark Corp.	United States	7,818	1,154,406
Procter & Gamble Co. (The)	United States	19,952	2,773,128
			<u>6,513,062</u>
Industrial Conglomerates 1.0%			
3M Co.	United States	6,654	1,065,838
Carlisle Cos., Inc.	United States	2,900	354,873
CK Hutchison Holdings Ltd.	United Kingdom	160,000	969,567
Honeywell International, Inc.	United States	12,289	2,022,892
Roper Technologies, Inc.	United States	7,500	2,963,325
			<u>7,376,495</u>
Insurance 0.6%			
Admiral Group plc	United Kingdom	7,296	246,069
Aflac, Inc.	United States	11,850	430,748
AIA Group Ltd.	Hong Kong	87,340	868,174

Franklin Allocation VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Insurance (continued)			
Allianz SE	Germany	251	\$48,164
American National Group, Inc.	United States	65	4,390
Aviva plc	United Kingdom	151,931	562,127
Direct Line Insurance Group plc	United Kingdom	13,460	46,946
Erie Indemnity Co., A	United States	2,850	599,298
Fidelity National Financial, Inc.	United States	2,852	89,296
Japan Post Insurance Co. Ltd.	Japan	9,000	141,667
Lincoln National Corp.	United States	5,798	181,651
Medibank Pvt Ltd.	Australia	27,533	49,660
MetLife, Inc.	United States	7,272	270,300
MS&AD Insurance Group Holdings, Inc.	Japan	2,000	53,871
NN Group NV	Netherlands	6,878	257,758
Principal Financial Group, Inc.	United States	2,177	87,668
Progressive Corp. (The)	United States	1,400	132,538
Prudential Financial, Inc.	United States	1,987	126,214
Unum Group	United States	6,521	109,748
			4,306,287
Interactive Media & Services 1.8%			
^a Alphabet, Inc., A	United States	3,329	4,878,982
^a Alphabet, Inc., C	United States	1,828	2,686,429
^a Baidu, Inc., ADR	China	5,459	691,055
^a Facebook, Inc., A	United States	17,169	4,496,561
^a IAC/InterActiveCorp	United States	1,607	192,486
Kakaku.com, Inc.	Japan	5,100	134,418
^a Match Group, Inc.	United States	5,680	628,492
			13,708,423
Internet & Direct Marketing Retail 2.2%			
^a Alibaba Group Holding Ltd., ADR	China	3,045	895,169
^a Alibaba Group Holding Ltd.	China	18,200	668,147
^a Amazon.com, Inc.	United States	3,304	10,403,404
^a boohoo Group plc	United Kingdom	375,000	1,810,458
^a Booking Holdings, Inc.	United States	316	540,575
eBay, Inc.	United States	4,067	211,891
Expedia Group, Inc.	United States	2,051	188,056
^a MercadoLibre, Inc.	Argentina	1,300	1,407,224
^{a,b} Zalando SE, 144A, Reg S	Germany	5,323	497,221
ZOZO, Inc.	Japan	3,400	94,849
			16,716,994
IT Services 3.1%			
Accenture plc, A	United States	17,615	3,980,814
^{a,b} Adyen NV, 144A, Reg S	Netherlands	1,304	2,404,694
^a Akamai Technologies, Inc.	United States	2,829	312,718
Amadeus IT Group SA	Spain	20,000	1,110,484
Amdocs Ltd.	United States	5,319	305,364
Automatic Data Processing, Inc.	United States	7,246	1,010,744
Booz Allen Hamilton Holding Corp.	United States	862	71,529
Broadridge Financial Solutions, Inc.	United States	1,237	163,284
Cognizant Technology Solutions Corp., A	United States	4,335	300,936
Fujitsu Ltd.	Japan	7,500	1,024,341
International Business Machines Corp.	United States	3,932	478,406
Jack Henry & Associates, Inc.	United States	846	137,551
Keywords Studios plc	Ireland	57,000	1,600,509
Mastercard, Inc., A	United States	10,435	3,528,804
NEC Corp.	Japan	1,900	111,107
Nomura Research Institute Ltd.	Japan	11,200	329,685

Franklin Allocation VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
IT Services (continued)			
^a Okta, Inc.	United States	400	\$85,540
Otsuka Corp.	Japan	4,000	204,347
Paychex, Inc.	United States	3,660	291,958
^a PayPal Holdings, Inc.	United States	4,300	847,229
^a Shopify, Inc., A	Canada	1,200	1,227,564
^a Snowflake, Inc., A	United States	1,600	401,600
^a Twilio, Inc., A.	United States	2,462	608,336
Visa, Inc., A.	United States	17,059	3,411,288
Western Union Co. (The).	United States	9,742	208,771
			<hr/> 24,157,603
Leisure Products 0.0%[†]			
Bandai Namco Holdings, Inc.	Japan	1,000	73,249
Polaris, Inc.	United States	1,808	170,567
			<hr/> 243,816
Life Sciences Tools & Services 0.8%			
^a 10X Genomics, Inc., A.	United States	1,100	137,148
Agilent Technologies, Inc.	United States	8,071	814,687
^a Illumina, Inc.	United States	3,346	1,034,182
^a Mettler-Toledo International, Inc.	United States	2,962	2,860,551
Sartorius Stedim Biotech.	France	1,063	366,830
Thermo Fisher Scientific, Inc.	United States	836	369,111
^a Waters Corp.	United States	150	29,352
^{a,b} Wuxi Biologics Cayman, Inc., 144A, Reg S	China	17,500	428,894
			<hr/> 6,040,755
Machinery 1.5%			
Allison Transmission Holdings, Inc.	United States	889	31,239
Amada Co. Ltd.	Japan	7,700	72,011
Atlas Copco AB, A.	Sweden	17,566	837,348
Atlas Copco AB, B.	Sweden	6,440	268,710
Caterpillar, Inc.	United States	3,146	469,226
Cummins, Inc.	United States	5,927	1,251,545
Deere & Co.	United States	2,986	661,787
Donaldson Co., Inc.	United States	7,600	352,792
Dover Corp.	United States	7,900	855,886
Epiroc AB, A	Sweden	25,578	370,451
Epiroc AB, B.	Sweden	15,197	210,900
Fortive Corp.	United States	6,217	473,798
Graco, Inc.	United States	6,476	397,303
Illinois Tool Works, Inc.	United States	7,667	1,481,341
^a Ingersoll Rand, Inc.	United States	5,326	189,606
Komatsu Ltd.	Japan	22,626	496,795
Kone OYJ, B.	Finland	5,313	466,400
Kurita Water Industries Ltd.	Japan	1,800	59,507
Lincoln Electric Holdings, Inc.	United States	1,857	170,918
Oshkosh Corp.	United States	1,929	141,781
Otis Worldwide Corp.	United States	6,661	415,780
PACCAR, Inc.	United States	2,047	174,568
Pentair plc	United States	12,400	567,548
SKF AB, B	Sweden	13,522	278,907
Snap-on, Inc.	United States	382	56,204
Stanley Black & Decker, Inc.	United States	4,452	722,114
Sumitomo Heavy Industries Ltd.	Japan	2,600	60,474
Toro Co. (The)	United States	1,224	102,755

Franklin Allocation VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Machinery (continued)			
Yangzijiang Shipbuilding Holdings Ltd.	China	98,800	\$72,177
			11,709,871
Marine 0.0%†			
Kuehne + Nagel International AG	Switzerland	2,113	410,177
Media 0.7%			
^{a,b} Ascential plc, 144A, Reg S	United Kingdom	324,885	1,232,872
Cable One, Inc.	United States	450	848,444
Comcast Corp., A	United States	20,414	944,352
CyberAgent, Inc.	Japan	29,000	1,790,285
^a Informa plc	United Kingdom	34,286	166,179
Interpublic Group of Cos., Inc. (The)	United States	2,955	49,260
Nippon Television Holdings, Inc.	Japan	14,000	150,486
Omnicom Group, Inc.	United States	2,187	108,257
TBS Holdings, Inc.	Japan	15,300	264,285
			5,554,420
Metals & Mining 0.6%			
^a ArcelorMittal SA	Luxembourg	47,730	634,832
BHP Group plc	Australia	13,136	280,256
Evraz plc	Russia	19,479	86,741
Fortescue Metals Group Ltd.	Australia	46,385	544,704
Newmont Corp.	United States	1,975	125,314
Nucor Corp.	United States	4,877	218,782
Reliance Steel & Aluminum Co.	United States	2,239	228,468
Rio Tinto Ltd.	Australia	9,119	622,580
Rio Tinto plc	Australia	8,724	524,965
Royal Gold, Inc.	United States	256	30,763
Steel Dynamics, Inc.	United States	7,893	225,977
Sumitomo Metal Mining Co. Ltd.	Japan	21,890	678,710
Wheaton Precious Metals Corp.	Brazil	15,817	775,944
			4,978,036
Multiline Retail 0.5%			
Dollar General Corp.	United States	3,325	696,987
Next plc	United Kingdom	5,142	394,238
Nordstrom, Inc.	United States	1,022	12,182
Seria Co. Ltd.	Japan	8,868	378,306
Target Corp.	United States	15,726	2,475,587
			3,957,300
Multi-Utilities 0.4%			
AGL Energy Ltd.	Australia	25,011	244,113
Ameren Corp.	United States	1,725	136,413
Centrica plc	United Kingdom	81,817	42,336
Consolidated Edison, Inc.	United States	2,992	232,777
Dominion Energy, Inc.	United States	4,943	390,151
DTE Energy Co.	United States	5,818	669,303
E.ON SE.	Germany	70,070	772,176
Public Service Enterprise Group, Inc.	United States	5,233	287,344
Veolia Environnement SA	France	12,700	273,958
WEC Energy Group, Inc.	United States	750	72,675
			3,121,246
Oil, Gas & Consumable Fuels 1.0%			
Ampol Ltd.	Australia	9,945	171,565
BP plc.	United Kingdom	175,562	507,742

Franklin Allocation VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Oil, Gas & Consumable Fuels (continued)			
Cabot Oil & Gas Corp.	United States	10,699	\$185,735
Chevron Corp.	United States	8,843	636,696
Devon Energy Corp.	United States	8,799	83,238
Eni SpA	Italy	5,873	45,894
EOG Resources, Inc.	United States	23,112	830,645
Equinor ASA	Norway	51,473	728,986
Exxon Mobil Corp.	United States	50,179	1,722,645
Galp Energia SGPS SA, B	Portugal	40,425	374,882
Husky Energy, Inc.	Canada	83,500	193,122
Neste OYJ	Finland	3,958	208,383
^a OMV AG	Austria	4,130	112,977
Royal Dutch Shell plc, B	Netherlands	76,301	925,342
TOTAL SE	France	19,949	684,954
Valero Energy Corp.	United States	5,150	223,098
			7,635,904
Personal Products 0.2%			
Estee Lauder Cos., Inc. (The), A	United States	2,733	596,477
Nu Skin Enterprises, Inc., A.	United States	559	28,000
Unilever NV	United Kingdom	5,776	350,687
Unilever plc.	United Kingdom	7,037	433,871
			1,409,035
Pharmaceuticals 3.0%			
Astellas Pharma, Inc.	Japan	11,300	168,397
AstraZeneca plc, ADR.	United Kingdom	11,514	630,967
Bayer AG	Germany	22,657	1,397,497
Bristol-Myers Squibb Co.	United States	16,841	1,015,344
^a Catalent, Inc.	United States	19,089	1,635,164
Chugai Pharmaceutical Co. Ltd.	Japan	1,100	49,349
Eli Lilly and Co.	United States	13,294	1,967,778
^a GW Pharmaceuticals plc, ADR	United Kingdom	1,226	119,351
Hikma Pharmaceuticals plc.	Jordan	45,000	1,508,337
^a Horizon Therapeutics plc.	United States	425	33,014
^a Jazz Pharmaceuticals plc	United States	1,218	173,674
Johnson & Johnson	United States	25,373	3,777,532
Merck & Co., Inc.	United States	23,340	1,936,053
Novartis AG	Switzerland	2,194	190,441
Novo Nordisk A/S, B	Denmark	19,588	1,356,858
Orion OYJ, B	Finland	4,061	183,951
Pfizer, Inc.	United States	30,566	1,121,772
Roche Holding AG	Switzerland	8,123	2,781,702
Sanofi.	France	11,564	1,158,603
Shionogi & Co. Ltd.	Japan	800	42,807
Takeda Pharmaceutical Co. Ltd., ADR.	Japan	75,044	1,338,785
Zoetis, Inc.	United States	1,175	194,310
			22,781,686
Professional Services 1.2%			
Adecco Group AG	Switzerland	6,052	319,249
^a CoStar Group, Inc.	United States	300	254,553
Equifax, Inc.	United States	3,090	484,821
Experian plc	United Kingdom	45,000	1,690,913
^a FTI Consulting, Inc.	United States	75	7,948
IHS Markit Ltd.	United States	16,909	1,327,526
ManpowerGroup, Inc.	United States	6,130	449,513
Nihon M&A Center, Inc.	Japan	5,400	308,843
Persol Holdings Co. Ltd.	Japan	4,900	80,015

Franklin Allocation VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Professional Services (continued)			
^a Randstad NV	Netherlands	4,638	\$241,799
Recruit Holdings Co. Ltd.	Japan	8,700	345,425
RELX plc	United Kingdom	34,295	763,370
Robert Half International, Inc.	United States	4,911	259,988
SGS SA	Switzerland	237	634,949
Verisk Analytics, Inc.	United States	8,936	1,655,930
Wolters Kluwer NV	Netherlands	5,711	487,059
			9,311,901
Real Estate Management & Development 0.4%			
Aroundtown SA	Germany	8,671	43,518
^a CBRE Group, Inc., A	United States	2,703	126,960
CK Asset Holdings Ltd.	Hong Kong	144,330	709,204
Daito Trust Construction Co. Ltd.	Japan	2,800	248,135
Jones Lang LaSalle, Inc.	United States	932	89,155
Kerry Properties Ltd.	Hong Kong	24,500	63,010
Mitsui Fudosan Co. Ltd.	Japan	32,000	556,696
Sun Hung Kai Properties Ltd.	Hong Kong	49,000	631,444
Swire Pacific Ltd., A	Hong Kong	67,500	326,802
			2,794,924
Road & Rail 1.0%			
Canadian National Railway Co.	Canada	5,414	576,375
Canadian Pacific Railway Ltd.	Canada	2,872	874,323
ComfortDelGro Corp. Ltd.	Singapore	67,300	69,948
JB Hunt Transport Services, Inc.	United States	6,127	774,330
Kansas City Southern	United States	4,095	740,499
Knight-Swift Transportation Holdings, Inc.	United States	3,810	155,067
Landstar System, Inc.	United States	1,592	199,780
Norfolk Southern Corp.	United States	3,900	834,561
Old Dominion Freight Line, Inc.	United States	3,408	616,575
Schneider National, Inc., B	United States	200	4,946
^a Uber Technologies, Inc.	United States	5,638	205,674
Union Pacific Corp.	United States	14,435	2,841,819
			7,893,897
Semiconductors & Semiconductor Equipment 3.0%			
Advantest Corp.	Japan	2,800	136,155
Analog Devices, Inc.	United States	14,500	1,692,730
Applied Materials, Inc.	United States	8,669	515,372
ASML Holding NV, NYRS	Netherlands	2,722	1,005,153
ASML Holding NV	Netherlands	3,700	1,366,389
^a Cirrus Logic, Inc.	United States	75	5,059
^a Enphase Energy, Inc.	United States	200	16,518
Intel Corp.	United States	37,102	1,921,142
KLA Corp.	United States	1,560	302,234
Lam Research Corp.	United States	1,507	499,947
Maxim Integrated Products, Inc.	United States	2,818	190,525
^a Micron Technology, Inc.	United States	5,925	278,238
Monolithic Power Systems, Inc.	United States	2,700	754,947
NVIDIA Corp.	United States	5,948	3,219,177
NXP Semiconductors NV	Netherlands	11,058	1,380,149
QUALCOMM, Inc.	United States	9,806	1,153,970
Skyworks Solutions, Inc.	United States	4,592	668,136
^a SolarEdge Technologies, Inc.	United States	125	29,794
Taiwan Semiconductor Manufacturing Co. Ltd.	Taiwan	78,203	1,177,956
Teradyne, Inc.	United States	2,372	188,479
Texas Instruments, Inc.	United States	36,433	5,202,268

Franklin Allocation VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Semiconductors & Semiconductor Equipment (continued)			
Tokyo Electron Ltd.	Japan	3,400	\$888,014
Xilinx, Inc.	United States	2,639	275,089
			22,867,441
Software 5.5%			
^a Adobe, Inc.	United States	4,810	2,358,968
^a Aspen Technology, Inc.	United States	512	64,814
^a Atlassian Corp. plc, A	United States	1,000	181,790
^a Autodesk, Inc.	United States	4,942	1,141,652
^a Avalara, Inc.	United States	2,380	303,069
AVEVA Group plc	United Kingdom	23,000	1,418,659
^a Bill.com Holdings, Inc.	United States	6,200	621,922
^a Cadence Design Systems, Inc.	United States	9,764	1,041,135
^a Check Point Software Technologies Ltd.	Israel	3,000	361,020
Citrix Systems, Inc.	United States	2,854	393,024
^a CyberArk Software Ltd.	United States	15,000	1,551,300
^a Duck Creek Technologies, Inc.	United States	400	18,172
^a Fair Isaac Corp.	United States	295	125,487
^a Fortinet, Inc.	United States	4,097	482,668
Intuit, Inc.	United States	10,724	3,498,276
^a Manhattan Associates, Inc.	United States	1,984	189,452
Microsoft Corp.	United States	76,629	16,117,378
^a Nice Ltd.	Israel	502	113,806
Oracle Corp.	United States	8,064	481,421
Oracle Corp. Japan.	Japan	1,500	161,919
^a Paycom Software, Inc.	United States	500	155,650
^a PTC, Inc.	United States	6,821	564,233
Sage Group plc (The)	United Kingdom	187,800	1,745,328
^a salesforce.com, Inc.	United States	3,253	817,544
SAP SE	Germany	14,971	2,330,760
^a ServiceNow, Inc.	United States	5,755	2,791,175
^a Synopsys, Inc.	United States	6,145	1,314,907
Trend Micro, Inc.	Japan	5,100	310,699
^a Tyler Technologies, Inc.	United States	1,438	501,229
^a VMware, Inc., A.	United States	175	25,142
^a Workday, Inc., A.	United States	4,420	950,875
			42,133,474
Specialty Retail 1.1%			
ABC-Mart, Inc.	Japan	900	46,846
^a AutoNation, Inc.	United States	1,884	99,720
^a AutoZone, Inc.	United States	177	208,442
Best Buy Co., Inc.	United States	9,416	1,047,907
Foot Locker, Inc.	United States	1,303	43,038
Gap, Inc. (The)	United States	2,452	41,757
Hennes & Mauritz AB, B.	Sweden	3,356	57,805
Home Depot, Inc. (The).	United States	4,561	1,266,635
Industria de Diseno Textil SA.	Spain	1,966	54,377
Lowe's Cos., Inc.	United States	10,160	1,685,138
Nitori Holdings Co. Ltd.	Japan	3,100	642,918
^a O'Reilly Automotive, Inc.	United States	1,284	592,027
^a Party City Holdings, Inc.	United States	4,430	11,517
Ross Stores, Inc.	United States	14,585	1,361,072
TJX Cos., Inc. (The)	United States	8,942	497,622
Tractor Supply Co.	United States	4,914	704,373
^a Ulta Beauty, Inc.	United States	589	131,924

Franklin Allocation VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Specialty Retail (continued)			
Williams-Sonoma, Inc.	United States	3,200	\$289,408
			8,782,526
Technology Hardware, Storage & Peripherals 1.7%			
Apple, Inc.	United States	98,540	11,411,917
HP, Inc.	United States	16,884	320,627
NetApp, Inc.	United States	2,292	100,481
Samsung Electronics Co. Ltd.	South Korea	30,227	1,505,370
Xerox Holdings Corp.	United States	275	5,162
			13,343,557
Textiles, Apparel & Luxury Goods 0.7%			
^a adidas AG.	Germany	692	223,428
Burberry Group plc	United Kingdom	7,515	150,638
Carter's, Inc.	United States	456	39,481
Hanesbrands, Inc.	United States	2,024	31,878
Hermes International.	France	913	786,156
^a Lululemon Athletica, Inc.	United States	1,526	502,619
^a Moncler SpA.	Italy	7,579	310,078
NIKE, Inc., B.	United States	27,326	3,430,506
Pandora A/S	Denmark	3,127	225,527
			5,700,311
Thriffs & Mortgage Finance 0.1%			
Housing Development Finance Corp. Ltd.	India	28,671	681,520
Tobacco 0.3%			
Altria Group, Inc.	United States	12,085	466,964
Imperial Brands plc	United Kingdom	50,852	898,260
Philip Morris International, Inc.	United States	9,235	692,533
			2,057,757
Trading Companies & Distributors 0.6%			
Fastenal Co.	United States	33,148	1,494,643
Ferguson plc.	United States	15,500	1,559,833
MSC Industrial Direct Co., Inc., A.	United States	1,807	114,347
Watsco, Inc.	United States	752	175,133
WW Grainger, Inc.	United States	2,687	958,641
			4,302,597
Transportation Infrastructure 0.0%*			
Kamigumi Co. Ltd.	Japan	3,900	76,829
Water Utilities 0.1%			
American Water Works Co., Inc.	United States	7,456	1,080,225
Wireless Telecommunication Services 0.3%			
KDDI Corp.	Japan	28,000	704,043
NTT DOCOMO, Inc.	Japan	19,900	731,040
SoftBank Corp.	Japan	31,700	354,126
Vodafone Group plc	United Kingdom	257,722	341,606
			2,130,815
Total Common Stocks (Cost \$385,788,990)			448,992,905
Management Investment Companies 3.0%			
Capital Markets 3.0%			
Schwab U.S. TIPS ETF.	United States	248,750	15,330,463

Franklin Allocation VIP Fund (continued)

	Country	Shares	Value
Management Investment Companies (continued)			
Capital Markets (continued)			
^{a,c} Templeton Global Bond VIP Fund, Class 1	United States	539,390	\$7,774,980
			23,105,443
Total Management Investment Companies (Cost \$24,028,784)			23,105,443
Preferred Stocks 0.0%			
Chemicals 0.0% [†]			
^d FUCHS PETROLUB SE, 2.24%	Germany	2,694	136,949
Total Preferred Stocks (Cost \$103,367)			136,949
		Rights	
Rights 0.0%			
Pharmaceuticals 0.0% [†]			
^a Bristol-Myers Squibb Co., CVR, 12/31/20	United States	2,250	5,062
Total Rights (Cost \$5,175)			5,062
		Principal Amount[†]	
Corporate Bonds 11.3%			
Aerospace & Defense 0.2%			
Lockheed Martin Corp., Senior Bond, 4.7%, 5/15/46	United States	200,000	272,635
Northrop Grumman Corp., Senior Bond, 5.25%, 5/01/50	United States	400,000	575,476
Raytheon Technologies Corp., Senior Bond, 4.5%, 6/01/42	United States	600,000	758,326
			1,606,437
Air Freight & Logistics 0.2%			
FedEx Corp.,			
Senior Bond, 5.1%, 1/15/44	United States	400,000	510,333
Senior Bond, 4.75%, 11/15/45	United States	100,000	123,867
United Parcel Service, Inc.,			
Senior Bond, 3.75%, 11/15/47	United States	400,000	483,983
Senior Bond, 5.3%, 4/01/50	United States	100,000	147,923
			1,266,106
Airlines 0.0% [†]			
^b Delta Air Lines, Inc. / SkyMiles IP Ltd., Senior Secured Note, 144A, 4.5%, 10/20/25	United States	300,000	308,135
Banks 1.8%			
Bancolombia SA, Senior Note, 3%, 1/29/25	Colombia	650,000	651,664
Bank of America Corp.,			
L, Sub. Bond, 4.183%, 11/25/27	United States	1,310,000	1,504,867
Sub. Note, 4.2%, 8/26/24	United States	400,000	445,787
^b BNP Paribas SA,			
Senior Bond, 144A, 3.052% to 1/13/30, FRN thereafter, 1/13/31	France	200,000	215,083
Senior Note, 144A, 2.219% to 6/09/25, FRN thereafter, 6/09/26	France	200,000	206,575
Citigroup, Inc.,			
Senior Bond, 2.572% to 6/03/30, FRN thereafter, 6/03/31	United States	700,000	737,339
Senior Note, 3.352% to 4/24/24, FRN thereafter, 4/24/25	United States	1,500,000	1,623,998
Credit Suisse Group Funding Guernsey Ltd., Senior Note, 3.8%, 9/15/22	Switzerland	1,200,000	1,269,083
HSBC Holdings plc,			
Senior Bond, 2.357% to 8/18/30, FRN thereafter, 8/18/31	United Kingdom	200,000	198,556

Franklin Allocation VIP Fund (continued)

	Country	Principal Amount ^a	Value
Corporate Bonds (continued)			
Banks (continued)			
HSBC Holdings plc, (continued)			
Senior Note, 1.645% to 8/18/25, FRN thereafter, 4/18/26	United Kingdom	525,000	\$524,091
Senior Note, 2.013% to 9/22/27, FRN thereafter, 9/22/28	United Kingdom	300,000	297,080
JPMorgan Chase & Co.,			
Senior Bond, 3.54% to 5/01/27, FRN thereafter, 5/01/28	United States	1,200,000	1,346,310
Sub. Note, 3.875%, 9/10/24	United States	400,000	442,843
^b Standard Chartered plc, Senior Note, 144A, 4.05%, 4/12/26	United Kingdom	970,000	1,071,683
SVB Financial Group, Senior Note, 3.125%, 6/05/30	United States	100,000	111,904
Truist Bank, Sub. Note, 2.25%, 3/11/30	United States	400,000	412,624
Truist Financial Corp., Sub. Note, 3.875%, 3/19/29	United States	860,000	987,573
US Bancorp, Sub. Note, 3%, 7/30/29	United States	300,000	333,387
Wells Fargo & Co., Senior Note, 2.393% to 6/02/27, FRN thereafter, 6/02/28	United States	200,000	208,898
Wells Fargo Bank NA, Senior Note, 2.082% to 9/09/21, FRN thereafter, 9/09/22	United States	1,100,000	1,115,783
			13,705,128
Beverages 0.1%			
Anheuser-Busch Cos. LLC / Anheuser-Busch InBev Worldwide, Inc.,			
Senior Bond, 4.9%, 2/01/46	Belgium	500,000	621,713
Anheuser-Busch InBev Worldwide, Inc.,			
Senior Bond, 3.5%, 6/01/30	Belgium	100,000	113,975
Senior Bond, 5.8%, 1/23/59	Belgium	250,000	357,506
			1,093,194
Biotechnology 0.4%			
^b AbbVie, Inc.,			
Senior Bond, 144A, 4.85%, 6/15/44	United States	400,000	492,117
Senior Bond, 144A, 4.25%, 11/21/49	United States	370,000	439,333
Senior Note, 144A, 3.8%, 3/15/25	United States	400,000	444,289
Senior Note, 144A, 3.2%, 11/21/29	United States	200,000	220,766
Amgen, Inc.,			
Senior Note, 2.2%, 2/21/27	United States	100,000	105,706
Senior Note, 2.45%, 2/21/30	United States	500,000	530,915
Biogen, Inc., Senior Bond, 5.2%, 9/15/45	United States	375,000	496,013
Gilead Sciences, Inc., Senior Bond, 4.8%, 4/01/44	United States	500,000	644,667
Regeneron Pharmaceuticals, Inc., Senior Bond, 1.75%, 9/15/30 . .	United States	50,000	48,837
			3,422,643
Building Products 0.1%			
^b Carrier Global Corp., Senior Bond, 144A, 3.577%, 4/05/50	United States	430,000	456,189
Capital Markets 0.3%			
Goldman Sachs Group, Inc. (The),			
Senior Note, 3.5%, 1/23/25	United States	625,000	686,674
Sub. Note, 4.25%, 10/21/25	United States	400,000	454,959
Morgan Stanley, Senior Bond, 3.591% to 7/22/27, FRN thereafter, 7/22/28	United States	1,060,000	1,193,757
			2,335,390
Chemicals 0.2%			
Air Products and Chemicals, Inc., Senior Bond, 2.7%, 5/15/40 . . .			
	United States	400,000	426,756
^b CNAC HK Finbridge Co. Ltd.,			
Senior Note, Reg S, 4.875%, 3/14/25	China	400,000	442,434

Franklin Allocation VIP Fund (continued)

	Country	Principal Amount ^a	Value
Corporate Bonds (continued)			
Chemicals (continued)			
^b CNAC HK Finbridge Co. Ltd., (continued)			
Senior Note, Reg S, 3.875%, 6/19/29	China	200,000	\$213,066
El du Pont de Nemours and Co., Senior Note, 1.7%, 7/15/25	United States	180,000	186,867
Westlake Chemical Corp., Senior Note, 3.375%, 6/15/30	United States	100,000	107,530
^b Yara International ASA, Senior Note, 144A, 3.148%, 6/04/30	Norway	100,000	107,112
			1,483,765
Consumer Finance 0.2%			
Capital One Financial Corp., Senior Note, 3.75%, 3/09/27	United States	1,035,000	1,150,307
Containers & Packaging 0.0%[†]			
WRKCo, Inc., Senior Bond, 3%, 6/15/33	United States	235,000	255,813
Diversified Financial Services 0.3%			
^b CK Hutchison International 19 Ltd., Senior Note, 144A, 3.25%, 4/11/24	United Kingdom	635,000	677,593
DY9 Leasing LLC, Secured Bond, 2.372%, 3/19/27	United States	647,483	683,169
^b EDP Finance BV, Senior Note, 144A, 1.71%, 1/24/28	Portugal	700,000	696,807
Shell International Finance BV, Senior Bond, 4.125%, 5/11/35	Netherlands	500,000	602,224
			2,659,793
Diversified Telecommunication Services 0.2%			
AT&T, Inc.,			
Senior Note, 3.8%, 2/15/27	United States	920,000	1,038,546
Senior Note, 2.3%, 6/01/27	United States	100,000	105,121
Bell Canada, Inc., Senior Bond, 4.464%, 4/01/48	Canada	200,000	246,875
Orange SA, Senior Bond, 8.75%, 3/01/31	France	300,000	489,662
			1,880,204
Electric Utilities 0.8%			
Commonwealth Edison Co., Senior Bond, 4%, 3/01/48	United States	200,000	245,933
Duke Energy Corp., Senior Bond, 3.75%, 9/01/46	United States	200,000	227,997
Duke Energy Florida LLC, Senior Bond, 6.4%, 6/15/38	United States	200,000	305,418
^b Enel Finance International NV,			
Senior Bond, 144A, 3.5%, 4/06/28	Italy	300,000	334,781
Senior Note, 144A, 4.25%, 9/14/23	Italy	1,200,000	1,314,732
Exelon Corp., Senior Bond, 4.05%, 4/15/30	United States	850,000	996,463
Georgia Power Co., Senior Bond, 4.3%, 3/15/42	United States	700,000	838,736
Southern Co. (The), A, Senior Bond, 3.7%, 4/30/30	United States	700,000	800,492
^b State Grid Overseas Investment 2016 Ltd., Senior Note, 144A, 3.5%, 5/04/27	China	400,000	447,929
^b Vistra Operations Co. LLC, Senior Secured Note, 144A, 3.55%, 7/15/24	United States	235,000	250,456
			5,762,937
Electronic Equipment, Instruments & Components 0.1%			
Flex Ltd., Senior Note, 4.875%, 5/12/30	United States	300,000	343,049
FLIR Systems, Inc., Senior Note, 2.5%, 8/01/30	United States	575,000	589,247
			932,296
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	485,508

Franklin Allocation VIP Fund (continued)

	Country	Principal Amount [†]	Value
Corporate Bonds (continued)			
Energy Equipment & Services (continued)			
Baker Hughes a GE Co. LLC / Baker Hughes Co-Obligor, Inc., (continued)			
Senior Note, 3.337%, 12/15/27	United States	400,000	\$425,127
^b Schlumberger Holdings Corp., Senior Note, 144A, 3.75%, 5/01/24	United States	610,000	662,741
			1,573,376
Entertainment 0.0%[†]			
NBCUniversal Media LLC, Senior Bond, 5.95%, 4/01/41	United States	200,000	298,675
Equity Real Estate Investment Trusts (REITs) 0.1%			
Simon Property Group LP, Senior Note, 3.375%, 12/01/27	United States	595,000	636,828
Food & Staples Retailing 0.2%			
Kroger Co. (The), Senior Bond, 5.4%, 1/15/49	United States	400,000	552,772
Walmart, Inc.,			
Senior Bond, 5.25%, 9/01/35	United States	300,000	435,403
Senior Bond, 2.95%, 9/24/49	United States	500,000	563,913
			1,552,088
Health Care Providers & Services 0.6%			
Anthem, Inc.,			
Senior Bond, 5.1%, 1/15/44	United States	400,000	533,192
Senior Note, 4.101%, 3/01/28	United States	400,000	465,508
Centene Corp., Senior Note, 3%, 10/15/30	United States	250,000	255,000
Cigna Corp.,			
Senior Note, 3.05%, 10/15/27	United States	550,000	612,072
Senior Note, 4.375%, 10/15/28	United States	500,000	594,626
CVS Health Corp.,			
Senior Bond, 5.3%, 12/05/43	United States	500,000	639,192
Senior Bond, 5.125%, 7/20/45	United States	200,000	252,524
HCA, Inc.,			
Senior Secured Bond, 4.5%, 2/15/27	United States	408,000	458,664
Senior Secured Note, 4.125%, 6/15/29	United States	300,000	339,338
Quest Diagnostics, Inc., Senior Bond, 2.8%, 6/30/31	United States	600,000	648,401
			4,798,517
Household Durables 0.0%[†]			
Mohawk Industries, Inc., Senior Note, 3.625%, 5/15/30	United States	290,000	318,113
Household Products 0.1%			
^b Kimberly-Clark de Mexico SAB de CV, Senior Bond, 144A, 2.431%, 7/01/31	Mexico	500,000	509,823
Procter & Gamble Co. (The), Senior Bond, 3.55%, 3/25/40	United States	300,000	365,465
			875,288
Independent Power and Renewable Electricity Producers 0.1%			
^b Colbun SA,			
Senior Note, 144A, 3.95%, 10/11/27	Chile	200,000	225,471
Senior Note, 144A, 3.15%, 3/06/30	Chile	200,000	216,250
			441,721
Industrial Conglomerates 0.1%			
Honeywell International, Inc., Senior Bond, 1.95%, 6/01/30	United States	350,000	368,838

Franklin Allocation VIP Fund (continued)

	Country	Principal Amount ¹	Value
Corporate Bonds (continued)			
Insurance 0.8%			
Aflac, Inc.,			
Senior Bond, 4.75%, 1/15/49	United States	700,000	\$902,250
Senior Note, 3.6%, 4/01/30	United States	400,000	469,248
Allstate Corp. (The), Senior Bond, 4.2%, 12/15/46	United States	500,000	625,161
Aon Corp., Senior Note, 2.8%, 5/15/30	United States	500,000	541,158
Arch Capital Group Ltd., Senior Bond, 3.635%, 6/30/50	United States	800,000	862,804
MetLife, Inc.,			
Junior Sub. Bond, 6.4%, 12/15/36	United States	250,000	311,377
Senior Bond, 5.7%, 6/15/35	United States	300,000	440,999
^b Metropolitan Life Global Funding I,			
Secured Note, 144A, 3.6%, 1/11/24	United States	940,000	1,029,719
Senior Secured Note, 144A, 2.95%, 4/09/30	United States	250,000	280,763
Prudential plc, Senior Note, 3.125%, 4/14/30	United Kingdom	425,000	473,880
Willis North America, Inc., Senior Note, 2.95%, 9/15/29	United States	100,000	108,278
			<u>6,045,637</u>
Interactive Media & Services 0.1%			
^b Tencent Holdings Ltd., Senior Note, 144A, 2.39%, 6/03/30	China	500,000	<u>508,939</u>
Internet & Direct Marketing Retail 0.3%			
Alibaba Group Holding Ltd.,			
Senior Bond, 4%, 12/06/37	China	300,000	357,196
Senior Bond, 4.2%, 12/06/47	China	800,000	1,018,710
Senior Note, 3.4%, 12/06/27	China	200,000	224,272
Amazon.com, Inc., Senior Bond, 4.05%, 8/22/47	United States	500,000	648,521
			<u>2,248,699</u>
IT Services 0.2%			
Fiserv, Inc.,			
Senior Bond, 2.65%, 6/01/30	United States	200,000	215,610
Senior Note, 3.5%, 7/01/29	United States	870,000	992,758
			<u>1,208,368</u>
Machinery 0.1%			
Caterpillar, Inc.,			
Senior Bond, 3.25%, 4/09/50	United States	200,000	225,386
Senior Note, 2.6%, 4/09/30	United States	500,000	549,760
			<u>775,146</u>
Media 0.3%			
Charter Communications Operating LLC / Charter Communications Operating Capital, Senior Secured Note, 4.5%, 2/01/24	United States	500,000	554,667
Comcast Corp.,			
Senior Bond, 4.25%, 1/15/33	United States	300,000	373,927
Senior Bond, 4.049%, 11/01/52	United States	550,000	677,053
Fox Corp.,			
Senior Bond, 5.476%, 1/25/39	United States	100,000	133,886
Senior Note, 4.709%, 1/25/29	United States	400,000	480,030
			<u>2,219,563</u>
Multiline Retail 0.1%			
Dollar Tree, Inc.,			
Senior Bond, 4.2%, 5/15/28	United States	500,000	589,808

Franklin Allocation VIP Fund (continued)

	Country	Principal Amount ¹	Value
Corporate Bonds (continued)			
Multiline Retail (continued)			
Dollar Tree, Inc., (continued)			
Senior Note, 4%, 5/15/25	United States	350,000	\$395,295
			985,103
Multi-Utilities 0.3%			
Berkshire Hathaway Energy Co., Senior Bond, 6.125%, 4/01/36 . .	United States	200,000	285,426
Dominion Energy, Inc., Senior Note, 4.25%, 6/01/28	United States	1,050,000	1,238,257
Public Service Enterprise Group, Inc., Senior Note, 2.875%, 6/15/24	United States	1,000,000	1,071,135
			2,594,818
Oil, Gas & Consumable Fuels 1.4%			
^b Aker BP ASA, Senior Note, 144A, 3.75%, 1/15/30	Norway	500,000	486,855
BP Capital Markets America, Inc.,			
Senior Note, 3.937%, 9/21/28	United States	100,000	116,486
Senior Note, 4.234%, 11/06/28	United States	400,000	474,663
Senior Note, 3.633%, 4/06/30	United States	300,000	345,221
Canadian Natural Resources Ltd., Senior Bond, 3.9%, 2/01/25 . . .	Canada	860,000	933,254
Cheniere Corpus Christi Holdings LLC, Senior Secured Note,			
5.125%, 6/30/27	United States	200,000	222,981
Energy Transfer Operating LP, Senior Bond, 6.05%, 6/01/41	United States	500,000	502,744
Enterprise Products Operating LLC,			
Senior Bond, 3.125%, 7/31/29	United States	400,000	436,815
Senior Bond, 6.125%, 10/15/39	United States	700,000	894,878
EOG Resources, Inc., Senior Note, 4.375%, 4/15/30	United States	50,000	59,015
Exxon Mobil Corp., Senior Bond, 2.61%, 10/15/30	United States	100,000	108,143
Kinder Morgan, Inc.,			
Senior Bond, 5.55%, 6/01/45	United States	600,000	715,239
Senior Note, 4.3%, 3/01/28	United States	400,000	455,607
MPLX LP,			
Senior Bond, 5.5%, 2/15/49	United States	325,000	364,213
Senior Note, 4.875%, 12/01/24	United States	400,000	447,040
Senior Note, 4.875%, 6/01/25	United States	100,000	113,509
Reliance Industries Ltd., Senior Note, 2.06%, 1/15/26	India	687,500	715,722
Total Capital International SA, Senior Note, 3.455%, 2/19/29	France	670,000	770,810
Total Capital SA, Senior Note, 3.883%, 10/11/28	France	400,000	472,601
TransCanada PipeLines Ltd., Senior Bond, 4.25%, 5/15/28	Canada	500,000	578,091
Transcontinental Gas Pipe Line Co. LLC, Senior Note, 7.85%,			
2/01/26	United States	400,000	518,577
Valero Energy Corp., Senior Note, 4%, 4/01/29	United States	935,000	1,027,556
Williams Cos., Inc. (The), Senior Bond, 4.85%, 3/01/48	United States	320,000	359,749
			11,119,769
Pharmaceuticals 0.4%			
AstraZeneca plc,			
Senior Bond, 4%, 9/18/42	United Kingdom	300,000	367,179
Senior Bond, 4.375%, 11/16/45	United Kingdom	450,000	583,410
Senior Note, 3.375%, 11/16/25	United Kingdom	100,000	112,009
Bristol-Myers Squibb Co., Senior Bond, 4.625%, 5/15/44	United States	250,000	335,953
GlaxoSmithKline Capital, Inc., Senior Bond, 6.375%, 5/15/38	United Kingdom	300,000	463,161
^b Royalty Pharma plc, Senior Note, 144A, 1.75%, 9/02/27	United States	100,000	100,075
Takeda Pharmaceutical Co. Ltd.,			
Senior Bond, 3.175%, 7/09/50	Japan	400,000	411,797

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	\$372,720
			2,746,304
Real Estate Management & Development 0.1%			
^b China Overseas Finance Cayman VI Ltd., Senior Note, Reg S, 5.95%, 5/08/24	China	400,000	459,575
Road & Rail 0.2%			
^b Ashtead Capital, Inc., Senior Note, 144A, 4.125%, 8/15/25	United Kingdom	375,000	385,810
Burlington Northern Santa Fe LLC, Senior Bond, 4.9%, 4/01/44 . . .	United States	200,000	272,084
CSX Corp., Senior Bond, 4.75%, 11/15/48	United States	525,000	696,655
			1,354,549
Software 0.1%			
Microsoft Corp., Senior Note, 2.65%, 11/03/22	United States	1,020,000	1,067,431
Specialty Retail 0.1%			
AutoNation, Inc., Senior Bond, 4.75%, 6/01/30	United States	100,000	118,530
AutoZone, Inc.,			
Senior Bond, 1.65%, 1/15/31	United States	265,000	260,891
Senior Note, 3.75%, 4/18/29	United States	100,000	115,751
^{b,e} Party City Holdings, Inc., Senior Secured Note, 144A, FRN, 5.75%, (6-month USD LIBOR + 5%), 7/15/25	United States	43,530	32,647
			527,819
Thriffs & Mortgage Finance 0.1%			
^b BPCE SA,			
Sub. Bond, 144A, 5.15%, 7/21/24	France	800,000	897,029
Sub. Note, 144A, 4.875%, 4/01/26	France	200,000	227,980
			1,125,009
Tobacco 0.3%			
BAT Capital Corp., Senior Note, 4.906%, 4/02/30	United Kingdom	500,000	590,696
^b Imperial Brands Finance plc,			
Senior Note, 144A, 4.25%, 7/21/25	United Kingdom	585,000	647,945
Senior Note, 144A, 3.5%, 7/26/26	United Kingdom	300,000	324,975
Reynolds American, Inc., Senior Bond, 5.85%, 8/15/45	United Kingdom	650,000	791,168
			2,354,784
Wireless Telecommunication Services 0.1%			
^b T-Mobile USA, Inc.,			
Senior Secured Bond, 144A, 3.3%, 2/15/51	United States	200,000	197,630
Senior Secured Note, 144A, 3.75%, 4/15/27	United States	325,000	364,175
			561,805
Total Corporate Bonds (Cost \$81,461,646)			87,085,099

Franklin Allocation VIP Fund (continued)

	Country	Principal Amount ^c	Value
Foreign Government and Agency Securities 0.7%			
^b African Export-Import Bank (The), Senior Note, 144A, 3.994%, 9/21/29	Supranational ^f	500,000	\$516,950
Colombia Government Bond, Senior Bond, 5%, 6/15/45	Colombia	500,000	584,375
Ecopetrol SA, Senior Bond, 4.125%, 1/16/25	Colombia	450,000	472,504
^b Electricite de France SA, Senior Note, 144A, 4.5%, 9/21/28	France	655,000	779,102
^b Indonesia Government Bond, Senior Bond, 144A, 4.35%, 1/08/27	Indonesia	500,000	574,068
Mexico Government Bond, Senior Note, 4.15%, 3/28/27	Mexico	500,000	556,438
^b Panama Notas del Tesoro, Senior Note, 144A, 3.75%, 4/17/26	Panama	450,000	482,069
Peru Government Bond, Senior Bond, 2.783%, 1/23/31	Peru	200,000	216,952
Senior Bond, 6.55%, 3/14/37	Peru	200,000	303,109
Uruguay Government Bond, Senior Bond, 4.5%, 8/14/24	Uruguay	300,000	328,468
Senior Bond, 4.375%, 1/23/31	Uruguay	150,000	178,735
Total Foreign Government and Agency Securities (Cost \$4,639,771)			4,992,770
U.S. Government and Agency Securities 11.5%			
Federal Agricultural Mortgage Corp., 2.9%, 1/03/22	United States	800,000	827,642
FFCB, 3.17%, 3/07/28	United States	800,000	943,321
Tennessee Valley Authority, 5.88%, 4/01/36	United States	630,000	986,040
U.S. Treasury Bonds,			
^g 2%, 1/15/26	United States	400,000	615,288
^g 1.75%, 1/15/28	United States	650,000	979,418
^g 3.625%, 4/15/28	United States	450,000	988,680
3.5%, 2/15/39	United States	310,000	435,259
1.125%, 5/15/40	United States	500,000	492,266
3.75%, 8/15/41	United States	845,000	1,240,632
3.625%, 2/15/44	United States	800,000	1,169,219
3.125%, 8/15/44	United States	565,000	768,974
3%, 11/15/44	United States	360,000	481,120
2.5%, 2/15/45	United States	690,000	849,428
2.5%, 2/15/46	United States	620,000	765,627
2.5%, 5/15/46	United States	3,420,000	4,226,238
2.25%, 8/15/46	United States	4,575,000	5,404,040
3%, 2/15/49	United States	1,650,000	2,255,988
2.875%, 5/15/49	United States	1,075,000	1,439,618
1.25%, 5/15/50	United States	115,000	109,008
U.S. Treasury Notes,			
2%, 11/15/21	United States	550,000	561,451
2%, 12/31/21	United States	455,000	465,531
1.625%, 11/15/22	United States	570,000	587,946
2%, 11/30/22	United States	630,000	655,348
0.125%, 5/15/23	United States	845,000	844,505
1.75%, 5/15/23	United States	505,000	526,206
0.25%, 6/15/23	United States	150,000	150,393
2.375%, 2/29/24	United States	1,175,000	1,262,804
2.125%, 3/31/24	United States	26,200,000	27,974,129
2%, 4/30/24	United States	1,345,000	1,431,900
2.25%, 4/30/24	United States	1,415,000	1,519,080
2.5%, 5/15/24	United States	1,395,000	1,511,450
2%, 5/31/24	United States	1,455,000	1,550,939
1.75%, 6/30/24	United States	1,700,000	1,798,746
2%, 6/30/24	United States	1,365,000	1,456,978
^g 0.125%, 7/15/24	United States	800,000	923,660
1.75%, 7/31/24	United States	1,265,000	1,339,862
2.375%, 8/15/24	United States	1,210,000	1,311,432

Franklin Allocation VIP Fund (continued)

	Country	Principal Amount ¹	Value
U.S. Government and Agency Securities (continued)			
U.S. Treasury Notes, (continued)			
1.25%, 8/31/24	United States	1,430,000	\$1,487,870
1.5%, 10/31/24	United States	3,850,000	4,050,320
1.5%, 11/30/24	United States	860,000	905,486
0.5%, 3/31/25	United States	1,900,000	1,921,820
⁹ 0.125%, 4/15/25	United States	750,000	800,876
0.25%, 5/31/25	United States	585,000	584,954
0.25%, 6/30/25	United States	715,000	714,609
0.25%, 9/30/25	United States	550,000	549,291
2.25%, 2/15/27	United States	870,000	971,307
1.125%, 2/28/27	United States	885,000	924,963
0.5%, 6/30/27	United States	885,000	888,180
2.25%, 8/15/27	United States	920,000	1,032,017
1.625%, 8/15/29	United States	235,000	255,820
⁹ 0.125%, 1/15/30	United States	1,000,000	1,113,153
0.625%, 5/15/30	United States	50,000	49,828
0.625%, 8/15/30	United States	400,000	397,719
United States International Development Finance Corp., 2.12%, 3/20/24	United States	400,000	416,059
Total U.S. Government and Agency Securities (Cost \$86,961,998)			87,914,438
Asset-Backed Securities 0.3%			
Banks 0.1%			
Capital One Multi-Asset Execution Trust, 2017-A6, A6, 2.29%, 7/15/25	United States	600,000	623,375
Consumer Finance 0.1%			
American Express Credit Account Master Trust, 2019-1, A, 2.87%, 10/15/24	United States	600,000	623,820
Discover Card Execution Note Trust, 2019-A1, A1, 3.04%, 7/15/24	United States	500,000	518,144
			1,141,964
Diversified Financial Services 0.1%			
BA Credit Card Trust, 2018-A3, A3, 3.1%, 12/15/23	United States	500,000	511,383
^b CF Hippolyta LLC, 2020-1, A1, 144A, 1.69%, 7/15/60	United States	160,000	162,234
			673,617
Total Asset-Backed Securities (Cost \$2,445,591)			2,438,956
Mortgage-Backed Securities 10.5%			
Federal Home Loan Mortgage Corp. (FHLMC) Fixed Rate 3.3%			
FHLMC Pool, 15 Year, 2%, 8/01/35	United States	247,574	257,475
FHLMC Pool, 15 Year, 2.5%, 2/01/35 - 8/01/35	United States	1,486,985	1,554,402
FHLMC Pool, 15 Year, 3%, 8/01/34	United States	139,871	146,805
FHLMC Pool, 30 Year, 2%, 8/01/50	United States	249,159	257,695
FHLMC Pool, 30 Year, 2.5%, 9/01/50	United States	2,591,035	2,720,513
FHLMC Pool, 30 Year, 2.5%, 8/01/50	United States	1,789,246	1,878,658
FHLMC Pool, 30 Year, 3%, 3/01/50	United States	5,891,623	6,234,938
FHLMC Pool, 30 Year, 3%, 8/01/50	United States	2,385,164	2,501,801
FHLMC Pool, 30 Year, 3.5%, 2/01/47	United States	3,896,061	4,228,339
FHLMC Pool, 30 Year, 3.5%, 4/01/50	United States	2,470,011	2,704,891
FHLMC Pool, 30 Year, 4%, 5/01/47 - 9/01/49	United States	1,998,063	2,192,560
FHLMC Pool, 30 Year, 4.5%, 10/01/48	United States	870,557	971,888
			25,649,965

Franklin Allocation VIP Fund (continued)

	Country	Principal Amount [†]	Value
Mortgage-Backed Securities (continued)			
Federal National Mortgage Association (FNMA) Fixed Rate 3.1%			
FNMA, 15 Year, 2%, 8/01/35 - 10/01/35	United States	2,710,409	\$2,818,800
FNMA, 15 Year, 2.5%, 8/01/35	United States	2,805,088	2,938,465
FNMA, 15 Year, 2.5%, 6/01/35 - 10/01/35	United States	2,472,644	2,591,098
FNMA, 30 Year, 2%, 10/01/50	United States	2,400,000	2,482,217
FNMA, 30 Year, 2%, 8/01/50	United States	397,225	410,833
FNMA, 30 Year, 2.5%, 6/01/50 - 10/01/50	United States	4,391,611	4,611,066
FNMA, 30 Year, 3%, 8/01/50	United States	3,351,648	3,525,800
FNMA, 30 Year, 3%, 10/01/50	United States	827,000	867,442
FNMA, 30 Year, 4%, 8/01/49	United States	1,455,878	1,596,865
FNMA, 30 Year, 4.5%, 2/01/50	United States	1,796,506	1,974,928
			23,817,514
Government National Mortgage Association (GNMA) Fixed Rate 4.1%			
GNMA II, Single-family, 30 Year, 2.5%, 7/20/50	United States	3,547,358	3,729,302
GNMA II, Single-family, 30 Year, 2.5%, 8/20/50 - 9/20/50	United States	1,868,340	1,964,168
GNMA II, Single-family, 30 Year, 3%, 6/20/50	United States	2,565,031	2,702,045
GNMA II, Single-family, 30 Year, 3%, 7/20/50	United States	2,797,149	2,951,600
GNMA II, Single-family, 30 Year, 3%, 9/20/47 - 9/20/50	United States	4,743,883	4,995,737
GNMA II, Single-family, 30 Year, 3.5%, 2/20/50	United States	10,359,742	10,901,972
GNMA II, Single-family, 30 Year, 3.5%, 6/20/50	United States	3,952,302	4,206,637
			31,451,461
Total Mortgage-Backed Securities (Cost \$80,699,743)			80,918,940
Municipal Bonds 0.4%			
Arizona 0.0%[†]			
Maricopa County Union High School District No. 210-Phoenix, GO, 2020 C, 5%, 7/01/31	United States	200,000	264,136
California 0.1%			
State of California, GO, 2.5%, 10/01/29	United States	500,000	541,575
Colorado 0.0%[†]			
Metro Wastewater Reclamation District, Revenue, 2019 B, Refunding, 3.158%, 4/01/41	United States	220,000	234,582
Florida 0.1%			
County of Sarasota, Revenue, 2020, 5%, 10/01/34	United States	500,000	648,780
Massachusetts 0.0%[†]			
Massachusetts State College Building Authority, Revenue, 2019 C, Refunding, 3.373%, 5/01/43	United States	230,000	235,368
Pennsylvania 0.0%[†]			
University of Pittsburgh-of the Commonwealth System of Higher Education, Revenue, 2017 C, Refunding, 3.005%, 9/15/41	United States	250,000	275,115
Texas 0.2%			
City of Austin, Electric Utility, Revenue, 2008, Refunding, AGMC Insured, 6.262%, 11/15/32	United States	270,000	350,422
State of Texas, GO, 2019, Refunding, 3.211%, 4/01/44	United States	765,000	826,728
			1,177,150
Total Municipal Bonds (Cost \$3,210,688)			3,376,706
Total Long Term Investments (Cost \$669,345,753)			738,967,268

Franklin Allocation VIP Fund (continued)

Short Term Investments 2.6%

	Country	Shares	Value
Money Market Funds 2.6%			
^{c,h} Institutional Fiduciary Trust - Money Market Portfolio, 0%	United States	20,156,523	\$20,156,523
Total Money Market Funds (Cost \$20,156,523)			20,156,523
Total Short Term Investments (Cost \$20,156,523)			20,156,523
Total Investments (Cost \$689,502,276) 98.8%			\$759,123,791
Other Assets, less Liabilities 1.2%			8,936,161
Net Assets 100.0%			\$768,059,952

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

^hRounds 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 September 30, 2020, the aggregate value of these securities was \$25,370,747, representing 3.3% of net assets.

^cSee Note 10 regarding investments in affiliated management investment companies.

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

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

^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 September 30, 2020, 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	32	\$5,363,200	12/18/20	\$(43,664)
Interest rate contracts					
U.S. Treasury 10 Year Notes	Long	23	4,046,406	12/21/20	—
U.S. Treasury 10 Year Ultra Notes	Short	30	4,797,656	12/21/20	(26,399)
Total Futures Contracts					\$(70,063)

*As of period end.

See Abbreviations on page 172.

Statement of Investments (unaudited), September 30, 2020

Franklin Flex Cap Growth VIP Fund

	Country	Shares	Value
Common Stocks 97.5%			
Automobiles 1.7%			
^a Tesla, Inc.	United States	5,905	\$2,533,304
Biotechnology 0.3%			
^{a,b} Applied Molecular Transport, Inc.	United States	5,900	187,738
^a Dyne Therapeutics, Inc.	United States	10,600	214,014
^a Legend Biotech Corp., ADR	United States	1,700	52,479
			454,231
Capital Markets 3.1%			
Intercontinental Exchange, Inc.	United States	12,679	1,268,534
MSCI, Inc.	United States	5,901	2,105,359
Tradeweb Markets, Inc., A.	United States	22,178	1,286,324
			4,660,217
Electric Utilities 2.0%			
NextEra Energy, Inc.	United States	11,110	3,083,692
Electronic Equipment, Instruments & Components 0.8%			
^a Keysight Technologies, Inc.	United States	12,248	1,209,857
Entertainment 3.8%			
^a Netflix, Inc.	United States	4,693	2,346,641
^a Sea Ltd., ADR.	Taiwan	22,650	3,489,006
			5,835,647
Equity Real Estate Investment Trusts (REITs) 4.2%			
American Tower Corp.	United States	9,835	2,377,415
Crown Castle International Corp.	United States	15,536	2,586,744
Equinix, Inc.	United States	1,830	1,391,038
			6,355,197
Food & Staples Retailing 3.2%			
Costco Wholesale Corp.	United States	13,546	4,808,830
Health Care Equipment & Supplies 8.9%			
Abbott Laboratories.	United States	27,566	3,000,008
Danaher Corp.	United States	19,354	4,167,497
^a IDEXX Laboratories, Inc.	United States	8,293	3,260,061
^a Intuitive Surgical, Inc.	United States	4,426	3,140,424
			13,567,990
Health Care Technology 2.3%			
^a Accolade, Inc.	United States	600	23,322
^a American Well Corp., A.	United States	500	14,820
^a GoodRx Holdings, Inc., A.	United States	300	16,680
^a Veeva Systems, Inc., A.	United States	12,433	3,496,035
			3,550,857
Industrial Conglomerates 0.9%			
Roper Technologies, Inc.	United States	3,325	1,313,741
Insurance 0.0%[†]			
^a Lemonade, Inc.	United States	200	9,944
Interactive Media & Services 8.1%			
^a Alphabet, Inc., C.	United States	5,246	7,709,522
^a Facebook, Inc., A.	United States	16,685	4,369,801
^a ZoomInfo Technologies, Inc., A.	United States	3,800	163,362
			12,242,685

Franklin Flex Cap Growth VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Internet & Direct Marketing Retail 9.9%			
^a Alibaba Group Holding Ltd., ADR	China	8,731	\$2,566,739
^a Amazon.com, Inc.	United States	3,302	10,397,107
^a Booking Holdings, Inc.	United States	221	378,060
^a MercadoLibre, Inc.	Argentina	1,505	1,629,133
			14,971,039
IT Services 8.9%			
Mastercard, Inc., A	United States	16,572	5,604,153
^a PayPal Holdings, Inc.	United States	17,063	3,361,923
^a Shift4 Payments, Inc., A	United States	2,600	125,736
^a Snowflake, Inc., A	United States	1,800	451,800
Visa, Inc., A	United States	20,224	4,044,193
			13,587,805
Life Sciences Tools & Services 0.7%			
^a 10X Genomics, Inc., A	United States	369	46,007
^a Berkeley Lights, Inc.	United States	600	45,816
^a Illumina, Inc.	United States	3,403	1,051,799
			1,143,622
Machinery 0.5%			
Fortive Corp.	United States	9,730	741,523
Media 1.8%			
^a Charter Communications, Inc., A	United States	4,421	2,760,207
Personal Products 2.6%			
Estee Lauder Cos., Inc. (The), A	United States	18,062	3,942,032
Professional Services 2.1%			
^a CoStar Group, Inc.	United States	1,746	1,481,498
^a Dun & Bradstreet Holdings, Inc.	United States	8,900	228,374
Verisk Analytics, Inc.	United States	7,706	1,427,999
			3,137,871
Semiconductors & Semiconductor Equipment 6.2%			
Analog Devices, Inc.	United States	11,440	1,335,505
ASML Holding NV, NYRS	Netherlands	3,880	1,432,768
NVIDIA Corp.	United States	7,606	4,116,519
Xilinx, Inc.	United States	24,545	2,558,571
			9,443,363
Software 24.1%			
^a Adobe, Inc.	United States	7,606	3,730,210
^a Atlassian Corp. plc, A	United States	8,542	1,552,850
^a Bentley Systems, Inc., B	United States	1,400	43,960
^a Bill.com Holdings, Inc.	United States	284	28,488
^a Coupa Software, Inc.	United States	6,091	1,670,396
^a Duck Creek Technologies, Inc.	United States	700	31,801
^a JFrog Ltd.	Israel	200	16,930
Microsoft Corp.	United States	55,590	11,692,245
^{a,b} Cino, Inc.	United States	900	71,712
^a Outset Medical, Inc.	United States	1,000	50,000
^a salesforce.com, Inc.	United States	30,587	7,687,125
^a ServiceNow, Inc.	United States	20,489	9,937,165
^a Vertex, Inc., A	United States	1,500	34,500
			36,547,382

Franklin Flex Cap Growth VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Specialty Retail 0.0%[†]			
^a Vroom, Inc.	United States	500	\$25,890
Textiles, Apparel & Luxury Goods 1.4%			
NIKE, Inc., B.	United States	17,213	2,160,920
Total Common Stocks (Cost \$62,660,436)			148,087,846
Short Term Investments 2.8%			
Money Market Funds 2.6%			
^{c,d} Institutional Fiduciary Trust - Money Market Portfolio, 0%.	United States	3,998,407	3,998,407
Total Money Market Funds (Cost \$3,998,407)			3,998,407
Investments from Cash Collateral Received for Loaned Securities 0.2%			
Money Market Funds 0.2%			
^{c,d} Institutional Fiduciary Trust - Money Market Portfolio, 0%.	United States	227,325	227,325
Total Investments from Cash Collateral Received for Loaned Securities (Cost \$227,325)			227,325
Total Short Term Investments (Cost \$4,225,732)			4,225,732
Total Investments (Cost \$66,886,168) 100.3%			\$152,313,578
Other Assets, less Liabilities (0.3)%			(376,782)
Net Assets 100.0%			\$151,936,796

See Abbreviations on page 172.

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

^aNon-income producing.

^bA portion or all of the security is on loan at September 30, 2020.

^cSee Note 10 regarding investments in affiliated management investment companies.

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

Statement of Investments (unaudited), September 30, 2020

Franklin Global Real Estate VIP Fund

	Country	Shares	Value
Common Stocks 99.0%			
Diversified Telecommunication Services 1.0%			
^a Cellnex Telecom SA, 144A, Reg S.	Spain	20,913	\$1,269,204
Equity Real Estate Investment Trusts (REITs) 76.7%			
Alexandria Real Estate Equities, Inc.	United States	24,743	3,958,880
American Homes 4 Rent, A.	United States	91,577	2,608,113
Americold Realty Trust.	United States	48,591	1,737,128
AvalonBay Communities, Inc.	United States	21,707	3,241,723
Boston Properties, Inc.	United States	13,390	1,075,217
Broadstone Net Lease, Inc., A.	United States	52,000	872,560
Camden Property Trust.	United States	29,476	2,622,774
Canadian Apartment Properties REIT.	Canada	58,793	2,050,713
CapitaLand Mall Trust.	Singapore	873,576	1,243,410
Cousins Properties, Inc.	United States	68,672	1,963,333
Derwent London plc.	United Kingdom	42,914	1,420,912
Dexus.	Australia	252,063	1,613,767
Equinix, Inc.	United States	3,896	2,961,466
Equity LifeStyle Properties, Inc.	United States	41,570	2,548,241
Extra Space Storage, Inc.	United States	31,125	3,330,064
Gecina SA.	France	13,732	1,809,845
GLP J-Reit.	Japan	1,422	2,187,962
Goodman Group.	Australia	207,403	2,684,212
GPT Group (The).	Australia	299,501	842,202
Healthcare Realty Trust, Inc.	United States	43,000	1,295,160
Healthpeak Properties, Inc.	United States	115,520	3,136,368
Host Hotels & Resorts, Inc.	United States	75,225	811,678
Hulic Reit, Inc.	Japan	784	1,038,760
Ichigo Office REIT Investment Corp.	Japan	992	720,938
Inmobiliaria Colonial Socimi SA.	Spain	133,149	1,098,726
Kenedix Office Investment Corp.	Japan	239	1,433,269
Kilroy Realty Corp.	United States	26,705	1,387,592
Life Storage, Inc.	United States	7,681	808,579
Link REIT.	Hong Kong	137,260	1,124,769
Mapletree Logistics Trust.	Singapore	1,036,358	1,561,146
MGM Growth Properties LLC, A.	United States	47,355	1,324,993
Orix JREIT, Inc.	Japan	776	1,193,625
Premier Investment Corp.	Japan	886	1,031,077
Prologis, Inc.	United States	87,268	8,780,906
QTS Realty Trust, Inc., A.	United States	32,995	2,079,345
Realty Income Corp.	United States	55,433	3,367,555
Regency Centers Corp.	United States	39,702	1,509,470
Retail Properties of America, Inc., A.	United States	104,511	607,209
Rexford Industrial Realty, Inc.	United States	54,938	2,513,963
SBA Communications Corp.	United States	5,752	1,831,897
Segro plc.	United Kingdom	276,577	3,323,908
Simon Property Group, Inc.	United States	22,452	1,452,195
SmartCentres Real Estate Investment Trust.	Canada	56,134	843,043
Spirit Realty Capital, Inc.	United States	57,404	1,937,385
Summit Hotel Properties, Inc.	United States	33,355	172,779
Terreno Realty Corp.	United States	25,486	1,395,613
UDR, Inc.	United States	64,816	2,113,650
^b Unibail-Rodamco-Westfield.	France	6,416	236,570
^c UNITE Group plc (The).	United Kingdom	122,804	1,327,892
VEREIT, Inc.	United States	227,474	1,478,581
Welltower, Inc.	United States	45,965	2,532,212
			96,243,375
Hotels, Restaurants & Leisure 0.7%			
Extended Stay America, Inc.	United States	66,832	798,643

Franklin Global Real Estate VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Real Estate Management & Development 20.6%			
Aroundtown SA.	Germany	166,626	\$836,260
CapitaLand Ltd.	Singapore	699,254	1,398,165
CK Asset Holdings Ltd.	Hong Kong	169,495	832,859
Deutsche Wohnen SE.	Germany	52,975	2,647,088
Fabege AB	Sweden	69,881	966,231
^c Fastighets AB Balder, B.	Sweden	22,038	1,116,302
Grainger plc	United Kingdom	329,114	1,259,324
Hang Lung Properties Ltd.	Hong Kong	364,000	927,684
Mitsubishi Estate Co. Ltd.	Japan	178,360	2,700,959
Mitsui Fudosan Co. Ltd.	Japan	145,193	2,525,884
New World Development Co. Ltd.	Hong Kong	232,890	1,136,909
Nomura Real Estate Holdings, Inc.	Japan	48,877	929,923
Shurgard Self Storage SA.	Belgium	19,461	848,756
Sun Hung Kai Properties Ltd.	Hong Kong	182,750	2,355,028
Vonovia SE.	Germany	78,887	5,406,787
			25,888,159
Total Common Stocks (Cost \$98,619,975)			124,199,381

Short Term Investments 0.8%

	Principal Amount^f	Value
^dRepurchase Agreements 0.6%		
^e Joint Repurchase Agreement, 0.058%, 10/01/20 (Maturity Value \$784,964)		
BNP Paribas Securities Corp. (Maturity Value \$304,276)		
Deutsche Bank Securities, Inc. (Maturity Value \$176,412)		
HSBC Securities (USA), Inc. (Maturity Value \$304,276)		
Collateralized by U.S. Government Agency Securities, 3.20% - 4.00%, 11/29/32 - 3/20/50; U.S. Government Agency Strips, 11/15/33 - 11/15/33; U.S. Treasury Bills, 12/31/20 - 2/18/21; U.S. Treasury Bonds, Index Linked, 1.75%, 1/15/28; and U.S. Treasury Notes, 0.32% - 2.875%, 11/30/20 - 4/30/25 (valued at \$800,802)		
	784,962	784,962
Total Repurchase Agreements (Cost \$784,962)		784,962

**Investments from Cash Collateral Received for
Loaned Securities 0.2%**

Money Market Funds 0.2%

	Country	Shares	
^{f,g} Institutional Fiduciary Trust - Money Market Portfolio, 0%.	United States	175,000	175,000

Franklin Global Real Estate VIP Fund (continued)

Short Term Investments (continued)

	Principal Amount [*]	Value
Repurchase Agreements 0.0%[†]		
^e Joint Repurchase Agreement, BNP Paribas SA, 0.06%, 10/01/20 (Maturity Value \$44,919)		
Collateralized by U.S. Treasury Bond, Strip, 8/15/25; and U.S. Treasury Note, Index Linked, 0.375%, 7/15/23 (valued at \$45,817)	44,919	\$44,919
Total Investments from Cash Collateral Received for Loaned Securities (Cost \$219,919)		219,919
Total Short Term Investments (Cost \$1,004,881)		1,004,881
Total Investments (Cost \$99,624,856) 99.8%		\$125,204,262
Other Assets, less Liabilities 0.2%		295,053
Net Assets 100.0%		\$125,499,315

See Abbreviations on page 172.

^{*}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 September 30, 2020, the value of this security was \$1,269,204, representing 1.0% of net assets.

^bA portion or all of the security is on loan at September 30, 2020.

^cNon-income producing.

^dInvestment is through participation in a joint account with other funds managed by the investment manager or an affiliate of the investment manager. At September 30, 2020, all repurchase agreements had been entered into on that date.

^eSee Note 10 regarding investments in affiliated management investment companies.

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

Statement of Investments (unaudited), September 30, 2020

Franklin Growth and Income VIP Fund

	Country	Shares	Value
Common Stocks 83.1%			
Aerospace & Defense 3.6%			
Lockheed Martin Corp.	United States	2,100	\$804,888
Raytheon Technologies Corp.	United States	25,200	1,450,008
			2,254,896
Air Freight & Logistics 1.2%			
United Parcel Service, Inc., B	United States	4,700	783,161
Banks 8.9%			
Bank of America Corp.	United States	51,400	1,238,226
Citigroup, Inc.	United States	23,600	1,017,396
JPMorgan Chase & Co.	United States	23,850	2,296,040
Truist Financial Corp.	United States	28,400	1,080,620
			5,632,282
Beverages 4.7%			
Coca-Cola Co. (The).	United States	30,550	1,508,254
PepsiCo, Inc.	United States	10,550	1,462,230
			2,970,484
Capital Markets 5.7%			
Apollo Global Management, Inc.	United States	13,100	586,225
Ares Management Corp.	United States	14,100	569,922
BlackRock, Inc.	United States	1,260	710,073
Morgan Stanley.	United States	35,400	1,711,590
			3,577,810
Chemicals 0.5%			
BASF SE	Germany	5,300	322,680
Commercial Services & Supplies 1.8%			
Republic Services, Inc.	United States	12,300	1,148,205
Communications Equipment 0.7%			
Cisco Systems, Inc.	United States	11,100	437,229
Diversified Telecommunication Services 2.9%			
TELUS Corp.	Canada	16,900	297,339
Verizon Communications, Inc.	United States	25,900	1,540,791
			1,838,130
Electric Utilities 8.6%			
Duke Energy Corp.	United States	19,400	1,718,064
Entergy Corp.	United States	6,900	679,857
NextEra Energy, Inc.	United States	6,370	1,768,057
Xcel Energy, Inc.	United States	18,300	1,262,883
			5,428,861
Electrical Equipment 0.8%			
Emerson Electric Co.	United States	7,425	486,857
Equity Real Estate Investment Trusts (REITs) 2.0%			
Equity Residential	United States	6,750	346,477
Prologis, Inc.	United States	6,000	603,720
Public Storage	United States	1,290	287,309
			1,237,506
Food & Staples Retailing 2.2%			
Walmart, Inc.	United States	9,750	1,364,123
Food Products 0.9%			
Nestle SA	Switzerland	4,750	565,154

Franklin Growth and Income VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Health Care Equipment & Supplies 3.2%			
Baxter International, Inc.	United States	4,900	\$394,058
Medtronic plc	United States	16,000	1,662,720
			2,056,778
Health Care Providers & Services 1.9%			
HCA Healthcare, Inc.	United States	950	118,446
UnitedHealth Group, Inc.	United States	3,425	1,067,812
			1,186,258
Hotels, Restaurants & Leisure 1.8%			
McDonald's Corp.	United States	5,300	1,163,297
Household Products 3.1%			
Procter & Gamble Co. (The)	United States	14,200	1,973,658
Insurance 0.8%			
Arthur J Gallagher & Co.	United States	4,600	485,668
Machinery 0.7%			
Illinois Tool Works, Inc.	United States	1,175	227,022
Stanley Black & Decker, Inc.	United States	1,250	202,750
			429,772
Media 1.9%			
Comcast Corp., A	United States	26,100	1,207,386
Multiline Retail 2.5%			
Target Corp.	United States	9,950	1,566,329
Oil, Gas & Consumable Fuels 3.5%			
Canadian Natural Resources Ltd.	Canada	18,200	291,382
Chevron Corp.	United States	15,650	1,126,800
Exxon Mobil Corp.	United States	4,900	168,217
Royal Dutch Shell plc, ADR, A.	Netherlands	19,800	498,366
Suncor Energy, Inc.	Canada	10,150	124,134
			2,208,899
Personal Products 0.8%			
Unilever NV, NYRS	United Kingdom	8,900	537,560
Pharmaceuticals 6.2%			
Johnson & Johnson	United States	13,100	1,950,328
Merck & Co., Inc.	United States	10,750	891,712
Pfizer, Inc.	United States	30,000	1,101,000
			3,943,040
Road & Rail 2.2%			
Norfolk Southern Corp.	United States	6,450	1,380,235
Semiconductors & Semiconductor Equipment 3.3%			
Analog Devices, Inc.	United States	4,200	490,308
Broadcom, Inc.	United States	1,050	382,536
Intel Corp.	United States	6,750	349,515
Texas Instruments, Inc.	United States	5,900	842,461
			2,064,820
Software 3.0%			
Microsoft Corp.	United States	8,100	1,703,673
Oracle Corp.	United States	2,800	167,160
			1,870,833

Franklin Growth and Income VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Specialty Retail 1.6%			
Lowe's Cos., Inc.	United States	4,700	\$779,542
TJX Cos., Inc. (The)	United States	4,250	236,513
			1,016,055
Technology Hardware, Storage & Peripherals 1.6%			
Apple, Inc.	United States	8,650	1,001,757
Trading Companies & Distributors 0.4%			
Fastenal Co.	United States	5,600	252,504
Wireless Telecommunication Services 0.1%			
Rogers Communications, Inc., B	Canada	2,400	95,160
Total Common Stocks (Cost \$34,960,211)			52,487,387
Equity-Linked Securities 9.7%			
Banks 0.8%			
^a Credit Suisse AG into Bank of America Corp., 144A, 7% 10/15/20	United States	22,000	531,544
Chemicals 0.8%			
^a Citigroup Global Markets Holdings, Inc. into Sherwin-Williams Co. (The), Senior Unsecured Note, 144A, 6.5% 07/09/21	United States	800	506,443
Health Care Equipment & Supplies 0.6%			
^a Citigroup Global Markets Holdings, Inc. into Becton Dickinson and Co., Senior Unsecured Note, 144A, 7.5% 12/11/20	United States	1,600	376,557
Health Care Providers & Services 0.7%			
^a Goldman Sachs International Bank into HCA Holdings, Inc., 144A, 6%	United States	3,500	438,993
Internet & Direct Marketing Retail 1.4%			
^a Wells Fargo Bank NA into Amazon.com, Inc., 144A, 6%	United States	380	876,796
Machinery 0.7%			
^a Goldman Sachs International Bank into Stanley Black & Decker, Inc., 144A, 7%	United States	3,000	478,293
Software 1.8%			
^a Barclays Bank plc into Microsoft Corp., Senior Unsecured Note, 144A, 6.5% 11/05/20	United States	3,000	469,196
^a Barclays Bank plc into Oracle Corp., Senior Unsecured Note, 144A, 6.5% 01/22/21	United States	11,500	647,363
			1,116,559
Specialty Retail 2.4%			
^a Citigroup Global Markets Holdings, Inc. into TJX Cos., Inc. (The), Senior Unsecured Note, 144A, 6.5% 09/14/21	United States	8,808	482,809
^a Royal Bank of Canada into Lowe's Cos., Inc., 144A, 7% 10/09/20	United States	3,100	388,721
^a Royal Bank of Canada into Tractor Supply Co., Senior Unsecured Note, 144A, 6% 12/11/20	United States	5,700	634,074
			1,505,604
Trading Companies & Distributors 0.5%			
^a Citigroup Global Markets Holdings, Inc. into Fastenal Co., Senior Unsecured Note, 144A, 7% 12/22/20	United States	8,000	327,867
Total Equity-Linked Securities (Cost \$5,895,532)			6,158,656
Convertible Preferred Stocks 6.9%			
Health Care Equipment & Supplies 3.2%			
^b Becton Dickinson and Co., 6%, B	United States	12,100	637,065
Boston Scientific Corp., 5.5%, A	United States	2,900	324,423

Franklin Growth and Income VIP Fund (continued)

	Country	Shares	Value
Convertible Preferred Stocks (continued)			
Health Care Equipment & Supplies (continued)			
Danaher Corp., 4.75%, A.	United States	625	\$922,406
Danaher Corp., 5%, B.	United States	121	154,585
			<u>2,038,479</u>
Machinery 1.4%			
Fortive Corp., 5%, A.	United States	935	875,478
Semiconductors & Semiconductor Equipment 1.3%			
Broadcom, Inc., 8%, A.	United States	650	810,387
Water Utilities 1.0%			
Essential Utilities, Inc., 6%	United States	11,650	623,275
Total Convertible Preferred Stocks (Cost \$3,913,215)			<u>4,347,619</u>
Total Long Term Investments (Cost \$44,768,958)			<u>62,993,662</u>
Short Term Investments 0.1%			
Investments from Cash Collateral Received for Loaned Securities 0.1%			
	Country	Shares	Value
Money Market Funds 0.1%			
^{cd} Institutional Fiduciary Trust - Money Market Portfolio, 0%.	United States	55,000	55,000
		<u>Principal Amount^f</u>	
Repurchase Agreements 0.0%[†]			
^e Joint Repurchase Agreement, BNP Paribas SA, 0.06%, 10/01/20 (Maturity Value \$13,900) Collateralized by U.S. Treasury Bond, Strip, 8/15/25; and U.S. Treasury Note, Index Linked, 0.375%, 7/15/23 (valued at \$14,178)			
		13,900	13,900
Total Investments from Cash Collateral Received for Loaned Securities (Cost \$68,900)			<u>68,900</u>
Total Short Term Investments (Cost \$68,900)			<u>68,900</u>
Total Investments (Cost \$44,837,858) 99.8%			<u>\$63,062,562</u>
Other Assets, less Liabilities 0.2%			<u>112,102</u>
Net Assets 100.0%			<u>\$63,174,664</u>

See Abbreviations on page 172.

^fThe 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 September 30, 2020, the aggregate value of these securities was \$6,158,656, representing 9.7% of net assets.

^hA portion or all of the security is on loan at September 30, 2020.

Franklin Growth and Income VIP Fund (continued)

^cSee Note 10 regarding investments in affiliated management investment companies.

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

^eInvestment is through participation in a joint account with other funds managed by the investment manager or an affiliate of the investment manager. At September 30, 2020, all repurchase agreements had been entered into on that date.

Statement of Investments (unaudited), September 30, 2020

Franklin Income VIP Fund

	Country	Shares	Value
Common Stocks 40.6%			
Air Freight & Logistics 0.9%			
United Parcel Service, Inc., B	United States	217,700	\$36,275,351
Automobiles 0.4%			
General Motors Co.	United States	600,000	17,754,000
Banks 5.2%			
Bank of America Corp.	United States	1,600,000	38,544,000
^a Barclays plc	United Kingdom	12,500,000	15,770,107
Citigroup, Inc.	United States	400,000	17,244,000
JPMorgan Chase & Co.	United States	900,000	86,643,000
Truist Financial Corp.	United States	526,600	20,037,130
US Bancorp	United States	550,000	19,717,500
Wells Fargo & Co.	United States	665,000	15,634,150
			213,589,887
Beverages 2.3%			
Coca-Cola Co. (The)	United States	860,000	42,458,200
PepsiCo, Inc.	United States	385,000	53,361,000
			95,819,200
Capital Markets 1.0%			
Morgan Stanley.	United States	830,000	40,130,500
Chemicals 0.7%			
BASF SE	Germany	475,000	28,919,467
Diversified Telecommunication Services 2.2%			
BCE, Inc.	Canada	466,000	19,323,061
Verizon Communications, Inc.	United States	1,200,000	71,388,000
			90,711,061
Electric Utilities 4.0%			
American Electric Power Co., Inc.	United States	450,000	36,778,500
Duke Energy Corp.	United States	710,000	62,877,600
Southern Co. (The)	United States	1,200,000	65,064,000
			164,720,100
Energy Equipment & Services 0.0%[†]			
^a Weatherford International plc.	United States	800,000	1,560,000
Equity Real Estate Investment Trusts (REITs) 0.3%			
Host Hotels & Resorts, Inc.	United States	1,000,000	10,790,000
Health Care Providers & Services 1.4%			
^a Community Health Systems, Inc.	United States	1,000,000	4,220,000
CVS Health Corp.	United States	920,000	53,728,000
			57,948,000
Household Products 1.7%			
Procter & Gamble Co. (The)	United States	500,000	69,495,000
Industrial Conglomerates 1.2%			
Honeywell International, Inc.	United States	300,000	49,383,000
Insurance 0.5%			
MetLife, Inc.	United States	535,108	19,889,964
Machinery 0.5%			
Cummins, Inc.	United States	100,000	21,116,000
Media 0.6%			
Comcast Corp., A	United States	500,000	23,130,000

Franklin Income VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Metals & Mining 1.2%			
Rio Tinto plc, ADR.	Australia	800,000	\$48,312,000
Multi-Utilities 2.8%			
Dominion Energy, Inc.	United States	906,638	71,560,937
DTE Energy Co.	United States	100,000	11,504,000
Sempra Energy.	United States	275,000	32,549,000
			115,613,937
Oil, Gas & Consumable Fuels 3.9%			
BP plc, ADR.	United Kingdom	550,000	9,603,000
Chevron Corp.	United States	850,000	61,200,000
Exxon Mobil Corp..	United States	2,000,000	68,660,000
Royal Dutch Shell plc, ADR, A.	Netherlands	450,000	11,326,500
TOTAL SE, ADR.	France	300,000	10,290,000
			161,079,500
Personal Products 0.4%			
Unilever plc.	United Kingdom	250,000	15,413,907
Pharmaceuticals 5.6%			
AstraZeneca plc.	United Kingdom	455,000	49,717,259
Bristol-Myers Squibb Co..	United States	1,100,000	66,319,000
Johnson & Johnson.	United States	400,000	59,552,000
Merck & Co., Inc.	United States	675,000	55,991,250
			231,579,509
Road & Rail 0.9%			
Union Pacific Corp.	United States	180,000	35,436,600
Semiconductors & Semiconductor Equipment 2.2%			
Analog Devices, Inc.	United States	100,000	11,674,000
Intel Corp..	United States	414,307	21,452,817
Texas Instruments, Inc.	United States	400,000	57,116,000
			90,242,817
Software 0.1%			
Oracle Corp..	United States	38,400	2,292,480
Tobacco 0.6%			
Philip Morris International, Inc.	United States	350,000	26,246,500
Total Common Stocks (Cost \$1,451,537,805)			1,667,448,780
Equity-Linked Securities 9.5%			
Aerospace & Defense 0.8%			
^b Societe Generale SA into Raytheon Technologies Corp., 144A, 8% 06/01/21.	United States	548,000	31,958,299
Banks 0.8%			
^b Barclays Bank plc into Bank of America Corp., Senior Unsecured Note, 144A, 8.5% 11/25/20.	United States	600,000	14,694,498
^b Merrill Lynch International & Co. CV into Wells Fargo & Co., 144A, 8% 10/06/20.	United States	775,000	18,278,174
			32,972,672
Biotechnology 0.7%			
^b Goldman Sachs International Bank into AbbVie, Inc., 144A, 10% 07/22/21.	United States	348,000	31,039,019

Franklin Income VIP Fund (continued)

	Country	Shares	Value
Equity-Linked Securities (continued)			
Communications Equipment 0.5%			
^b Credit Suisse AG into Cisco Systems, Inc., Senior Unsecured Note, 144A, 10% 06/01/21	United States	508,000	\$20,558,177
Energy Equipment & Services 0.2%			
^b Societe Generale SA into Schlumberger Ltd., 144A, 9% 02/01/21 ..	United States	429,000	7,135,294
Insurance 0.7%			
^b UBS AG into MetLife, Inc., 144A, 7.5% 04/29/21	United States	800,000	29,800,907
IT Services 0.5%			
^b Credit Suisse AG into International Business Machines Corp., Senior Unsecured Note, 144A, 7.5% 02/22/21	United States	160,000	19,718,360
Media 0.4%			
^b Barclays Bank plc into Comcast Corp., Senior Unsecured Note, 144A, 9% 04/28/21	United States	408,000	16,901,456
Pharmaceuticals 1.5%			
^b Credit Suisse AG into Pfizer, Inc., 144A, 8%	United States	1,642,000	60,490,904
Semiconductors & Semiconductor Equipment 2.1%			
^b Royal Bank of Canada into Analog Devices, Inc., 144A, 8.5%	United States	270,000	32,161,324
^b UBS AG into Texas Instruments, Inc., 144A, 8.5%	United States	400,000	55,577,025
			87,738,349
Software 0.4%			
^b Citigroup Global Markets Holdings, Inc. into Microsoft Corp., Senior Unsecured Note, 144A, 8% 09/24/21	United States	80,000	16,956,233
Specialty Retail 0.9%			
^b Royal Bank of Canada into Home Depot, Inc. (The), 144A, 8.5% ..	United States	151,500	35,521,695
Total Equity-Linked Securities (Cost \$432,794,510)			390,791,365
Convertible Preferred Stocks 4.3%			
Banks 0.2%			
Bank of America Corp., 7.25%, L	United States	4,500	6,696,000
Capital Markets 0.1%			
^a KKR & Co., Inc., 6%, C	United States	85,000	4,420,000
Electric Utilities 1.5%			
^c American Electric Power Co., Inc., 6.125%	United States	400,000	19,404,000
^a NextEra Energy, Inc., 6.219%	United States	30,200	1,442,050
NextEra Energy, Inc., 5.279%	United States	400,000	18,672,000
Southern Co. (The), 6.75%, 2019	United States	422,600	19,667,804
			59,185,854
Multi-Utilities 0.7%			
DTE Energy Co., 6.25%	United States	225,000	10,161,000
^c Sempra Energy, 6.75%, B	United States	200,000	19,602,000
			29,763,000
Semiconductors & Semiconductor Equipment 1.5%			
Broadcom, Inc., 8%, A	United States	50,000	62,337,500
Thriffs & Mortgage Finance 0.3%			
^a FNMA, 5.375%	United States	475	12,896,250
Total Convertible Preferred Stocks (Cost \$184,361,965)			175,298,604

Franklin Income VIP Fund (continued)

	Country	Shares	Value
Preferred Stocks 0.2%			
Banks 0.2%			
JPMorgan Chase & Co., 6%, EE	United States	390,000	\$10,701,600
Total Preferred Stocks (Cost \$9,750,000)			10,701,600
		Principal Amount^c	
Convertible Bonds 0.3%			
Airlines 0.3%			
Southwest Airlines Co., Senior Note, 1.25%, 5/01/25	United States	8,500,000	11,135,000
Total Convertible Bonds (Cost \$7,916,809)			11,135,000
Corporate Bonds 30.2%			
Aerospace & Defense 0.4%			
Raytheon Technologies Corp., Senior Note, 3.95%, 8/16/25.	United States	15,000,000	17,070,809
Automobiles 0.8%			
Ford Motor Co., Senior Note, 4.346%, 12/08/26.	United States	13,500,000	13,344,750
General Motors Co.,			
Senior Bond, 5.15%, 4/01/38	United States	16,000,000	16,986,104
Senior Note, 6.125%, 10/01/25	United States	2,100,000	2,442,670
			32,773,524
Banks 1.9%			
Bank of America Corp.,			
^d AA, Junior Sub. Bond, 6.1% to 3/17/25, FRN thereafter, Perpetual	United States	8,000,000	8,714,440
^d X, Junior Sub. Bond, 6.25% to 9/05/24, FRN thereafter, Perpetual	United States	6,000,000	6,440,483
Senior Bond, 3.419% to 12/20/27, FRN thereafter, 12/20/28 . . .	United States	10,000,000	11,152,879
Citigroup, Inc., Sub. Bond, 4.125%, 7/25/28.	United States	18,500,000	21,295,004
^d JPMorgan Chase & Co.,			
^e I, Junior Sub. Bond, FRN, 5.24%, (3-month USD LIBOR + 3.47%),			
Perpetual	United States	19,559,000	18,766,665
R, Junior Sub. Bond, 6% to 8/01/23, FRN thereafter, Perpetual .	United States	3,200,000	3,290,633
^d Wells Fargo & Co., S, Junior Sub. Bond, 5.9% to 6/15/24, FRN			
thereafter, Perpetual	United States	6,600,000	6,767,711
			76,427,815
Biotechnology 0.5%			
^b AbbVie, Inc., Senior Note, 144A, 3.8%, 3/15/25	United States	17,000,000	18,882,296
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	16,793,903
Construction Materials 0.2%			
^b CEMEX Finance LLC, Senior Secured Note, 144A, 6%, 4/01/24 . .	Mexico	9,665,000	9,905,755
Consumer Finance 0.9%			
Capital One Financial Corp., Sub. Note, 4.2%, 10/29/25	United States	15,500,000	17,199,972
Ford Motor Credit Co. LLC, Senior Note, 5.125%, 6/16/25	United States	20,000,000	20,650,000
			37,849,972
Containers & Packaging 0.8%			
^b Mauser Packaging Solutions Holding Co.,			
Senior Note, 144A, 7.25%, 4/15/25	United States	23,000,000	21,677,500
Senior Secured Note, 144A, 5.5%, 4/15/24	United States	10,000,000	10,050,000
			31,727,500

FRANKLIN TEMPLETON VARIABLE INSURANCE PRODUCTS TRUST
STATEMENT OF INVESTMENTS (UNAUDITED)

Franklin Income VIP Fund (continued)

	Country	Principal Amount ^a	Value
Corporate Bonds (continued)			
Diversified Telecommunication Services 0.6%			
AT&T, Inc., Senior Bond, 4.125%, 2/17/26	United States	12,000,000	\$13,749,472
^b CCO Holdings LLC / CCO Holdings Capital Corp., Senior Bond, 144A, 5.5%, 5/01/26	United States	10,000,000	10,439,050
			24,188,522
Energy Equipment & Services 0.8%			
^b Weatherford International Ltd., 144A, 8.75%, 9/01/24	United States	11,000,000	11,299,640
Senior Note, 144A, 11%, 12/01/24	United States	36,465,000	21,970,162
			33,269,802
Entertainment 0.6%			
Netflix, Inc., Senior Bond, 4.875%, 4/15/28	United States	22,000,000	24,620,860
Equity Real Estate Investment Trusts (REITs) 0.3%			
Equinix, Inc., Senior Bond, 5.375%, 5/15/27	United States	11,000,000	12,003,583
Food Products 0.5%			
Kraft Heinz Foods Co., Senior Bond, 4.625%, 1/30/29	United States	10,600,000	11,810,813
^b Post Holdings, Inc., Senior Bond, 144A, 5%, 8/15/26	United States	7,500,000	7,700,513
Senior Bond, 144A, 5.625%, 1/15/28	United States	2,500,000	2,652,350
			22,163,676
Health Care Providers & Services 9.4%			
^b CHS/Community Health Systems, Inc., Secured Note, 144A, 11%, 6/30/23	United States	94,701,000	73,738,460
Secured Note, 144A, 8.125%, 6/30/24	United States	63,744,000	46,692,480
Senior Note, 144A, 6.875%, 4/01/28	United States	20,000,000	9,487,500
Senior Secured Note, 144A, 6.625%, 2/15/25	United States	39,000,000	37,822,200
Senior Secured Note, 144A, 8%, 3/15/26	United States	12,500,000	12,286,094
Senior Secured Note, 144A, 8%, 12/15/27	United States	31,500,000	30,870,000
Cigna Corp., Senior Note, 3.75%, 7/15/23	United States	13,292,000	14,414,389
CVS Health Corp., Senior Bond, 4.3%, 3/25/28	United States	8,000,000	9,370,395
Senior Bond, 5.05%, 3/25/48	United States	3,900,000	4,975,694
Senior Note, 4.1%, 3/25/25	United States	1,225,000	1,385,448
HCA, Inc., Senior Bond, 5.875%, 5/01/23	United States	7,500,000	8,175,000
Senior Secured Note, 5%, 3/15/24	United States	10,400,000	11,663,555
Tenet Healthcare Corp., Secured Note, 5.125%, 5/01/25	United States	2,500,000	2,505,625
^b Secured Note, 144A, 6.25%, 2/01/27	United States	29,000,000	29,974,545
Senior Note, 8.125%, 4/01/22	United States	20,000,000	22,248,000
Senior Note, 6.75%, 6/15/23	United States	58,200,000	61,168,200
^b Senior Note, 144A, 6.125%, 10/01/28	United States	9,000,000	8,780,625
			385,558,210
Hotels, Restaurants & Leisure 1.0%			
^b Caesars Entertainment, Inc., Senior Secured Note, 144A, 6.25%, 7/01/25	United States	18,000,000	18,787,590
^b Wynn Las Vegas LLC / Wynn Las Vegas Capital Corp., Senior Bond, 144A, 5.5%, 3/01/25	United States	13,200,000	12,696,750
Senior Note, 144A, 5.25%, 5/15/27	United States	10,000,000	9,393,750
			40,878,090

Franklin Income VIP Fund (continued)

	Country	Principal Amount ^a	Value
Corporate Bonds (continued)			
Household Durables 0.2%			
^b Shea Homes LP / Shea Homes Funding Corp., Senior Bond, 144A, 6.125%, 4/01/25	United States	9,580,000	\$9,921,479
Media 2.1%			
^b Diamond Sports Group LLC / Diamond Sports Finance Co., Senior Secured Note, 144A, 5.375%, 8/15/26	United States	15,500,000	11,003,682
DISH DBS Corp.,			
Senior Note, 5.875%, 7/15/22	United States	27,000,000	28,107,000
Senior Note, 5%, 3/15/23	United States	21,000,000	21,446,250
Senior Note, 5.875%, 11/15/24	United States	9,400,000	9,693,750
^b Univision Communications, Inc.,			
Senior Secured Note, 144A, 5.125%, 2/15/25	United States	7,140,000	6,778,538
Senior Secured Note, 144A, 6.625%, 6/01/27	United States	8,500,000	8,319,375
			85,348,595
Metals & Mining 0.3%			
^b Cleveland-Cliffs, Inc., Senior Secured Note, 144A, 6.75%, 3/15/26.	United States	5,000,000	5,092,250
^b FMG Resources August 2006 Pty. Ltd., Senior Note, 144A, 5.125%, 5/15/24	Australia	6,700,000	7,164,812
			12,257,062
Oil, Gas & Consumable Fuels 2.0%			
Calumet Specialty Products Partners LP / Calumet Finance Corp.,			
Senior Note, 7.625%, 1/15/22	United States	2,815,000	2,803,782
Senior Note, 7.75%, 4/15/23	United States	2,000,000	1,797,710
^b Senior Note, 144A, 11%, 4/15/25	United States	30,000,000	27,224,700
^b Senior Secured Note, 144A, 9.25%, 7/15/24	United States	5,185,000	5,672,546
HighPoint Operating Corp.,			
Senior Bond, 7%, 10/15/22	United States	17,937,000	4,547,299
Senior Note, 8.75%, 6/15/25	United States	26,600,000	6,783,000
Kinder Morgan, Inc., Senior Bond, 7.75%, 1/15/32	United States	17,000,000	23,665,415
Occidental Petroleum Corp.,			
Senior Note, 8%, 7/15/25	United States	5,000,000	5,040,525
Senior Note, 6.625%, 9/01/30	United States	6,000,000	5,546,250
			83,081,227
Pharmaceuticals 3.0%			
^b Bausch Health Cos., Inc.,			
Senior Bond, 144A, 6.125%, 4/15/25	United States	9,400,000	9,632,650
Senior Note, 144A, 5.5%, 3/01/23	United States	11,270,000	11,262,956
Senior Note, 144A, 5.875%, 5/15/23	United States	974,000	969,890
Senior Note, 144A, 9%, 12/15/25	United States	5,000,000	5,451,500
Senior Secured Note, 144A, 7%, 3/15/24	United States	4,500,000	4,662,000
Senior Secured Note, 144A, 5.5%, 11/01/25	United States	35,000,000	35,866,250
^b Bayer US Finance II LLC, Senior Note, 144A, 4.25%, 12/15/25 . . .	Germany	15,000,000	17,179,037
Bristol-Myers Squibb Co., Senior Note, 3.4%, 7/26/29	United States	8,000,000	9,309,023
^b Endo Dac / Endo Finance LLC / Endo Finco, Inc.,			
Secured Note, 144A, 9.5%, 7/31/27	United States	5,273,000	5,520,172
Senior Note, 144A, 6%, 6/30/28	United States	7,094,000	5,221,184
Mylan NV, Senior Note, 3.95%, 6/15/26	United States	10,000,000	11,248,190
^b Par Pharmaceutical, Inc., Senior Secured Note, 144A, 7.5%, 4/01/27	United States	8,429,000	8,841,937
			125,164,789
Road & Rail 0.1%			
^b Ashtead Capital, Inc., Senior Note, 144A, 4.25%, 11/01/29	United Kingdom	4,500,000	4,749,284

Franklin Income VIP Fund (continued)

	Country	Principal Amount ^a	Value
Corporate Bonds (continued)			
Tobacco 0.8%			
BAT Capital Corp.,			
Senior Note, 3.222%, 8/15/24	United Kingdom	10,000,000	\$10,709,799
Senior Note, 3.557%, 8/15/27	United Kingdom	20,000,000	21,634,885
			32,344,684
Trading Companies & Distributors 0.8%			
United Rentals North America, Inc., Senior Bond, 4.875%, 1/15/28	United States	18,000,000	18,922,500
^b WESCO Distribution, Inc., Senior Note, 144A, 7.125%, 6/15/25 . . .	United States	14,000,000	15,268,750
			34,191,250
Wireless Telecommunication Services 1.8%			
Sprint Communications, Inc.,			
Senior Note, 11.5%, 11/15/21	United States	30,000,000	32,969,250
Senior Note, 6%, 11/15/22	United States	6,300,000	6,796,125
Sprint Corp.,			
Senior Note, 7.875%, 9/15/23	United States	12,500,000	14,345,312
Senior Note, 7.125%, 6/15/24	United States	8,200,000	9,445,334
Senior Note, 7.625%, 3/01/26	United States	7,500,000	9,074,250
			72,630,271
Total Corporate Bonds (Cost \$1,243,270,007)			1,243,802,958
^eSenior Floating Rate Interests 0.0%			
Specialty Retail 0.0%[†]			
Belk, Inc., First Lien, Term Loan, 7.75%, (3-month USD LIBOR + 6.75%), 7/31/25	United States	2,505,756	962,032
Total Senior Floating Rate Interests (Cost \$2,234,214)			962,032
U.S. Government and Agency Securities 4.5%			
U.S. Treasury Notes,			
2.375%, 3/15/21	United States	75,000,000	75,753,454
2.75%, 4/30/23	United States	25,000,000	26,675,781
2.75%, 5/31/23	United States	50,000,000	53,458,984
2.875%, 5/31/25	United States	25,000,000	28,036,133
Total U.S. Government and Agency Securities (Cost \$174,933,930)			183,924,352
Mortgage-Backed Securities 4.3%			
Federal National Mortgage Association (FNMA) Fixed Rate 1.0%			
FNMA, 30 Year, 3%, 8/01/50	United States	29,169,030	30,684,657
FNMA, 30 Year, 3%, 7/01/50	United States	4,891,282	5,143,828
FNMA, 30 Year, 4%, 8/01/49	United States	3,782,588	4,112,573
			39,941,058
Government National Mortgage Association (GNMA) Fixed Rate 3.3%			
GNMA II, Single-family, 30 Year, 3%, 7/20/50	United States	41,053,892	43,320,768
GNMA II, Single-family, 30 Year, 3.5%, 6/20/50	United States	65,901,410	70,142,245
GNMA II, Single-family, 30 Year, 3.5%, 1/20/50	United States	21,996,658	23,139,395
			136,602,408
Total Mortgage-Backed Securities (Cost \$176,759,346)			176,543,466

Franklin Income VIP Fund (continued)

	Country	Shares	Value
Escrows and Litigation Trusts 0.0%			
^{a,f} Motors Liquidation Co., Escrow Account, Convertible Preferred, C	United States	1,400,000	\$—
Total Escrows and Litigation Trusts (Cost \$62,603)			—
Total Long Term Investments (Cost \$3,683,621,189)			3,860,608,157
Short Term Investments 5.3%			
	Country	Shares	Value
Money Market Funds 5.2%			
^{g,h} Institutional Fiduciary Trust - Money Market Portfolio, 0%	United States	212,953,729	212,953,729
Total Money Market Funds (Cost \$212,953,729)			212,953,729
Investments from Cash Collateral Received for Loaned Securities 0.1%			
Money Market Funds 0.1%			
^{g,h} Institutional Fiduciary Trust - Money Market Portfolio, 0%	United States	5,227,000	5,227,000
		Principal Amountⁱ	
Repurchase Agreements 0.0%[†]			
^j Joint Repurchase Agreement, BofA Securities, Inc., 0.06%, 10/01/20 (Maturity Value \$1,307,882) Collateralized by U.S. Treasury Note, 2.25%, 12/31/24 (valued at \$1,334,041)			
		1,307,880	1,307,880
Total Investments from Cash Collateral Received for Loaned Securities (Cost \$6,534,880)			6,534,880
Total Short Term Investments (Cost \$219,488,609)			219,488,609
Total Investments (Cost \$3,903,109,798) 99.2%			\$4,080,096,766
Other Assets, less Liabilities 0.8%			30,654,412
Net Assets 100.0%			\$4,110,751,178

See Abbreviations on page 172.

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

[†]Rounds 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 September 30, 2020, the aggregate value of these securities was \$1,001,701,617, representing 24.4% of net assets.

^cA portion or all of the security is on loan at September 30, 2020.

^dPerpetual security with no stated maturity date.

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

Franklin Income VIP Fund (continued)

^fFair valued using significant unobservable inputs. See Note 12 regarding fair value measurements.

^gSee Note 10 regarding investments in affiliated management investment companies.

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

ⁱInvestment is through participation in a joint account with other funds managed by the investment manager or an affiliate of the investment manager. At September 30, 2020, all repurchase agreements had been entered into on that date.

Statement of Investments (unaudited), September 30, 2020

Franklin Large Cap Growth VIP Fund

	Country	Shares	Value
Common Stocks 98.9%			
Aerospace & Defense 0.4%			
Raytheon Technologies Corp.	United States	8,079	\$464,866
Auto Components 0.5%			
Aptiv plc	United States	7,165	656,887
Automobiles 0.8%			
^a Tesla, Inc.	United States	2,225	954,547
Beverages 1.2%			
Constellation Brands, Inc., A	United States	4,516	855,827
^a Monster Beverage Corp.	United States	9,074	727,735
			1,583,562
Biotechnology 1.9%			
^a Heron Therapeutics, Inc.	United States	62,191	921,671
^{a,b} Novavax, Inc.	United States	10,771	1,167,038
^a PTC Therapeutics, Inc.	United States	5,750	268,812
			2,357,521
Capital Markets 5.7%			
^a Dragoneer Growth Opportunities Corp.	United States	28,900	354,025
Intercontinental Exchange, Inc.	United States	15,410	1,541,770
MarketAxess Holdings, Inc.	United States	2,308	1,111,510
MSCI, Inc.	United States	5,668	2,022,229
S&P Global, Inc.	United States	6,060	2,185,236
			7,214,770
Chemicals 1.0%			
Ecolab, Inc.	United States	3,227	644,884
Linde plc.	United Kingdom	2,387	568,416
			1,213,300
Commercial Services & Supplies 0.3%			
Republic Services, Inc.	United States	4,233	395,151
Entertainment 0.5%			
Walt Disney Co. (The)	United States	5,434	674,251
Equity Real Estate Investment Trusts (REITs) 3.7%			
American Tower Corp.	United States	3,209	775,712
SBA Communications Corp.	United States	12,301	3,917,622
			4,693,334
Food Products 0.9%			
Lamb Weston Holdings, Inc.	United States	8,243	546,264
^a Nomad Foods Ltd.	United Kingdom	21,530	548,584
			1,094,848
Health Care Equipment & Supplies 6.9%			
Danaher Corp.	United States	6,448	1,388,448
^a Edwards Lifesciences Corp.	United States	16,263	1,298,113
^a IDEXX Laboratories, Inc.	United States	3,067	1,205,668
^a Intuitive Surgical, Inc.	United States	1,752	1,243,114
^a Nevro Corp.	United States	8,406	1,170,956
West Pharmaceutical Services, Inc.	United States	9,004	2,475,199
			8,781,498
Health Care Providers & Services 2.6%			
^a Guardant Health, Inc.	United States	4,411	493,062

Franklin Large Cap Growth VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Health Care Providers & Services (continued)			
UnitedHealth Group, Inc.	United States	8,799	\$2,743,264
			3,236,326
Health Care Technology 2.2%			
^a American Well Corp., A.	United States	400	11,856
^{a,b} GoodRx Holdings, Inc., A.	United States	300	16,680
^a Veeva Systems, Inc., A.	United States	9,972	2,804,027
			2,832,563
Hotels, Restaurants & Leisure 0.9%			
^a Chipotle Mexican Grill, Inc.	United States	918	1,141,726
Industrial Conglomerates 1.9%			
Honeywell International, Inc.	United States	6,546	1,077,537
Roper Technologies, Inc.	United States	3,527	1,393,553
			2,471,090
Interactive Media & Services 3.4%			
^a Alphabet, Inc., A.	United States	2,043	2,994,221
^a Facebook, Inc., A.	United States	5,083	1,331,237
			4,325,458
Internet & Direct Marketing Retail 9.4%			
^a Amazon.com, Inc.	United States	3,623	11,407,849
^a Booking Holdings, Inc.	United States	287	490,965
			11,898,814
IT Services 14.2%			
^a Black Knight, Inc.	United States	8,769	763,341
Mastercard, Inc., A.	United States	17,130	5,792,852
^a Okta, Inc.	United States	2,587	553,230
^a PayPal Holdings, Inc.	United States	11,987	2,361,799
^a Shopify, Inc., A.	Canada	681	696,642
^{a,b} Snowflake, Inc., A.	United States	3,416	857,416
^a Twilio, Inc., A.	United States	7,675	1,896,416
Visa, Inc., A.	United States	25,031	5,005,449
			17,927,145
Leisure Products 0.7%			
^a Peloton Interactive, Inc., A.	United States	8,343	827,959
Life Sciences Tools & Services 1.0%			
^a Illumina, Inc.	United States	2,045	632,069
^a Wuxi Biologics Cayman, Inc., ADR.	China	12,048	592,219
			1,224,288
Media 0.9%			
^a Liberty Broadband Corp., C.	United States	7,911	1,130,245
Pharmaceuticals 2.2%			
AstraZeneca plc, ADR.	United Kingdom	20,409	1,118,413
^a Catalent, Inc.	United States	5,548	475,242
^a GW Pharmaceuticals plc, ADR.	United Kingdom	4,531	441,093
^a Reata Pharmaceuticals, Inc., A.	United States	2,944	286,804
Royalty Pharma plc, A.	United States	10,393	437,234
			2,758,786
Professional Services 5.5%			
^a CoStar Group, Inc.	United States	3,984	3,380,464
^a Dun & Bradstreet Holdings, Inc.	United States	11,414	292,883

Franklin Large Cap Growth VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Professional Services (continued)			
IHS Markit Ltd.	United States	10,578	\$830,479
TransUnion	United States	6,285	528,757
Verisk Analytics, Inc.	United States	10,158	1,882,379
			6,914,962
Road & Rail 0.8%			
Union Pacific Corp.	United States	5,382	1,059,554
Semiconductors & Semiconductor Equipment 4.0%			
Analog Devices, Inc.	United States	6,706	782,859
Monolithic Power Systems, Inc.	United States	5,079	1,420,139
NVIDIA Corp.	United States	5,324	2,881,455
			5,084,453
Software 19.3%			
^a Adobe, Inc.	United States	7,049	3,457,041
^a Atlassian Corp. plc, A	United States	2,189	397,938
^a Autodesk, Inc.	United States	2,231	515,383
^a Bill.com Holdings, Inc.	United States	10,457	1,048,942
^a DocuSign, Inc.	United States	4,078	877,749
^a Duck Creek Technologies, Inc.	United States	600	27,258
Intuit, Inc.	United States	1,974	643,939
Microsoft Corp.	United States	38,680	8,135,564
^a PTC, Inc.	United States	10,482	867,071
^a Salesforce.com, Inc.	United States	5,991	1,505,658
^a ServiceNow, Inc.	United States	8,740	4,238,900
^a Synopsys, Inc.	United States	2,950	631,241
^a Workday, Inc., A	United States	3,121	671,421
^a Zendesk, Inc.	United States	6,623	681,639
^a Zoom Video Communications, Inc., A	United States	1,538	723,029
			24,422,773
Specialty Retail 0.2%			
^a Burlington Stores, Inc.	United States	1,375	283,374
Technology Hardware, Storage & Peripherals 3.9%			
Apple, Inc.	United States	43,166	4,999,054
Textiles, Apparel & Luxury Goods 0.7%			
NIKE, Inc., B.	United States	7,018	881,040
Wireless Telecommunication Services 1.3%			
^a T-Mobile US, Inc.	United States	14,819	1,694,701
Total Common Stocks (Cost \$44,277,834)			125,198,846

Franklin Large Cap Growth VIP Fund (continued)

Short Term Investments 2.7%

	Principal Amount ^c	Value
Repurchase Agreements 2.0%		
^c Joint Repurchase Agreement, 0.058%, 10/01/20 (Maturity Value \$2,586,960)		
BNP Paribas Securities Corp. (Maturity Value \$1,002,783)		
Deutsche Bank Securities, Inc. (Maturity Value \$581,394)		
HSBC Securities (USA), Inc. (Maturity Value \$1,002,783)		
Collateralized by U.S. Government Agency Securities, 3.20% - 4.00%, 11/29/32 - 3/20/50; U.S. Government Agency Strips, 11/15/33 - 11/15/33; U.S. Treasury Bills, 12/31/20 - 2/18/21; U.S. Treasury Bonds, Index Linked, 1.75%, 1/15/28; and U.S. Treasury Notes, 0.32% - 2.875%, 11/30/20 - 4/30/25 (valued at \$2,639,159)		
	2,586,956	\$2,586,956
Total Repurchase Agreements (Cost \$2,586,956)		2,586,956
	Country	Shares
Investments from Cash Collateral Received for Loaned Securities 0.5%		
Money Market Funds 0.5%		
^{d,e} Institutional Fiduciary Trust - Money Market Portfolio, 0%.	United States	650,000
		650,000
	Principal Amount^c	
Investments from Cash Collateral Received for Loaned Securities 0.2%		
Repurchase Agreements 0.2%		
^c Joint Repurchase Agreement, BNP Paribas SA, 0.06%, 10/01/20 (Maturity Value \$178,281)		
Collateralized by U.S. Treasury Bond, Strip, 8/15/25; and U.S. Treasury Note, Index Linked, 0.375%, 7/15/23 (valued at \$181,847)		
	178,281	178,281
Total Investments from Cash Collateral Received for Loaned Securities (Cost \$828,281)		828,281
Total Short Term Investments (Cost \$3,415,237)		3,415,237
Total Investments (Cost \$47,693,071) 101.6%		\$128,614,083
Other Assets, less Liabilities (1.6%)		(1,961,904)
Net Assets 100.0%		\$126,652,179

See Abbreviations on page 172.

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

^dNon-income producing.

^eA portion or all of the security is on loan at September 30, 2020.

^cInvestment is through participation in a joint account with other funds managed by the investment manager or an affiliate of the investment manager. At September 30, 2020, all repurchase agreements had been entered into on that date.

Franklin Large Cap Growth VIP Fund (continued)

^dSee Note 10 regarding investments in affiliated management investment companies.

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

Statement of Investments (unaudited), September 30, 2020

Franklin Mutual Global Discovery VIP Fund

	Country	Shares	Value
Common Stocks 90.2%			
Aerospace & Defense 1.4%			
BAE Systems plc	United Kingdom	985,909	\$6,123,239
Auto Components 0.0%[†]			
^{a,b,c} International Automotive Components Group Brazil LLC	Belgium	424,073	6,358
Automobiles 0.8%			
General Motors Co.	United States	119,200	3,527,128
Banks 6.6%			
Citigroup, Inc.	United States	96,150	4,145,026
^b ING Groep NV	Netherlands	887,366	6,331,664
JPMorgan Chase & Co.	United States	77,686	7,478,831
^b Standard Chartered plc	United Kingdom	873,845	4,021,235
Wells Fargo & Co.	United States	283,466	6,664,286
			28,641,042
Beverages 1.1%			
Heineken NV	Netherlands	55,066	4,901,304
Biotechnology 0.6%			
^b Immunomedics, Inc.	United States	32,500	2,763,475
Building Products 1.7%			
Johnson Controls International plc.	United States	183,942	7,514,031
Capital Markets 2.9%			
Credit Suisse Group AG	Switzerland	722,165	7,207,202
^b Deutsche Bank AG	Germany	433,542	3,653,724
^d Guotai Junan Securities Co. Ltd., H, 144A, Reg S	China	1,275,797	1,780,773
			12,641,699
Chemicals 3.4%			
BASF SE	Germany	102,530	6,242,343
^d Covestro AG, 144A, Reg S	Germany	170,705	8,463,465
			14,705,808
Communications Equipment 0.8%			
Cisco Systems, Inc.	United States	90,280	3,556,129
Construction Materials 1.2%			
^b LafargeHolcim Ltd.	Switzerland	109,629	4,988,910
Consumer Finance 1.2%			
Capital One Financial Corp.	United States	71,688	5,151,500
Containers & Packaging 1.6%			
International Paper Co.	United States	172,800	7,005,312
Diversified Financial Services 3.1%			
^b Berkshire Hathaway, Inc., B.	United States	30,300	6,452,082
Voya Financial, Inc.	United States	143,950	6,899,523
			13,351,605
Diversified Telecommunication Services 0.9%			
Deutsche Telekom AG.	Germany	223,589	3,721,973
Entertainment 2.1%			
Walt Disney Co. (The)	United States	71,791	8,907,827
Food Products 2.0%			
Kraft Heinz Co. (The)	United States	292,300	8,754,385

Franklin Mutual Global Discovery VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Health Care Equipment & Supplies 3.2%			
Medtronic plc	United States	132,013	\$13,718,791
Health Care Providers & Services 3.9%			
Anthem, Inc.	United States	23,232	6,239,883
CVS Health Corp.	United States	186,191	10,873,554
			17,113,437
Hotels, Restaurants & Leisure 1.2%			
^b Accor SA	France	180,200	5,042,730
Industrial Conglomerates 0.8%			
General Electric Co.	United States	544,250	3,390,678
Insurance 7.7%			
Alleghany Corp.	United States	7,130	3,710,809
China Pacific Insurance Group Co. Ltd., H.	China	1,931,308	5,515,869
Everest Re Group Ltd.	United States	12,978	2,563,674
Hartford Financial Services Group, Inc. (The)	United States	248,396	9,155,877
NN Group NV	Netherlands	335,029	12,555,466
			33,501,695
IT Services 2.3%			
Cognizant Technology Solutions Corp., A.	United States	146,460	10,167,253
Media 3.3%			
^b Charter Communications, Inc., A.	United States	21,886	13,664,305
^b iHeartMedia, Inc., A.	United States	95,199	773,016
^{a,b} iHeartMedia, Inc., B.	United States	1,606	12,128
			14,449,449
Oil, Gas & Consumable Fuels 7.7%			
BP plc.	United Kingdom	2,411,298	6,973,699
Canadian Natural Resources Ltd.	Canada	279,600	4,480,487
ENEOS Holdings, Inc.	Japan	1,015,239	3,621,208
Kinder Morgan, Inc.	United States	472,470	5,825,555
Royal Dutch Shell plc, A.	Netherlands	137,159	1,712,268
Williams Cos., Inc. (The)	United States	553,901	10,884,155
			33,497,372
Pharmaceuticals 12.1%			
^b Elanco Animal Health, Inc.	United States	60,998	1,703,674
Eli Lilly and Co.	United States	55,735	8,249,895
GlaxoSmithKline plc	United Kingdom	790,629	14,822,896
Merck & Co., Inc.	United States	166,516	13,812,502
Novartis AG, ADR	Switzerland	159,897	13,904,643
			52,493,610
Semiconductors & Semiconductor Equipment 1.9%			
^b Renesas Electronics Corp.	Japan	1,140,373	8,367,548
Software 4.2%			
^b Avaya Holdings Corp.	United States	4	61
^b Check Point Software Technologies Ltd.	Israel	80,644	9,704,699
Oracle Corp.	United States	145,100	8,662,470
			18,367,230
Technology Hardware, Storage & Peripherals 4.6%			
Samsung Electronics Co. Ltd.	South Korea	279,362	13,912,828

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	\$6,083,601
			19,996,429
Textiles, Apparel & Luxury Goods 1.0%			
Cie Financiere Richemont SA	Switzerland	67,033	4,499,567
Tobacco 4.1%			
Altria Group, Inc.	United States	124,184	4,798,470
British American Tobacco plc.	United Kingdom	272,332	9,769,286
British American Tobacco plc, ADR	United Kingdom	83,985	3,036,058
			17,603,814
Wireless Telecommunication Services 0.8%			
Vodafone Group plc	United Kingdom	2,705,449	3,586,024
Total Common Stocks (Cost \$372,137,479)			392,057,352
Preferred Stocks 2.5%			
Automobiles 2.5%			
^e Volkswagen AG, 3.54%	Germany	68,758	11,061,576
Total Preferred Stocks (Cost \$11,421,082)			11,061,576
		Warrants	
Warrants 0.0%[†]			
Software 0.0%[†]			
^b Avaya Holdings Corp., 12/15/22	United States	5,179	7,199
Total Warrants (Cost \$—)			7,199
		Principal Amount[†]	
Corporate Bonds 2.5%			
Airlines 1.5%			
^d American Airlines, Inc., Senior Secured Note, 144A, 11.75%, 7/15/25	United States	4,710,000	4,553,369
^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	2,150,125
			6,703,494
Diversified Telecommunication Services 0.8%			
^f Frontier Communications Corp.,			
Senior Note, 10.5%, 9/15/22	United States	3,610,000	1,519,864
Senior Note, 11%, 9/15/25	United States	4,065,000	1,717,462
			3,237,326
Multiline Retail 0.2%			
^d Macy's, Inc., Senior Secured Note, 144A, 8.375%, 6/15/25	United States	829,000	858,322
Oil, Gas & Consumable Fuels 0.0%[†]			
Occidental Petroleum Corp., Senior Note, 4.85%, 3/15/21	United States	173,000	172,027
Total Corporate Bonds (Cost \$14,844,748)			10,971,169

Franklin Mutual Global Discovery VIP Fund (continued)

	Country	Principal Amount ^g	Value
Senior Floating Rate Interests 0.1%			
Leisure Products 0.1%			
Zuffa LLC (Ultimate Fighting Championship), Initial Term Loan, 6.25%, (3-month USD LIBOR + 5.25%), 6/21/27	United States	533,000	\$542,869
Total Senior Floating Rate Interests (Cost \$522,685)			542,869
		Shares	
Companies in Liquidation 0.0%[†]			
^{a,b,h} Tribune Media, Litigation Trust, Contingent Distribution	United States	57,457	—
^{a,b,h} Vistra Energy Corp., Litigation Trust, Contingent Distribution	United States	5,912,264	1,626
^{a,b,h} Walter Energy Inc., Litigation Trust, Contingent Distribution	United States	966,000	—
Total Companies in Liquidation (Cost \$185,800)			1,626
Total Long Term Investments (Cost \$399,111,794)			414,641,791
Short Term Investments 3.8%			
	Country	Principal Amount ^g	Value
U.S. Government and Agency Securities 2.5%			
ⁱ U.S. Treasury Bills,			
10/20/20	United States	2,000,000	1,999,922
11/27/20	United States	2,000,000	1,999,715
1/05/21	United States	3,000,000	2,999,320
1/14/21	United States	1,500,000	1,499,574
1/21/21	United States	2,500,000	2,499,261
			10,997,792
Total U.S. Government and Agency Securities (Cost \$10,997,017)			10,997,792
Repurchase Agreements 1.3%			
Credit Suisse First Boston, 0.06%, 10/01/20 (Maturity Value \$5,700,010)			
Collateralized by U.S. Treasury Strips, 11/15/24 - 11/15/41 (valued at \$5,814,000)		5,700,000	5,700,000
Total Repurchase Agreements (Cost \$5,700,000)			5,700,000
Total Short Term Investments (Cost \$16,697,017)			16,697,792
Total Investments (Cost \$415,808,811) 99.1%			\$431,339,583
Other Assets, less Liabilities 0.9%			3,582,154
Net Assets 100.0%			\$434,921,737

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

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

^gFair valued using significant unobservable inputs. See Note 12 regarding fair value measurements.

^hNon-income producing.

^cSee Note 7 regarding restricted securities.

ⁱSecurity 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 September 30, 2020, the aggregate value of these securities was \$17,806,054, representing 4.1% of net assets.

Franklin Mutual Global Discovery VIP Fund (continued)

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

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

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

^dContingent 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.

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

^fAt September 30, 2020, all repurchase agreements had been entered into on that date.

At September 30, 2020, 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)
Currency contracts					
Foreign Exchange EUR/USD	Short	94	\$13,789,212	12/14/20	\$166,125
Foreign Exchange GBP/USD	Short	118	9,516,700	12/14/20	203,622
Total Futures Contracts					\$369,747

*As of period end.

At September 30, 2020, 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							
British Pound	BOFA	Buy	143,206	189,581	10/14/20	\$—	\$(4,773)
British Pound	HSBK	Buy	768,652	1,020,942	10/14/20	—	(28,995)
British Pound	HSBK	Sell	8,305,598	10,831,247	10/14/20	112,857	—
British Pound	UBSW	Buy	150,816	198,228	10/14/20	—	(3,600)
Swiss Franc	BNY	Buy	58,210	63,306	10/19/20	—	(89)
Swiss Franc	HSBK	Buy	43,571	47,627	10/19/20	—	(307)
Swiss Franc	SSBT	Sell	3,440,285	3,791,440	10/19/20	55,231	—
Swiss Franc	UBSW	Buy	298,083	321,831	10/19/20	1,893	—
Swiss Franc	UBSW	Sell	3,440,284	3,792,744	10/19/20	56,535	—
Korean Won	HSBK	Buy	545,782,680	466,481	11/12/20	1,602	—
Korean Won	HSBK	Sell	7,758,575,175	6,545,112	11/12/20	—	(108,930)
Korean Won	UBSW	Sell	178,093,426	150,257	11/12/20	—	(2,483)
Euro	UBSW	Buy	361,534	423,409	12/15/20	1,201	(54)
Euro	UBSW	Sell	24,966,736	29,644,504	12/15/20	325,542	—
Korean Won	HSBK	Sell	8,689,889,054	7,332,215	12/18/20	—	(121,641)
Korean Won	UBSW	Sell	178,093,425	150,269	12/18/20	—	(2,492)
Total Forward Exchange Contracts						\$554,861	\$(273,364)
Net unrealized appreciation (depreciation)						\$281,497	

^aIn U.S. dollars unless otherwise stated.

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

See Abbreviations on page 172.

Statement of Investments (unaudited), September 30, 2020

Franklin Mutual Shares VIP Fund

	Country	Shares	Value
Common Stocks 90.4%			
Aerospace & Defense 2.2%			
BAE Systems plc	United Kingdom	4,479,552	\$27,821,397
Huntington Ingalls Industries, Inc.	United States	182,062	25,625,227
			53,446,624
Auto Components 0.0%[†]			
^{a,b,c} International Automotive Components Group Brazil LLC	Belgium	1,730,515	25,944
Automobiles 0.7%			
General Motors Co.	United States	536,543	15,876,307
Banks 6.7%			
Bank of America Corp.	United States	1,093,218	26,335,622
Citigroup, Inc.	United States	912,714	39,347,100
JPMorgan Chase & Co.	United States	486,583	46,843,345
Synovus Financial Corp.	United States	858,233	18,168,793
Wells Fargo & Co.	United States	1,234,539	29,024,012
			159,718,872
Beverages 0.5%			
Heineken NV	Netherlands	144,888	12,896,165
Biotechnology 0.5%			
^b Immunomedics, Inc.	United States	147,700	12,558,931
Building Products 1.6%			
Johnson Controls International plc.	United States	949,530	38,788,301
Capital Markets 1.0%			
Credit Suisse Group AG	Switzerland	2,373,162	23,684,141
Commercial Services & Supplies 0.0%			
^{a,b} Wayne Services Legacy Inc.	United States	2,039	—
Communications Equipment 0.9%			
Cisco Systems, Inc.	United States	576,119	22,693,327
Consumer Finance 1.5%			
Capital One Financial Corp.	United States	497,637	35,760,195
Containers & Packaging 2.1%			
International Paper Co.	United States	1,267,677	51,391,626
Diversified Financial Services 3.2%			
^b Berkshire Hathaway, Inc., B.	United States	192,073	40,900,025
Voya Financial, Inc.	United States	758,210	36,341,005
			77,241,030
Electric Utilities 1.0%			
Pinnacle West Capital Corp.	United States	330,026	24,603,438
Electrical Equipment 2.0%			
^b Sensata Technologies Holding plc.	United States	1,112,178	47,979,359
Electronic Equipment, Instruments & Components 1.6%			
Corning, Inc.	United States	1,168,202	37,861,427
Energy Equipment & Services 0.6%			
Schlumberger NV	United States	958,169	14,909,110
Entertainment 2.3%			
Walt Disney Co. (The).	United States	437,857	54,329,297

Franklin Mutual Shares VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Equity Real Estate Investment Trusts (REITs) 1.0%			
Alexander's, Inc.	United States	31,168	\$7,643,017
Vornado Realty Trust.	United States	496,497	16,736,914
			24,379,931
Food & Staples Retailing 2.9%			
Kroger Co. (The).	United States	1,377,979	46,727,268
Walgreens Boots Alliance, Inc.	United States	619,260	22,243,819
			68,971,087
Food Products 4.4%			
Archer-Daniels-Midland Co.	United States	682,506	31,729,704
Conagra Brands, Inc.	United States	561,865	20,064,199
Kraft Heinz Co. (The)	United States	1,779,082	53,283,506
			105,077,409
Health Care Equipment & Supplies 3.2%			
Medtronic plc	United States	744,294	77,347,032
Health Care Providers & Services 3.1%			
Anthem, Inc.	United States	112,917	30,328,377
CVS Health Corp.	United States	762,069	44,504,830
			74,833,207
Household Durables 3.2%			
Lennar Corp., A.	United States	523,337	42,746,166
Newell Brands, Inc.	United States	2,000,918	34,335,753
			77,081,919
Household Products 0.7%			
Energizer Holdings, Inc.	United States	454,147	17,775,314
Industrial Conglomerates 0.9%			
General Electric Co.	United States	3,340,001	20,808,206
Insurance 5.6%			
Alleghany Corp.	United States	94,902	49,391,746
Everest Re Group Ltd.	United States	127,830	25,251,538
Hartford Financial Services Group, Inc. (The)	United States	934,953	34,462,367
MetLife, Inc.	United States	657,392	24,435,261
			133,540,912
IT Services 2.4%			
Cognizant Technology Solutions Corp., A.	United States	812,513	56,404,652
Leisure Products 0.2%			
^{a,b} TRU Kids Parent LLC	United States	2,039	4,575,528
Machinery 0.4%			
^b CNH Industrial NV.	United Kingdom	1,097,544	8,486,978
Media 5.8%			
^b Charter Communications, Inc., A.	United States	126,023	78,681,200
Comcast Corp., A.	United States	1,146,526	53,038,293
^{b,d,i} HeartMedia, Inc., A.	United States	717,645	5,827,277
^{a,b,i} HeartMedia, Inc., B.	United States	12,783	96,532
			137,643,302
Oil, Gas & Consumable Fuels 5.1%			
BP plc.	United Kingdom	10,248,168	29,638,660

Franklin Mutual Shares VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Oil, Gas & Consumable Fuels (continued)			
Kinder Morgan, Inc.	United States	1,612,768	\$19,885,429
Marathon Oil Corp.	United States	2,662,301	10,888,811
Royal Dutch Shell plc, A	Netherlands	370,802	4,629,026
Williams Cos., Inc. (The)	United States	2,851,487	56,031,720
			121,073,646
Pharmaceuticals 10.3%			
^b Elanco Animal Health, Inc.	United States	283,578	7,920,334
Eli Lilly and Co.	United States	295,063	43,675,225
GlaxoSmithKline plc	United Kingdom	2,855,011	53,526,407
Merck & Co., Inc.	United States	815,495	67,645,310
Novartis AG, ADR	Switzerland	607,663	52,842,374
Perrigo Co. plc	United States	469,260	21,543,727
			247,153,377
Software 3.4%			
^b Avaya Holdings Corp.	United States	116	1,763
NortonLifeLock, Inc.	United States	1,074,645	22,395,602
Oracle Corp.	United States	1,000,940	59,756,118
			82,153,483
Specialty Retail 0.9%			
Tiffany & Co.	United States	189,088	21,905,845
Technology Hardware, Storage & Peripherals 3.9%			
Samsung Electronics Co. Ltd.	South Korea	1,357,966	67,629,626
Western Digital Corp.	United States	701,884	25,653,860
			93,283,486
Textiles, Apparel & Luxury Goods 0.9%			
PVH Corp.	United States	363,421	21,674,428
Tobacco 3.2%			
Altria Group, Inc.	United States	601,300	23,234,232
British American Tobacco plc.	United Kingdom	1,095,258	39,289,870
^d British American Tobacco plc, ADR	United Kingdom	372,933	13,481,528
			76,005,630
Wireless Telecommunication Services 0.5%			
Vodafone Group plc	United Kingdom	8,420,931	11,161,793
Total Common Stocks (Cost \$1,907,182,117)			2,165,101,259
Warrants			
Warrants 0.0%[†]			
Software 0.0%[†]			
^b Avaya Holdings Corp., 12/15/22	United States	91,551	127,256
Total Warrants (Cost \$—)			127,256

Franklin Mutual Shares VIP Fund (continued)

	Country	Principal Amount ^a	Value
Corporate Bonds 5.3%			
Airlines 1.4%			
^e American Airlines, Inc., Senior Secured Note, 144A, 11.75%, 7/15/25	United States	21,072,000	\$20,371,251
^e Delta Air Lines, Inc., Senior Secured Note, 144A, 7%, 5/01/25	United States	1,198,000	1,317,003
^e Mileage Plus Holdings LLC / Mileage Plus Intellectual Property Assets Ltd., Senior Secured Note, 144A, 6.5%, 6/20/27	United States	11,070,000	11,554,312
			33,242,566
Diversified Telecommunication Services 1.1%			
Frontier Communications Corp.,			
^f Senior Note, 10.5%, 9/15/22	United States	22,633,000	9,528,833
^f Senior Note, 11%, 9/15/25	United States	25,535,000	10,788,538
^e Senior Secured Note, 144A, 8%, 4/01/27	United States	6,148,000	6,136,472
			26,453,843
IT Services 0.8%			
^e Banff Merger Sub, Inc., Senior Note, 144A, 9.75%, 9/01/26	United States	18,444,000	19,522,974
Machinery 0.2%			
^e Navistar International Corp., Senior Secured Note, 144A, 9.5%, 5/01/25	United States	4,878,200	5,488,121
Multiline Retail 0.2%			
^e Macy's, Inc., Senior Secured Note, 144A, 8.375%, 6/15/25	United States	4,438,000	4,594,972
Oil, Gas & Consumable Fuels 0.1%			
Occidental Petroleum Corp., Senior Note, 4.85%, 3/15/21	United States	917,000	911,842
Software 1.5%			
^e Boxer Parent Co., Inc., Senior Secured Note, 144A, 7.125%, 10/02/25	United States	4,027,500	4,307,411
^e Veritas US, Inc. / Veritas Bermuda Ltd.,			
Senior Note, 144A, 10.5%, 2/01/24	United States	23,445,000	22,133,135
Senior Secured Note, 144A, 7.5%, 2/01/23	United States	2,856,000	2,859,870
Senior Secured Note, 144A, 7.5%, 9/01/25	United States	6,752,000	6,971,440
			36,271,856
Total Corporate Bonds (Cost \$147,158,948)			126,486,174
^gSenior Floating Rate Interests 1.5%			
Diversified Telecommunication Services 1.0%			
^a Windstream Services LLC, Revolving Term Loan, 6.25%, (1-month USD LIBOR + 3%), 4/26/21	United States	26,279,371	18,110,921
^a Windstream Services LLC, Term Loan, B6, 8.25%, (1-month USD LIBOR + 5%), 3/29/21	United States	6,671,000	4,597,445
			22,708,366
Leisure Products 0.1%			
Zuffa LLC (Ultimate Fighting Championship), Initial Term Loan, 6.25%, (3-month USD LIBOR + 5.25%), 6/21/27	United States	2,866,000	2,919,067
Software 0.4%			
Veritas US, Inc., Term Loan, 6.5%, (3-month USD LIBOR + 5.5%), 1/01/28	United States	10,504,000	10,283,416
Total Senior Floating Rate Interests (Cost \$46,065,418)			35,910,849

Franklin Mutual Shares VIP Fund (continued)

	Country	Shares	Value
Companies in Liquidation 0.0%[†]			
^{a,b,h} Bosgen Liquidating Trust c/o Verdolino and Lowey P.C., Contingent Distribution	Netherlands	347,093	\$—
^{a,b,h} Tribune Media, Litigation Trust, Contingent Distribution	United States	397,730	—
^{a,b,h} Vistra Energy Corp., Litigation Trust, Contingent Distribution	United States	90,618,405	24,920
^{a,b,h} Walter Energy Inc., Litigation Trust, Contingent Distribution	United States	6,301,000	—
Total Companies in Liquidation (Cost \$2,834,275)			24,920
Total Long Term Investments (Cost \$2,103,240,758)			2,327,650,458
Short Term Investments 2.8%			
	Country	Principal Amount [†]	Value
U.S. Government and Agency Securities 1.0%			
ⁱ U.S. Treasury Bills, 10/20/20	United States	5,000,000	4,999,805
11/27/20	United States	5,000,000	4,999,288
1/05/21	United States	5,000,000	4,998,867
1/14/21	United States	4,000,000	3,998,862
1/21/21	United States	5,000,000	4,998,522
			23,995,344
Total U.S. Government and Agency Securities (Cost \$23,993,645)			23,995,344
Repurchase Agreements 1.8%			
Credit Suisse First Boston, 0.06%, 10/01/20 (Maturity Value \$42,600,071) Collateralized by U.S. Treasury Note, 2.25%, 12/31/23; and U.S. Treasury Bond, Strip, 11/15/24 - 11/15/45 (valued at \$43,452,000)		42,600,000	42,600,000
Total Repurchase Agreements (Cost \$42,600,000)			42,600,000
Total Short Term Investments (Cost \$66,593,645)			66,595,344
Total Investments (Cost \$2,169,834,403) 100.0%			\$2,394,245,802
Other Assets, less Liabilities (0.0)%[†]			(618,477)
Net Assets 100.0%			\$2,393,627,325

[†]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 12 regarding fair value measurements.

^bNon-income producing.

^cSee Note 7 regarding restricted securities.

^dA portion or all of the security is on loan at September 30, 2020.

^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 September 30, 2020, the aggregate value of these securities was \$105,256,961, representing 4.4% of net assets.

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

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

^hContingent 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.

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

^jAt September 30, 2020, all repurchase agreements had been entered into on that date.

Franklin Mutual Shares VIP Fund (continued)

At September 30, 2020, 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)
Currency contracts					
Foreign Exchange EUR/USD	Short	55	\$8,068,156	12/14/20	\$97,250
Foreign Exchange GBP/USD	Short	475	38,308,750	12/14/20	836,945
Total Futures Contracts					\$934,195

*As of period end.

At September 30, 2020, 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							
British Pound	HSBK	Buy	1,594,757	2,116,413	10/14/20	\$—	\$(58,376)
British Pound	HSBK	Sell	20,415,647	26,634,260	10/14/20	287,828	—
British Pound	SSBT	Buy	589,245	757,198	10/14/20	3,224	—
British Pound	UBSW	Buy	193,737	254,643	10/14/20	—	(4,624)
Swiss Franc	BNY	Buy	328,885	357,678	10/19/20	—	(503)
Swiss Franc	SSBT	Sell	11,304,849	12,458,754	10/19/20	181,490	—
Swiss Franc	UBSW	Buy	983,861	1,062,261	10/19/20	6,229	—
Swiss Franc	UBSW	Sell	11,304,849	12,463,039	10/19/20	185,775	—
Korean Won	HSBK	Sell	27,769,882,723	23,426,593	11/12/20	—	(389,887)
Korean Won	UBSW	Sell	9,030,995,877	7,619,415	11/12/20	—	(125,901)
Euro	BNY	Buy	937,950	1,114,686	12/15/20	—	(13,232)
Euro	BOFA	Buy	200,000	237,500	12/15/20	—	(2,636)
Euro	HSBK	Buy	541,478	634,903	12/15/20	965	—
Euro	SSBT	Buy	560,838	656,013	12/15/20	2,591	—
Euro	UBSW	Buy	996,510	1,170,289	12/15/20	671	(738)
Euro	UBSW	Sell	8,176,649	9,708,626	12/15/20	106,616	—
Korean Won	HSBK	Sell	32,088,214,603	27,075,663	12/18/20	—	(448,388)
Korean Won	UBSW	Sell	9,030,995,877	7,620,058	12/18/20	—	(126,387)
Total Forward Exchange Contracts						\$775,389	\$(1,170,672)
Net unrealized appreciation (depreciation)							\$(395,283)

¹In U.S. dollars unless otherwise stated.

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

See Abbreviations on page 172.

Statement of Investments (unaudited), September 30, 2020

Franklin Rising Dividends VIP Fund

	Country	Shares	Value
Common Stocks 98.4%			
Aerospace & Defense 3.1%			
General Dynamics Corp.	United States	120,052	\$16,618,798
Raytheon Technologies Corp.	United States	501,246	28,841,695
			45,460,493
Air Freight & Logistics 2.1%			
United Parcel Service, Inc., B	United States	187,767	31,287,615
Beverages 1.8%			
PepsiCo, Inc.	United States	189,830	26,310,438
Biotechnology 0.9%			
AbbVie, Inc.	United States	157,436	13,789,819
Building Products 1.4%			
Johnson Controls International plc.	United States	486,910	19,890,273
Capital Markets 0.9%			
Nasdaq, Inc.	United States	79,400	9,743,174
State Street Corp.	United States	57,541	3,413,908
			13,157,082
Chemicals 11.2%			
Air Products and Chemicals, Inc.	United States	188,467	56,136,781
Albemarle Corp.	United States	333,210	29,748,989
Ecolab, Inc.	United States	120,309	24,042,550
Linde plc.	United Kingdom	222,432	52,967,732
			162,896,052
Commercial Services & Supplies 1.9%			
Cintas Corp.	United States	84,272	28,048,250
Electrical Equipment 0.4%			
nVent Electric plc	United States	349,826	6,188,422
Food & Staples Retailing 1.7%			
Walmart, Inc.	United States	181,608	25,408,775
Food Products 1.7%			
McCormick & Co., Inc.	United States	124,447	24,155,163
Health Care Equipment & Supplies 15.0%			
Abbott Laboratories.	United States	280,995	30,580,686
Becton Dickinson and Co.	United States	171,215	39,838,306
DENTSPLY SIRONA, Inc.	United States	129,292	5,653,939
Medtronic plc	United States	406,554	42,249,092
Stryker Corp.	United States	260,845	54,352,272
West Pharmaceutical Services, Inc.	United States	166,901	45,881,085
			218,555,380
Health Care Providers & Services 2.2%			
CVS Health Corp.	United States	160,793	9,390,311
UnitedHealth Group, Inc.	United States	73,400	22,883,918
			32,274,229
Hotels, Restaurants & Leisure 1.9%			
McDonald's Corp.	United States	125,999	27,655,521
Household Products 3.3%			
Colgate-Palmolive Co.	United States	253,340	19,545,181
Procter & Gamble Co. (The)	United States	206,894	28,756,197
			48,301,378

Franklin Rising Dividends VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Industrial Conglomerates 8.1%			
Carlisle Cos., Inc.	United States	78,402	\$9,594,053
Honeywell International, Inc.	United States	220,875	36,358,234
Roper Technologies, Inc.	United States	183,883	72,654,012
			118,606,299
Insurance 1.5%			
Aflac, Inc.	United States	192,904	7,012,060
Erie Indemnity Co., A.	United States	68,070	14,313,760
			21,325,820
IT Services 5.8%			
Accenture plc, A	United States	250,678	56,650,721
Visa, Inc., A.	United States	139,262	27,848,222
			84,498,943
Machinery 3.1%			
Donaldson Co., Inc.	United States	190,497	8,842,871
Dover Corp.	United States	197,488	21,395,850
Pentair plc	United States	312,894	14,321,158
			44,559,879
Multiline Retail 2.5%			
Target Corp.	United States	229,337	36,102,231
Oil, Gas & Consumable Fuels 1.4%			
Chevron Corp.	United States	149,794	10,785,168
EOG Resources, Inc.	United States	142,861	5,134,424
Exxon Mobil Corp.	United States	143,861	4,938,748
			20,858,340
Pharmaceuticals 3.4%			
Johnson & Johnson	United States	198,829	29,601,662
Perrigo Co. plc	United States	110,863	5,089,720
Pfizer, Inc.	United States	396,215	14,541,090
			49,232,472
Road & Rail 1.4%			
Norfolk Southern Corp.	United States	98,047	20,981,078
Semiconductors & Semiconductor Equipment 6.3%			
Analog Devices, Inc.	United States	366,119	42,740,732
Texas Instruments, Inc.	United States	342,668	48,929,564
			91,670,296
Software 8.3%			
Microsoft Corp.	United States	576,928	121,345,266
Specialty Retail 3.7%			
Lowe's Cos., Inc.	United States	197,572	32,769,292
Ross Stores, Inc.	United States	234,930	21,923,668
			54,692,960
Textiles, Apparel & Luxury Goods 2.4%			
NIKE, Inc., B.	United States	280,384	35,199,407
Trading Companies & Distributors 1.0%			
WW Grainger, Inc.	United States	42,693	15,231,582
Total Common Stocks (Cost \$663,008,540)			1,437,683,463

Franklin Rising Dividends VIP Fund (continued)

Short Term Investments 1.6%

	Country	Shares	Value
Money Market Funds 1.6%			
^{a,b} Institutional Fiduciary Trust - Money Market Portfolio, 0%	United States	22,894,564	\$22,894,564
Total Money Market Funds (Cost \$22,894,564)			22,894,564
Total Short Term Investments (Cost \$22,894,564)			22,894,564
Total Investments (Cost \$685,903,104) 100.0%			\$1,460,578,027
Other Assets, less Liabilities (0.0)%[†]			(240,991)
Net Assets 100.0%			\$1,460,337,036

See Abbreviations on page 172.

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

^aSee Note 10 regarding investments in affiliated management investment companies.

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

Statement of Investments (unaudited), September 30, 2020

Franklin Small Cap Value VIP Fund

	Country	Shares	Value
Common Stocks 97.8%			
Auto Components 0.2%			
LCI Industries	United States	17,908	\$1,903,441
Automobiles 1.3%			
Thor Industries, Inc.	United States	131,841	12,559,174
Banks 13.2%			
Atlantic Union Bankshares Corp.	United States	394,830	8,437,517
Bryn Mawr Bank Corp.	United States	445,467	11,078,764
Columbia Banking System, Inc.	United States	743,406	17,730,233
First Horizon National Corp.	United States	2,573,780	24,270,746
First of Long Island Corp. (The)	United States	614,355	9,098,598
German American Bancorp, Inc.	United States	196,123	5,322,778
Glacier Bancorp, Inc.	United States	162,950	5,222,548
Lakeland Financial Corp.	United States	356,161	14,673,833
Peoples Bancorp, Inc.	United States	289,712	5,530,602
South State Corp.	United States	338,141	16,281,489
TriCo Bancshares	United States	55,304	1,354,395
Washington Trust Bancorp, Inc.	United States	221,091	6,778,650
			125,780,153
Building Products 4.7%			
^a Gibraltar Industries, Inc.	United States	204,706	13,334,549
Insteel Industries, Inc.	United States	390,746	7,306,950
^a Masonite International Corp.	United States	100,048	9,844,723
UFP Industries, Inc.	United States	247,149	13,966,390
			44,452,612
Capital Markets 1.5%			
Houlihan Lokey, Inc.	United States	243,009	14,349,681
Chemicals 5.6%			
Avient Corp.	United States	800,659	21,185,437
Cabot Corp.	United States	364,405	13,129,512
Minerals Technologies, Inc.	United States	370,641	18,939,755
			53,254,704
Commercial Services & Supplies 1.7%			
McGrath RentCorp	United States	277,667	16,546,176
Communications Equipment 1.3%			
^a NetScout Systems, Inc.	United States	565,600	12,347,048
Construction & Engineering 0.5%			
Argan, Inc.	United States	37,607	1,576,109
^a WillScot Mobile Mini Holdings Corp.	United States	169,526	2,827,694
			4,403,803
Construction Materials 1.6%			
Eagle Materials, Inc.	United States	177,847	15,351,753
Electric Utilities 1.3%			
IDACORP, Inc.	United States	156,164	12,477,504
Electrical Equipment 1.8%			
Encore Wire Corp.	United States	60,985	2,830,923
Regal Beloit Corp.	United States	153,433	14,402,756
			17,233,679
Electronic Equipment, Instruments & Components 1.9%			
Benchmark Electronics, Inc.	United States	134,793	2,716,079
^a Coherent, Inc.	United States	5,067	562,082

Franklin Small Cap Value VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Electronic Equipment, Instruments & Components (continued)			
^a FARO Technologies, Inc.	United States	3,667	\$223,614
^a II-VI, Inc.	United States	151,807	6,157,292
^a Plexus Corp.	United States	118,664	8,381,238
			18,040,305
Energy Equipment & Services 0.4%			
Hunting plc.	United Kingdom	1,395,634	2,319,267
^a Natural Gas Services Group, Inc.	United States	173,987	1,470,190
			3,789,457
Equity Real Estate Investment Trusts (REITs) 3.0%			
Healthcare Realty Trust, Inc.	United States	284,773	8,577,363
Highwoods Properties, Inc.	United States	307,215	10,313,208
Sunstone Hotel Investors, Inc.	United States	1,147,094	9,107,926
			27,998,497
Food & Staples Retailing 0.4%			
^a BJ's Wholesale Club Holdings, Inc.	United States	79,254	3,293,004
Food Products 2.3%			
Glanbia plc.	Ireland	1,606,455	16,583,559
Maple Leaf Foods, Inc.	Canada	237,357	4,839,110
			21,422,669
Gas Utilities 0.1%			
Spire, Inc.	United States	21,983	1,169,496
Health Care Equipment & Supplies 3.5%			
^a Envista Holdings Corp.	United States	772,756	19,071,618
^a Integer Holdings Corp.	United States	238,458	14,071,407
			33,143,025
Hotels, Restaurants & Leisure 5.8%			
^a Dalata Hotel Group plc.	Ireland	839,726	2,434,213
^a Denny's Corp.	United States	514,713	5,147,130
Jack in the Box, Inc.	United States	265,587	21,063,705
Wyndham Hotels & Resorts, Inc.	United States	526,826	26,604,713
			55,249,761
Household Durables 0.8%			
^a M/I Homes, Inc.	United States	173,900	8,008,095
Insurance 12.2%			
CNO Financial Group, Inc.	United States	1,468,223	23,550,297
Hanover Insurance Group, Inc. (The).	United States	282,384	26,312,541
Horace Mann Educators Corp.	United States	759,234	25,358,416
Old Republic International Corp.	United States	1,938,882	28,579,121
Selective Insurance Group, Inc.	United States	235,011	12,100,716
			115,901,091
Leisure Products 2.3%			
BRP, Inc.	United States	87,879	4,642,403
Brunswick Corp.	United States	205,371	12,098,405
Callaway Golf Co.	United States	248,035	4,747,390
			21,488,198
Machinery 17.5%			
Astec Industries, Inc.	United States	226,797	12,303,737
Columbus McKinnon Corp.	United States	248,222	8,216,148
Greenbrier Cos., Inc. (The)	United States	499,710	14,691,474

Franklin Small Cap Value VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Machinery (continued)			
Hillenbrand, Inc.	United States	537,390	\$15,240,380
John Bean Technologies Corp.	United States	52,500	4,824,225
^a Meritor, Inc.	United States	138,990	2,910,450
Mueller Industries, Inc.	United States	354,898	9,603,540
Mueller Water Products, Inc., A	United States	1,868,253	19,411,149
Oshkosh Corp.	United States	261,946	19,253,031
REV Group, Inc.	United States	18,902	149,137
Rexnord Corp.	United States	814,102	24,292,804
^a SPX FLOW, Inc.	United States	367,522	15,737,292
Timken Co. (The)	United States	146,313	7,933,091
Wabash National Corp.	United States	960,999	11,493,548
			<hr/> 166,060,006
Metals & Mining 1.3%			
^a OceanaGold Corp.	Australia	743,645	1,144,756
Reliance Steel & Aluminum Co.	United States	113,241	11,555,112
			<hr/> 12,699,868
Multi-Utilities 1.1%			
Black Hills Corp.	United States	192,469	10,295,167
Oil, Gas & Consumable Fuels 0.9%			
Crescent Point Energy Corp.	Canada	7,157,980	8,653,862
Paper & Forest Products 1.2%			
Louisiana-Pacific Corp.	United States	3,152	93,016
P H Glatfelter Co.	United States	813,924	11,207,733
			<hr/> 11,300,749
Professional Services 0.7%			
^a Huron Consulting Group, Inc.	United States	34,036	1,338,636
Kforce, Inc.	United States	157,811	5,076,780
			<hr/> 6,415,416
Road & Rail 0.3%			
Heartland Express, Inc.	United States	142,955	2,658,963
Semiconductors & Semiconductor Equipment 1.1%			
^a Advanced Energy Industries, Inc.	United States	97,421	6,131,678
MKS Instruments, Inc.	United States	22,414	2,448,281
^a Synaptics, Inc.	United States	18,846	1,515,595
			<hr/> 10,095,554
Software 0.6%			
^a ACI Worldwide, Inc.	United States	206,306	5,390,776
Specialty Retail 2.6%			
^a Boot Barn Holdings, Inc.	United States	473,001	13,310,248
Group 1 Automotive, Inc.	United States	131,210	11,597,652
			<hr/> 24,907,900
Textiles, Apparel & Luxury Goods 2.7%			
Carter's, Inc.	United States	252,722	21,880,671
Wolverine World Wide, Inc.	United States	157,146	4,060,652
			<hr/> 25,941,323
Thrifts & Mortgage Finance 0.4%			
TrustCo Bank Corp.	United States	782,700	4,085,694
Total Common Stocks (Cost \$923,325,830)			<hr/> 928,668,604

Franklin Small Cap Value VIP Fund (continued)

	Country	Principal Amount [*]	Value
Corporate Bonds 0.3%			
Machinery 0.3%			
Mueller Industries, Inc., Sub. Note, 6%, 3/01/27	United States	2,378,000	\$2,386,466
Total Corporate Bonds (Cost \$2,378,000)			2,386,466
Total Long Term Investments (Cost \$925,703,830)			931,055,070
Short Term Investments 1.9%			
	Country	Shares	Value
Money Market Funds 1.9%			
^{b,c} Institutional Fiduciary Trust - Money Market Portfolio, 0%	United States	18,264,961	18,264,961
Total Money Market Funds (Cost \$18,264,961)			18,264,961
Total Short Term Investments (Cost \$18,264,961)			18,264,961
Total Investments (Cost \$943,968,791) 100.0%			\$949,320,031
Other Assets, less Liabilities 0.0%[†]			201,424
Net Assets 100.0%			\$949,521,455

See Abbreviations on page 172.

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

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

^aNon-income producing.

^bSee Note 10 regarding investments in affiliated management investment companies.

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

Statement of Investments (unaudited), September 30, 2020

Franklin Small-Mid Cap Growth VIP Fund

	Country	Shares	Value
Common Stocks 97.4%			
Aerospace & Defense 1.3%			
^a Axon Enterprise, Inc.	United States	13,800	\$1,251,660
^a Kratos Defense & Security Solutions, Inc.	United States	66,100	1,274,408
^a Mercury Systems, Inc.	United States	51,100	3,958,206
			6,484,274
Airlines 0.4%			
Southwest Airlines Co.	United States	50,500	1,893,750
Banks 0.4%			
TCF Financial Corp.	United States	77,000	1,798,720
Biotechnology 3.7%			
^a Deciphera Pharmaceuticals, Inc.	United States	32,800	1,682,640
^a Global Blood Therapeutics, Inc.	United States	56,400	3,109,896
^a Heron Therapeutics, Inc.	United States	153,400	2,273,388
^a Iovance Biotherapeutics, Inc.	United States	111,700	3,677,164
^a Legend Biotech Corp., ADR	United States	9,357	288,851
^a Novavax, Inc.	United States	10,500	1,137,675
^a PTC Therapeutics, Inc.	United States	52,000	2,431,000
^a Seattle Genetics, Inc.	United States	22,500	4,403,025
			19,003,639
Capital Markets 4.3%			
Ares Management Corp.	United States	93,000	3,759,060
MarketAxess Holdings, Inc.	United States	13,700	6,597,783
MSCI, Inc.	United States	18,900	6,743,142
Tradeweb Markets, Inc., A.	United States	92,200	5,347,600
			22,447,585
Chemicals 0.4%			
^a Ingevity Corp.	United States	43,841	2,167,499
Commercial Services & Supplies 1.1%			
Republic Services, Inc.	United States	63,100	5,890,385
Construction Materials 0.8%			
Martin Marietta Materials, Inc.	United States	17,000	4,001,120
Containers & Packaging 1.1%			
Ball Corp.	United States	69,700	5,793,464
Diversified Financial Services 0.1%			
^a Nuvei Corp.	Canada	7,900	333,538
Electronic Equipment, Instruments & Components 2.2%			
Amphenol Corp., A	United States	54,700	5,922,369
^a Keysight Technologies, Inc.	United States	56,150	5,546,497
			11,468,866
Entertainment 2.9%			
^a Roku, Inc.	United States	32,856	6,203,213
^a Spotify Technology SA.	United States	19,000	4,608,830
^a Zynga, Inc., A	United States	455,000	4,149,600
			14,961,643
Equity Real Estate Investment Trusts (REITs) 2.1%			
SBA Communications Corp.	United States	28,657	9,126,682
Terreno Realty Corp.	United States	28,050	1,536,018
			10,662,700

Franklin Small-Mid Cap Growth VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Food & Staples Retailing 0.4%			
^a Grocery Outlet Holding Corp.	United States	50,700	\$1,993,524
Health Care Equipment & Supplies 5.6%			
^a DexCom, Inc.	United States	10,188	4,199,799
^a IDEXX Laboratories, Inc.	United States	24,750	9,729,473
^a Inari Medical, Inc.	United States	13,600	938,672
^a iRhythm Technologies, Inc.	United States	15,550	3,702,610
^a Penumbra, Inc.	United States	26,400	5,131,632
Teleflex, Inc.	United States	15,050	5,123,321
			28,825,507
Health Care Providers & Services 2.2%			
^a Guardant Health, Inc.	United States	56,900	6,360,282
^a HealthEquity, Inc.	United States	57,000	2,928,090
^{a,b} Oak Street Health, Inc.	United States	39,900	2,132,256
			11,420,628
Health Care Technology 2.6%			
^a American Well Corp., A	United States	4,500	133,380
^a Livongo Health, Inc.	United States	29,700	4,159,485
^a Veeva Systems, Inc., A	United States	33,100	9,307,389
			13,600,254
Hotels, Restaurants & Leisure 6.6%			
^a Chipotle Mexican Grill, Inc.	United States	3,830	4,763,409
Domino's Pizza, Inc.	United States	10,050	4,274,064
^{a,b} DraftKings, Inc., A	United States	22,900	1,347,436
^{a,c,d} DraftKings, Inc., A, A	United States	251,933	14,086,334
Vail Resorts, Inc.	United States	24,400	5,220,868
Wingstop, Inc.	United States	32,200	4,400,130
			34,092,241
Household Durables 1.0%			
^a NVR, Inc.	United States	1,282	5,234,560
Household Products 0.9%			
Church & Dwight Co., Inc.	United States	51,000	4,779,210
Interactive Media & Services 2.0%			
^a Match Group, Inc.	United States	42,124	4,661,021
^a Pinterest, Inc., A	United States	137,000	5,686,870
			10,347,891
Internet & Direct Marketing Retail 1.3%			
Expedia Group, Inc.	United States	28,200	2,585,658
^{a,c} Fanatics, Inc., E	United States	92,539	1,599,999
^{a,c} Marqeta, Inc.	United States	129,178	1,077,009
^a Wayfair, Inc., A	United States	5,000	1,455,050
			6,717,716
IT Services 11.9%			
^{a,b} BigCommerce Holdings, Inc., 1	United States	26,700	2,224,110
^a Black Knight, Inc.	United States	104,000	9,053,200
Booz Allen Hamilton Holding Corp.	United States	35,100	2,912,598
^a EPAM Systems, Inc.	United States	16,000	5,172,480
^a GoDaddy, Inc., A	United States	68,117	5,174,848
Jack Henry & Associates, Inc.	United States	37,550	6,105,255
^a Okta, Inc.	United States	39,000	8,340,150
^a Shift4 Payments, Inc., A	United States	43,800	2,118,168
^a Snowflake, Inc., A	United States	11,900	2,986,900

Franklin Small-Mid Cap Growth VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
IT Services (continued)			
^a Twilio, Inc., A.	United States	51,975	\$12,842,503
^a Wix.com Ltd.	Israel	17,700	4,510,845
			61,441,057
Leisure Products 0.7%			
^a Peloton Interactive, Inc., A.	United States	38,150	3,786,006
Life Sciences Tools & Services 3.5%			
^a 10X Genomics, Inc., A.	United States	27,200	3,391,296
Bio-Techne Corp.	United States	20,425	5,059,885
^a Mettler-Toledo International, Inc.	United States	9,780	9,445,035
			17,896,216
Machinery 2.4%			
Fortive Corp.	United States	69,400	5,288,974
IDEX Corp.	United States	21,050	3,839,731
Stanley Black & Decker, Inc.	United States	21,646	3,510,981
			12,639,686
Personal Products 0.5%			
^a BellRing Brands, Inc., A.	United States	119,300	2,474,282
Pharmaceuticals 2.1%			
^a GW Pharmaceuticals plc, ADR	United Kingdom	26,500	2,579,775
^a Horizon Therapeutics plc.	United States	70,000	5,437,600
^a Reata Pharmaceuticals, Inc., A	United States	25,100	2,445,242
^a Revance Therapeutics, Inc.	United States	25,100	631,014
			11,093,631
Professional Services 5.1%			
^a CoStar Group, Inc.	United States	13,735	11,654,285
TransUnion	United States	57,300	4,820,649
Verisk Analytics, Inc.	United States	53,661	9,943,920
			26,418,854
Road & Rail 1.1%			
Kansas City Southern	United States	13,900	2,513,537
Old Dominion Freight Line, Inc.	United States	17,850	3,229,422
			5,742,959
Semiconductors & Semiconductor Equipment 6.7%			
Entegris, Inc.	United States	23,000	1,709,820
KLA Corp.	United States	31,237	6,051,856
^a Lattice Semiconductor Corp.	United States	155,755	4,510,665
Microchip Technology, Inc.	United States	28,927	2,972,539
Monolithic Power Systems, Inc.	United States	15,550	4,347,935
NXP Semiconductors NV	Netherlands	22,600	2,820,706
^a Semtech Corp.	United States	55,200	2,923,392
^a SiTime Corp.	United States	60,000	5,041,800
Xilinx, Inc.	United States	41,600	4,336,384
			34,715,097
Software 15.4%			
^{a,c} Alkami Technology, Inc., F.	United States	48,025	768,400
^a Alteryx, Inc., A.	United States	42,100	4,780,455
^a ANSYS, Inc.	United States	26,700	8,737,041
^a Atlassian Corp. plc, A	United States	26,650	4,844,703
^a Avalara, Inc.	United States	32,100	4,087,614
^a Bentley Systems, Inc., B	United States	4,400	138,160

Franklin Small-Mid Cap Growth VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Software (continued)			
^a Bill.com Holdings, Inc.	United States	53,548	\$5,371,400
^a Cloudflare, Inc., A	United States	105,800	4,344,148
^a DocuSign, Inc.	United States	57,700	12,419,348
^a Duck Creek Technologies, Inc.	United States	11,284	512,632
^a Lightspeed POS, Inc.	Canada	84,400	2,702,488
^a Outset Medical, Inc.	United States	3,000	150,000
^a Paylocity Holding Corp.	United States	45,950	7,417,249
^a Q2 Holdings, Inc.	United States	40,496	3,695,665
^a Synopsys, Inc.	United States	57,750	12,357,345
^a Zendesk, Inc.	United States	69,000	7,101,480
			<hr/> 79,428,128
Specialty Retail 2.8%			
^a Burlington Stores, Inc.	United States	29,900	6,162,091
^a Five Below, Inc.	United States	32,650	4,146,550
Tractor Supply Co.	United States	27,737	3,975,821
			<hr/> 14,284,462
Textiles, Apparel & Luxury Goods 1.1%			
^{a,c} Allbirds, Inc., E	United States	92,392	1,068,276
Levi Strauss & Co., A	United States	175,000	2,345,000
VF Corp.	United States	31,200	2,191,800
			<hr/> 5,605,076
Trading Companies & Distributors 0.7%			
Fastenal Co.	United States	84,600	3,814,614
Total Common Stocks (Cost \$305,301,210)			<hr/> 503,258,782
Short Term Investments 3.7%			
	Country	Shares	Value
Money Market Funds 2.8%			
^{e,f} Institutional Fiduciary Trust - Money Market Portfolio, 0%.	United States	14,163,642	14,163,642
Total Money Market Funds (Cost \$14,163,642)			<hr/> 14,163,642
Investments from Cash Collateral Received for Loaned Securities 0.9%			
Money Market Funds 0.9%			
^{e,f} Institutional Fiduciary Trust - Money Market Portfolio, 0%.	United States	4,736,055	4,736,055
Total Investments from Cash Collateral Received for Loaned Securities (Cost \$4,736,055)			<hr/> 4,736,055
Total Short Term Investments (Cost \$18,899,697)			<hr/> 18,899,697
Total Investments (Cost \$324,200,907) 101.1%			<hr/> \$522,158,479
Other Assets, less Liabilities (1.1%)			<hr/> (5,419,285)
Net Assets 100.0%			<hr/> \$516,739,194

See abbreviations on page 172.

Franklin Small-Mid Cap Growth VIP Fund (continued)

^aNon-income producing.

^bA portion or all of the security is on loan at September 30, 2020.

^cFair valued using significant unobservable inputs. See Note 12 regarding fair value measurements.

^dSee Note 7 regarding restricted securities.

^eSee Note 10 regarding investments in affiliated management investment companies.

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

Consolidated Statement of Investments (unaudited), September 30, 2020

Franklin Strategic Income VIP Fund

	Country	Shares	Value
Common Stocks 0.2%			
Aerospace & Defense 0.0%[†]			
^{a,b} Remington Outdoor Co., Inc.	United States	74,576	\$2,051
Energy Equipment & Services 0.0%[†]			
^b Weatherford International plc.	United States	13,794	26,898
Entertainment 0.0%[†]			
^b AMC Entertainment Holdings, Inc.	United States	1,725	8,125
Hotels, Restaurants & Leisure 0.0%[†]			
^{a,b,c} Turtle Bay Resort LLC.	United States	1,901,449	41,832
Machinery 0.1%			
^{a,b} Birch Permian Holdings, Inc.	United States	4,478	26,868
^{a,b} Birch Permian Holdings, Inc.	United States	34,907	205,079
			231,947
Media 0.0%[†]			
^b Clear Channel Outdoor Holdings, Inc.	United States	20,804	20,804
^{b,i} HeartMedia, Inc., A.	United States	8,384	68,078
^{a,b,i} HeartMedia, Inc., B.	United States	142	1,072
			89,954
Multiline Retail 0.0%			
^{a,b,d} K2016470219 South Africa Ltd., A.	South Africa	14,792,309	—
^{a,b,d} K2016470219 South Africa Ltd., B.	South Africa	1,472,041	—
			—
Oil, Gas & Consumable Fuels 0.0%[†]			
Amplify Energy Corp.	United States	431	367
Riviera Resources, Inc.	United States	6,620	11,585
			11,952
Paper & Forest Products 0.1%			
^{a,b,d} Appvion Operations, Inc.	United States	18,684	279,033
Verso Corp., A.	United States	5,620	44,342
			323,375
Road & Rail 0.0%			
^{a,b} Onsite Rental Group Operations Pty. Ltd.	Australia	143,820	—
Specialty Retail 0.0%[†]			
^b Party City Holdings, Inc.	United States	24,031	62,480
Total Common Stocks (Cost \$4,697,311)			798,614
Management Investment Companies 2.1%			
Capital Markets 2.1%			
^e Franklin Floating Rate Income Fund	United States	1,118,951	8,246,672
Total Management Investment Companies (Cost \$11,072,145)			8,246,672
		Warrants	
Warrants 0.0%[†]			
Oil, Gas & Consumable Fuels 0.0%[†]			
^{a,b} Battalion Oil Corp., A, 10/08/22	United States	879	1,510
^{a,b} Battalion Oil Corp., B, 10/08/22	United States	1,098	1,667
^{a,b} Battalion Oil Corp., C, 10/08/22	United States	1,412	1,822
			4,999

Franklin Strategic Income VIP Fund (continued)

	Country	Warrants	Value
Warrants (continued)			
Paper & Forest Products 0.0%[†]			
^b Verso Corp., 7/25/23	United States	592	\$376
Total Warrants (Cost \$—)			5,375
		Principal Amount[†]	
Convertible Bonds 0.0%[†]			
Wireless Telecommunication Services 0.0%[†]			
^{f,g,h} Digicel Group 0.5 Ltd., Sub. Bond, 144A, PIK, 7%, Perpetual	Bermuda	25,758	2,848
Total Convertible Bonds (Cost \$8,215)			2,848
Corporate Bonds 46.0%			
Aerospace & Defense 0.3%			
^h TransDigm, Inc., Senior Secured Note, 144A, 6.25%, 3/15/26	United States	1,000,000	1,049,805
Air Freight & Logistics 0.3%			
FedEx Corp., Senior Bond, 4.05%, 2/15/48	United States	150,000	173,384
United Parcel Service, Inc., Senior Bond, 5.3%, 4/01/50	United States	600,000	887,538
			1,060,922
Airlines 0.3%			
^h Delta Air Lines, Inc. / SkyMiles IP Ltd., Senior Secured Note, 144A, 4.5%, 10/20/25	United States	1,100,000	1,129,827
Auto Components 0.6%			
^h Allison Transmission, Inc., Senior Bond, 144A, 5.875%, 6/01/29	United States	800,000	866,292
Dana, Inc., Senior Note, 5.625%, 6/15/28	United States	700,000	723,895
Goodyear Tire & Rubber Co. (The), Senior Note, 4.875%, 3/15/27	United States	900,000	852,750
			2,442,937
Banks 4.2%			
^h Akbank T.A.S., Senior Note, 144A, 5.125%, 3/31/25	Turkey	1,200,000	1,115,507
Bank of America Corp.,			
Senior Bond, 3.248%, 10/21/27	United States	647,000	715,343
Senior Note, 3.5%, 4/19/26	United States	1,000,000	1,122,060
^h BDO Unibank, Inc., Senior Note, Reg S, 2.95%, 3/06/23	Philippines	200,000	207,994
^h BNP Paribas SA, Senior Note, 144A, 2.219% to 6/09/25, FRN thereafter, 6/09/26	France	500,000	516,437
^h China Construction Bank Corp., Sub. Note, Reg S, 4.25% to 2/27/24, FRN thereafter, 2/27/29	China	800,000	854,360
Citigroup, Inc.,			
Senior Note, 3.3%, 4/27/25	United States	243,000	267,699
Senior Note, 3.4%, 5/01/26	United States	1,106,000	1,230,232
^g Comerica, Inc., Junior Sub. Bond, 5.625% to 10/01/25, FRN thereafter, Perpetual	United States	300,000	315,750
Fifth Third Bancorp, Senior Note, 2.55%, 5/05/27	United States	500,000	539,238
HSBC Holdings plc,			
Senior Bond, 2.848% to 6/04/30, FRN thereafter, 6/04/31	United Kingdom	800,000	829,846
Senior Bond, 2.357% to 8/18/30, FRN thereafter, 8/18/31	United Kingdom	300,000	297,833
Industrial & Commercial Bank of China Ltd., Senior Note, 3.538%, 11/08/27	China	900,000	1,003,565
JPMorgan Chase & Co.,			
^g R, Junior Sub. Bond, 6% to 8/01/23, FRN thereafter, Perpetual	United States	213,000	219,033
Senior Bond, 2.522% to 4/22/30, FRN thereafter, 4/22/31	United States	1,000,000	1,067,115
Senior Note, 3.2%, 6/15/26	United States	1,213,000	1,346,116

Franklin Strategic Income VIP Fund (continued)

	Country	Principal Amount ¹	Value
Corporate Bonds (continued)			
Banks (continued)			
JPMorgan Chase & Co., (continued)			
Sub. Note, 3.375%, 5/01/23	United States	809,000	\$864,020
Sub. Note, 3.875%, 9/10/24	United States	809,000	895,650
Lloyds Banking Group plc, Senior Note, 3.87% to 7/09/24, FRN thereafter, 7/09/25	United Kingdom	200,000	218,049
SVB Financial Group, Senior Note, 3.125%, 6/05/30	United States	300,000	335,711
Wells Fargo & Co.,			
Senior Note, 3%, 4/22/26	United States	2,021,000	2,199,886
Senior Note, 2.188% to 4/30/25, FRN thereafter, 4/30/26	United States	700,000	728,104
			16,889,548
Beverages 0.5%			
Anheuser-Busch InBev Worldwide, Inc., Senior Bond, 3.5%, 6/01/30	Belgium	1,700,000	1,937,569
Biotechnology 0.8%			
^h AbbVie, Inc.,			
Senior Note, 144A, 3.8%, 3/15/25	United States	1,378,000	1,530,577
Senior Note, 144A, 2.95%, 11/21/26	United States	600,000	654,497
Senior Note, 144A, 3.2%, 11/21/29	United States	700,000	772,679
Biogen, Inc., Senior Note, 2.25%, 5/01/30	United States	300,000	306,754
			3,264,507
Building Products 0.2%			
^h Cornerstone Building Brands, Inc., Senior Note, 144A, 8%, 4/15/26	United States	800,000	842,000
Capital Markets 1.4%			
Goldman Sachs Group, Inc. (The), Senior Note, 3.75%, 2/25/26 ..	United States	1,213,000	1,366,553
Morgan Stanley,			
Senior Bond, 3.591% to 7/22/27, FRN thereafter, 7/22/28	United States	809,000	911,084
Senior Note, 3.875%, 1/27/26	United States	2,395,000	2,733,061
^h MSCI, Inc., Senior Bond, 144A, 4%, 11/15/29	United States	700,000	736,183
			5,746,881
Chemicals 2.7%			
^h Alpek SAB de CV, Senior Note, 144A, 4.25%, 9/18/29	Mexico	800,000	791,020
^{f,h} Anagram International, Inc. / Anagram Holdings LLC, Secured Note, 144A, PIK, 10%, 8/15/26	United States	127,650	108,113
^h Braskem Netherlands Finance BV, Senior Bond, 144A, 4.5%, 1/31/30	Brazil	1,300,000	1,215,500
^h CNAC HK Finbridge Co. Ltd., Senior Note, Reg S, 4.875%, 3/14/25	China	800,000	884,867
El du Pont de Nemours and Co., Senior Bond, 2.3%, 7/15/30	United States	1,300,000	1,381,204
^h Element Solutions, Inc., Senior Note, 144A, 3.875%, 9/01/28	United States	800,000	786,500
^h Gates Global LLC / Gates Corp., Senior Note, 144A, 6.25%, 1/15/26	United States	700,000	720,419
LYB International Finance BV, Senior Note, 4%, 7/15/23	United States	1,300,000	1,409,750
Olin Corp., Senior Bond, 5.125%, 9/15/27	United States	900,000	892,688
^h SABIC Capital II BV, Senior Note, 144A, 4.5%, 10/10/28	Saudi Arabia	600,000	700,361
^h Syngenta Finance NV, Senior Note, 144A, 4.892%, 4/24/25	Switzerland	800,000	867,717
^h TPC Group, Inc., Senior Secured Note, 144A, 10.5%, 8/01/24	United States	900,000	757,782
Westlake Chemical Corp., Senior Note, 3.375%, 6/15/30	United States	200,000	215,060
^h Yara International ASA, Senior Note, 144A, 3.148%, 6/04/30	Norway	100,000	107,112
			10,838,093

Franklin Strategic Income VIP Fund (continued)

	Country	Principal Amount ¹	Value
Corporate Bonds (continued)			
Commercial Services & Supplies 0.2%			
^h Prime Security Services Borrower LLC / Prime Finance, Inc., Senior Secured Note, 144A, 3.375%, 8/31/27	United States	700,000	\$674,187
RELX Capital, Inc., Senior Note, 3%, 5/22/30	United Kingdom	100,000	109,488
			783,675
Communications Equipment 0.3%			
^h CommScope Technologies LLC, Senior Note, 144A, 5%, 3/15/27	United States	1,374,000	1,321,616
Construction & Engineering 0.0%[†]			
^h Rutas 2 and 7 Finance Ltd., Senior Secured Bond, 144A, Zero Cpn., 9/30/36	United States	200,000	142,500
Construction Materials 0.3%			
^h CEMEX Finance LLC, Senior Secured Note, 144A, 6%, 4/01/24	Mexico	299,000	306,448
^h Cemex SAB de CV, Senior Secured Bond, 144A, 5.7%, 1/11/25	Mexico	1,013,000	1,035,793
			1,342,241
Consumer Finance 0.8%			
Capital One Financial Corp., Senior Note, 3.2%, 2/05/25	United States	1,617,000	1,749,364
^h FirstCash, Inc., Senior Note, 144A, 4.625%, 9/01/28	United States	300,000	307,312
OneMain Finance Corp., Senior Note, 6.625%, 1/15/28	United States	1,000,000	1,111,490
			3,168,166
Containers & Packaging 1.8%			
^h Ardagh Packaging Finance plc / Ardagh Holdings USA, Inc., Senior Note, 144A, 6%, 2/15/25	United States	248,000	257,746
Senior Note, 144A, 5.25%, 8/15/27	United States	300,000	306,000
Bemis Co., Inc., Senior Note, 2.63%, 6/19/30	United States	200,000	213,895
^h CCL Industries, Inc., Senior Note, 144A, 3.05%, 6/01/30	Canada	500,000	534,427
Crown Americas LLC / Crown Americas Capital Corp. VI, Senior Note, 4.75%, 2/01/26	United States	1,066,000	1,109,770
^h Mauser Packaging Solutions Holding Co., Senior Note, 144A, 7.25%, 4/15/25	United States	1,278,000	1,204,515
^h Owens-Brockway Glass Container, Inc., Senior Note, 144A, 5.875%, 8/15/23	United States	566,000	595,715
Senior Note, 144A, 6.625%, 5/13/27	United States	100,000	108,500
^h Reynolds Group Issuer, Inc. / Reynolds Group Issuer LLC / Reynolds Group Issuer Luxembourg SA, Senior Note, 144A, 7%, 7/15/24	United States	85,000	86,530
Senior Secured Note, 144A, 5.125%, 7/15/23	United States	566,000	573,358
Senior Secured Note, 144A, 4%, 10/15/27	United States	600,000	604,620
^h Sealed Air Corp., Senior Bond, 144A, 5.5%, 9/15/25	United States	124,000	138,028
Senior Note, 144A, 4.875%, 12/01/22	United States	85,000	88,857
Senior Note, 144A, 5.125%, 12/01/24	United States	809,000	878,776
WRKCo, Inc., Senior Bond, 3%, 6/15/33	United States	400,000	435,427
			7,136,164
Distributors 0.1%			
^h Resideo Funding, Inc., Senior Note, 144A, 6.125%, 11/01/26	United States	400,000	395,000
Diversified Financial Services 0.2%			
^h MPH Acquisition Holdings LLC, Senior Note, 144A, 7.125%, 6/01/24	United States	900,000	925,875

Franklin Strategic Income VIP Fund (continued)

	Country	Principal Amount [†]	Value
Corporate Bonds (continued)			
Diversified Telecommunication Services 1.1%			
^h Altice France Holding SA, Senior Note, 144A, 6%, 2/15/28	Luxembourg	700,000	\$668,952
^h Altice France SA, Senior Secured Note, 144A, 5.5%, 1/15/28	France	200,000	202,750
AT&T, Inc.,			
Senior Bond, 4.3%, 2/15/30	United States	300,000	355,733
Senior Note, 2.3%, 6/01/27	United States	300,000	315,363
Bell Canada, Inc., Senior Bond, 4.464%, 4/01/48	Canada	150,000	185,156
^h CCO Holdings LLC / CCO Holdings Capital Corp.,			
Senior Bond, 144A, 5.375%, 5/01/25	United States	728,000	749,840
Senior Bond, 144A, 4.5%, 8/15/30	United States	300,000	315,390
Telefonica Emisiones SA,			
Senior Bond, 4.895%, 3/06/48	Spain	150,000	173,116
Senior Note, 4.103%, 3/08/27	Spain	500,000	569,270
TELUS Corp., Senior Bond, 4.6%, 11/16/48	Canada	150,000	187,249
^h Virgin Media Secured Finance plc, Senior Secured Bond, 144A, 4.5%, 8/15/30	United Kingdom	600,000	617,064
			4,339,883
Electric Utilities 2.1%			
^h CGNPC International Ltd., Senior Note, Reg S, 3.75%, 12/11/27 . .	China	300,000	333,413
Duke Energy Corp., Senior Bond, 2.45%, 6/01/30	United States	400,000	421,107
Exelon Corp., Senior Bond, 4.05%, 4/15/30	United States	1,300,000	1,524,002
Southern Co. (The), Senior Bond, 3.25%, 7/01/26	United States	2,410,000	2,691,497
^h State Grid Overseas Investment 2016 Ltd., Senior Note, 144A, 3.5%, 5/04/27	China	1,651,000	1,848,826
^h Three Gorges Finance I Cayman Islands Ltd., Senior Note, 144A, 3.15%, 6/02/26	China	1,051,000	1,145,611
^h TNB Global Ventures Capital Bhd., Senior Note, Reg S, 3.244%, 10/19/26	Malaysia	400,000	431,031
Virginia Electric and Power Co., Senior Bond, 6.35%, 11/30/37 . .	United States	85,000	127,965
			8,523,452
Electrical Equipment 0.0%[†]			
Emerson Electric Co., Senior Bond, 2.75%, 10/15/50	United States	200,000	203,967
Electronic Equipment, Instruments & Components 0.6%			
Flex Ltd.,			
Senior Note, 3.75%, 2/01/26	United States	1,100,000	1,202,897
Senior Note, 4.875%, 5/12/30	United States	800,000	914,797
FLIR Systems, Inc., Senior Note, 2.5%, 8/01/30	United States	200,000	204,956
			2,322,650
Energy Equipment & Services 0.3%			
Baker Hughes a GE Co. LLC / Baker Hughes Co-Obligor, Inc.,			
Senior Note, 4.486%, 5/01/30	United States	50,000	56,954
^h Nabors Industries Ltd., Senior Note, 144A, 7.25%, 1/15/26	United States	800,000	397,000
^h Schlumberger Holdings Corp., Senior Note, 144A, 3.9%, 5/17/28 . .	United States	400,000	431,181
^h Weatherford International Ltd., Senior Note, 144A, 11%, 12/01/24 .	United States	417,000	251,243
			1,136,378
Entertainment 0.7%			
^h AMC Entertainment Holdings, Inc.,			
^f Secured Note, 144A, PIK, 12%, 6/15/26	United States	589,000	155,692
Senior Secured Note, 144A, 10.5%, 4/24/26	United States	69,000	50,025

Franklin Strategic Income VIP Fund (continued)

	Country	Principal Amount ^a	Value
Corporate Bonds (continued)			
Entertainment (continued)			
^b Live Nation Entertainment, Inc., Senior Note, 144A, 4.75%, 10/15/27	United States	800,000	\$750,500
Netflix, Inc.,			
Senior Bond, 5.875%, 2/15/25	United States	1,000,000	1,129,355
Senior Bond, 4.375%, 11/15/26	United States	300,000	327,288
Walt Disney Co. (The), Senior Note, 2.2%, 1/13/28	United States	400,000	421,228
			<u>2,834,088</u>
Equity Real Estate Investment Trusts (REITs) 1.2%			
AvalonBay Communities, Inc., Senior Bond, 2.45%, 1/15/31	United States	500,000	535,403
MPT Operating Partnership LP / MPT Finance Corp.,			
Senior Bond, 5.25%, 8/01/26	United States	247,000	255,028
Senior Bond, 5%, 10/15/27	United States	889,000	928,538
^b Park Intermediate Holdings LLC / PK Domestic Property LLC / PK			
Finance Co-Issuer, Senior Secured Note, 144A, 5.875%, 10/01/28	United States	800,000	804,000
^b SBA Communications Corp., Senior Note, 144A, 3.875%, 2/15/27	United States	800,000	813,000
^b VICI Properties LP / VICI Note Co., Inc., Senior Note, 144A, 3.75%, 2/15/27	United States	1,400,000	1,379,000
			<u>4,714,969</u>
Food & Staples Retailing 0.3%			
^b Cencosud SA, Senior Note, 144A, 4.375%, 7/17/27	Chile	1,000,000	1,090,898
Kroger Co. (The), Senior Bond, 4.45%, 2/01/47	United States	150,000	185,262
			<u>1,276,160</u>
Food Products 0.9%			
B&G Foods, Inc., Senior Note, 5.25%, 9/15/27	United States	900,000	939,834
Bunge Ltd. Finance Corp., Senior Note, 3.25%, 8/15/26	United States	200,000	215,628
^b Kraft Heinz Foods Co., Senior Note, 144A, 3.875%, 5/15/27	United States	800,000	853,848
^b MHP Lux SA, Senior Note, 144A, 6.95%, 4/03/26	Ukraine	800,000	806,208
^b Post Holdings, Inc., Senior Bond, 144A, 4.625%, 4/15/30	United States	700,000	721,000
			<u>3,536,518</u>
Gas Utilities 0.1%			
Piedmont Natural Gas Co., Inc., Senior Bond, 3.35%, 6/01/50	United States	300,000	326,167
Health Care Equipment & Supplies 0.4%			
Abbott Laboratories, Senior Bond, 4.75%, 11/30/36	United States	1,000,000	1,338,083
Stryker Corp., Senior Note, 3.5%, 3/15/26	United States	405,000	457,235
			<u>1,795,318</u>
Health Care Providers & Services 1.2%			
Anthem, Inc.,			
Senior Bond, 2.25%, 5/15/30	United States	400,000	411,381
Senior Bond, 3.7%, 9/15/49	United States	150,000	167,431
Centene Corp.,			
Senior Note, 4.75%, 5/15/22	United States	400,000	405,200
^b Senior Note, 144A, 5.375%, 6/01/26	United States	324,000	342,377
Senior Note, 4.25%, 12/15/27	United States	300,000	314,624
Senior Note, 4.625%, 12/15/29	United States	200,000	215,991
Senior Note, 3.375%, 2/15/30	United States	600,000	623,439

Franklin Strategic Income VIP Fund (continued)

	Country	Principal Amount ^a	Value
Corporate Bonds (continued)			
Health Care Providers & Services (continued)			
CHS/Community Health Systems, Inc., Senior Secured Note, 6.25%, 3/31/23	United States	805,000	\$787,894
Cigna Corp., Senior Bond, 4.9%, 12/15/48	United States	150,000	195,798
HCA, Inc., Senior Note, 5.375%, 9/01/26	United States	713,000	789,202
Orlando Health Obligated Group, UNSECURED Bond, 3.777%, 10/01/28	United States	330,000	372,566
Quest Diagnostics, Inc., Senior Bond, 2.8%, 6/30/31	United States	200,000	216,133
			<u>4,842,036</u>
Hotels, Restaurants & Leisure 1.4%			
^h 1011778 BC ULC / New Red Finance, Inc., Secured Bond, 144A, 4%, 10/15/30	Canada	900,000	909,189
Secured Note, 144A, 5%, 10/15/25	Canada	970,000	996,243
^h Caesars Entertainment, Inc., Senior Secured Note, 144A, 6.25%, 7/01/25	United States	400,000	417,502
^h Caesars Resort Collection LLC / CRC Finco, Inc., Senior Secured Note, 144A, 5.75%, 7/01/25	United States	200,000	206,500
^h Golden Nugget, Inc., Senior Note, 144A, 6.75%, 10/15/24	United States	1,132,000	946,635
^h International Game Technology plc, Senior Secured Note, 144A, 5.25%, 1/15/29	United States	700,000	708,999
^h KFC Holding Co./Pizza Hut Holdings LLC/Taco Bell of America LLC, Senior Note, 144A, 5%, 6/01/24	United States	728,000	747,784
^h Wynn Las Vegas LLC / Wynn Las Vegas Capital Corp., Senior Bond, 144A, 5.5%, 3/01/25	United States	670,000	644,456
Senior Note, 144A, 5.25%, 5/15/27	United States	200,000	187,875
			<u>5,765,183</u>
Household Durables 0.9%			
KB Home, Senior Note, 7%, 12/15/21	United States	570,000	598,033
Mohawk Industries, Inc., Senior Note, 3.625%, 5/15/30	United States	1,300,000	1,426,024
Toll Brothers Finance Corp., Senior Bond, 5.625%, 1/15/24	United States	689,000	756,966
^h Williams Scotsman International, Inc., Senior Secured Note, 144A, 4.625%, 8/15/28	United States	1,000,000	1,005,915
			<u>3,786,938</u>
Household Products 0.3%			
^h Energizer Holdings, Inc., Senior Note, 144A, 4.375%, 3/31/29	United States	800,000	810,000
^h Kimberly-Clark de Mexico SAB de CV, Senior Bond, 144A, 2.431%, 7/01/31	Mexico	300,000	305,894
^h Spectrum Brands, Inc., Senior Bond, 144A, 5.5%, 7/15/30	United States	200,000	211,375
			<u>1,327,269</u>
Independent Power and Renewable Electricity Producers 1.4%			
^h Calpine Corp., Senior Bond, 144A, 5%, 2/01/31	United States	600,000	612,705
Senior Note, 144A, 5.125%, 3/15/28	United States	200,000	207,283
Senior Note, 144A, 4.625%, 2/01/29	United States	400,000	400,250
Clearway Energy Operating LLC, Senior Note, 5.75%, 10/15/25	United States	1,132,000	1,194,379
^h Colbun SA, Senior Note, 144A, 3.95%, 10/11/27	Chile	800,000	901,884
Senior Note, 144A, 3.15%, 3/06/30	Chile	300,000	324,375

Franklin Strategic Income VIP Fund (continued)

	Country	Principal Amount ^a	Value
Corporate Bonds (continued)			
Independent Power and Renewable Electricity Producers (continued)			
^b InterGen NV, Senior Secured Bond, 144A, 7%, 6/30/23	Netherlands	700,000	\$673,750
^b Talen Energy Supply LLC, Senior Secured Note, 144A, 7.25%, 5/15/27	United States	1,300,000	1,297,803
			5,612,429
Insurance 1.0%			
Aflac, Inc., Senior Note, 3.6%, 4/01/30	United States	1,300,000	1,525,054
Arch Capital Group Ltd., Senior Bond, 3.635%, 6/30/50	United States	1,000,000	1,078,505
^b Five Corners Funding Trust II, Senior Note, 144A, 2.85%, 5/15/30 .	United States	900,000	971,952
Willis North America, Inc., Senior Note, 2.95%, 9/15/29	United States	400,000	433,111
			4,008,622
Interactive Media & Services 0.5%			
^b Tencent Holdings Ltd., Senior Note, 144A, 2.39%, 6/03/30.	China	2,100,000	2,137,546
Internet & Direct Marketing Retail 0.3%			
JD.com, Inc., Senior Note, 3.375%, 1/14/30.	China	1,200,000	1,301,799
IT Services 0.5%			
Fiserv, Inc., Senior Bond, 2.65%, 6/01/30	United States	600,000	646,829
^b Gartner, Inc., Senior Note, 144A, 4.5%, 7/01/28.	United States	700,000	734,265
^b Presidio Holdings, Inc., Senior Secured Note, 144A, 4.875%, 2/01/27	United States	700,000	710,619
			2,091,713
Machinery 0.7%			
CNH Industrial NV, Senior Note, 3.85%, 11/15/27	United Kingdom	566,000	612,530
^b Navistar International Corp., Senior Note, 144A, 6.625%, 11/01/25	United States	900,000	925,313
^b Vertical US Newco, Inc., Senior Secured Note, 144A, 5.25%, 7/15/27	Germany	1,100,000	1,145,254
Westinghouse Air Brake Technologies Corp., Senior Note, 3.2%, 6/15/25	United States	200,000	211,031
			2,894,128
Marine 0.3%			
^b ICTSI Treasury BV, Senior Note, Reg S, 4.625%, 1/16/23	Philippines	1,200,000	1,255,218
Media 2.3%			
^b Altice Financing SA, Senior Secured Bond, 144A, 7.5%, 5/15/26 . .	Luxembourg	600,000	635,868
Charter Communications Operating LLC / Charter Communications Operating Capital, Senior Secured Bond, 2.8%, 4/01/31	United States	1,800,000	1,872,843
^b Clear Channel International BV, Senior Secured Note, 144A, 6.625%, 8/01/25.	United States	300,000	307,785
Clear Channel Worldwide Holdings, Inc., Senior Note, 9.25%, 2/15/24	United States	256,000	248,833
^b Senior Secured Note, 144A, 5.125%, 8/15/27	United States	300,000	288,450
^b CSC Holdings LLC, Senior Note, 144A, 5.5%, 5/15/26.	United States	1,378,000	1,434,843
^b 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	283,966
DISH DBS Corp., Senior Note, 6.75%, 6/01/21	United States	5,000	5,130
Senior Note, 5.875%, 11/15/24	United States	570,000	587,813
^b Senior Note, 144A, 7.375%, 7/01/28	United States	500,000	515,625

Franklin Strategic Income VIP Fund (continued)

	Country	Principal Amount [†]	Value
Corporate Bonds (continued)			
Media (continued)			
Fox Corp., Senior Note, 3.5%, 4/08/30	United States	400,000	\$451,517
iHeartCommunications, Inc., Senior Note, 8.375%, 5/01/27	United States	87,378	86,226
^h Nexstar Broadcasting, Inc., Senior Note, 144A, 4.75%, 11/01/28	United States	800,000	818,000
^h Sinclair Television Group, Inc., Senior Bond, 144A, 5.5%, 3/01/30	United States	300,000	278,757
^h Univision Communications, Inc., Senior Secured Note, 144A, 5.125%, 2/15/25.	United States	1,321,000	1,254,124
			9,226,155
Metals & Mining 1.1%			
^h CSN Islands XI Corp., Senior Note, 144A, 6.75%, 1/28/28	Brazil	800,000	769,560
^h FMG Resources August 2006 Pty. Ltd., Senior Note, 144A, 5.125%, 3/15/23	Australia	324,000	338,904
Senior Note, 144A, 5.125%, 5/15/24	Australia	647,000	691,886
^h Glencore Funding LLC, Senior Note, 144A, 4.125%, 5/30/23	Australia	485,000	520,491
Senior Note, 144A, 4.625%, 4/29/24	Australia	250,000	275,690
^h Novelis Corp., Senior Bond, 144A, 5.875%, 9/30/26	United States	1,059,000	1,089,446
^h SunCoke Energy Partners LP / SunCoke Energy Partners Finance Corp., Senior Note, 144A, 7.5%, 6/15/25	United States	800,000	723,616
			4,409,593
Multiline Retail 0.1%			
Dollar Tree, Inc., Senior Bond, 4.2%, 5/15/28.	United States	300,000	353,885
^{a,f,h} K2016470219 South Africa Ltd., Senior Secured Note, 144A, PIK, 3%, 12/31/22	South Africa	976,441	—
^{a,f,h} K2016470260 South Africa Ltd., Senior Secured Note, 144A, PIK, 25%, 12/31/22	South Africa	352,537	1,763
			355,648
Multi-Utilities 0.4%			
Dominion Energy, Inc., C, Senior Note, 3.375%, 4/01/30	United States	1,300,000	1,467,911
Oil, Gas & Consumable Fuels 3.9%			
^h Aker BP ASA, Senior Bond, 144A, 4%, 1/15/31	Norway	400,000	395,261
Senior Note, 144A, 4.75%, 6/15/24	Norway	600,000	617,002
Apache Corp., Senior Note, 4.625%, 11/15/25	United States	600,000	573,000
Canadian Natural Resources Ltd., Senior Bond, 2.95%, 7/15/30	Canada	450,000	453,469
Cenovus Energy, Inc., Senior Note, 5.375%, 7/15/25	Canada	600,000	578,187
Cheniere Energy Partners LP, Senior Secured Note, 5.25%, 10/01/25	United States	970,000	993,280
CNX Resources Corp., Senior Note, 5.875%, 4/15/22	United States	147,000	147,367
Comstock Resources, Inc., Senior Note, 9.75%, 8/15/26	United States	600,000	616,245
Energy Transfer Operating LP, Senior Note, 4.05%, 3/15/25.	United States	200,000	210,275
EnLink Midstream LLC, Senior Bond, 5.375%, 6/01/29	United States	600,000	487,500
^{f,h} EnQuest plc, Senior Note, 144A, Reg S, PIK, 7%, 10/15/23	United Kingdom	849,275	435,117
Enterprise Products Operating LLC, Senior Bond, 4.8%, 2/01/49	United States	150,000	173,469
EOG Resources, Inc., Senior Note, 4.375%, 4/15/30	United States	100,000	118,030
Exxon Mobil Corp., Senior Bond, 2.61%, 10/15/30	United States	500,000	540,716
^h Martin Midstream Partners LP / Martin Midstream Finance Corp., Secured Note, 144A, 11.5%, 2/28/25	United States	1,394,630	1,269,113
Senior Secured Note, 144A, 10%, 2/29/24	United States	307,101	319,385

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	\$1,474,203
Occidental Petroleum Corp., Senior Bond, 6.45%, 9/15/36	United States	500,000	425,947
Senior Note, 8.875%, 7/15/30	United States	400,000	412,750
^b Rattler Midstream LP, Senior Note, 144A, 5.625%, 7/15/25	United States	800,000	807,920
^b Sabine Pass Liquefaction LLC, Senior Secured Note, 144A, 4.5%, 5/15/30	United States	1,600,000	1,804,864
Sunoco LP / Sunoco Finance Corp., Senior Note, 4.875%, 1/15/23	United States	485,000	489,193
Senior Note, 6%, 4/15/27	United States	500,000	514,687
Williams Cos., Inc. (The), Senior Bond, 3.5%, 11/15/30	United States	1,800,000	1,960,813
			15,817,793
Paper & Forest Products 0.1%			
Suzano Austria GmbH, Senior Bond, 3.75%, 1/15/31	Brazil	400,000	401,480
Pharmaceuticals 1.0%			
^b Bausch Health Americas, Inc., Senior Note, 144A, 8.5%, 1/31/27	United States	809,000	890,033
^b Bausch Health Cos., Inc., Senior Bond, 144A, 6.125%, 4/15/25	United States	243,000	249,014
^b Bayer US Finance II LLC, Senior Bond, 144A, 4.375%, 12/15/28	Germany	889,000	1,044,698
^b Endo Dac / Endo Finance LLC / Endo Finco, Inc., Secured Note, 144A, 9.5%, 7/31/27	United States	452,000	473,188
Senior Note, 144A, 6%, 6/30/28	United States	659,000	485,024
^b Par Pharmaceutical, Inc., Senior Secured Note, 144A, 7.5%, 4/01/27	United States	184,000	193,014
Perrigo Finance Unlimited Co., Senior Note, 3.15%, 6/15/30	United States	400,000	415,711
^b Royalty Pharma plc, Senior Bond, 144A, 3.3%, 9/02/40	United States	500,000	491,645
			4,242,327
Real Estate Management & Development 0.6%			
^b China Overseas Finance Cayman VI Ltd., Senior Note, Reg S, 5.95%, 5/08/24	China	700,000	804,256
^b Five Point Operating Co. LP / Five Point Capital Corp., Senior Note, 144A, 7.875%, 11/15/25	United States	800,000	801,600
^b Howard Hughes Corp. (The), Senior Note, 144A, 5.375%, 8/01/28	United States	700,000	699,440
			2,305,296
Road & Rail 1.1%			
Burlington Northern Santa Fe LLC, Senior Bond, 4.15%, 4/01/45	United States	400,000	502,039
CSX Corp., Senior Bond, 4.1%, 3/15/44	United States	150,000	180,086
^b DAE Funding LLC, Senior Note, 144A, 5%, 8/01/24	United Arab Emirates	1,294,000	1,303,705
^b Kazakhstan Temir Zholy Finance BV, Senior Bond, 144A, 6.95%, 7/10/42	Kazakhstan	1,700,000	2,288,472
^{a,f} Onsite Rental Group Operations Pty. Ltd., PIK, 6.1%, 10/26/23	Australia	262,519	228,852
			4,503,154
Semiconductors & Semiconductor Equipment 0.2%			
Maxim Integrated Products, Inc., Senior Note, 3.375%, 3/15/23	United States	100,000	106,540
^b ON Semiconductor Corp., Senior Note, 144A, 3.875%, 9/01/28	United States	900,000	914,355
			1,020,895

Franklin Strategic Income VIP Fund (continued)

	Country	Principal Amount ^a	Value
Corporate Bonds (continued)			
Software 0.3%			
^b Blackboard, Inc., Secured Note, 144A, 10.375%, 11/15/24	United States	200,000	\$201,125
^b NortonLifeLock, Inc., Senior Note, 144A, 5%, 4/15/25	United States	978,000	1,003,360
			1,204,485
Specialty Retail 0.4%			
AutoNation, Inc., Senior Bond, 4.75%, 6/01/30	United States	200,000	237,059
L Brands, Inc., Senior Bond, 5.25%, 2/01/28	United States	500,000	484,688
^b Senior Note, 144A, 6.625%, 10/01/30	United States	200,000	204,000
^b Lithia Motors, Inc., Senior Bond, 144A, 4.375%, 1/15/31	United States	500,000	500,000
^b Party City Holdings, Inc., Senior Secured Note, 144A, FRN, 5.75%, (6-month USD LIBOR + 5%), 7/15/25	United States	236,150	177,112
			1,602,859
Textiles, Apparel & Luxury Goods 0.4%			
^b Hanesbrands, Inc., Senior Bond, 144A, 4.875%, 5/15/26	United States	1,382,000	1,477,876
Thriffs & Mortgage Finance 0.6%			
MGIC Investment Corp., Senior Note, 5.25%, 8/15/28	United States	800,000	829,260
^b PennyMac Financial Services, Inc., Senior Note, 144A, 5.375%, 10/15/25	United States	800,000	811,000
^b Quicken Loans LLC / Quicken Loans Co-Issuer, Inc., Senior Bond, 144A, 3.875%, 3/01/31	United States	500,000	495,000
Senior Note, 144A, 3.625%, 3/01/29	United States	300,000	297,938
			2,433,198
Tobacco 0.5%			
Altria Group, Inc., Senior Note, 3.4%, 5/06/30	United States	1,200,000	1,309,135
BAT Capital Corp., Senior Bond, 4.54%, 8/15/47	United Kingdom	50,000	53,605
Senior Note, 3.557%, 8/15/27	United Kingdom	300,000	324,523
Reynolds American, Inc., Senior Note, 4.45%, 6/12/25	United Kingdom	200,000	225,254
			1,912,517
Trading Companies & Distributors 0.7%			
^b Beacon Roofing Supply, Inc., Senior Note, 144A, 4.875%, 11/01/25	United States	1,094,000	1,074,106
^b Herc Holdings, Inc., Senior Note, 144A, 5.5%, 7/15/27	United States	1,000,000	1,036,525
^b WESCO Distribution, Inc., Senior Note, 144A, 7.125%, 6/15/25	United States	300,000	327,187
Senior Note, 144A, 7.25%, 6/15/28	United States	200,000	219,416
			2,657,234
Wireless Telecommunication Services 1.1%			
^{f,h} Digicel Group 0.5 Ltd., Senior Note, 144A, PIK, 8%, 4/01/25	Bermuda	155,520	51,754
Hughes Satellite Systems Corp., Senior Note, 6.625%, 8/01/26 . . .	United States	800,000	868,608
Sprint Communications, Inc., Senior Note, 6%, 11/15/22	United States	405,000	436,894
Sprint Corp., Senior Note, 7.875%, 9/15/23	United States	405,000	464,788
T-Mobile USA, Inc., Senior Note, 6%, 4/15/24	United States	200,000	204,438
^b Senior Secured Bond, 144A, 3.3%, 2/15/51	United States	500,000	494,075
^b Senior Secured Note, 144A, 3.875%, 4/15/30	United States	1,300,000	1,479,764

Franklin Strategic Income VIP Fund (continued)

	Country	Principal Amount [†]	Value
Corporate Bonds (continued)			
Wireless Telecommunication Services (continued)			
^h Vmed O2 UK Financing I plc, Senior Secured Bond, 144A, 4.25%, 1/31/31	United Kingdom	300,000	\$306,562
			4,306,883
Total Corporate Bonds (Cost \$183,604,212)			185,795,061
Senior Floating Rate Interests 4.9%			
Aerospace & Defense 0.0%[†]			
[†] Alloy FinCo Ltd., Facility Term Loan, B, 14%, PIK, (3-month USD LIBOR + 0.5%), 3/06/25	Jersey	168,205	52,879
Airlines 0.0%[†]			
[†] Delta Air Lines, Inc. / SkyMiles IP Ltd., Initial Term Loan, 4.75%, (6-month USD LIBOR + 3.75%), 10/20/27	United States	71,737	72,443
Auto Components 0.3%			
Adient US LLC, Initial Term Loan, 4.421%, (1-month USD LIBOR + 4.25%; 3-month USD LIBOR + 4.25%), 5/06/24	United States	1,155,375	1,146,709
TRICO Group LLC, First Lien, Term Loan, B3, 8.5%, (2-month USD LIBOR + 7.5%), 2/02/24	United States	119,243	116,784
			1,263,493
Automobiles 0.3%			
Thor Industries, Inc., Initial USD Term Loan, 3.938%, (1-month USD LIBOR + 3.75%), 2/01/26	United States	1,225,864	1,220,885
Capital Markets 0.3%			
Russell Investments US Institutional Holdco, Inc., Initial Term Loan, 3.75%, (6-month USD LIBOR + 2.75%), 6/01/23	United States	1,036,127	1,030,838
Commercial Services & Supplies 0.1%			
Harsco Corp., Term Loan, B2, 3.25%, (1-month USD LIBOR + 2.25%), 12/06/24	United States	110,062	109,512
Prime Security Services Borrower LLC, First Lien, 2019 Refinancing Term Loan, B1, 4.25%, (1-month USD LIBOR + 3.25%; 3-month USD LIBOR + 3.25%), 9/23/26	United States	123,750	122,789
			232,301
Containers & Packaging 0.1%			
[†] BWay Holding Co., Initial Term Loan, 3.523%, (3-month USD LIBOR + 3.25%), 4/03/24	United States	288,868	273,431
Diversified Financial Services 0.0%[†]			
First Eagle Holdings, Inc., 2020 Refinancing Term Loan, 2.72%, (3-month USD LIBOR + 2.5%), 2/01/27	United States	109,724	107,420
Jefferies Finance LLC, Term Loan, B, (1-month USD LIBOR), 9/29/27	United States	40,074	39,923
			147,343
Diversified Telecommunication Services 0.2%			
Global Tel Link, First Lien, Term Loan, 4.406%, (1-month USD LIBOR + 4.25%), 11/29/25	United States	393,985	344,441
Zayo Group Holdings, Inc., Initial Dollar Term Loan, 3.147%, (1-month USD LIBOR + 3%), 3/09/27	United States	339,148	329,985
			674,426
Electric Utilities 0.3%			
^{†,k} EFS Cogen Holdings I LLC, Term Loan, TBD, 9/24/27	United States	220,000	219,587

Franklin Strategic Income VIP Fund (continued)

	Country	Principal Amount [†]	Value
Senior Floating Rate Interests (continued)			
Electric Utilities (continued)			
EFS Cogen Holdings I LLC, Term Loan Advance, B, 4.25%, (1-month USD LIBOR + 3.25%; 3-month USD LIBOR + 3.25%), 6/28/23 . .	United States	841,021	\$840,811
			1,060,398
Entertainment 0.2%			
^l Banijay Entertainment SAS, Facility USD Term Loan, B, 3.907%, (1-month USD LIBOR + 3.75%), 3/01/25	France	250,000	245,625
Diamond Sports Group LLC, Term Loan, 3.4%, (1-month USD LIBOR + 3.25%), 8/24/26	United States	450,562	351,439
			597,064
Food Products 0.1%			
B&G Foods, Inc., Term Loan, B4, 2.647%, (1-month USD LIBOR + 2.5%), 10/10/26	United States	97,357	97,311
CSM Bakery Solutions Ltd., Second Lien, Term Loan, 11%, (3-month USD LIBOR + 10%), 7/05/21	United States	234,460	200,463
JBS USA Lux SA, New Term Loan, 2.147%, (1-month USD LIBOR + 2%), 5/01/26	Luxembourg	207,457	202,919
			500,693
Health Care Providers & Services 0.0%[†]			
Pathway Vet Alliance LLC, First Lien, Initial Term Loan, 4.147%, (1-month USD LIBOR + 4%), 3/31/27	United States	184,469	182,019
Hotels, Restaurants & Leisure 0.1%			
Caesars Resort Collection LLC, Term Loan, B, 2.897%, (1-month USD LIBOR + 2.75%), 12/23/24	United States	317,398	298,222
B1, 4.688%, (1-month USD LIBOR + 4.5%; 3-month USD LIBOR + 4.5%), 7/21/25	United States	23,499	22,811
			321,033
Household Durables 0.0%[†]			
Playtika Holding Corp., Term Loan, B, 7%, (3-month USD LIBOR + 6%), 12/10/24	United States	77,000	77,279
Household Products 0.5%			
^a FGI Operating Co. LLC, Last Out Initial Term Loan, 13%, (1-month USD LIBOR + 11%; 3-month USD LIBOR + 10%), 5/17/21	United States	1,616,351	1,616,351
^a FGI Operating Co. LLC, Term Loan, PIK, (3-month USD LIBOR + 11%), 5/16/22	United States	851,786	554,271
			2,170,622
Insurance 0.1%			
Alliant Holdings Intermediate LLC, 2018 Initial Term Loan, 2.897%, (1-month USD LIBOR + 2.75%), 5/09/25	United States	273,432	266,066
AssuredPartners, Inc., 2020 February Refinancing Term Loan, 3.647%, (1-month USD LIBOR + 3.5%), 2/12/27	United States	99,749	97,031
			363,097
IT Services 0.4%			
Aventiv Technologies LLC, First Lien, Initial Term Loan, 5.5%, (3-month USD LIBOR + 4.5%), 11/01/24	United States	246,835	204,719
Aventiv Technologies LLC, Second Lien, Initial Term Loan, 9.25%, (3-month USD LIBOR + 8.25%), 11/01/25	United States	597,127	374,697
^l ^k Milano Acquisition Corp., Term Loan, TBD, 8/17/27	United States	71,895	71,311
Pitney Bowes, Inc., Incremental Term Loan, B, 5.65%, (1-month USD LIBOR + 5.5%), 1/07/25	United States	319,035	311,059

Franklin Strategic Income VIP Fund (continued)

	Country	Principal Amount [†]	Value
Senior Floating Rate Interests (continued)			
IT Services (continued)			
TIBCO Software, Inc., Term Loan, B3, 3.9%, (1-month USD LIBOR + 3.75%), 6/30/26	United States	99,750	\$97,505
WEX, Inc., Term Loan, B3, 2.397%, (1-month USD LIBOR + 2.25%), 5/15/26	United States	635,291	615,306
			1,674,597
Leisure Products 0.1%			
NASCAR Holdings LLC, Initial Term Loan, 2.895%, (1-month USD LIBOR + 2.75%), 10/19/26	United States	596,821	585,780
Machinery 0.1%			
Altra Industrial Motion Corp., Term Loan, 2.147%, (1-month USD LIBOR + 2%), 10/01/25	United States	258,662	252,734
Media 0.5%			
CSC Holdings LLC, March 2017 Refinancing Term Loan, 2.402%, (1-month USD LIBOR + 2.25%), 7/17/25	United States	444,088	430,654
Gray Television, Inc., Term Loan, B2, 2.405%, (1-month USD LIBOR + 2.25%), 2/07/24	United States	843,033	826,172
C, 2.655%, (1-month USD LIBOR + 2.5%), 1/02/26	United States	336,353	331,004
^{j,k} Radiate HoldCo LLC, Term Loan, B, TBD, 9/25/26	United States	70,930	69,827
Univision Communications, Inc., First Lien, 2020 Replacement Term Loan, 4.75%, (1-month USD LIBOR + 3.75%), 3/15/26	United States	99,134	96,681
^{j,k} Virgin Media Bristol LLC, Term Loan, Q, TBD, 1/31/29	United States	223,464	220,192
			1,974,530
Oil, Gas & Consumable Fuels 0.2%			
^{j,l} Fieldwood Energy LLC, Debtor-in-possession Facility Term Loan, 9.75%, (1-month USD LIBOR + 8.75%), 8/04/21	United States	29,900	30,050
^m Fieldwood Energy LLC, First Lien, Closing Date Term Loan, (3-month USD LIBOR + 5.25%), 4/11/22	United States	2,507,941	658,335
^m UTEX Industries, Inc., First Lien, Initial Term Loan, (3-month USD LIBOR + 5%), 5/21/21	United States	514,307	159,435
^m UTEX Industries, Inc., Second Lien, Initial Term Loan, (3-month USD LIBOR + 7.25%), 5/20/22	United States	53,878	3,906
			851,726
Paper & Forest Products 0.1%			
Appvion Operations, Inc., Term Loan, 8.245%, (1-month USD LIBOR + 6%; 3-month USD LIBOR + 5%), 6/12/26	United States	272,000	270,640
Pharmaceuticals 0.1%			
Catalent Pharma Solutions, Inc., Dollar Term Loan, B2, 3.25%, (1-month USD LIBOR + 2.25%), 5/18/26	United States	196,479	195,987
Real Estate Management & Development 0.0%[†]			
Cushman & Wakefield U.S. Borrower LLC, Replacement Term Loan, 2.897%, (1-month USD LIBOR + 2.75%), 8/21/25	United States	99,500	96,225
Road & Rail 0.2%			
Avis Budget Car Rental LLC, New Term Loan, B, 2.4%, (1-month USD LIBOR + 2.25%), 8/06/27	United States	718,349	639,331
^a Onsite Rental Group Operations Pty. Ltd., Term Loan, B, 5.5%, (1-month USD LIBOR + 4.5%), 10/26/22	Australia	192,010	176,057
Ventia Midco Pty. Ltd., 2017 Refinancing USD Term Loan, B, 5%, (3-month USD LIBOR + 4%), 5/21/26	Australia	155,774	154,411
			969,799

Franklin Strategic Income VIP Fund (continued)

	Country	Principal Amount [†]	Value
Senior Floating Rate Interests (continued)			
Semiconductors & Semiconductor Equipment 0.1%			
ON Semiconductor Corp., 2019 New Replacement Term Loan, B4, 2.147%, (1-month USD LIBOR + 2%), 9/19/26	United States	480,194	\$473,831
Software 0.3%			
Aristocrat Leisure Ltd., Term Loan, B3, 2.021%, (3-month USD LIBOR + 1.75%), 10/19/24	Australia	425,372	415,181
^l Blackboard, Inc., First Lien, Term Loan, B5, 7%, (3-month USD LIBOR + 6%), 6/30/24	United States	209,471	203,645
Ceridian HCM Holding, Inc., Initial Term Loan, 2.6%, (1-week USD LIBOR + 2.5%), 4/30/25	United States	199,491	193,506
Epicor Software Corp., Term Loan, B, 5.25%, (1-month USD LIBOR + 4.25%), 7/30/27	United States	35,862	35,777
LogMeIn, Inc., First Lien, Initial Term Loan, 4.906%, (1-month USD LIBOR + 4.75%), 8/31/27	United States	82,166	79,564
Perforce Software, Inc., First Lien, New Term Loan, 3.897%, (1-month USD LIBOR + 3.75%), 7/01/26	United States	75,486	73,787
Quest Software US Holdings, Inc., First Lien, Initial Term Loan, 4.511%, (3-month USD LIBOR + 4.25%), 5/16/25	United States	260,000	254,800
Surf Holdings SARL, First Lien, Dollar Term Loan, 3.75%, (3-month USD LIBOR + 3.5%), 3/05/27	Luxembourg	149,625	146,579
			1,402,839
Specialty Retail 0.2%			
General Nutrition Centers, Inc., Debtor-in-possession New Money Term Loan, 14%, (1-month USD LIBOR + 12%), 12/23/20	United States	155,376	156,153
General Nutrition Centers, Inc., Debtor-in-possession Roll-Up Term Loan, B2, 13.5%, (1-month USD LIBOR), 12/23/20	United States	155,376	156,154
^m General Nutrition Centers, Inc., Term Loan, B2, (1-month USD LIBOR + 8.75%; 3-month USD LIBOR + 7.75%), 3/04/21	United States	357,473	255,236
Harbor Freight Tools USA, Inc., 2018 Initial Term Loan, 3.25%, (1-month USD LIBOR + 2.5%), 8/18/23	United States	198,468	196,049
			763,592
Technology Hardware, Storage & Peripherals 0.0%[†]			
Cardtronics USA, Inc., Initial Term Loan, 5%, (1-month USD LIBOR + 4%), 6/29/27	United States	120,621	120,735
Total Senior Floating Rate Interests (Cost \$23,470,317)			19,873,259
Marketplace Loans 0.3%			
Diversified Financial Services 0.3%			
^a Lending Club - LCX, 6.46% - 25.65%, 8/22/22 - 2/28/25	United States	1,155,084	1,024,940
Total Marketplace Loans (Cost \$1,155,084)			1,024,940
Loan Participations and Assignments 0.4%			
ⁿ Russian Railways Via RZD Capital plc, Senior Note, Reg S, 5.7%, 4/05/22	Russia	1,700,000	1,807,346
Total Loan Participations and Assignments (Cost \$1,756,117)			1,807,346

Franklin Strategic Income VIP Fund (continued)

	Country	Principal Amount ^a	Value
Foreign Government and Agency Securities 13.6%			
^h African Export-Import Bank (The), Senior Note, 144A, 3.994%, 9/21/29	Supranational ⁿ	2,000,000	\$2,067,800
^h Angola Government Bond, Senior Note, 144A, 8.25%, 5/09/28	Angola	2,900,000	2,321,812
^h Banque Centrale de Tunisie, Senior Note, Reg S, 5.625%, 2/17/24	Tunisia	2,300,000 EUR	2,445,456
^h Banque Ouest Africaine de Developpement, Senior Note, 144A, 5%, 7/27/27	Supranational ⁿ	1,200,000	1,296,312
^h Belarus Government Bond, Senior Note, 144A, 7.625%, 6/29/27	Belarus	1,200,000	1,175,892
Senior Bond, 144A, 6.2%, 2/28/30	Belarus	1,200,000	1,125,226
Colombia Government Bond, Senior Bond, 3.875%, 4/25/27	Colombia	1,400,000	1,514,898
Senior Bond, 9.85%, 6/28/27	Colombia	5,315,000,000 COP	1,789,531
Senior Bond, 4.5%, 3/15/29	Colombia	500,000	562,770
Senior Bond, 5%, 6/15/45	Colombia	1,900,000	2,220,625
^h Dominican Republic Government Bond, Senior Note, 144A, 8.9%, 2/15/23	Dominican Republic	81,500,000 DOP	1,401,949
Ecopetrol SA, Senior Bond, 4.125%, 1/16/25	Colombia	800,000	840,008
^{g,h} Electricite de France SA, Junior Sub. Bond, 144A, 5.25% to 1/29/23, FRN thereafter, Perpetual	France	2,425,000	2,511,063
Equinor ASA, Senior Note, 2.375%, 5/22/30	Norway	700,000	740,690
^h Export-Import Bank of India, Senior Note, 144A, 3.875%, 2/01/28	India	1,655,000	1,743,554
^h Gabon Government Bond, 144A, 6.375%, 12/12/24	Gabon	837,538	793,058
Senior Bond, 144A, 6.625%, 2/06/31	Gabon	1,600,000	1,435,181
Indonesia Government Bond, FR70, 8.375%, 3/15/24	Indonesia	19,648,000,000 IDR	1,439,005
^h Senior Bond, 144A, 4.35%, 1/08/27	Indonesia	900,000	1,033,321
^h Senior Note, 144A, 3.85%, 7/18/27	Indonesia	2,200,000	2,479,668
FR64, 6.125%, 5/15/28	Indonesia	26,500,000,000 IDR	1,718,582
^h Iraq Government Bond, Senior Bond, 144A, 5.8%, 1/15/28	Iraq	2,531,250	2,260,748
^h Israel Electric Corp. Ltd., Senior Secured Bond, 144A, Reg S, 4.25%, 8/14/28	Israel	1,000,000	1,140,500
^h Kazakhstan Government Bond, Senior Bond, 144A, 4.875%, 10/14/44	Kazakhstan	1,800,000	2,360,169
Mexican Bonos Desarr Fixed Rate, M, 6.5%, 6/10/21	Mexico	29,300,000 MXN	1,341,763
Mexico Government Bond, Senior Note, 4.15%, 3/28/27	Mexico	3,200,000	3,561,200
Senior Note, 3.75%, 1/11/28	Mexico	500,000	538,657
^h Panama Notas del Tesoro, Senior Note, 144A, 3.75%, 4/17/26	Panama	700,000	749,886
Peru Government Bond, Senior Bond, 6.55%, 3/14/37	Peru	800,000	1,212,436
^h Russia Government Bond, Senior Note, 144A, 4.875%, 9/16/23	Russia	800,000	879,895
Senior Note, Reg S, 4.75%, 5/27/26	Russia	1,200,000	1,377,936
South Africa Government Bond, Senior Bond, 7%, 2/28/31	South Africa	36,100,000 ZAR	1,753,758
^h Türkiye Vakıflar Bankası TAO, Covered Note, Reg S, 2.375%, 5/04/21	Turkey	500,000 EUR	580,357
^h Ukraine Government Bond, Senior Note, 144A, 7.75%, 9/01/22	Ukraine	200,000	205,487
Senior Note, 144A, 7.75%, 9/01/23	Ukraine	369,000	376,316
Senior Note, 144A, 7.75%, 9/01/24	Ukraine	369,000	371,306
Senior Bond, 144A, 7.375%, 9/25/32	Ukraine	500,000	471,107
^o VRI, GDP Linked Security, Senior Bond, 144A, Reg S, 5/31/40	Ukraine	978,000	894,088
^p Uruguay Government Bond, Index Linked, Senior Bond, 4.375%, 12/15/28	Uruguay	5,096,018 UYU	135,822

Franklin Strategic Income VIP Fund (continued)

	Country	Principal Amount ^a	Value
Foreign Government and Agency Securities (continued)			
^p Uruguay Government Bond, (continued)			
Index Linked, Senior Bond, 3.7%, 6/26/37	Uruguay	85,049,989 UYU	\$2,243,177
Total Foreign Government and Agency Securities (Cost \$56,171,375)			55,111,009
U.S. Government and Agency Securities 4.1%			
U.S. Treasury Bonds,			
7.875%, 2/15/21.	United States	728,000	748,901
1.375%, 8/15/50.	United States	900,000	880,735
U.S. Treasury Notes,			
1.5%, 11/30/21.	United States	3,000,000	3,046,875
^p 0.125%, 7/15/24.	United States	3,585,800	4,140,076
0.25%, 6/30/25	United States	4,100,000	4,097,758
^p 0.375%, 7/15/25.	United States	3,200,000	3,796,586
Total U.S. Government and Agency Securities (Cost \$16,110,114)			16,710,931
Asset-Backed Securities 8.5%			
Capital Markets 0.1%			
^{h,q} Mountain View CLO XIV Ltd., 2019-1A, C, 144A, FRN, 3.175%, (3-month USD LIBOR + 2.9%), 4/15/29			
	United States	500,000	489,643
Consumer Finance 0.4%			
^a Citibank Credit Card Issuance Trust, 2017-A7, A7, FRN, 0.524%, (1-month USD LIBOR + 0.37%), 8/08/24			
	United States	1,494,000	1,501,486
Diversified Financial Services 8.0%			
^{h,q} AMMC CLO XI Ltd., 2012-11A, BR2, 144A, FRN, 1.868%, (3-month USD LIBOR + 1.6%), 4/30/31.			
	United States	350,000	342,214
^{h,q} Antares CLO Ltd., 2018-1A, B, 144A, FRN, 1.922%, (3-month USD LIBOR + 1.65%), 4/20/31.			
	United States	1,455,000	1,335,923
^{h,q} Ares L CLO Ltd., 2018-50A, B, 144A, FRN, 1.975%, (3-month USD LIBOR + 1.7%), 1/15/32.			
	United States	500,000	495,884
^{h,q} Ares LII CLO Ltd., 2019-52A, A2, 144A, FRN, 1.908%, (3-month USD LIBOR + 1.65%), 4/22/31.			
	United States	250,000	249,089
^{h,q} BCC Middle Market CLO LLC, 2018-1A, A2, 144A, FRN, 2.422%, (3-month USD LIBOR + 2.15%), 10/20/30			
	United States	700,000	653,222
^{h,q} BlueMountain CLO Ltd., 2012-2A, BR2, 144A, FRN, 1.703%, (3-month USD LIBOR + 1.45%), 11/20/28			
	United States	510,000	502,569
2012-2A, CR2, 144A, FRN, 2.253%, (3-month USD LIBOR + 2%), 11/20/28			
	United States	270,000	259,952
2018-1A, D, 144A, FRN, 3.318%, (3-month USD LIBOR + 3.05%), 7/30/30			
	United States	1,000,000	875,559
^{h,q} BlueMountain Fuji EUR CLO V DAC, 5A, A, 144A, FRN, 0.91%, (3-month EURIBOR + 0.91%), 1/15/33			
	Ireland	1,900,000 EUR	2,224,649
5A, B, 144A, FRN, 1.55%, (3-month EURIBOR + 1.55%), 1/15/33	Ireland	600,000 EUR	692,856

Franklin Strategic Income VIP Fund (continued)

	Country	Principal Amount ¹	Value
Asset-Backed Securities (continued)			
Diversified Financial Services (continued)			
^{h,q} Burnham Park CLO Ltd., 2016-1A, BR, 144A, FRN, 1.772%, (3-month USD LIBOR + 1.5%), 10/20/29	United States	460,000	\$452,932
^{h,q} Buttermilk Park CLO Ltd., 2018-1A, C, 144A, FRN, 2.375%, (3-month USD LIBOR + 2.1%), 10/15/31	United States	1,408,860	1,382,738
^{h,q} Carlyle Global Market Strategies CLO Ltd., 2014-4RA, C, 144A, FRN, 3.175%, (3-month USD LIBOR + 2.9%), 7/15/30	United States	300,000	258,044
^{h,q} Carlyle GMS Finance MM CLO LLC, 2015-1A, A2R, 144A, FRN, 2.475%, (3-month USD LIBOR + 2.2%), 10/15/31	United States	1,213,000	1,175,284
^{h,q} Catamaran CLO Ltd., 2014-2A, BR, 144A, FRN, 3.222%, (3-month USD LIBOR + 2.95%), 10/18/26	United States	1,253,000	1,238,837
^h CF Hippolyta LLC, 2020-1, A1, 144A, 1.69%, 7/15/60	United States	420,000	425,864
^{h,q} Cole Park CLO Ltd., 2015-1A, BR, 144A, FRN, 1.872%, (3-month USD LIBOR + 1.6%), 10/20/28	United States	270,000	267,316
^{h,i,r} Consumer Loan Underlying Bond Certificate Issuer Trust I, 2019-51, PT, 144A, FRN, 17.67%, 1/15/45	United States	802,617	688,744
2019-52, PT, 144A, FRN, 17.785%, 1/15/45	United States	846,418	735,051
2019-S8, PT, 144A, FRN, 11.144%, 1/15/45	United States	596,545	515,869
2020-2, PT, 144A, FRN, 17.85%, 3/15/45	United States	812,810	703,731
2020-7, PT, 144A, FRN, 17.91%, 4/17/45	United States	496,191	433,591
^r CWABS Asset-Backed Certificates Trust, 2005-11, AF4, FRN, 5.21%, 3/25/34	United States	273,071	274,817
^{h,q} Dryden 38 Senior Loan Fund, 2015-38A, CR, 144A, FRN, 2.275%, (3-month USD LIBOR + 2%), 7/15/30	United States	863,000	842,276
^{h,q} Dryden 55 CLO Ltd., 2018-55A, D, 144A, FRN, 3.125%, (3-month USD LIBOR + 2.85%), 4/15/31	United States	300,000	278,019
^{h,q} Eaton Vance CLO Ltd., 2014-1RA, C, 144A, FRN, 2.375%, (3-month USD LIBOR + 2.1%), 7/15/30	United States	315,610	309,904
^{h,q} Galaxy XVIII CLO Ltd., 2018-28A, C, 144A, FRN, 2.225%, (3-month USD LIBOR + 1.95%), 7/15/31	United States	250,000	240,209
^{h,q} Galaxy XXVII CLO Ltd., 2018-27A, C, 144A, FRN, 2.08%, (3-month USD LIBOR + 1.8%), 5/16/31	United States	400,000	386,680
^{h,q} LCM 26 Ltd., 26A, B, 144A, FRN, 1.672%, (3-month USD LIBOR + 1.4%), 1/20/31	United States	250,000	242,834
^{h,q} LCM XVI LP, 16A, BR2, 144A, FRN, 2.025%, (3-month USD LIBOR + 1.75%), 10/15/31	United States	351,320	350,019
^{h,q} LCM XVII LP, 17A, BRR, 144A, FRN, 1.875%, (3-month USD LIBOR + 1.6%), 10/15/31	United States	350,000	342,366
17A, CRR, 144A, FRN, 2.375%, (3-month USD LIBOR + 2.1%), 10/15/31	United States	320,000	309,053

Franklin Strategic Income VIP Fund (continued)

	Country	Principal Amount [†]	Value
Asset-Backed Securities (continued)			
Diversified Financial Services (continued)			
^{h,q} LCM XVIII LP, 18A, DR, 144A, FRN, 3.072%, (3-month USD LIBOR + 2.8%), 4/20/31	United States	770,000	\$675,076
^{h,q} Madison Park Euro Funding VIII DAC, 8A, BRN, 144A, FRN, 1.7%, (3-month EURIBOR + 1.7%), 4/15/32	Ireland	400,000 EUR	467,835
^{h,r} Mill City Mortgage Loan Trust, 2018-4, A1B, 144A, FRN, 3.5%, 4/25/66	United States	1,362,894	1,449,805
^{h,q} NZCG Funding Ltd., 2015-1A, A2R, 144A, FRN, 1.784%, (3-month USD LIBOR + 1.55%), 2/26/31	United States	2,182,000	2,144,250
^{h,q} Octagon Investment Partners 28 Ltd., 2016-1A, BR, 144A, FRN, 2.063%, (3-month USD LIBOR + 1.8%), 10/24/30	United States	250,000	248,925
^{h,q} Octagon Investment Partners 36 Ltd., 2018-1A, A1, 144A, FRN, 1.245%, (3-month USD LIBOR + 0.97%), 4/15/31	United States	500,000	493,667
^{h,q} Octagon Investment Partners 37 Ltd., 2018-2A, C, 144A, FRN, 3.094%, (3-month USD LIBOR + 2.85%), 7/25/30	United States	400,000	372,509
^{h,q} Octagon Investment Partners 38 Ltd., 2018-1A, C, 144A, FRN, 3.222%, (3-month USD LIBOR + 2.95%), 7/20/30	United States	1,000,000	943,040
^{h,q} Octagon Investment Partners XVI Ltd., 2013-1A, DR, 144A, FRN, 3.273%, (3-month USD LIBOR + 3%), 7/17/30	United States	400,000	377,320
^{h,q} Octagon Investment Partners XXIII Ltd., 2015-1A, BR, 144A, FRN, 1.475%, (3-month USD LIBOR + 1.2%), 7/15/27	United States	400,000	389,369
^{h,i,r} Prosper Pass-Thru Trust III, 2020-PT1, A, 144A, FRN, 8.796%, 3/15/26	United States	531,860	521,421
2020-PT2, A, 144A, FRN, 9.444%, 4/15/26	United States	565,839	555,454
2020-PT3, A, 144A, FRN, 7.183%, 5/15/26	United States	153,505	157,421
^{h,q} Strata CLO I Ltd., 2018-1A, B, 144A, FRN, 2.475%, (3-month USD LIBOR + 2.2%), 1/15/31	United States	1,300,000	1,230,407
^q Structured Asset Securities Corp. Mortgage Loan Trust, 2005-2XS, 2A2, FRN, 1.655%, (1-month USD LIBOR + 1.5%), 2/25/35	United States	115,069	114,996
^h Upgrade Master Pass-Thru Trust, 2019-PT2, A, 144A, 7.727%, 2/15/26	United States	458,750	446,527
^{h,q} Voya CLO Ltd., 2013-2A, BR, 144A, FRN, 2.095%, (3-month USD LIBOR + 1.85%), 4/25/31	United States	780,000	742,964
2014-1A, CR2, 144A, FRN, 3.072%, (3-month USD LIBOR + 2.8%), 4/18/31	United States	1,000,000	872,588
2015-2A, BR, 144A, FRN, 1.756%, (3-month USD LIBOR + 1.5%), 7/23/27	United States	820,000	812,008
			32,501,677
Total Asset-Backed Securities (Cost \$35,656,621)			34,492,806
Commercial Mortgage-Backed Securities 10.2%			
Capital Markets 0.0%[†]			
^q Merrill Lynch Mortgage Investors Trust, 2005-A6, 2A3, FRN, 0.528%, (1-month USD LIBOR + 0.38%), 8/25/35	United States	27,398	27,473
Diversified Financial Services 1.3%			
^h BRAVO Residential Funding Trust, 2019-1, A1C, 144A, 3.5%, 3/25/58	United States	698,843	724,533
^r 2019-2, A3, 144A, FRN, 3.5%, 10/25/44	United States	851,414	903,271
^{h,i,r} CIM Trust, 2019-INV1, A1, 144A, FRN, 4%, 2/25/49	United States	761,857	788,570
2019-INV2, A3, 144A, FRN, 4%, 5/25/49	United States	1,127,390	1,169,984

Franklin Strategic Income VIP Fund (continued)

	Country	Principal Amount ¹	Value
Commercial Mortgage-Backed Securities (continued)			
Diversified Financial Services (continued)			
¹ Commercial Mortgage Trust, 2006-GG7, AJ, FRN, 5.655%, 7/10/38	United States	214,127	\$188,642
⁹ MortgageIT Trust, 2004-1, A2, FRN, 1.048%, (1-month USD LIBOR + 0.9%), 11/25/34	United States	99,253	101,204
⁹ Opteum Mortgage Acceptance Corp., 2005-4, 1APT, FRN, 0.458%, (1-month USD LIBOR + 0.31%), 11/25/35	United States	86,755	87,052
^{h,i,r} Provident Funding Mortgage Trust, 2019-1, A2, 144A, FRN, 3%, 12/25/49	United States	653,320	677,854
2020-1, A3, 144A, FRN, 3%, 2/25/50	United States	622,008	635,079
¹ Thornburg Mortgage Securities Trust, 2005-1, A3, FRN, 3.579%, 4/25/45	United States	71,544	68,943
			5,345,132
Thriffs & Mortgage Finance 8.9%			
⁹ FHLMC Structured Agency Credit Risk Debt Notes, 2013-DN2, M2, FRN, 4.398%, (1-month USD LIBOR + 4.25%), 11/25/23	United States	1,420,596	1,303,641
2014-DN1, M2, FRN, 2.348%, (1-month USD LIBOR + 2.2%), 2/25/24	United States	177,105	177,325
2014-DN2, M3, FRN, 3.748%, (1-month USD LIBOR + 3.6%), 4/25/24	United States	2,075,155	1,923,258
2014-DN3, M3, FRN, 4.148%, (1-month USD LIBOR + 4%), 8/25/24	United States	116,362	119,067
2014-DN4, M3, FRN, 4.698%, (1-month USD LIBOR + 4.55%), 10/25/24	United States	844,809	852,409
2014-HQ1, M3, FRN, 4.248%, (1-month USD LIBOR + 4.1%), 8/25/24	United States	184,625	186,683
2014-HQ2, M2, FRN, 2.348%, (1-month USD LIBOR + 2.2%), 9/25/24	United States	145,638	145,741
2014-HQ3, M3, FRN, 4.898%, (1-month USD LIBOR + 4.75%), 10/25/24	United States	353,131	357,015
2015-DNA1, M3, FRN, 3.448%, (1-month USD LIBOR + 3.3%), 10/25/27	United States	244,347	249,529
2015-DNA3, M3, FRN, 4.848%, (1-month USD LIBOR + 4.7%), 4/25/28	United States	1,714,725	1,790,740
2015-HQ1, M3, FRN, 3.948%, (1-month USD LIBOR + 3.8%), 3/25/25	United States	208,889	210,165
2015-HQA1, M3, FRN, 4.848%, (1-month USD LIBOR + 4.7%), 3/25/28	United States	1,356,922	1,407,835
2016-DNA2, M3, FRN, 4.798%, (1-month USD LIBOR + 4.65%), 10/25/28	United States	1,177,901	1,228,889
2017-DNA1, M2, FRN, 3.398%, (1-month USD LIBOR + 3.25%), 7/25/29	United States	961,055	988,408
2017-DNA2, M2, FRN, 3.598%, (1-month USD LIBOR + 3.45%), 10/25/29	United States	1,340,000	1,385,302
2017-DNA3, M2, FRN, 2.648%, (1-month USD LIBOR + 2.5%), 3/25/30	United States	2,920,000	2,959,496
2017-HQA1, M2, FRN, 3.698%, (1-month USD LIBOR + 3.55%), 8/25/29	United States	1,013,868	1,048,129
2017-HQA2, M2, FRN, 2.798%, (1-month USD LIBOR + 2.65%), 12/25/29	United States	243,361	241,427
⁹ FNMA Connecticut Avenue Securities, 2013-C01, M2, FRN, 5.398%, (1-month USD LIBOR + 5.25%), 10/25/23	United States	239,621	234,407
2014-C01, M2, FRN, 4.548%, (1-month USD LIBOR + 4.4%), 1/25/24	United States	385,708	362,125
2014-C02, 1M2, FRN, 2.748%, (1-month USD LIBOR + 2.6%), 5/25/24	United States	1,078,294	948,322

Franklin Strategic Income VIP Fund (continued)

	Country	Principal Amount [†]	Value
Commercial Mortgage-Backed Securities (continued)			
Thriffs & Mortgage Finance (continued)			
^q FNMA Connecticut Avenue Securities, (continued)			
2014-C02, 2M2, FRN, 2.748%, (1-month USD LIBOR + 2.6%), 5/25/24	United States	504,455	\$497,404
2014-C03, 1M2, FRN, 3.148%, (1-month USD LIBOR + 3%), 7/25/24	United States	2,135,320	1,875,550
2014-C03, 2M2, FRN, 3.048%, (1-month USD LIBOR + 2.9%), 7/25/24	United States	95,255	93,925
2015-C01, 1M2, FRN, 4.448%, (1-month USD LIBOR + 4.3%), 2/25/25	United States	605,106	617,422
2015-C01, 2M2, FRN, 4.698%, (1-month USD LIBOR + 4.55%), 2/25/25	United States	340,725	344,856
2015-C02, 1M2, FRN, 4.148%, (1-month USD LIBOR + 4%), 5/25/25	United States	1,354,420	1,376,067
2015-C02, 2M2, FRN, 4.148%, (1-month USD LIBOR + 4%), 5/25/25	United States	469,302	476,450
2015-C03, 1M2, FRN, 5.148%, (1-month USD LIBOR + 5%), 7/25/25	United States	1,970,659	2,023,782
2015-C03, 2M2, FRN, 5.148%, (1-month USD LIBOR + 5%), 7/25/25	United States	690,896	709,553
2016-C02, 1M2, FRN, 6.148%, (1-month USD LIBOR + 6%), 9/25/28	United States	480,299	509,995
2016-C04, 1M2, FRN, 4.398%, (1-month USD LIBOR + 4.25%), 1/25/29	United States	1,056,222	1,098,432
2016-C05, 2M2, FRN, 4.598%, (1-month USD LIBOR + 4.45%), 1/25/29	United States	893,854	925,413
2016-C06, 1M2, FRN, 4.398%, (1-month USD LIBOR + 4.25%), 4/25/29	United States	330,755	339,602
2016-C07, 2M2, FRN, 4.498%, (1-month USD LIBOR + 4.35%), 5/25/29	United States	658,358	682,937
2017-C01, 1M2, FRN, 3.698%, (1-month USD LIBOR + 3.55%), 7/25/29	United States	1,314,400	1,357,178
2017-C03, 1M2, FRN, 3.148%, (1-month USD LIBOR + 3%), 10/25/29	United States	2,498,357	2,496,270
2017-C04, 2M2, FRN, 2.998%, (1-month USD LIBOR + 2.85%), 11/25/29	United States	548,378	546,736
2017-C05, 1M2, FRN, 2.348%, (1-month USD LIBOR + 2.2%), 1/25/30	United States	1,598,052	1,582,469
			35,673,954
Total Commercial Mortgage-Backed Securities (Cost \$44,043,350)			41,046,559
Mortgage-Backed Securities 7.4%			
^s Federal Home Loan Mortgage Corp. (FHLMC) Adjustable Rate 0.0% [†]			
FHLMC, 3.848%, (1-year CMT T-Note +/- MBS Margin), 1/01/33 ..	United States	5,306	5,315
Federal Home Loan Mortgage Corp. (FHLMC) Fixed Rate 0.1%			
FHLMC Gold Pools, 20 Year, 7%, 9/01/21	United States	1,416	1,440
FHLMC Gold Pools, 30 Year, 5%, 4/01/34 - 8/01/35	United States	178,909	205,615
FHLMC Gold Pools, 30 Year, 5.5%, 3/01/33 - 1/01/35	United States	102,651	117,490
FHLMC Gold Pools, 30 Year, 6%, 4/01/33 - 2/01/36	United States	78,320	90,268
FHLMC Gold Pools, 30 Year, 6.5%, 11/01/27 - 7/01/32	United States	13,761	15,425
FHLMC Gold Pools, 30 Year, 7%, 4/01/30	United States	1,557	1,764
FHLMC Gold Pools, 30 Year, 7.5%, 8/01/30	United States	157	189
			432,191
^s Federal National Mortgage Association (FNMA) Adjustable Rate 0.0% [†]			
FNMA, 3.257%, (1-year CMT T-Note +/- MBS Margin), 12/01/34 ..	United States	57,283	58,814

Franklin Strategic Income VIP Fund (continued)

	Country	Principal Amount [†]	Value
Mortgage-Backed Securities (continued)			
Federal National Mortgage Association (FNMA) Fixed Rate 7.2%			
FNMA, 10 Year, 2.5%, 7/01/22	United States	3,892	\$4,064
FNMA, 20 Year, 5%, 4/01/30	United States	34,015	38,246
FNMA, 30 Year, 3%, 9/01/48 - 9/01/50	United States	3,672,006	3,870,611
FNMA, 30 Year, 4.5%, 5/01/48	United States	3,586,916	3,964,513
FNMA, 30 Year, 6.5%, 6/01/28 - 10/01/37	United States	95,116	110,435
[†] FNMA, Single-family, 15 Year, 2%, 10/25/35	United States	2,348,000	2,439,902
[†] FNMA, Single-family, 15 Year, 2.5%, 10/25/35	United States	2,393,000	2,498,629
[†] FNMA, Single-family, 30 Year, 2.5%, 10/25/50	United States	5,569,000	5,841,359
[†] FNMA, Single-family, 30 Year, 3%, 10/25/50	United States	9,770,000	10,235,220
			29,002,979
Government National Mortgage Association (GNMA) Fixed Rate 0.1%			
GNMA I, Single-family, 30 Year, 5%, 11/15/33 - 7/15/34	United States	144,137	163,976
GNMA I, Single-family, 30 Year, 7%, 10/15/28 - 6/15/32	United States	12,372	12,480
GNMA I, Single-family, 30 Year, 7.5%, 9/15/30	United States	1,067	1,263
GNMA II, 30 Year, 6.5%, 2/20/34	United States	3,227	3,436
GNMA II, Single-family, 30 Year, 5%, 9/20/33 - 11/20/33	United States	38,422	43,886
GNMA II, Single-family, 30 Year, 6%, 11/20/34	United States	55,693	64,769
GNMA II, Single-family, 30 Year, 6.5%, 4/20/31 - 1/20/33	United States	22,785	26,921
GNMA II, Single-family, 30 Year, 7.5%, 1/20/28 - 4/20/32	United States	7,647	8,894
			325,625
Total Mortgage-Backed Securities (Cost \$29,450,257)			29,824,924
Municipal Bonds 2.5%			
California 0.7%			
California Health Facilities Financing Authority,			
State of California Personal Income Tax, Revenue, Senior Lien,			
2019, 2.934%, 6/01/32	United States	295,000	315,591
State of California Personal Income Tax, Revenue, Senior Lien,			
2019, 2.984%, 6/01/33	United States	250,000	265,945
State of California Personal Income Tax, Revenue, Senior Lien,			
2019, 3.034%, 6/01/34	United States	190,000	201,168
City of San Francisco, Public Utilities Commission Water, Revenue,			
2019 A, Refunding, 3.473%, 11/01/43	United States	230,000	249,532
Foothill-Eastern Transportation Corridor Agency, Revenue, 2019A,			
Refunding, 4.094%, 1/15/49	United States	150,000	159,384
Gilroy Unified School District, GO, 2019, Refunding, 3.364%, 8/01/47	United States	630,000	661,651
San Bernardino Community College District, GO, 2019 A-1, 3.271%,			
8/01/39	United States	210,000	227,795
San Diego County Regional Transportation Commission, Revenue,			
2019 A, Refunding, 3.248%, 4/01/48	United States	230,000	245,440
San Jose Redevelopment Agency Successor Agency, Tax Allocation,			
Senior Lien, 2017A-T, Refunding, 3.25%, 8/01/29	United States	440,000	494,468
			2,820,974
Colorado 0.1%			
Metro Wastewater Reclamation District, Revenue, 2019 B,			
Refunding, 3.158%, 4/01/41	United States	475,000	506,483
Florida 0.1%			
County of Broward, Airport System, Revenue, 2019C, Refunding,			
3.477%, 10/01/43	United States	310,000	316,107
Hawaii 0.0%[†]			
City & County Honolulu, Wastewater System, Revenue, 2019 B,			
Refunding, 2.585%, 7/01/28	United States	115,000	123,865

Franklin Strategic Income VIP Fund (continued)

	Country	Principal Amount ^a	Value
Municipal Bonds (continued)			
Massachusetts 0.1%			
Massachusetts School Building Authority, Revenue, 2019 B, Refunding, 3.395%, 10/15/40	United States	285,000	\$306,757
Missouri 0.3%			
Metropolitan St. Louis Sewer District, Revenue, 2019 C, Refunding, 3.259%, 5/01/45	United States	1,000,000	1,085,450
New Jersey 0.1%			
New Jersey Transportation Trust Fund Authority, Revenue, 2019 B, Refunding, 4.131%, 6/15/42	United States	345,000	329,247
New York 0.1%			
New York State Dormitory Authority, State University of New York, Revenue, 2019B, Refunding, 3.142%, 7/01/43	United States	305,000	325,426
Ohio 0.2%			
Greenville City School District, GO, 2019, Refunding, 3.541%, 1/01/51	United States	715,000	728,120
State of Ohio, Cleveland Clinic Health System Obligated Group, Revenue, 2019G, Refunding, 3.276%, 1/01/42	United States	190,000	211,134
			939,254
Oregon 0.1%			
State of Oregon, Department of Transportation, Revenue, Senior Lien, 2019 B, Refunding, 3.168%, 11/15/38	United States	380,000	415,899
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	588,746
Texas 0.4%			
City of Austin, Electric Utility, Revenue, 2008, Refunding, AGMC Insured, 6.262%, 11/15/32	United States	580,000	752,759
State of Texas, GO, 2019, Refunding, 3.211%, 4/01/44	United States	575,000	621,397
Texas State University System, Revenue, 2019 B, Refunding, 2.938%, 3/15/33	United States	225,000	246,487
Revenue, 2019 B, Refunding, 3.289%, 3/15/40	United States	190,000	207,178
			1,827,821
Utah 0.2%			
Salt Lake City Corp., Revenue, 2019B, Refunding, 3.102%, 4/01/38	United States	270,000	292,105
Utah Transit Authority, Revenue, Senior Lien, 2019 B, Refunding, 3.443%, 12/15/42	United States	380,000	400,619
			692,724
Total Municipal Bonds (Cost \$9,600,530)			10,278,753
		Shares/Units	
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,b,d} Remington Outdoor Co., Inc., Litigation Units	United States	7,021	—
Sanchez Energy Corp., Escrow Account	United States	243,000	2,430
^a Vistra Energy Corp., Escrow Account	United States	3,000,000	4,500
Total Escrows and Litigation Trusts (Cost \$82,648)			6,930
Total Long Term Investments (Cost \$416,878,296)			405,026,027

Franklin Strategic Income VIP Fund (continued)

Short Term Investments 2.6%

	Country	Shares	Value
Money Market Funds 2.6%			
^{e,u} Institutional Fiduciary Trust - Money Market Portfolio, 0%	United States	10,563,932	\$10,563,932
Total Money Market Funds (Cost \$10,563,932)			10,563,932
Total Short Term Investments (Cost \$10,563,932)			10,563,932
Total Investments (Cost \$427,442,228) 102.8%			\$415,589,959
Other Assets, less Liabilities (2.8)%			(11,275,062)
Net Assets 100.0%			\$404,314,897

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

^gRounds to less than 0.1% of net assets.

^hFair valued using significant unobservable inputs. See Note 12 regarding fair value measurements.

ⁱNon-income producing.

^jThe security is owned by FT Holdings Corp. III, a wholly-owned subsidiary of the Fund. See Note 11.

^kSee Note 7 regarding restricted securities.

^lSee Note 10 regarding investments in affiliated management investment companies.

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

ⁿPerpetual security with no stated maturity date.

^oSecurity 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 September 30, 2020, the aggregate value of these securities was \$172,894,919, representing 42.8% of net assets.

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

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

^rA 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.

^sSee Note 8 regarding unfunded loan commitments.

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

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

^vThe principal represents the notional amount. See Note 3 regarding value recovery instruments.

^wPrincipal amount of security is adjusted for inflation.

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

^yAdjustable 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.

^zAdjustable 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).

^{aa}Security purchased on a to-be-announced (TBA) basis.

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

At September 30, 2020, 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					
Australia 10 Year Bonds	Long	53	\$5,668,763	12/15/20	\$69,632
Australia 3 Year Bonds	Long	114	9,574,346	12/15/20	26,040
Canada 10 Year Bonds	Long	54	6,155,846	12/18/20	(4,351)

Franklin Strategic Income VIP Fund (continued)

Futures Contracts (continued)

Description	Type	Number of Contracts	Notional Amount*	Expiration Date	Value/ Unrealized Appreciation (Depreciation)
Interest rate contracts (continued)					
U.S. Treasury 10 Year Notes	Long	29	\$4,046,406	12/21/20	\$14,007
U.S. Treasury 10 Year Ultra Notes	Long	9	1,439,297	12/21/20	(1,559)
U.S. Treasury 5 Year Notes	Long	59	7,435,844	12/31/20	14,675
U.S. Treasury Ultra Bonds	Long	21	4,658,062	12/21/20	(24,074)
Total Futures Contracts					\$94,370

*As of period end.

At September 30, 2020, 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	Sell	3,300,000	2,430,984	10/13/20	\$—	\$(47,140)
Turkish Lira	JPHQ	Buy	5,800,000	815,466	10/13/20	—	(68,023)
Japanese Yen	CITI	Buy	558,485,200	5,212,327	10/14/20	82,343	—
Mexican Peso	JPHQ	Buy	18,000,000	792,790	10/19/20	19,004	—
Australian Dollar	JPHQ	Buy	1,050,000	746,672	10/26/20	5,113	—
Australian Dollar	JPHQ	Sell	8,300,000	5,815,893	10/26/20	—	(126,791)
Canadian Dollar	JPHQ	Sell	2,000,000	1,478,344	10/26/20	—	(23,613)
Japanese Yen	JPHQ	Buy	13,000,000	123,069	11/12/20	217	—
Singapore Dollar	JPHQ	Sell	5,700,000	4,151,221	11/12/20	—	(25,235)
South African Rand	JPHQ	Buy	6,200,000	346,427	11/16/20	21,714	—
Indonesian Rupiah	JPHQ	Sell	7,200,000,000	468,658	11/30/20	—	(12,690)
Canadian Dollar	JPHQ	Sell	300,000	228,137	12/14/20	2,788	—
Euro	JPHQ	Sell	5,300,000	6,268,257	12/14/20	44,562	—
Japanese Yen	JPHQ	Buy	430,000,000	4,053,621	12/14/20	26,547	—
Total Forward Exchange Contracts						\$202,288	\$(303,492)
Net unrealized appreciation (depreciation)							\$(101,204)

*In U.S. dollars unless otherwise stated.

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

At September 30, 2020, the Fund had the following credit default swap contracts outstanding. See Note 3.

Franklin Strategic Income VIP Fund (continued)

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	\$(79,680)	\$(78,194)	\$(1,486)	Investment Grade
CDX.NA.HY.34	5.00%	Quarterly		6/20/25	2,100,000	99,166	104,169	(5,003)	Non- Investment Grade
Total Centrally Cleared Swap Contracts						\$19,486	\$25,975	\$(6,489)	
OTC Swap Contracts									
Contracts to Buy Protection^(c)									
Single Name									
Ally Financial, Inc.	(5.00)%	Quarterly	JPHQ	12/20/24	1,810,000	(293,830)	(285,468)	(8,362)	
Italy Government Bond	(1.00)%	Quarterly	BZWS	6/20/23	1,500,000	(15,231)	8,887	(24,118)	
Contracts to Sell Protection^{(c)(d)}									
Single Name									
Italy Government Bond	1.00%	Quarterly	BZWS	6/20/23	1,500,000	4,115	(38,969)	43,085	NR
Traded Index									
^(e) BNP Paribas Bespoke Rodez2 Index, Mezzanine Tranche 5-7%									
	3.20%	Quarterly	BNDP	12/20/20	300,000	(10,244)	—	(10,245)	Non- Investment Grade
^(e) Citibank Bespoke Palma Index, Mezzanine Tranche 5-7%									
	2.30%	Quarterly	CITI	6/20/21	620,000	(21,332)	—	(21,332)	Non- Investment Grade
MCDX.NA.31	1.00%	Quarterly	CITI	12/20/23	2,270,000	(7,840)	14,794	(22,634)	Investment Grade
^(e) Morgan Stanley Bespoke Pecan Index, Mezzanine Tranche 5-10%									
	3.98%	Quarterly	MSCO	12/20/21	850,000	(246,148)	—	(246,148)	Non- Investment Grade
^(e) Morgan Stanley Bespoke Pecan Index, Mezzanine Tranche 5-10%									
	4.10%	Quarterly	MSCO	12/20/21	850,000	(245,058)	—	(245,058)	Non- Investment Grade
Total OTC Swap Contracts						\$(835,568)	\$(300,756)	\$(534,812)	
Total Credit Default Swap Contracts						\$(816,082)	\$(274,781)	\$(541,301)	

*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

Franklin Strategic Income VIP Fund (continued)

Total collateral	\$980,000
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^(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 September 30, 2020, 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	\$(7,283)
Total Cross Currency Swap Contracts					\$(7,283)

At September 30, 2020, 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	\$9,600,000	\$(183,691)	\$—	\$(183,691)
Total Inflation Index Swap Contracts					\$(183,691)	\$—	\$(183,691)

At September 30, 2020, 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^(a)						
Markit iBoxx USD Liquid Leveraged Loans Total Return Index	3-month USD LIBOR	Quarterly	MSCO	12/21/20	750,000	\$(12,677)

Franklin Strategic Income VIP Fund (continued)

Total Return Swap Contracts (continued)

Underlying Instruments	Financing Rate	Payment Frequency	Counter- party	Maturity Date	Notional Value*	Value/ Unrealized Appreciation (Depreciation)
OTC Swap Contracts (continued)						
Long ^(a) (continued)						
Markit iBoxx USD Liquid Leveraged Loans Total	3-month					
Return Index	USD LIBOR	Quarterly	MSCO	12/21/20	550,000	\$(9,296)
Total Return Swap Contracts						\$(21,973)

*In U.S. dollars unless otherwise stated.

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

See Abbreviations on page 172.

Statement of Investments (unaudited), September 30, 2020

Franklin U.S. Government Securities VIP Fund

	Country	Principal Amount ^c	Value
Corporate Bonds 2.6%			
Diversified Financial Services 0.5%			
DY9 Leasing LLC, Senior Bond, 2.372%, 3/19/27	United States	2,050,362	\$2,163,367
Private Export Funding Corp., BB, Senior Bond, 4.3%, 12/15/21 . .	United States	1,865,000	1,956,374
			<u>4,119,741</u>
Oil, Gas & Consumable Fuels 2.1%			
Petroleos Mexicanos, 2.378%, 4/15/25	Mexico	1,645,000	1,715,171
Reliance Industries Ltd.,			
Senior Bond, 2.512%, 1/15/26	India	7,218,750	7,597,685
Senior Note, 1.87%, 1/15/26	India	4,052,632	4,193,941
Senior Note, 2.06%, 1/15/26	India	3,437,500	3,578,608
			<u>17,085,405</u>
Total Corporate Bonds (Cost \$20,229,530)			21,205,146
Foreign Government and Agency Securities 1.7%			
Israel Government Bond, Senior Bond, 5.5%, 9/18/23	Israel	12,000,000	13,794,227
Total Foreign Government and Agency Securities (Cost \$13,023,799)			13,794,227
U.S. Government and Agency Securities 14.5%			
FHLB, 2.625%, 9/12/25	United States	10,000,000	11,084,376
New Valley Generation IV, 4.687%, 1/15/22	United States	619,287	629,696
Tennessee Valley Authority, 1.875%, 8/15/22	United States	6,000,000	6,184,105
U.S. Treasury Bonds,			
^a 2%, 1/15/26	United States	1,500,000	2,307,331
^a 1.75%, 1/15/28	United States	8,000,000	12,054,371
^a 3.625%, 4/15/28	United States	5,000,000	10,985,335
2.5%, 2/15/46	United States	6,000,000	7,409,297
U.S. Treasury Notes,			
^a 0.125%, 7/15/24	United States	15,500,000	17,895,917
2.375%, 8/15/24	United States	22,000,000	23,844,219
2.25%, 8/15/27	United States	6,000,000	6,730,547
^a 0.25%, 7/15/29	United States	8,000,000	9,067,326
United States International Development Finance Corp.,			
^b 11/15/20	United States	2,575,000	3,356,020
2.12%, 3/20/24	United States	5,500,000	5,720,807
4.01%, 5/15/30	United States	1,642,500	1,925,447
Total U.S. Government and Agency Securities (Cost \$108,952,169)			119,194,794
Mortgage-Backed Securities 73.7%			
^cFederal Home Loan Mortgage Corp. (FHLMC) Adjustable Rate 1.0%			
FHLMC, 3.336%, (12-month USD LIBOR +/- MBS Margin), 4/01/40	United States	4,129,699	4,364,806
FHLMC, 2.66% - 3.741%, (12-month USD LIBOR +/- MBS Margin), 3/01/36 - 5/01/38	United States	3,855,240	4,026,391
			<u>8,391,197</u>
Federal Home Loan Mortgage Corp. (FHLMC) Fixed Rate 7.6%			
FHLMC Gold Pools, 15 Year, 4.5%, 3/01/25 - 4/01/25	United States	527,900	556,734
FHLMC Gold Pools, 20 Year, 3.5%, 3/01/32	United States	2,318,261	2,503,844
FHLMC Gold Pools, 30 Year, 3%, 5/01/43	United States	322,643	343,914
FHLMC Gold Pools, 30 Year, 3.5%, 5/01/43	United States	53,642	58,196
FHLMC Gold Pools, 30 Year, 4%, 9/01/40 - 12/01/41	United States	4,825,222	5,320,226
FHLMC Gold Pools, 30 Year, 4.5%, 5/01/40 - 7/01/41	United States	1,424,798	1,599,019
FHLMC Gold Pools, 30 Year, 5%, 9/01/33 - 4/01/40	United States	3,715,013	4,271,969

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, 5.5%, 7/01/33 - 5/01/38	United States	787,417	\$923,487
FHLMC Gold Pools, 30 Year, 6%, 1/01/24 - 8/01/35	United States	561,990	642,438
FHLMC Gold Pools, 30 Year, 6.5%, 12/01/23 - 5/01/35	United States	247,934	279,779
FHLMC Gold Pools, 30 Year, 7%, 4/01/24 - 9/01/31	United States	81,320	90,205
FHLMC Gold Pools, 30 Year, 7.5%, 12/01/22	United States	179	180
FHLMC Gold Pools, 30 Year, 8%, 9/01/21 - 5/01/22	United States	705	732
FHLMC Gold Pools, 30 Year, 8.5%, 7/01/31	United States	154,892	180,843
FHLMC Pool, 15 Year, 2.5%, 8/01/35	United States	4,024,347	4,211,820
FHLMC Pool, 30 Year, 2.5%, 6/01/50	United States	14,636,967	15,368,399
FHLMC Pool, 30 Year, 3%, 9/01/50	United States	24,879,146	26,095,774
			62,447,559
^c Federal National Mortgage Association (FNMA) Adjustable Rate 3.2%			
FNMA, 3.095%, (12-month USD LIBOR +/- MBS Margin), 9/01/37 .	United States	8,580,431	9,065,165
FNMA, 1.643% - 5.284%, (6-month USD LIBOR +/- MBS Margin), 6/01/21 - 10/01/44	United States	17,361,837	18,068,209
			27,133,374
Federal National Mortgage Association (FNMA) Fixed Rate 10.6%			
FNMA, 2.64%, 7/01/25	United States	2,405,512	2,596,158
FNMA, 2.77%, 4/01/25	United States	3,500,000	3,793,232
FNMA, 3.14%, 10/01/25	United States	3,944,104	4,271,084
FNMA, 3.28%, 7/01/27	United States	4,000,000	4,489,482
FNMA, 3.51%, 8/01/23	United States	3,000,000	3,215,115
FNMA, 5.5%, 4/01/34	United States	727,642	793,874
FNMA, 15 Year, 2%, 8/01/35	United States	2,559,434	2,661,752
FNMA, 15 Year, 2.5%, 8/01/35	United States	4,831,857	5,061,604
FNMA, 15 Year, 5.5%, 1/01/25	United States	340,817	357,953
FNMA, 30 Year, 2%, 8/01/50	United States	2,579,977	2,668,359
FNMA, 30 Year, 3%, 6/01/50	United States	14,565,706	15,294,550
FNMA, 30 Year, 3%, 12/01/42	United States	140,779	149,794
FNMA, 30 Year, 3.5%, 7/01/45	United States	22,147,151	23,740,646
FNMA, 30 Year, 4%, 1/01/41 - 8/01/41	United States	5,127,319	5,644,615
FNMA, 30 Year, 4.5%, 8/01/40 - 6/01/41	United States	4,632,784	5,221,728
FNMA, 30 Year, 5%, 3/01/34 - 7/01/41	United States	2,944,543	3,387,785
FNMA, 30 Year, 5.5%, 12/01/32 - 8/01/35	United States	1,380,781	1,598,708
FNMA, 30 Year, 6%, 1/01/24 - 8/01/38	United States	1,524,137	1,756,032
FNMA, 30 Year, 6.5%, 1/01/24 - 9/01/36	United States	193,214	218,691
FNMA, 30 Year, 7.5%, 4/01/23 - 8/01/25	United States	6,815	7,045
FNMA, 30 Year, 8%, 3/01/22 - 12/01/24	United States	38,526	39,071
FNMA, 30 Year, 8.5%, 6/01/21	United States	16	16
FNMA, 30 Year, 9%, 10/01/26	United States	39,868	40,573
			87,007,867
Government National Mortgage Association (GNMA) Fixed Rate 51.3%			
GNMA I, 30 Year, 5%, 7/15/34 - 9/15/40	United States	1,897,586	2,168,620
GNMA I, 30 Year, 5.5%, 3/15/32 - 2/15/38	United States	430,505	502,301
GNMA I, 30 Year, 6%, 7/15/29 - 11/15/38	United States	346,533	412,426
GNMA I, 30 Year, 6.5%, 12/15/28 - 1/15/33	United States	170,725	201,967
GNMA I, 30 Year, 7%, 12/15/28	United States	9,661	11,200
GNMA I, 30 Year, 7.5%, 12/15/31 - 8/15/33	United States	187,796	222,207
GNMA I, 30 Year, 10%, 8/15/21	United States	90	90
GNMA I, Single-family, 30 Year, 3%, 7/15/42	United States	303,295	321,777
GNMA I, Single-family, 30 Year, 4%, 10/15/40 - 8/15/46	United States	6,600,432	7,150,440
GNMA I, Single-family, 30 Year, 4.5%, 1/15/39 - 6/15/41	United States	9,451,773	10,578,026
GNMA I, Single-family, 30 Year, 5%, 6/15/30 - 6/15/40	United States	12,495,668	14,172,312
GNMA I, Single-family, 30 Year, 5.5%, 12/15/28 - 10/15/39	United States	3,237,294	3,699,870

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	1,368,616	\$1,566,541
GNMA I, Single-family, 30 Year, 6.5%, 7/15/23 - 9/15/38	United States	759,353	852,813
GNMA I, Single-family, 30 Year, 7%, 9/15/22 - 1/15/32	United States	159,900	165,756
GNMA I, Single-family, 30 Year, 7.5%, 2/15/22 - 11/15/27	United States	52,823	53,892
GNMA I, Single-family, 30 Year, 8%, 12/15/21 - 7/15/23	United States	35,187	35,949
GNMA I, Single-family, 30 Year, 8.5%, 5/15/23 - 12/15/24	United States	19,694	20,024
GNMA I, Single-family, 30 Year, 9.5%, 10/15/20 - 12/15/20	United States	84	84
GNMA II, 30 Year, 6.5%, 4/20/34	United States	33,546	33,869
GNMA II, Single-family, 30 Year, 2.5%, 6/20/50	United States	39,584,044	41,614,297
GNMA II, Single-family, 30 Year, 2.5%, 7/20/50	United States	13,915,029	14,628,729
GNMA II, Single-family, 30 Year, 3%, 9/20/45	United States	6,178,006	6,535,851
GNMA II, Single-family, 30 Year, 3%, 4/20/46	United States	16,851,247	17,844,098
GNMA II, Single-family, 30 Year, 3%, 2/20/50	United States	12,761,244	13,365,422
GNMA II, Single-family, 30 Year, 3%, 5/20/50	United States	21,661,760	22,772,127
GNMA II, Single-family, 30 Year, 3%, 6/20/50	United States	21,578,360	22,730,997
GNMA II, Single-family, 30 Year, 3%, 7/20/50	United States	38,730,373	40,868,951
GNMA II, Single-family, 30 Year, 3%, 12/20/42 - 2/20/45	United States	1,457,701	1,539,774
GNMA II, Single-family, 30 Year, 3.5%, 8/20/42	United States	4,420,762	4,799,577
GNMA II, Single-family, 30 Year, 3.5%, 9/20/42	United States	13,075,501	14,195,957
GNMA II, Single-family, 30 Year, 3.5%, 10/20/42	United States	4,028,475	4,373,685
GNMA II, Single-family, 30 Year, 3.5%, 11/20/42	United States	7,875,137	8,549,988
GNMA II, Single-family, 30 Year, 3.5%, 12/20/42	United States	6,022,401	6,538,485
GNMA II, Single-family, 30 Year, 3.5%, 1/20/43	United States	10,229,703	11,106,330
GNMA II, Single-family, 30 Year, 3.5%, 3/20/43	United States	3,614,212	3,923,941
GNMA II, Single-family, 30 Year, 3.5%, 4/20/43	United States	4,527,120	4,915,088
GNMA II, Single-family, 30 Year, 3.5%, 5/20/43	United States	8,325,076	9,026,748
GNMA II, Single-family, 30 Year, 3.5%, 6/20/43	United States	3,855,840	4,181,699
GNMA II, Single-family, 30 Year, 3.5%, 9/20/47	United States	51,364,272	54,851,649
GNMA II, Single-family, 30 Year, 3.5%, 10/20/47	United States	4,260,296	4,548,394
GNMA II, Single-family, 30 Year, 3.5%, 11/20/47	United States	13,608,467	14,527,344
GNMA II, Single-family, 30 Year, 3.5%, 12/20/40 - 8/20/43	United States	1,584,584	1,717,684
GNMA II, Single-family, 30 Year, 4%, 11/20/41	United States	4,286,926	4,734,706
GNMA II, Single-family, 30 Year, 4%, 11/20/39 - 2/20/44	United States	9,776,568	10,770,322
GNMA II, Single-family, 30 Year, 4.5%, 9/20/41	United States	3,419,652	3,798,276
GNMA II, Single-family, 30 Year, 4.5%, 10/20/39 - 10/20/44	United States	14,913,084	16,574,541
GNMA II, Single-family, 30 Year, 5%, 9/20/33 - 6/20/44	United States	7,426,348	8,482,403
GNMA II, Single-family, 30 Year, 5.5%, 5/20/34 - 6/20/38	United States	3,011,809	3,573,550
GNMA II, Single-family, 30 Year, 6%, 11/20/23 - 7/20/39	United States	1,943,985	2,249,121
GNMA II, Single-family, 30 Year, 6.5%, 12/20/27 - 4/20/32	United States	268,082	314,191
GNMA II, Single-family, 30 Year, 7%, 5/20/32	United States	5,609	6,686
GNMA II, Single-family, 30 Year, 7.5%, 9/20/22 - 11/20/26	United States	38,427	42,246
GNMA II, Single-family, 30 Year, 8%, 8/20/26	United States	2,966	3,409
			421,876,430
Total Mortgage-Backed Securities (Cost \$593,900,647)			606,856,427
Total Long Term Investments (Cost \$736,106,145)			761,050,594

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

Short Term Investments 7.3%

	Principal Amount ^f	Value
^dRepurchase Agreements 7.3%		
^e Joint Repurchase Agreement, 0.058%, 10/01/20 (Maturity Value \$60,298,716)		
BNP Paribas Securities Corp. (Maturity Value \$23,373,591)		
Deutsche Bank Securities, Inc. (Maturity Value \$13,551,534)		
HSBC Securities (USA), Inc. (Maturity Value \$23,373,591)		
Collateralized by U.S. Government Agency Securities, 3.20% - 4.00%, 11/29/32 - 3/20/50; U.S. Government Agency Strips, 11/15/33 - 11/15/33; U.S. Treasury Bills, 12/31/20 - 2/18/21; U.S. Treasury Bonds, Index Linked, 1.75%, 1/15/28; and U.S. Treasury Notes, 0.32% - 2.875%, 11/30/20 - 4/30/25 (valued at \$61,515,409)	60,298,619	\$60,298,619
Total Repurchase Agreements (Cost \$60,298,619)		60,298,619
Total Short Term Investments (Cost \$60,298,619)		60,298,619
Total Investments (Cost \$796,404,764) 99.8%		\$821,349,213
Other Assets, less Liabilities 0.2%		1,326,106
Net Assets 100.0%		\$822,675,319

See Abbreviations on page 172.

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

^ePrincipal amount of security is adjusted for inflation.

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

^aAdjustable 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).

^dAt September 30, 2020, all repurchase agreements had been entered into on that date.

^eInvestment is through participation in a joint account with other funds managed by the investment manager or an affiliate of the investment manager. At September 30, 2020, all repurchase agreements had been entered into on that date.

Statement of Investments (unaudited), September 30, 2020

Franklin VolSmart Allocation VIP Fund

	Country	Shares	Value
Common Stocks 64.0%			
Aerospace & Defense 1.5%			
BWX Technologies, Inc.	United States	253	\$14,246
General Dynamics Corp.	United States	5,100	705,993
Huntington Ingalls Industries, Inc.	United States	441	62,071
Lockheed Martin Corp.	United States	1,363	522,411
Northrop Grumman Corp.	United States	735	231,885
Raytheon Technologies Corp.	United States	21,145	1,216,683
			<u>2,753,289</u>
Air Freight & Logistics 1.3%			
CH Robinson Worldwide, Inc.	United States	1,647	168,307
Expeditors International of Washington, Inc.	United States	1,910	172,893
United Parcel Service, Inc., B	United States	12,591	2,098,039
			<u>2,439,239</u>
Auto Components 0.0%[†]			
Gentex Corp.	United States	3,102	79,877
Beverages 1.4%			
^a Boston Beer Co., Inc. (The), A.	United States	23	20,317
Brown-Forman Corp., A.	United States	567	38,942
Brown-Forman Corp., B	United States	860	64,775
Coca-Cola Co. (The)	United States	11,342	559,955
^a Monster Beverage Corp.	United States	3,707	297,301
PepsiCo, Inc.	United States	11,824	1,638,806
			<u>2,620,096</u>
Biotechnology 1.6%			
AbbVie, Inc.	United States	11,352	994,322
Amgen, Inc.	United States	2,305	585,839
^a Biogen, Inc.	United States	1,724	489,064
^a Exelixis, Inc.	United States	2,933	71,712
Gilead Sciences, Inc.	United States	6,802	429,818
^a Regeneron Pharmaceuticals, Inc.	United States	471	263,656
^a Vertex Pharmaceuticals, Inc.	United States	720	195,927
			<u>3,030,338</u>
Building Products 0.6%			
A O Smith Corp.	United States	341	18,005
Allegion plc.	United States	419	41,443
Johnson Controls International plc.	United States	20,492	837,098
Lennox International, Inc.	United States	224	61,065
Masco Corp.	United States	1,286	70,897
^a Trex Co., Inc.	United States	320	22,912
			<u>1,051,420</u>
Capital Markets 1.2%			
Evercore, Inc., A	United States	98	6,415
FactSet Research Systems, Inc.	United States	433	145,003
Invesco Ltd.	United States	3,095	35,314
Lazard Ltd., A	United States	1,246	41,180
MarketAxess Holdings, Inc.	United States	432	208,047
Moody's Corp.	United States	1,147	332,458
Morningstar, Inc.	United States	208	33,407
MSCI, Inc.	United States	888	316,821
Nasdaq, Inc.	United States	3,270	401,262
S&P Global, Inc.	United States	1,181	425,869
SEI Investments Co.	United States	1,165	59,089
State Street Corp.	United States	1,450	86,028

Franklin VolSmart Allocation VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Capital Markets (continued)			
T Rowe Price Group, Inc.	United States	1,106	\$141,811
			2,232,704
Chemicals 4.3%			
Air Products and Chemicals, Inc.	United States	9,705	2,890,731
Albemarle Corp.	United States	13,886	1,239,742
Celanese Corp.	United States	769	82,629
Eastman Chemical Co.	United States	1,124	87,807
Ecolab, Inc.	United States	5,360	1,071,143
Huntsman Corp.	United States	491	10,905
Linde plc.	United Kingdom	9,700	2,309,861
LyondellBasell Industries NV, A.	United States	3,783	266,664
NewMarket Corp.	United States	85	29,097
Valvoline, Inc.	United States	1,182	22,505
			8,011,084
Commercial Services & Supplies 1.0%			
Cintas Corp.	United States	4,383	1,458,794
^a Copart, Inc.	United States	2,274	239,134
^a IAA, Inc.	United States	642	33,429
Rollins, Inc.	United States	1,731	93,803
			1,825,160
Communications Equipment 0.5%			
^a Arista Networks, Inc.	United States	152	31,453
^a Ciena Corp.	United States	398	15,797
Cisco Systems, Inc.	United States	11,071	436,087
^a F5 Networks, Inc.	United States	732	89,868
Motorola Solutions, Inc.	United States	1,704	267,204
Ubiquiti, Inc.	United States	112	18,666
			859,075
Consumer Finance 0.0%[†]			
Santander Consumer USA Holdings, Inc.	United States	1,059	19,263
Containers & Packaging 0.1%			
Avery Dennison Corp.	United States	210	26,846
Packaging Corp. of America	United States	891	97,164
Sonoco Products Co.	United States	1,081	55,207
			179,217
Distributors 0.1%			
Pool Corp.	United States	437	146,194
Diversified Consumer Services 0.0%[†]			
^a Grand Canyon Education, Inc.	United States	118	9,433
H&R Block, Inc.	United States	2,641	43,022
			52,455
Diversified Financial Services 0.0%[†]			
Equitable Holdings, Inc.	United States	1,059	19,316
Jefferies Financial Group, Inc.	United States	564	10,152
			29,468
Diversified Telecommunication Services 0.6%			
AT&T, Inc.	United States	17,157	489,146

Franklin VolSmart Allocation VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Diversified Telecommunication Services (continued)			
Verizon Communications, Inc.	United States	9,226	\$548,855
			1,038,001
Electric Utilities 1.1%			
Alliant Energy Corp.	United States	2,388	123,340
American Electric Power Co., Inc.	United States	2,181	178,253
Evergy, Inc.	United States	1,744	88,630
Eversource Energy	United States	3,046	254,494
Hawaiian Electric Industries, Inc.	United States	1,121	37,262
NextEra Energy, Inc.	United States	2,071	574,827
PPL Corp.	United States	5,766	156,893
Southern Co. (The)	United States	8,091	438,694
Xcel Energy, Inc.	United States	2,409	166,245
			2,018,638
Electrical Equipment 0.5%			
Emerson Electric Co.	United States	6,566	430,533
^a Generac Holdings, Inc.	United States	150	29,046
GrafTech International Ltd.	United States	406	2,777
nVent Electric plc	United States	14,200	251,198
Rockwell Automation, Inc.	United States	1,345	296,814
			1,010,368
Entertainment 0.1%			
Activision Blizzard, Inc.	United States	1,946	157,529
^a Electronic Arts, Inc.	United States	813	106,023
			263,552
Equity Real Estate Investment Trusts (REITs) 0.9%			
American Tower Corp.	United States	2,051	495,788
CoreSite Realty Corp.	United States	101	12,007
EPR Properties	United States	827	22,743
Gaming and Leisure Properties, Inc.	United States	2,015	74,414
Kimco Realty Corp.	United States	3,939	44,353
National Retail Properties, Inc.	United States	1,921	66,294
Public Storage	United States	1,954	435,195
Realty Income Corp.	United States	3,530	214,447
Simon Property Group, Inc.	United States	2,839	183,627
Spirit Realty Capital, Inc.	United States	1,130	38,137
STORE Capital Corp.	United States	2,172	59,578
WP Carey, Inc.	United States	1,513	98,587
			1,745,170
Food & Staples Retailing 1.5%			
Casey's General Stores, Inc.	United States	371	65,908
Costco Wholesale Corp.	United States	1,717	609,535
Kroger Co. (The)	United States	6,180	209,564
^a Sprouts Farmers Market, Inc.	United States	1,032	21,600
Walgreens Boots Alliance, Inc.	United States	7,092	254,744
Walmart, Inc.	United States	11,757	1,644,922
			2,806,273
Food Products 1.3%			
Campbell Soup Co.	United States	472	22,831
Flowers Foods, Inc.	United States	2,078	50,558
General Mills, Inc.	United States	6,974	430,156
Hershey Co. (The)	United States	1,942	278,366

Franklin VolSmart Allocation VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Food Products (continued)			
Hormel Foods Corp.	United States	3,322	\$162,413
Ingredion, Inc.	United States	700	52,976
J M Smucker Co. (The)	United States	931	107,549
Kellogg Co.	United States	1,912	123,496
McCormick & Co., Inc.	United States	5,450	1,057,845
Tyson Foods, Inc., A	United States	3,092	183,912
			<hr/> 2,470,102
Gas Utilities 0.1%			
Atmos Energy Corp.	United States	1,177	112,509
Health Care Equipment & Supplies 5.2%			
Abbott Laboratories.	United States	12,160	1,323,373
^a ABIOMED, Inc.	United States	111	30,754
^a Align Technology, Inc.	United States	220	72,019
Becton Dickinson and Co.	United States	7,100	1,652,028
DENTSPLY SIRONA, Inc.	United States	5,300	231,769
Medtronic plc	United States	16,400	1,704,288
ResMed, Inc.	United States	1,522	260,916
Stryker Corp.	United States	10,800	2,250,396
West Pharmaceutical Services, Inc.	United States	7,505	2,063,125
			<hr/> 9,588,668
Health Care Providers & Services 1.1%			
Chemed Corp.	United States	149	71,572
CVS Health Corp.	United States	6,350	370,840
Humana, Inc.	United States	340	140,723
Premier, Inc., A	United States	352	11,556
UnitedHealth Group, Inc.	United States	4,837	1,508,031
			<hr/> 2,102,722
Health Care Technology 0.2%			
Cerner Corp.	United States	2,976	215,135
^a Veeva Systems, Inc., A	United States	348	97,854
			<hr/> 312,989
Hotels, Restaurants & Leisure 1.7%			
Darden Restaurants, Inc.	United States	1,505	151,614
Domino's Pizza, Inc.	United States	498	211,789
Las Vegas Sands Corp.	United States	3,219	150,199
McDonald's Corp.	United States	8,121	1,782,478
Starbucks Corp.	United States	5,932	509,677
Yum! Brands, Inc.	United States	3,952	360,818
			<hr/> 3,166,575
Household Durables 0.3%			
DR Horton, Inc.	United States	1,486	112,386
Garmin Ltd.	United States	1,614	153,104
^a NVR, Inc.	United States	34	138,826
PulteGroup, Inc.	United States	1,722	79,712
			<hr/> 484,028
Household Products 2.3%			
Church & Dwight Co., Inc.	United States	2,749	257,609
Clorox Co. (The)	United States	1,670	350,984
Colgate-Palmolive Co.	United States	17,820	1,374,813
Kimberly-Clark Corp.	United States	2,997	442,537

Franklin VolSmart Allocation VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Household Products (continued)			
Procter & Gamble Co. (The)	United States	13,146	\$1,827,162
			4,253,105
Industrial Conglomerates 3.3%			
3M Co.	United States	3,384	542,049
Carlisle Cos., Inc.	United States	3,160	386,689
Honeywell International, Inc.	United States	12,929	2,128,243
Roper Technologies, Inc.	United States	7,840	3,097,662
			6,154,643
Insurance 0.6%			
Aflac, Inc.	United States	8,240	299,524
American National Group, Inc.	United States	87	5,875
Erie Indemnity Co., A.	United States	2,888	607,289
Progressive Corp. (The)	United States	1,505	142,478
			1,055,166
Interactive Media & Services 0.7%			
^a Alphabet, Inc., A	United States	186	272,602
^a Alphabet, Inc., C	United States	184	270,406
^a Facebook, Inc., A	United States	2,353	616,251
^a Match Group, Inc.	United States	594	65,726
			1,224,985
Internet & Direct Marketing Retail 0.2%			
^a Booking Holdings, Inc.	United States	193	330,161
IT Services 4.1%			
Accenture plc, A	United States	13,026	2,943,746
^a Akamai Technologies, Inc.	United States	413	45,653
Amdocs Ltd.	United States	1,556	89,330
Automatic Data Processing, Inc.	United States	3,526	491,842
Booz Allen Hamilton Holding Corp.	United States	913	75,761
Broadridge Financial Solutions, Inc.	United States	1,348	177,936
Cognizant Technology Solutions Corp., A.	United States	4,687	325,371
International Business Machines Corp.	United States	4,239	515,759
Jack Henry & Associates, Inc.	United States	892	145,030
Mastercard, Inc., A	United States	1,759	594,841
Paychex, Inc.	United States	3,934	313,815
Visa, Inc., A.	United States	9,511	1,901,915
			7,620,999
Life Sciences Tools & Services 0.2%			
^a Mettler-Toledo International, Inc.	United States	274	264,616
^a Waters Corp.	United States	180	35,222
			299,838
Machinery 1.7%			
Allison Transmission Holdings, Inc.	United States	922	32,399
Cummins, Inc.	United States	1,702	359,394
Donaldson Co., Inc.	United States	7,830	363,469
Dover Corp.	United States	8,244	893,155
Graco, Inc.	United States	1,799	110,369
Illinois Tool Works, Inc.	United States	2,239	432,597
Lincoln Electric Holdings, Inc.	United States	140	12,885
Otis Worldwide Corp.	United States	1,021	63,731
PACCAR, Inc.	United States	2,182	186,081
Pentair plc	United States	12,800	585,856

Franklin VolSmart Allocation VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Machinery (continued)			
Snap-on, Inc.	United States	427	\$62,824
Toro Co. (The)	United States	1,287	108,044
			3,210,804
Media 0.5%			
Cable One, Inc.	United States	32	60,334
Comcast Corp., A	United States	13,370	618,496
Interpublic Group of Cos., Inc. (The)	United States	3,301	55,028
Omnicom Group, Inc.	United States	2,393	118,453
			852,311
Metals & Mining 0.2%			
Newmont Corp.	United States	2,106	133,626
Nucor Corp.	United States	1,912	85,772
Reliance Steel & Aluminum Co.	United States	305	31,122
Royal Gold, Inc.	United States	296	35,570
Steel Dynamics, Inc.	United States	1,642	47,011
			333,101
Multiline Retail 1.5%			
Dollar General Corp.	United States	2,636	552,558
Nordstrom, Inc.	United States	1,315	15,675
Target Corp.	United States	13,668	2,151,617
			2,719,850
Multi-Utilities 0.7%			
Ameren Corp.	United States	1,850	146,298
Consolidated Edison, Inc.	United States	3,291	256,040
Dominion Energy, Inc.	United States	5,271	416,040
Public Service Enterprise Group, Inc.	United States	5,648	310,131
WEC Energy Group, Inc.	United States	781	75,679
			1,204,188
Oil, Gas & Consumable Fuels 0.5%			
Cabot Oil & Gas Corp.	United States	2,896	50,275
Chevron Corp.	United States	5,790	416,880
EOG Resources, Inc.	United States	5,130	184,372
Exxon Mobil Corp.	United States	5,700	195,681
			847,208
Personal Products 0.3%			
Estee Lauder Cos., Inc. (The), A	United States	2,552	556,974
Nu Skin Enterprises, Inc., A.	United States	546	27,349
			584,323
Pharmaceuticals 2.5%			
Bristol-Myers Squibb Co.	United States	8,865	534,471
Eli Lilly and Co.	United States	2,483	367,534
^a Horizon Therapeutics plc.	United States	461	35,810
Johnson & Johnson	United States	11,758	1,750,531
Merck & Co., Inc.	United States	6,558	543,986
Perrigo Co. plc	United States	4,440	203,840
Pfizer, Inc.	United States	27,998	1,027,527
Zoetis, Inc.	United States	1,224	202,413
			4,666,112

Franklin VolSmart Allocation VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Professional Services 0.1%			
^a FTI Consulting, Inc.	United States	91	\$9,643
Robert Half International, Inc.	United States	1,521	80,522
Verisk Analytics, Inc.	United States	392	72,642
			162,807
Road & Rail 0.9%			
JB Hunt Transport Services, Inc.	United States	996	125,875
Landstar System, Inc.	United States	427	53,584
Norfolk Southern Corp.	United States	4,000	855,960
Old Dominion Freight Line, Inc.	United States	508	91,907
Schneider National, Inc., B	United States	152	3,759
Union Pacific Corp.	United States	3,116	613,447
			1,744,532
Semiconductors & Semiconductor Equipment 4.7%			
Analog Devices, Inc.	United States	14,914	1,741,060
Applied Materials, Inc.	United States	9,423	560,197
^a Cirrus Logic, Inc.	United States	146	9,848
^a Enphase Energy, Inc.	United States	276	22,795
Intel Corp.	United States	8,413	435,625
KLA Corp.	United States	1,699	329,164
Lam Research Corp.	United States	1,580	524,165
Maxim Integrated Products, Inc.	United States	3,046	205,940
Monolithic Power Systems, Inc.	United States	115	32,155
NVIDIA Corp.	United States	1,491	806,959
QUALCOMM, Inc.	United States	6,096	717,377
Skyworks Solutions, Inc.	United States	2,204	320,682
^a SolarEdge Technologies, Inc.	United States	127	30,271
Texas Instruments, Inc.	United States	18,458	2,635,618
Xilinx, Inc.	United States	2,844	296,459
			8,668,315
Software 4.3%			
^a Adobe, Inc.	United States	1,301	638,049
^a Aspen Technology, Inc.	United States	564	71,397
^a Cadence Design Systems, Inc.	United States	1,984	211,554
Citrix Systems, Inc.	United States	918	126,418
^a Fair Isaac Corp.	United States	69	29,351
^a Fortinet, Inc.	United States	354	41,705
Intuit, Inc.	United States	1,824	595,007
Microsoft Corp.	United States	28,090	5,908,170
Oracle Corp.	United States	5,026	300,052
^a Tyler Technologies, Inc.	United States	101	35,205
^a VMware, Inc., A	United States	193	27,728
			7,984,636
Specialty Retail 3.0%			
^a AutoZone, Inc.	United States	223	262,614
Best Buy Co., Inc.	United States	2,821	313,949
Foot Locker, Inc.	United States	1,485	49,050
Gap, Inc. (The)	United States	2,793	47,565
Home Depot, Inc. (The)	United States	2,131	591,800
Lowe's Cos., Inc.	United States	8,400	1,393,224
^a O'Reilly Automotive, Inc.	United States	869	400,678
Ross Stores, Inc.	United States	15,231	1,421,357
TJX Cos., Inc. (The)	United States	9,756	542,921
Tractor Supply Co.	United States	1,410	202,109
^a Ulta Beauty, Inc.	United States	654	146,483

Franklin VolSmart Allocation VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Specialty Retail (continued)			
Williams-Sonoma, Inc.	United States	991	\$89,626
			5,461,376
Technology Hardware, Storage & Peripherals 0.7%			
Apple, Inc.	United States	6,660	771,295
HP, Inc.	United States	18,369	348,827
NetApp, Inc.	United States	2,534	111,090
Xerox Holdings Corp.	United States	445	8,353
			1,239,565
Textiles, Apparel & Luxury Goods 1.5%			
Carter's, Inc.	United States	485	41,991
Hanesbrands, Inc.	United States	2,240	35,280
^a Lululemon Athletica, Inc.	United States	1,299	427,852
NIKE, Inc., B.	United States	17,571	2,205,863
			2,710,986
Tobacco 0.6%			
Altria Group, Inc.	United States	12,957	500,658
Philip Morris International, Inc.	United States	7,217	541,203
			1,041,861
Trading Companies & Distributors 0.7%			
Fastenal Co.	United States	7,001	315,675
MSC Industrial Direct Co., Inc., A.	United States	470	29,742
Watsco, Inc.	United States	326	75,922
WW Grainger, Inc.	United States	2,194	782,753
			1,204,092
Total Common Stocks (Cost \$80,499,647)			118,023,438
Management Investment Companies 31.1%			
^b Capital Markets 31.1%			
Franklin Income Fund, Class R6	United States	6,741,127	13,954,134
Franklin Liberty U.S. Core Bond ETF.	United States	1,030,425	27,038,352
Franklin Low Duration Total Return Fund, Class R6	United States	1,061,726	10,203,187
Franklin Strategic Income Fund, Class R6.	United States	660,954	6,120,433
			57,316,106
Total Management Investment Companies (Cost \$57,615,697)			57,316,106
Total Long Term Investments (Cost \$138,115,344)			175,339,544

Franklin VolSmart Allocation VIP Fund (continued)

Short Term Investments 4.2%

	Country	Shares	Value
Money Market Funds 4.2%			
^{b,c} Institutional Fiduciary Trust - Money Market Portfolio, 0%	United States	7,673,199	\$7,673,199
Total Money Market Funds (Cost \$7,673,199)			7,673,199
Total Short Term Investments (Cost \$7,673,199)			7,673,199
Total Investments (Cost \$145,788,543) 99.3%			\$183,012,743
Other Assets, less Liabilities 0.7%			1,371,080
Net Assets 100.0%			\$184,383,823

See Abbreviations on page 172.

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

^aNon-income producing.

^bSee Note 10 regarding investments in affiliated management investment companies.

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

At September 30, 2020, 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	154	\$25,810,400	12/18/20	\$331,220
Total Futures Contracts					\$331,220

*As of period end.

At September 30, 2020, 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)	0%	Monthly	BZWS	12/01/20	3,500,000	\$(460)
Total Return Swap Contracts						\$(460)

*In U.S. dollars unless otherwise stated.

Franklin VolSmart Allocation VIP Fund (continued)

Statement of Investments (unaudited), September 30, 2020

Templeton Developing Markets VIP Fund

	Industry	Shares	Value
Common Stocks 94.4%			
Brazil 2.1%			
^a B2W Cia Digital.	Internet & Direct Marketing Retail	76,800	\$1,230,244
B3 SA - Brasil Bolsa Balcao	Capital Markets	61,400	601,304
^a Lojas Americanas SA	Multiline Retail	170,860	742,188
^a M Dias Branco SA.	Food Products	106,200	645,842
Vale SA.	Metals & Mining	278,500	2,930,692
			6,150,270
Cambodia 0.6%			
NagaCorp Ltd.	Hotels, Restaurants & Leisure	1,525,400	1,823,084
China 30.7%			
^a Alibaba Group Holding Ltd., ADR	Internet & Direct Marketing Retail	93,210	27,401,876
^b BAIC Motor Corp. Ltd., H, 144A, Reg S	Automobiles	1,686,100	689,896
^a Baidu, Inc., ADR	Interactive Media & Services	15,784	1,998,097
Brilliance China Automotive Holdings Ltd.	Automobiles	7,756,600	7,330,506
China Merchants Bank Co. Ltd., H. . . .	Banks	606,700	2,879,062
China Merchants Bank Co. Ltd., A. . . .	Banks	340,000	1,809,911
China Mobile Ltd.	Wireless Telecommunication Services	539,500	3,463,227
China Resources Cement Holdings Ltd.	Construction Materials	2,429,000	3,339,291
CNOOC Ltd.	Oil, Gas & Consumable Fuels	2,008,500	1,931,945
COSCO SHIPPING Ports Ltd.	Transportation Infrastructure	450,972	259,063
Health & Happiness H&H International Holdings Ltd.	Food Products	418,400	1,808,580
NetEase, Inc., ADR.	Entertainment	4,253	1,933,712
Ping An Bank Co. Ltd., A.	Banks	802,600	1,801,033
Ping An Insurance Group Co. of China Ltd., H.	Insurance	41,852	434,462
Ping An Insurance Group Co. of China Ltd., A.	Insurance	202,225	2,280,564
^a Prosus NV	Internet & Direct Marketing Retail	32,057	2,958,317
Sunny Optical Technology Group Co. Ltd.	Electronic Equipment, Instruments & Components	91,500	1,421,217
Tencent Holdings Ltd.	Interactive Media & Services	337,501	22,796,109
Uni-President China Holdings Ltd.	Food Products	1,814,017	1,663,655
Weifu High-Technology Group Co. Ltd., B.	Auto Components	306,139	529,724
			88,730,247
Czech Republic 0.3%			
^b Moneta Money Bank A/S, 144A, Reg S	Banks	390,403	896,212
Hungary 0.9%			
Richter Gedeon Nyrt.	Pharmaceuticals	116,965	2,468,188
India 5.3%			
Bajaj Holdings & Investment Ltd.	Diversified Financial Services	60,776	2,010,577
Coal India Ltd.	Oil, Gas & Consumable Fuels	442,535	700,434
^a ICICI Bank Ltd.	Banks	1,579,654	7,659,822
Infosys Ltd.	IT Services	306,365	4,224,589
Tata Chemicals Ltd.	Chemicals	165,900	679,261
			15,274,683
Indonesia 0.8%			
Astra International Tbk. PT	Automobiles	7,340,300	2,210,098
Kenya 0.1%			
^a Equity Group Holdings plc.	Banks	764,354	258,542

Templeton Developing Markets VIP Fund (continued)

	Industry	Shares	Value
Common Stocks (continued)			
Macau 0.0%†			
^c MGM China Holdings Ltd.	Hotels, Restaurants & Leisure	63,300	\$78,890
Mexico 1.2%			
Banco Santander Mexico SA Institucion de Banca Multiple Grupo Financiero Santand, ADR	Banks	949,761	3,039,235
^b Nemak SAB de CV, 144A, Reg S	Auto Components	1,999,500	578,334
			3,617,569
Pakistan 0.3%			
Habib Bank Ltd.	Banks	1,116,900	880,986
Peru 0.3%			
InterCorp Financial Services, Inc.	Banks	31,950	750,825
Philippines 0.2%			
BDO Unibank, Inc.	Banks	327,469	584,449
Russia 7.2%			
Gazprom PJSC, ADR	Oil, Gas & Consumable Fuels	312,600	1,360,417
LUKOIL PJSC, ADR	Oil, Gas & Consumable Fuels	95,250	5,503,633
^{a,b} Mail.Ru Group Ltd., GDR, Reg S.	Interactive Media & Services	50,100	1,370,820
^a Sberbank of Russia PJSC, ADR	Banks	498,847	5,823,770
^a Yandex NV, A	Interactive Media & Services	105,414	6,878,263
			20,936,903
South Africa 4.4%			
^a Massmart Holdings Ltd.	Food & Staples Retailing	580,084	1,093,088
^a Naspers Ltd., N.	Internet & Direct Marketing Retail	66,341	11,717,337
			12,810,425
South Korea 19.0%			
Fila Holdings Corp.	Textiles, Apparel & Luxury Goods	64,280	2,015,144
Hankook Tire & Technology Co. Ltd. . . .	Auto Components	14,400	389,269
KT Skylife Co. Ltd.	Media	104,056	830,288
LG Corp.	Industrial Conglomerates	96,342	6,136,593
NAVER Corp.	Interactive Media & Services	52,323	13,338,696
POSCO	Metals & Mining	15,429	2,591,247
Samsung Electronics Co. Ltd.	Technology Hardware, Storage & Peripherals	513,903	25,593,474
Samsung Life Insurance Co. Ltd.	Insurance	80,106	4,193,923
			55,088,634
Taiwan 14.7%			
Catcher Technology Co. Ltd.	Technology Hardware, Storage & Peripherals	114,000	721,205
CTBC Financial Holding Co. Ltd.	Banks	350,500	224,214
Hon Hai Precision Industry Co. Ltd. . . .	Electronic Equipment, Instruments & Components	1,388,000	3,736,298
Largan Precision Co. Ltd.	Electronic Equipment, Instruments & Components	5,300	621,453
MediaTek, Inc.	Semiconductors & Semiconductor Equipment	267,000	5,664,497
Taiwan Semiconductor Manufacturing Co. Ltd.	Semiconductors & Semiconductor Equipment	2,087,831	31,448,584
			42,416,251
Thailand 1.2%			
Kasikornbank PCL	Banks	705,000	1,726,135
Kiatnakin Phatra Bank PCL.	Banks	859,600	1,016,761
Thai Beverage PCL.	Beverages	1,450,900	645,593
			3,388,489

Templeton Developing Markets VIP Fund (continued)

	Industry	Shares	Value
Common Stocks (continued)			
United Kingdom 3.0%			
Unilever plc.	Personal Products	142,468	\$8,783,954
United States 2.1%			
Cognizant Technology Solutions Corp., A.	IT Services	64,484	4,476,479
^a IMAX Corp.	Entertainment	124,255	1,486,090
			5,962,569
Total Common Stocks (Cost \$189,798,726)			273,111,268
Preferred Stocks 2.5%			
Brazil 2.5%			
^d Banco Bradesco SA, ADR, 12.04% . . .	Banks	1,026,866	3,522,150
^d Itau Unibanco Holding SA, ADR, 6.71%	Banks	897,443	3,571,823
			7,093,973
Total Preferred Stocks (Cost \$11,447,177)			7,093,973
Total Long Term Investments (Cost \$201,245,903)			280,205,241
Short Term Investments 3.0%			
		Shares	Value
Money Market Funds 3.0%			
United States 3.0%			
^{e,f} Institutional Fiduciary Trust - Money Market Portfolio, 0%.		8,808,068	8,808,068
Total Money Market Funds (Cost \$8,808,068)			8,808,068
Total Short Term Investments (Cost \$8,808,068)			8,808,068
Total Investments (Cost \$210,053,971) 99.9%			\$289,013,309
Other Assets, less Liabilities 0.1%			197,047
Net Assets 100.0%			\$289,210,356

See Abbreviations on page 172.

^fRounds to less than 0.1% of net assets.

^aNon-income producing.

Templeton Developing Markets VIP Fund (continued)

^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 September 30, 2020, the aggregate value of these securities was \$3,535,262, representing 1.2% of net assets.

^cA portion or all of the security is on loan at September 30, 2020.

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

^eSee Note 10 regarding investments in affiliated management investment companies.

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

Statement of Investments (unaudited), September 30, 2020

Templeton Foreign VIP Fund

	Country	Shares	Value
Common Stocks 87.1%			
Aerospace & Defense 2.1%			
BAE Systems plc	United Kingdom	2,425,479	\$15,064,054
^a Dassault Aviation SA	France	10,152	8,561,910
			23,625,964
Airlines 0.4%			
International Consolidated Airlines Group SA	United Kingdom	3,659,305	4,469,365
Auto Components 2.7%			
Cie Generale des Etablissements Michelin SCA	France	171,911	18,450,295
Toyota Industries Corp.	Japan	186,300	11,793,499
			30,243,794
Automobiles 4.1%			
Bayerische Motoren Werke AG	Germany	235,253	17,070,353
Honda Motor Co. Ltd.	Japan	517,600	12,288,100
Isuzu Motors Ltd.	Japan	1,906,500	16,669,071
			46,027,524
Banks 8.3%			
^a ING Groep NV	Netherlands	1,953,931	13,941,975
Kasikornbank PCL	Thailand	1,860,000	4,554,056
^b KB Financial Group, Inc., ADR	South Korea	956,806	30,732,609
Shinhan Financial Group Co. Ltd.	South Korea	366,922	8,635,597
^a Standard Chartered plc	United Kingdom	3,926,281	18,067,848
Sumitomo Mitsui Financial Group, Inc.	Japan	606,500	16,953,407
			92,885,492
Beverages 1.9%			
Kirin Holdings Co. Ltd.	Japan	1,159,100	21,764,727
Biotechnology 0.6%			
^a Galapagos NV	Belgium	44,734	6,340,582
Chemicals 1.8%			
^c Covestro AG, 144A, Reg S	Germany	216,793	10,748,484
^b Tosoh Corp.	Japan	574,100	9,318,441
			20,066,925
Construction & Engineering 0.4%			
Sinopec Engineering Group Co. Ltd., H	China	11,734,000	4,337,477
Diversified Telecommunication Services 0.5%			
China Telecom Corp. Ltd., H	China	19,921,557	5,985,425
Electric Utilities 0.1%			
^a Siemens Energy AG	Germany	34,829	939,011
Electronic Equipment, Instruments & Components 2.6%			
^b Hitachi Ltd.	Japan	684,800	23,180,364
^a Landis+Gyr Group AG	Switzerland	120,834	6,577,702
			29,758,066
Energy Equipment & Services 1.4%			
SBM Offshore NV	Netherlands	960,511	15,318,465
Food & Staples Retailing 3.0%			
Matsumotokiyoshi Holdings Co. Ltd.	Japan	388,300	14,154,126
Sundrug Co. Ltd.	Japan	515,000	19,407,374
			33,561,500

Templeton Foreign VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Health Care Providers & Services 0.5%			
Sinopharm Group Co. Ltd., H	China	2,794,800	\$5,906,016
Household Durables 2.6%			
Panasonic Corp.	Japan	1,239,300	10,553,451
Sony Corp.	Japan	248,300	19,024,806
			29,578,257
Industrial Conglomerates 2.9%			
CK Hutchison Holdings Ltd.	United Kingdom	3,873,500	23,472,611
Siemens AG	Germany	69,658	8,795,171
			32,267,782
Insurance 2.1%			
AIA Group Ltd.	Hong Kong	2,416,800	24,023,383
Interactive Media & Services 1.6%			
^a Baidu, Inc., ADR	China	138,230	17,498,536
Internet & Direct Marketing Retail 1.5%			
^a Alibaba Group Holding Ltd.	China	466,400	17,122,177
Machinery 1.3%			
Komatsu Ltd.	Japan	655,000	14,381,708
Marine 0.5%			
AP Moller - Maersk A/S, B.	Denmark	3,684	5,822,729
Media 1.4%			
^a Informa plc	United Kingdom	961,990	4,662,632
Nippon Television Holdings, Inc.	Japan	338,900	3,642,835
TBS Holdings, Inc.	Japan	441,700	7,629,731
			15,935,198
Metals & Mining 6.3%			
Alamos Gold, Inc., A	Canada	1,135,752	10,005,975
^a ArcelorMittal SA	Luxembourg	1,011,540	13,453,977
Sumitomo Metal Mining Co. Ltd.	Japan	670,600	20,792,268
Wheaton Precious Metals Corp.	Brazil	544,400	26,706,955
			70,959,175
Multi-Utilities 1.9%			
E.ON SE.	Germany	1,972,849	21,740,927
Oil, Gas & Consumable Fuels 4.1%			
BP plc.	United Kingdom	4,985,758	14,419,278
Equinor ASA	Norway	1,303,205	18,456,642
Galp Energia SGPS SA, B	Portugal	1,139,637	10,568,437
Husky Energy, Inc.	Canada	1,163,600	2,691,213
			46,135,570
Pharmaceuticals 11.3%			
Bayer AG	Germany	552,576	34,083,207
Novartis AG	Switzerland	128,920	11,190,354
Roche Holding AG	Switzerland	63,327	21,686,180
Sanofi.	France	228,345	22,877,994
Takeda Pharmaceutical Co. Ltd.	Japan	1,053,394	37,640,688
			127,478,423
Real Estate Management & Development 3.5%			
CK Asset Holdings Ltd.	Hong Kong	3,560,500	17,495,467

Templeton Foreign VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Real Estate Management & Development (continued)			
Mitsui Fudosan Co. Ltd.	Japan	811,000	\$14,108,754
Swire Pacific Ltd., A	Hong Kong	1,628,500	7,884,401
			39,488,622
Semiconductors & Semiconductor Equipment 7.4%			
Infineon Technologies AG	Germany	590,665	16,644,813
NXP Semiconductors NV	Netherlands	221,300	27,620,453
Taiwan Semiconductor Manufacturing Co. Ltd.	Taiwan	2,587,000	38,967,468
			83,232,734
Technology Hardware, Storage & Peripherals 4.0%			
Samsung Electronics Co. Ltd.	South Korea	909,188	45,279,516
Thriffs & Mortgage Finance 1.7%			
Housing Development Finance Corp. Ltd.	India	779,117	18,519,888
Tobacco 1.8%			
Imperial Brands plc	United Kingdom	1,122,761	19,832,666
Wireless Telecommunication Services 0.8%			
Vodafone Group plc, ADR	United Kingdom	700,303	9,398,066
Total Common Stocks (Cost \$956,828,334)			979,925,690
Short Term Investments 14.2%			
	Country	Shares	Value
Money Market Funds 12.4%			
^{d,e} Institutional Fiduciary Trust - Money Market Portfolio, 0%	United States	139,440,745	139,440,745
Total Money Market Funds (Cost \$139,440,745)			139,440,745
Investments from Cash Collateral Received for Loaned Securities 1.8%			
Money Market Funds 1.8%			
^{d,e} Institutional Fiduciary Trust - Money Market Portfolio, 0%	United States	20,019,296	20,019,296
Total Investments from Cash Collateral Received for Loaned Securities (Cost \$20,019,296)			20,019,296
Total Short Term Investments (Cost \$159,460,041)			159,460,041
Total Investments (Cost \$1,116,288,375) 101.3%			\$1,139,385,731
Other Assets, less Liabilities (1.3%)			(14,199,703)
Net Assets 100.0%			\$1,125,186,028

See abbreviations on page 172

^aNon-income producing.

^bA portion or all of the security is on loan at September 30, 2020.

^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 September 30, 2020, the value of this security was \$10,748,484, representing 1.0% of net assets.

^dSee Note 10 regarding investments in affiliated management investment companies.

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

Statement of Investments (unaudited), September 30, 2020

Templeton Global Bond VIP Fund

	Principal Amount*	Value
Foreign Government and Agency Securities 43.4%		
Argentina 1.7%		
^{a,b} Argentina BONCER,		
Index Linked, 1.1%, 4/17/21	313,864,228 ARS	\$2,161,422
Index Linked, 1.2%, 3/18/22	1,688,192,709 ARS	11,411,944
Index Linked, 1.4%, 3/25/23	1,016,838,069 ARS	6,641,116
Index Linked, 1.5%, 3/25/24	1,016,838,073 ARS	6,249,308
^{b,c} Argentina Bonos del Tesoro Nacional en		
Pesos Badlar, FRN, 31.641%, (ARS		
BADLAR + 2%), 4/03/22	24,036,000 ARS	162,162
^b Argentina Government Bond,		
18.2%, 10/03/21	820,823,000 ARS	4,635,533
16%, 10/17/23	844,288,000 ARS	3,321,007
15.5%, 10/17/26	1,668,306,000 ARS	4,981,500
		39,563,992
Brazil 0.9%		
Brazil Notas do Tesouro Nacional, 10%,		
1/01/21	117,516,000 BRL	21,337,302
Colombia 1.6%		
Colombia Government Bond,		
Senior Bond, 7.75%, 4/14/21	2,386,000,000 COP	638,510
Senior Bond, 4.375%, 3/21/23	362,000,000 COP	96,039
Senior Bond, 9.85%, 6/28/27	576,000,000 COP	193,936
Colombia Titulos de Tesoreria,		
B, 7%, 5/04/22	17,524,600,000 COP	4,899,845
B, 10%, 7/24/24	40,977,000,000 COP	13,163,016
B, 7.5%, 8/26/26	35,134,200,000 COP	10,588,253
B, 6%, 4/28/28	29,113,600,000 COP	8,046,630
		37,626,229
Ghana 1.6%		
Ghana Government Bond,		
24.75%, 3/01/21	690,000 GHS	124,100
16.5%, 3/22/21	1,730,000 GHS	302,032
16.25%, 5/17/21	7,250,000 GHS	1,263,402
24.5%, 6/21/21	80,000 GHS	14,665
24.75%, 7/19/21	1,190,000 GHS	218,866
18.75%, 1/24/22	26,990,000 GHS	4,758,557
17.6%, 11/28/22	520,000 GHS	88,923
19%, 9/18/23	150,000 GHS	25,244
19.75%, 3/25/24	26,840,000 GHS	4,653,375
19%, 11/02/26	80,510,000 GHS	13,440,566
19.75%, 3/15/32	80,510,000 GHS	12,992,503
		37,882,233
India 2.9%		
India Government Bond,		
8.79%, 11/08/21	653,000,000 INR	9,317,693
8.2%, 2/15/22	500,000,000 INR	7,166,431
8.35%, 5/14/22	212,700,000 INR	3,067,046
8.15%, 6/11/22	1,621,000,000 INR	23,394,502
6.84%, 12/19/22	98,000,000 INR	1,399,068
7.16%, 5/20/23	133,700,000 INR	1,921,941
8.83%, 11/25/23	1,468,100,000 INR	22,137,798
		68,404,479

Templeton Global Bond VIP Fund (continued)

	Principal Amount [*]	Value
Foreign Government and Agency Securities (continued)		
India (continued)		
India Government Bond, (continued)		
Indonesia 4.5%		
Indonesia Government Bond,		
FR34, 12.8%, 6/15/21	324,406,000,000 IDR	\$23,221,845
FR61, 7%, 5/15/22	244,849,000,000 IDR	17,141,076
FR35, Senior Bond, 12.9%, 6/15/22	71,229,000,000 IDR	5,456,582
FR43, 10.25%, 7/15/22	147,832,000,000 IDR	10,931,421
FR63, 5.625%, 5/15/23	258,951,000,000 IDR	17,714,128
FR46, 9.5%, 7/15/23	226,780,000,000 IDR	17,010,024
FR39, 11.75%, 8/15/23	5,491,000,000 IDR	434,760
FR70, 8.375%, 3/15/24	32,315,000,000 IDR	2,366,726
FR44, 10%, 9/15/24	4,454,000,000 IDR	347,071
FR81, 6.5%, 6/15/25	101,941,000,000 IDR	7,078,665
FR40, 11%, 9/15/25	46,856,000,000 IDR	3,829,092
		105,531,390
Mexico 14.5%		
Mexican Bonos Desarr Fixed Rate,		
M, 6.5%, 6/10/21	1,856,820,000 MXN	85,031,125
M, Senior Note, 7.25%, 12/09/21	2,154,560,000 MXN	100,640,001
M, 6.5%, 6/09/22	2,147,994,000 MXN	100,306,979
M, Senior Note, 6.75%, 3/09/23	229,144,000 MXN	10,900,780
M, Senior Bond, 8%, 12/07/23	836,490,000 MXN	41,507,324
^d Mexican Udibonos, S, Index Linked, 2.5%, 12/10/20	39,948,010 MXN	1,814,549
		340,200,758
Norway 5.1%		
^e Norway Government Bond,		
144A, Reg S, 3.75%, 5/25/21	335,990,000 NOK	36,899,393
144A, Reg S, 2%, 5/24/23	315,007,000 NOK	35,395,573
144A, Reg S, 3%, 3/14/24	265,052,000 NOK	31,132,908
144A, Reg S, 1.75%, 3/13/25	89,312,000 NOK	10,192,455
144A, Reg S, 1.5%, 2/19/26	52,969,000 NOK	6,031,298
		119,651,627
South Korea 10.2%		
Korea Treasury Bond,		
3%, 3/10/23	3,919,000,000 KRW	3,536,307
2.25%, 9/10/23	88,312,000,000 KRW	78,738,563
1.875%, 3/10/24	33,811,000,000 KRW	29,914,730
1.375%, 9/10/24	75,881,910,000 KRW	66,034,598
3%, 9/10/24	18,500,000,000 KRW	17,088,575
1.375%, 12/10/29	53,382,000,000 KRW	45,574,081
		240,886,854
Supranational 0.4%		
^f Inter-American Development Bank, Senior Bond, 7.5%, 12/05/24		
	200,000,000 MXN	9,704,795
Total Foreign Government and Agency Securities (Cost \$1,278,727,526)		1,020,789,659

Templeton Global Bond VIP Fund (continued)

	Principal Amount ¹	Value
U.S. Government and Agency Securities 20.6%		
United States 20.6%		
U.S. Treasury Notes,		
1.125%, 9/30/21	3,497,000	\$3,531,015
1.5%, 9/30/21	15,768,000	15,980,237
2.125%, 12/31/21	3,953,000	4,050,590
1.5%, 10/31/24	64,160,000	67,498,325
1.5%, 11/30/24	50,420,000	53,086,745
1.75%, 12/31/24	22,672,000	24,130,625
2%, 2/15/25	49,140,000	52,906,120
2.125%, 5/15/25	58,760,000	63,811,983
2.875%, 5/31/25	76,680,000	85,992,427
2.625%, 12/31/25	44,803,000	50,214,362
1.625%, 2/15/26	24,220,000	25,905,939
2.125%, 5/31/26	11,063,000	12,167,139
1.625%, 10/31/26	24,220,000	26,029,877
		485,305,384
Total U.S. Government and Agency Securities (Cost \$464,317,489)		485,305,384
Total Long Term Investments (Cost \$1,743,045,015)		1,506,095,043

	Number of Contracts	Notional Amount [#]	
Options Purchased 0.8%			
Calls - Over-the-Counter			
Currency Options			
Foreign Exchange AUD/JPY, Counterparty CITI, April Strike Price 72.90 AUD, Expires 4/29/21	1	3,162,000 AUD	125,981
Foreign Exchange AUD/JPY, Counterparty CITI, January Strike Price 79.00 AUD, Expires 1/22/21	1	26,674,000 AUD	153,125
Foreign Exchange AUD/JPY, Counterparty CITI, October Strike Price 80.40 AUD, Expires 10/22/20	1	31,615,000 AUD	2,577
Foreign Exchange AUD/JPY, Counterparty CITI, April Strike Price 81.00 AUD, Expires 4/29/21	1	19,266,000 AUD	106,239
Foreign Exchange AUD/JPY, Counterparty CITI, June Strike Price 81.00 AUD, Expires 6/21/21	1	29,640,000 AUD	205,441
Foreign Exchange AUD/JPY, Counterparty CITI, October Strike Price 81.10 AUD, Expires 10/30/20	1	29,730,000 AUD	2,875
Foreign Exchange AUD/JPY, Counterparty CITI, December Strike Price 82.15 AUD, Expires 12/21/20	1	35,514,000 AUD	29,416
Foreign Exchange AUD/JPY, Counterparty CITI, November Strike Price 84.33 AUD, Expires 11/12/20	1	8,878,000 AUD	385
Foreign Exchange USD/AUD, Counterparty HSBK, January Strike Price \$1.45, Expires 1/22/21	1	16,911,280	203,778
Foreign Exchange USD/AUD, Counterparty HSBK, March Strike Price \$1.46, Expires 3/22/21	1	14,358,483	207,951

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/AUD, Counterparty MSCO, February Strike Price \$1.47, Expires 2/02/21	1	22,794,030	\$220,203
Foreign Exchange USD/AUD, Counterparty MSCO, January Strike Price \$1.48, Expires 1/21/21	1	19,862,726	164,590
Foreign Exchange USD/AUD, Counterparty MSCO, October Strike Price \$1.50, Expires 10/28/20.	1	10,562,906	5,050
Foreign Exchange USD/AUD, Counterparty HSBK, February Strike Price \$1.53, Expires 2/08/21	1	20,676,864	110,445
Foreign Exchange USD/AUD, Counterparty MSCO, November Strike Price \$1.54, Expires 11/19/20.	1	21,734,568	17,647
Foreign Exchange USD/AUD, Counterparty HSBK, February Strike Price \$1.54, Expires 2/10/21	1	24,565,503	113,559
Foreign Exchange USD/JPY, Counterparty CITI, February Strike Price \$104.78, Expires 2/01/21.	1	4,536,000	93,193
Foreign Exchange USD/JPY, Counterparty CITI, February Strike Price \$110.80, Expires 2/24/21.	1	49,303,000	117,566
Foreign Exchange USD/JPY, Counterparty CITI, February Strike Price \$115.00, Expires 2/24/21.	1	98,607,000	42,781
Foreign Exchange USD/JPY, Counterparty CITI, August Strike Price \$115.95, Expires 8/11/21	1	65,721,000	104,613
Foreign Exchange USD/MXN, Counterparty GSCO, June Strike Price \$22.83, Expires 6/09/21	1	7,291,000	379,766
Foreign Exchange USD/MXN, Counterparty CITI, March Strike Price \$23.23, Expires 3/24/21	1	18,842,000	669,170
Foreign Exchange USD/MXN, Counterparty CITI, February Strike Price \$23.36, Expires 2/12/21.	1	23,370,000	678,195
Foreign Exchange USD/MXN, Counterparty CITI, April Strike Price \$23.75, Expires 4/09/21	1	11,742,000	370,172
Foreign Exchange USD/MXN, Counterparty CITI, December Strike Price \$23.97, Expires 12/07/20.	1	26,279,000	330,593
Foreign Exchange USD/MXN, Counterparty CITI, June Strike Price \$24.81, Expires 6/30/21	1	35,754,000	1,065,355
Foreign Exchange USD/MXN, Counterparty CITI, April Strike Price \$25.48, Expires 4/09/21	1	11,205,000	195,189
Foreign Exchange USD/MXN, Counterparty CITI, June Strike Price \$26.09, Expires 6/18/21	1	23,833,000	469,358

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/MXN, Counterparty CITI, November Strike Price \$26.72, Expires 11/09/20.	1	34,941,000	\$34,790
Foreign Exchange USD/MXN, Counterparty MSCO, March Strike Price \$28.75, Expires 3/30/21.	1	24,669,000	152,767
Foreign Exchange USD/MXN, Counterparty MSCO, August Strike Price \$29.19, Expires 8/29/24.	1	21,864,000	2,013,359
Foreign Exchange USD/MXN, Counterparty MSCO, August Strike Price \$29.71, Expires 8/09/24.	1	21,864,000	1,876,822
Foreign Exchange USD/MXN, Counterparty CITI, December Strike Price \$29.73, Expires 12/07/21.	1	31,535,000	564,987
			<u>10,827,938</u>
Puts - Over-the-Counter			
Currency Options			
Foreign Exchange AUD/JPY, Counterparty CITI, June Strike Price 58.95 AUD, Expires 6/21/21.	1	39,520,000 AUD	105,901
Foreign Exchange AUD/JPY, Counterparty CITI, December Strike Price 65.85 AUD, Expires 12/21/20.	1	17,757,000 AUD	22,815
Foreign Exchange AUD/JPY, Counterparty CITI, November Strike Price 66.78 AUD, Expires 11/12/20.	1	4,439,000 AUD	1,671
Foreign Exchange AUD/JPY, Counterparty CITI, March Strike Price 68.50 AUD, Expires 3/24/21.	1	17,783,000 AUD	115,526
Foreign Exchange AUD/JPY, Counterparty CITI, November Strike Price 69.18 AUD, Expires 11/12/20.	1	2,664,000 AUD	2,423
Foreign Exchange AUD/JPY, Counterparty CITI, June Strike Price 69.20 AUD, Expires 6/24/21.	1	15,808,000 AUD	176,084
Foreign Exchange AUD/JPY, Counterparty CITI, June Strike Price 69.20 AUD, Expires 6/24/21.	1	31,616,000 AUD	352,169
Foreign Exchange AUD/JPY, Counterparty CITI, April Strike Price 71.00 AUD, Expires 4/29/21.	1	51,376,000 AUD	625,203
Foreign Exchange AUD/JPY, Counterparty CITI, June Strike Price 71.44 AUD, Expires 6/21/21.	1	39,520,000 AUD	605,426
Foreign Exchange USD/AUD, Counterparty MSCO, May Strike Price \$1.30, Expires 5/12/21.	1	16,341,872	133,473
Foreign Exchange USD/AUD, Counterparty MSCO, October Strike Price \$1.33, Expires 10/28/20.	1	5,939,856	2,940

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/AUD, Counterparty HSBK, January Strike Price \$1.33, Expires 1/22/21	1	5,935,904	\$40,013
Foreign Exchange USD/AUD, Counterparty HSBK, February Strike Price \$1.34, Expires 2/08/21	1	11,800,672	108,437
Foreign Exchange USD/AUD, Counterparty HSBK, January Strike Price \$1.40, Expires 1/22/21	1	5,677,954	138,654
Foreign Exchange USD/JPY, Counterparty CITI, February Strike Price \$102.10, Expires 2/24/21	1	49,303,000	478,489
Foreign Exchange USD/JPY, Counterparty CITI, February Strike Price \$102.30, Expires 2/01/21	1	34,512,000	307,901
Foreign Exchange USD/JPY, Counterparty CITI, August Strike Price \$102.65, Expires 8/11/21	1	98,606,000	1,941,486
Foreign Exchange USD/JPY, Counterparty CITI, October Strike Price \$103.60, Expires 10/29/20	1	49,304,000	81,145
Foreign Exchange USD/MXN, Counterparty MSCO, August Strike Price \$19.43, Expires 8/30/21	1	16,398,000	108,759
Foreign Exchange USD/MXN, Counterparty MSCO, August Strike Price \$19.88, Expires 8/11/21	1	16,398,000	146,599
Foreign Exchange USD/MXN, Counterparty CITI, February Strike Price \$20.16, Expires 2/12/21	1	37,976,000	242,615
Foreign Exchange USD/MXN, Counterparty CITI, March Strike Price \$20.66, Expires 3/24/21	1	10,516,000	122,736
Foreign Exchange USD/MXN, Counterparty GSCO, October Strike Price \$20.80, Expires 10/23/20	1	23,303,000	38,477
Foreign Exchange USD/MXN, Counterparty CITI, November Strike Price \$22.45, Expires 11/09/20	1	17,471,000	541,469
Foreign Exchange USD/MXN, Counterparty GSCO, June Strike Price \$22.83, Expires 6/09/21	1	7,291,000	397,067
Foreign Exchange USD/MXN, Counterparty GSCO, October Strike Price \$22.95, Expires 10/23/20	1	23,303,000	998,074
			7,835,552
Total Options Purchased (Cost \$27,506,089)			18,663,490

Templeton Global Bond VIP Fund (continued)

Short Term Investments 34.4%

	Principal Amount*	Value
Foreign Government and Agency Securities 12.6%		
Argentina 0.1%		
^{a,b} Argentina Letras de la Nacion Argentina con Ajuste por CER, Index Linked, 12/04/20	391,131,903 ARS	\$2,701,983
Brazil 3.9%		
^g Brazil Letras do Tesouro Nacional, 10/01/20	166,070,000 BRL	29,564,815
4/01/21	25,610,000 BRL	4,510,040
7/01/21	34,210,000 BRL	5,981,577
10/01/21	302,400,000 BRL	52,372,005
		92,428,437
Japan 8.4%		
^g Japan Treasury Bills, 10/05/20	5,425,500,000 JPY	51,429,668
10/12/20	1,611,000,000 JPY	15,271,388
11/09/20	291,000,000 JPY	2,758,809
12/14/20	1,804,150,000 JPY	17,107,136
1/12/21	1,884,800,000 JPY	17,874,551
2/10/21	1,180,000,000 JPY	11,191,930
3/10/21	8,017,300,000 JPY	76,050,640
3/25/21	698,500,000 JPY	6,626,247
		198,310,369
Mexico 0.2%		
^g Mexico Cetes, BI, 12/17/20	33,067,400 MXN	1,481,271
BI, 2/25/21	42,908,900 MXN	1,906,428
BI, 3/25/21	24,448,000 MXN	1,082,604
		4,470,303
Total Foreign Government and Agency Securities (Cost \$308,661,959)		297,911,092
U.S. Government and Agency Securities 10.3%		
United States 10.3%		
^g U.S. Treasury Bills, 10/15/20	64,460,000	64,458,183
11/24/20	113,820,000	113,805,915
12/15/20	64,460,000	64,447,242
		242,711,340
Total U.S. Government and Agency Securities (Cost \$242,706,296)		242,711,340

Templeton Global Bond VIP Fund (continued)

Short Term Investments (continued)

	Shares	Value
Money Market Funds 11.5%		
United States 11.5%		
^{h,i} Institutional Fiduciary Trust - Money Market Portfolio, 0%	270,540,056	\$270,540,056
Total Money Market Funds (Cost \$270,540,056)		270,540,056
Total Short Term Investments (Cost \$821,908,311)		811,162,488
Total Investments (Cost \$2,592,459,415) 99.2%		\$2,335,921,021
Options Written (0.7)%		(17,134,101)
Other Assets, less Liabilities 1.5%		34,645,916
Net Assets 100.0%		\$2,353,432,836

	Number of Contracts	Notional Amount [#]	
Options Written (0.7)%			
Calls - Over-the-Counter			
Currency Options			
Foreign Exchange AUD/JPY, Counterparty CITI, April Strike Price 71.75 AUD, Expires 4/29/21	1	38,532,000 AUD	(1,845,598)
Foreign Exchange AUD/JPY, Counterparty CITI, December Strike Price 75.70 AUD, Expires 12/21/20	1	35,514,000 AUD	(535,811)
Foreign Exchange AUD/JPY, Counterparty CITI, January Strike Price 76.00 AUD, Expires 1/22/21	1	26,674,000 AUD	(432,322)
Foreign Exchange AUD/JPY, Counterparty CITI, January Strike Price 76.95 AUD, Expires 1/22/21	1	31,616,000 AUD	(380,305)
Foreign Exchange AUD/JPY, Counterparty CITI, October Strike Price 77.45 AUD, Expires 10/30/20	1	29,730,000 AUD	(66,392)
Foreign Exchange AUD/JPY, Counterparty CITI, June Strike Price 78.00 AUD, Expires 6/21/21	1	29,640,000 AUD	(448,172)
Foreign Exchange USD/AUD, Counterparty HSBK, January Strike Price \$1.40, Expires 1/22/21	1	5,677,954	(136,783)
Foreign Exchange USD/AUD, Counterparty MSCO, October Strike Price \$1.44, Expires 10/21/20	1	10,176,419	(17,388)
Foreign Exchange USD/AUD, Counterparty MSCO, October Strike Price \$1.46, Expires 10/26/20	1	8,230,024	(9,253)
Foreign Exchange USD/AUD, Counterparty HSBK, January Strike Price \$1.52, Expires 1/22/21	1	7,817,846	(40,880)
Foreign Exchange USD/AUD, Counterparty HSBK, January Strike Price \$1.52, Expires 1/27/21	1	6,879,660	(36,464)
Foreign Exchange USD/AUD, Counterparty HSBK, March Strike Price \$1.54, Expires 3/22/21	1	5,515,403	(34,842)

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/AUD, Counterparty MSCO, January Strike Price \$1.57, Expires 1/21/21	1	9,344,403	\$(26,668)
Foreign Exchange USD/JPY, Counterparty CITI, February Strike Price \$107.00, Expires 2/24/21.	1	98,607,000	(1,079,183)
Foreign Exchange USD/JPY, Counterparty CITI, February Strike Price \$107.65, Expires 2/01/21.	1	19,721,000	(150,996)
Foreign Exchange USD/JPY, Counterparty CITI, August Strike Price \$109.90, Expires 8/11/21	1	98,606,000	(846,069)
Foreign Exchange USD/MXN, Counterparty CITI, December Strike Price \$23.46, Expires 12/07/20.	1	8,760,000	(148,111)
Foreign Exchange USD/MXN, Counterparty MSCO, November Strike Price \$23.68, Expires 11/25/20.	1	14,301,000	(172,678)
Foreign Exchange USD/MXN, Counterparty CITI, December Strike Price \$25.43, Expires 12/07/20.	1	8,760,000	(49,513)
Foreign Exchange USD/MXN, Counterparty CITI, March Strike Price \$25.87, Expires 3/24/21	1	17,883,000	(242,324)
Foreign Exchange USD/MXN, Counterparty CITI, March Strike Price \$26.08, Expires 3/24/21	1	7,537,000	(95,239)
Foreign Exchange USD/MXN, Counterparty MSCO, August Strike Price \$26.61, Expires 8/30/21.	1	16,398,000	(377,143)
Foreign Exchange USD/MXN, Counterparty CITI, April Strike Price \$27.24, Expires 4/09/21	1	22,442,000	(231,262)
Foreign Exchange USD/MXN, Counterparty MSCO, August Strike Price \$27.38, Expires 8/11/21.	1	16,398,000	(297,563)
Foreign Exchange USD/MXN, Counterparty CITI, December Strike Price \$27.93, Expires 12/07/21.	1	10,512,000	(256,591)
Foreign Exchange USD/MXN, Counterparty CITI, June Strike Price \$28.24, Expires 6/18/21	1	23,833,000	(272,595)
Foreign Exchange USD/MXN, Counterparty CITI, June Strike Price \$28.40, Expires 6/30/21	1	23,836,000	(282,504)
Foreign Exchange USD/MXN, Counterparty GSCO, June Strike Price \$30.36, Expires 6/09/21	1	7,291,000	(49,973)
Foreign Exchange USD/MXN, Counterparty CITI, November Strike Price \$31.74, Expires 11/09/20.	1	17,471,000	(1,677)
			<u>(8,564,299)</u>

Templeton Global Bond VIP Fund (continued)

	Number of Contracts	Notional Amount#	Value
Options Written (continued)			
Puts - Over-the-Counter			
Currency Options			
Foreign Exchange AUD/JPY, Counterparty CITI, June Strike Price 64.86 AUD, Expires 6/21/21	1	59,280,000 AUD	\$(351,866)
Foreign Exchange AUD/JPY, Counterparty CITI, April Strike Price 66.00 AUD, Expires 4/29/21	1	25,688,000 AUD	(142,076)
Foreign Exchange AUD/JPY, Counterparty CITI, April Strike Price 72.90 AUD, Expires 4/29/21	1	3,162,000 AUD	(52,585)
Foreign Exchange USD/AUD, Counterparty HSBK, May Strike Price \$1.29, Expires 5/05/21	1	15,290,750	(94,332)
Foreign Exchange USD/AUD, Counterparty MSCO, May Strike Price \$1.35, Expires 5/12/21	1	31,506,748	(571,696)
Foreign Exchange USD/AUD, Counterparty MSCO, October Strike Price \$1.38, Expires 10/21/20.	1	10,632,780	(47,296)
Foreign Exchange USD/AUD, Counterparty MSCO, October Strike Price \$1.39, Expires 10/28/20.	1	5,697,994	(44,550)
Foreign Exchange USD/AUD, Counterparty MSCO, October Strike Price \$1.40, Expires 10/26/20.	1	8,615,336	(95,301)
Foreign Exchange USD/AUD, Counterparty HSBK, November Strike Price \$1.40, Expires 11/05/20.	1	8,444,045	(127,536)
Foreign Exchange USD/AUD, Counterparty HSBK, February Strike Price \$1.44, Expires 2/08/21	1	10,942,298	(537,193)
Foreign Exchange USD/JPY, Counterparty CITI, August Strike Price \$98.00, Expires 8/11/21	1	32,885,000	(335,987)
Foreign Exchange USD/JPY, Counterparty CITI, February Strike Price \$98.80, Expires 2/01/21.	1	17,256,000	(71,259)
Foreign Exchange USD/JPY, Counterparty CITI, February Strike Price \$104.78, Expires 2/01/21.	1	4,536,000	(71,747)
Foreign Exchange USD/JPY, Counterparty CITI, October Strike Price \$106.00, Expires 10/29/20.	1	49,304,000	(452,331)
Foreign Exchange USD/MXN, Counterparty GSCO, June Strike Price \$19.61, Expires 6/09/21	1	7,291,000	(42,936)
Foreign Exchange USD/MXN, Counterparty CITI, June Strike Price \$20.24, Expires 6/30/21	1	11,918,000	(125,212)
Foreign Exchange USD/MXN, Counterparty MSCO, August Strike Price \$20.94, Expires 8/30/21.	1	16,398,000	(318,297)
Foreign Exchange USD/MXN, Counterparty MSCO, November Strike Price \$21.37, Expires 11/25/20.	1	14,301,000	(182,771)

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/MXN, Counterparty MSCO, August Strike Price \$21.43, Expires 8/11/21.	1	16,398,000	\$(428,323)
Foreign Exchange USD/MXN, Counterparty CITI, February Strike Price \$21.63, Expires 2/12/21.	1	37,976,000	(914,647)
Foreign Exchange USD/MXN, Counterparty GSCO, October Strike Price \$22.02, Expires 10/23/20.	1	46,606,000	(723,646)
Foreign Exchange USD/MXN, Counterparty CITI, November Strike Price \$23.88, Expires 11/09/20.	1	34,941,000	(2,838,216)
			(8,569,803)
Total Options Written (Premiums received \$16,887,637)			\$(17,134,102)

See Abbreviations on page 172.

[#]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.

^oRedemption price at maturity is adjusted for inflation.

^bSecurities denominated in Argentine Peso have been designated as Level 3 investments. See Note 12 regarding fair value measurements.

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

^gPrincipal amount of security is adjusted for inflation.

^hSecurity 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 September 30, 2020, the aggregate value of these securities was \$119,651,627, representing 5.1% of net assets.

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

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

^kSee Note 10 regarding investments in affiliated management investment companies.

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

Templeton Global Bond VIP Fund (continued)

At September 30, 2020, 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							
Brazilian Real	HSBK	Buy	93,155,800	16,496,511	10/02/20	\$87,664	\$—
Brazilian Real	HSBK	Sell	93,155,800	17,474,358	10/02/20	890,182	—
Brazilian Real	JPHQ	Buy	226,355,900	40,045,272	10/02/20	252,014	—
Brazilian Real	JPHQ	Sell	226,355,900	42,586,450	10/02/20	2,289,164	—
Mexican Peso	GSCO	Buy	452,466,000	20,492,120	10/02/20	—	(43,527)
Mexican Peso	GSCO	Sell	452,466,000	21,418,509	10/02/20	969,917	—
Euro	GSCO	Buy	17,044,025	19,273,383	10/05/20	707,071	—
Euro	GSCO	Sell	17,044,025	19,070,900	10/05/20	—	(909,554)
South Korean Won	HSBK	Buy	42,561,000,000	36,392,475	10/07/20	114,605	—
South Korean Won	HSBK	Sell	42,561,000,000	34,840,373	10/07/20	—	(1,666,708)
Mexican Peso	CITI	Sell	318,868,000	14,003,778	10/08/20	543,750	(940,205)
Mexican Peso	CITI	Sell	121,288,000	5,877,353	10/09/20	400,599	—
Australian Dollar	HSBK	Sell	14,684,959	1,098,735,974 JPY	10/13/20	—	(97,587)
Australian Dollar	JPHQ	Sell	22,450,754	1,678,137,731 JPY	10/13/20	—	(164,730)
Euro	HSBK	Buy	33,800,018	38,282,239	10/13/20	1,348,676	—
Euro	HSBK	Sell	33,800,018	37,982,433	10/13/20	—	(1,648,482)
Euro	UBSW	Sell	10,093,999	10,861,193 CHF	10/13/20	—	(42,165)
Mexican Peso	CITI	Sell	404,375,000	19,555,619	10/13/20	1,305,025	—
Australian Dollar	JPHQ	Sell	47,994,623	3,653,845,423 JPY	10/14/20	460,518	(183,168)
Euro	GSCO	Sell	7,934,962	8,527,545 CHF	10/14/20	—	(44,489)
Japanese Yen	JPHQ	Sell	2,246,125,000	30,200,000 AUD	10/14/20	328,041	—
Euro	DBAB	Sell	13,339,381	138,688,215 SEK	10/15/20	—	(157,609)
Mexican Peso	CITI	Sell	595,223,000	28,888,991	10/15/20	2,031,466	—
Euro	BOFA	Buy	5,251,819	6,017,223	10/16/20	157,075	(16,033)
Euro	BOFA	Sell	5,251,819	5,944,009	10/16/20	—	(214,257)
Euro	DBAB	Sell	19,967,021	208,032,400 SEK	10/16/20	—	(187,520)
Euro	HSBK	Buy	8,691,999	9,971,513	10/16/20	258,920	(38,223)
Euro	HSBK	Sell	8,692,000	9,833,042	10/16/20	—	(359,168)
Euro	JPHQ	Sell	18,480,695	198,445,700 NOK	10/16/20	—	(402,444)
Mexican Peso	CITI	Sell	545,017,000	26,695,974	10/16/20	2,106,847	—
South Korean Won	HSBK	Sell	7,007,000,000	5,737,799	10/20/20	—	(272,007)
Australian Dollar	MSCO	Sell	5,730,000	4,178,230	10/23/20	75,656	—
Indian Rupee	HSBK	Sell	640,300,000	8,497,677	10/26/20	—	(181,549)
Indian Rupee	SCNY	Sell	2,081,097,000	27,592,522	10/26/20	—	(616,616)
Japanese Yen	BNDP	Buy	8,410,370,000	77,686,199	10/26/20	2,058,440	—
Japanese Yen	BNDP	Sell	8,410,370,000	79,406,159	10/26/20	—	(338,480)
Mexican Peso	CITI	Sell	250,042,000	11,359,607	10/27/20	93,853	—
South Korean Won	HSBK	Sell	39,774,174,559	33,094,125	10/28/20	—	(1,017,837)
South Korean Won	HSBK	Sell	24,029,880,977	20,127,214	10/29/20	—	(481,653)
Euro	BOFA	Buy	27,385,662	30,919,909	10/30/20	1,203,289	—
Euro	BOFA	Sell	27,385,662	29,817,509	10/30/20	—	(2,305,690)
Euro	CITI	Sell	20,106,927	2,484,834,181 JPY	10/30/20	—	(23,760)
Euro	HSBK	Buy	25,974,891	29,458,291	10/30/20	1,010,083	—
Euro	HSBK	Sell	25,974,891	28,262,500	10/30/20	—	(2,205,874)
Japanese Yen	CITI	Buy	1,511,588,790	14,131,356	10/30/20	201,731	—
Japanese Yen	CITI	Sell	1,511,588,790	14,249,249	10/30/20	—	(83,839)
Japanese Yen	JPHQ	Buy	4,187,000,000	39,263,309	10/30/20	438,386	—
Japanese Yen	JPHQ	Sell	4,187,000,000	39,423,385	10/30/20	—	(278,310)
Brazilian Real	CITI	Sell	177,213,700	32,316,503	11/04/20	794,416	—

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)							
Brazilian Real	HSBK	Sell	93,155,800	16,484,251	11/04/20	\$—	\$(85,942)
Brazilian Real	JPHQ	Sell	226,355,900	40,014,124	11/04/20	—	(249,187)
Euro	UBSW	Sell	24,119,571	26,067,318 CHF	11/09/20	284,866	(255,289)
South Korean Won	HSBK	Sell	75,818,000,000	63,504,481	11/10/20	—	(1,519,614)
Euro	GSCO	Sell	26,114,838	28,425,037 CHF	11/12/20	273,984	(22,501)
Euro	DBAB	Sell	13,471,477	138,688,185 SEK	11/13/20	—	(319,326)
Japanese Yen	CITI	Buy	727,486,679	6,790,754	11/16/20	108,677	—
Euro	DBAB	Sell	13,488,054	138,688,215 SEK	11/17/20	—	(339,427)
Euro	BOFA	Buy	10,878,191	12,905,157	11/20/20	—	(139,500)
Euro	BOFA	Sell	10,878,191	11,840,584	11/20/20	—	(925,072)
Euro	GSCO	Buy	1,898,500	2,250,602	11/20/20	—	(22,694)
Euro	GSCO	Sell	1,898,500	2,069,593	11/20/20	—	(158,314)
Euro	BOFA	Sell	7,066,000	7,766,311	11/23/20	—	(526,217)
Euro	GSCO	Sell	1,230,811	1,350,975	11/23/20	—	(93,482)
Euro	JPHQ	Buy	21,540,000	24,445,296	11/23/20	857,706	(24,054)
Euro	JPHQ	Sell	48,239,690	53,079,523	11/23/20	—	(3,533,693)
Australian Dollar	CITI	Sell	35,607,467	2,694,648,504 JPY	11/24/20	61,712	—
Australian Dollar	JPHQ	Sell	67,462,999	5,064,942,916 JPY	11/24/20	51,460	(317,919)
Euro	HSBK	Sell	50,507,930	6,152,121,340 JPY	11/24/20	420,897	(1,345,847)
Australian Dollar	JPHQ	Sell	52,305,500	3,959,264,822 JPY	11/25/20	100,145	—
Euro	MSCO	Sell	30,744,500	33,641,247	11/27/20	—	(2,442,906)
Brazilian Real	CITI	Sell	72,644,928	13,216,820	12/02/20	301,324	—
Brazilian Real	HSBK	Sell	67,353,775	12,242,357	12/02/20	267,572	—
Indian Rupee	SCNY	Sell	2,362,358,000	32,012,440	12/02/20	125,235	—
Mexican Peso	JPHQ	Sell	581,314,000	26,387,860	12/08/20	321,178	—
Australian Dollar	HSBK	Sell	19,340,000	1,495,890,980 JPY	12/14/20	344,938	—
Australian Dollar	JPHQ	Sell	22,664,623	1,759,239,370 JPY	12/14/20	463,052	—
Euro	DBAB	Sell	26,825,359	277,376,415 SEK	12/14/20	—	(510,512)
Euro	DBAB	Sell	13,332,714	138,688,221 SEK	12/15/20	—	(161,504)
Euro	JPHQ	Sell	18,535,500	198,445,700 NOK	12/16/20	—	(495,297)
Japanese Yen	MSCO	Buy	12,189,000,000	115,214,473	12/18/20	456,260	—
Japanese Yen	MSCO	Sell	1,550,123,530	14,612,062	12/18/20	—	(98,244)
Euro	JPHQ	Sell	18,880,224	202,667,400 NOK	12/21/20	—	(450,346)
Japanese Yen	JPHQ	Buy	1,180,260,000	11,082,774	12/22/20	118,798	—
Japanese Yen	BNDP	Buy	2,244,657,680	21,061,272	12/24/20	243,374	—
Japanese Yen	CITI	Buy	4,212,680,000	39,535,263	12/24/20	448,407	—
Mexican Peso	JPHQ	Sell	441,687,000	20,005,662	12/28/20	245,790	—
Euro	CITI	Sell	22,619,073	2,785,516,197 JPY	12/30/20	—	(133,019)
Euro	CITI	Sell	33,700,000	37,987,988	1/04/21	—	(1,611,087)
South Korean Won	HSBK	Sell	42,561,000,000	36,389,364	1/08/21	—	(121,547)
South Korean Won	DBAB	Sell	13,919,000,000	11,609,809	1/13/21	—	(330,744)
Euro	GSCO	Sell	7,941,195	8,527,493 CHF	1/14/21	—	(44,565)
South Korean Won	HSBK	Sell	13,984,825,441	11,602,776	1/19/21	—	(394,415)
Mexican Peso	CITI	Sell	299,321,000	14,091,331	1/21/21	738,534	—
Mexican Peso	CITI	Sell	223,105,000	10,493,775	1/22/21	542,180	—
Mexican Peso	JPHQ	Sell	57,736,000	2,607,533	1/22/21	32,220	—
South Korean Won	DBAB	Sell	13,920,000,000	11,622,276	2/04/21	—	(319,775)
Euro	UBSW	Sell	20,210,865	21,723,143 CHF	2/10/21	—	(86,384)
Australian Dollar	HSBK	Sell	6,937,000	5,037,649	2/12/21	69,306	—
Euro	GSCO	Sell	10,558,941	11,370,079 CHF	2/12/21	—	(21,966)
Mexican Peso	CITI	Sell	546,651,200	24,633,360	2/16/21	322,507	—
Australian Dollar	JPHQ	Sell	45,472,501	3,464,199,714 JPY	2/22/21	339,640	—
Euro	HSBK	Sell	25,252,747	3,170,191,934 JPY	2/24/21	410,120	—
Euro	HSBK	Sell	25,253,559	3,149,421,812 JPY	2/25/21	211,598	—
Australian Dollar	CITI	Sell	3,372,533	255,563,103 JPY	2/26/21	12,334	—
Euro	CITI	Sell	20,106,846	2,529,075,228 JPY	2/26/21	372,616	—
Japanese Yen	CITI	Buy	2,796,566,000	26,458,830	2/26/21	108,547	—

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)							
Japanese Yen	JPHQ	Buy	4,594,279,100	43,404,543	2/26/21	\$241,108	\$—
Mexican Peso	CITI	Sell	861,862,000	38,568,616	3/02/21	303,629	—
South Korean Won	GSCO	Sell	44,346,000,000	37,383,351	3/09/21	—	(664,453)
Australian Dollar	CITI	Sell	23,089,500	1,766,224,375 JPY	3/10/21	243,845	—
Euro	UBSW	Sell	10,068,687	10,861,194 CHF	3/10/21	2,296	—
Australian Dollar	HSBK	Sell	14,685,041	1,131,174,023 JPY	3/11/21	229,753	—
Mexican Peso	CITI	Sell	539,656,000	23,963,623	3/11/21	29,724	—
Euro	DBAB	Sell	20,006,766	208,032,350 SEK	3/15/21	—	(274,827)
Euro	GSCO	Sell	10,558,082	11,369,999 CHF	3/15/21	—	(17,943)
Australian Dollar	HSBK	Sell	81,620,000	6,273,721,300 JPY	3/16/21	1,152,971	—
Australian Dollar	HSBK	Sell	9,830,000	754,855,530 JPY	3/17/21	132,024	—
Mexican Peso	MSCO	Sell	313,625,800	14,546,651	3/17/21	647,241	—
South Korean Won	CITI	Sell	4,215,000,000	3,570,521	3/22/21	—	(45,966)
Mexican Peso	MSCO	Sell	103,277,000	4,655,682	3/24/21	82,442	—
Euro	HSBK	Sell	25,254,215	3,106,369,487 JPY	3/25/21	—	(205,510)
Euro	CITI	Sell	22,619,073	2,787,144,769 JPY	3/31/21	—	(138,825)
Euro	JPHQ	Sell	20,737,524	230,077,650 NOK	3/31/21	254,898	—
Mexican Peso	GSCO	Sell	452,466,000	20,057,895	4/05/21	50,366	—
Mexican Peso	CITI	Sell	211,419,600	9,442,127	4/13/21	101,955	—
Mexican Peso	CITI	Sell	660,655,100	29,513,293	4/30/21	383,486	—
Euro	CITI	Sell	22,619,082	2,788,932,752 JPY	6/30/21	—	(138,588)
Total Forward Exchange Contracts						\$32,638,103	\$(33,507,985)
Net unrealized appreciation (depreciation)							\$(869,882)

*In U.S. dollars unless otherwise stated.

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

Statement of Investments (unaudited), September 30, 2020

Templeton Growth VIP Fund

	Country	Shares	Value
Common Stocks 89.1%			
Aerospace & Defense 1.0%			
BAE Systems plc	United Kingdom	1,076,963	\$6,688,753
Air Freight & Logistics 1.4%			
United Parcel Service, Inc., B	United States	55,819	9,301,120
Airlines 1.8%			
^a International Consolidated Airlines Group SA	United Kingdom	1,907,921	2,330,278
^b Japan Airlines Co. Ltd.	Japan	302,900	5,648,008
Southwest Airlines Co.	United States	91,424	3,428,400
			11,406,686
Auto Components 1.2%			
BorgWarner, Inc.	United States	110,350	4,274,959
Lear Corp.	United States	33,796	3,685,454
			7,960,413
Automobiles 1.6%			
Honda Motor Co. Ltd.	Japan	316,000	7,502,008
^a Isuzu Motors Ltd.	Japan	304,100	2,658,833
			10,160,841
Banks 2.4%			
Bangkok Bank PCL.	Thailand	1,552,060	4,740,713
KB Financial Group, Inc.	South Korea	159,595	5,155,312
Sumitomo Mitsui Financial Group, Inc.	Japan	203,248	5,681,362
			15,577,387
Beverages 5.4%			
Anheuser-Busch InBev SA/NV	Belgium	235,533	12,678,499
Kirin Holdings Co. Ltd.	Japan	497,400	9,339,811
Pernod Ricard SA	France	35,070	5,590,227
Suntory Beverage & Food Ltd.	Japan	185,560	6,966,433
			34,574,970
Biotechnology 1.9%			
AbbVie, Inc.	United States	45,763	4,008,381
Gilead Sciences, Inc.	United States	125,136	7,907,344
			11,915,725
Chemicals 1.0%			
DuPont de Nemours, Inc.	United States	116,393	6,457,484
Consumer Finance 0.6%			
American Express Co.	United States	38,980	3,907,745
Diversified Telecommunication Services 2.5%			
Verizon Communications, Inc.	United States	272,877	16,233,453
Electric Utilities 0.2%			
^b Siemens Energy AG	Germany	50,279	1,355,539
Electrical Equipment 1.2%			
Mitsubishi Electric Corp.	Japan	565,700	7,673,918
Electronic Equipment, Instruments & Components 1.7%			
Kyocera Corp.	Japan	192,100	10,995,859
Entertainment 1.6%			
Walt Disney Co. (The)	United States	84,649	10,503,248
Food & Staples Retailing 3.9%			
Kroger Co. (The)	United States	241,878	8,202,083

Templeton Growth VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Food & Staples Retailing (continued)			
Seven & i Holdings Co. Ltd.	Japan	197,102	\$6,122,239
Sysco Corp.	United States	172,673	10,743,714
			25,068,036
Food Products 1.5%			
Kellogg Co.	United States	144,817	9,353,730
Health Care Equipment & Supplies 1.8%			
Medtronic plc	United States	53,025	5,510,358
Zimmer Biomet Holdings, Inc.	United States	45,960	6,256,994
			11,767,352
Health Care Providers & Services 1.0%			
^b Laboratory Corp. of America Holdings	United States	32,468	6,112,750
Hotels, Restaurants & Leisure 5.6%			
Compass Group plc	United Kingdom	454,150	6,822,403
Galaxy Entertainment Group Ltd.	Macau	1,031,300	6,972,354
^b InterContinental Hotels Group plc	United Kingdom	96,760	5,079,174
Starbucks Corp.	United States	56,480	4,852,762
Whitbread plc	United Kingdom	70,840	1,935,616
Yum China Holdings, Inc.	China	187,311	9,918,117
			35,580,426
Household Durables 3.2%			
Gree Electric Appliances, Inc. of Zhuhai, A.	China	379,820	2,999,273
Panasonic Corp.	Japan	1,014,460	8,638,792
Sony Corp.	Japan	112,320	8,605,985
			20,244,050
Industrial Conglomerates 2.4%			
Honeywell International, Inc.	United States	29,691	4,887,436
Siemens AG	Germany	83,281	10,515,240
			15,402,676
Insurance 1.7%			
AIA Group Ltd.	Hong Kong	1,101,645	10,950,529
Internet & Direct Marketing Retail 3.6%			
^b Alibaba Group Holding Ltd.	China	347,140	12,743,980
^b Booking Holdings, Inc.	United States	5,950	10,178,546
			22,922,526
IT Services 1.9%			
^b EPAM Systems, Inc.	United States	37,826	12,228,389
Machinery 3.1%			
^a Komatsu Ltd.	Japan	440,500	9,671,973
Makita Corp.	Japan	141,800	6,784,519
Stanley Black & Decker, Inc.	United States	22,400	3,633,280
			20,089,772
Marine 1.3%			
AP Moller - Maersk A/S, B.	Denmark	5,311	8,394,277
Media 3.4%			
Comcast Corp., A.	United States	333,281	15,417,579
SES SA, FDR.	Luxembourg	881,520	6,239,290
			21,656,869

Templeton Growth VIP Fund (continued)

	Country	Shares	Value
Common Stocks (continued)			
Metals & Mining 5.0%			
^b ArcelorMittal SA	Luxembourg	485,836	\$6,461,856
Freeport-McMoRan, Inc.	United States	555,628	8,690,022
Wheaton Precious Metals Corp.	Brazil	338,999	16,630,476
			31,782,354
Multiline Retail 2.1%			
^b Dollar Tree, Inc.	United States	144,230	13,173,968
Multi-Utilities 2.1%			
E.ON SE.	Germany	1,196,199	13,182,193
Oil, Gas & Consumable Fuels 1.7%			
BP plc.	United Kingdom	1,941,401	5,614,713
^a Husky Energy, Inc.	Canada	686,221	1,587,115
Royal Dutch Shell plc, B	Netherlands	317,577	3,851,422
			11,053,250
Pharmaceuticals 8.3%			
Bayer AG	Germany	150,406	9,277,129
Roche Holding AG	Switzerland	46,662	15,979,290
Sanofi.	France	189,625	18,998,619
Takeda Pharmaceutical Co. Ltd.	Japan	242,624	8,669,628
			52,924,666
Road & Rail 0.7%			
East Japan Railway Co.	Japan	31,800	1,955,103
Keisei Electric Railway Co. Ltd.	Japan	80,000	2,258,879
			4,213,982
Semiconductors & Semiconductor Equipment 1.1%			
NXP Semiconductors NV	Netherlands	55,236	6,894,005
Software 0.9%			
Oracle Corp.	United States	97,534	5,822,780
Specialty Retail 2.6%			
Ross Stores, Inc.	United States	91,046	8,496,413
TJX Cos., Inc. (The)	United States	151,643	8,438,933
			16,935,346
Technology Hardware, Storage & Peripherals 2.9%			
Samsung Electronics Co. Ltd.	South Korea	373,630	18,607,577
Textiles, Apparel & Luxury Goods 1.8%			
^b adidas AG.	Germany	14,503	4,682,632
Burberry Group plc	United Kingdom	355,780	7,131,608
			11,814,240
Total Common Stocks (Cost \$509,919,508)			570,888,884
Short Term Investments 5.2%			
	Country	Principal Amount ^c	Value
Time Deposits 4.8%			
BNP Paribas SA, 0.08%, 10/01/20.	France	20,000,000	20,000,000
Royal Bank of Canada, 0.06%, 10/01/20	Canada	11,000,000	11,000,000
Total Time Deposits (Cost \$31,000,000)			31,000,000

Templeton Growth VIP Fund (continued)

Short Term Investments (continued)

	Country	Shares	Value
Investments from Cash Collateral Received for			
Loaned Securities 0.4%			
Money Market Funds 0.4%			
^{c,d} Institutional Fiduciary Trust - Money Market Portfolio, 0%	United States	2,304,383	\$2,304,383
Total Investments from Cash Collateral Received for Loaned Securities			
(Cost \$2,304,383)			2,304,383
Total Short Term Investments (Cost \$33,304,383)			33,304,383
Total Investments (Cost \$543,223,891) 94.3%			\$604,193,267
Other Assets, less Liabilities 5.7%			36,465,331
Net Assets 100.0%			\$640,658,598

See Abbreviations on page 172.

[†]The principal amount is stated in U.S. dollars unless otherwise indicated.

^aA portion or all of the security is on loan at September 30, 2020.

^bNon-income producing.

^cSee Note 10 regarding investments in affiliated management investment companies.

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

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 September 30, 2020, 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. 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 September 30, 2020, the Funds received U.S. Treasury Bills, Bonds and Notes as collateral for derivatives, as follows:

Franklin Mutual Global Discovery VIP Fund- \$412,608

Franklin Mutual Shares VIP Fund- \$654,049

Templeton Global Bond VIP Fund- \$2,746,726

Certain or all Funds entered into exchange traded futures contracts primarily to manage and/or gain exposure to interest rate 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 for 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 interest rate swap contracts primarily to manage interest rate risk. An interest rate swap is an agreement between the Fund and a counterparty to exchange cash flows based on the difference between two interest rates, applied to a notional amount. These agreements may be privately negotiated in the over-the-counter market (OTC interest rate swaps) or may be executed on a registered exchange (centrally cleared interest rate swaps). For centrally cleared interest rate swaps, required initial margins are pledged by the Fund, and the daily change in fair value is accounted for as a variation margin payable or receivable. 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. Certain or all Funds did not hold any interest rate swap contracts at period end.

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.

3. Derivative Financial Instruments (continued)

Franklin Allocation VIP Fund – Futures, forwards, options and swaps

Franklin Income VIP Fund – Options

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

Templeton Global Bond VIP Fund – Options, forwards and swaps

4. Mortgage Dollar Rolls

Franklin Allocation VIP Fund and Franklin Strategic Income VIP Fund enter 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. Current political and financial uncertainty surrounding the European Union may increase market volatility and the economic risk of investing in securities in Europe. 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

5. Concentration of Risk (continued)

currently do not affect the Funds' ability to sell these securities. At September 30, 2020, Templeton Developing Markets VIP Fund had 7.3% 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.

At September 30, 2020, Templeton Global Bond VIP Fund had 1.9% 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 September 30, 2020, 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 . .	4/13/06-12/26/08	\$281,629	\$6,358
Shares	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	\$25,944
Shares	Issuer	Acquisition Date	Cost	Value
Franklin Small-Mid Cap Growth VIP Fund				
251,933	^a DraftKings, Inc., A	8/07/15	\$2,684,262	\$14,086,334
Principal Amount*/ Shares/ Units	Issuer	Acquisition Date	Cost	Value
Franklin Strategic Income VIP Fund				
18,684	Appvion Operations, Inc.	4/12/19	\$252,711	\$279,033

7. Restricted Securities (continued)

Principal Amount*/ Shares/ Units	Issuer	Acquisition Date	Cost	Value
Franklin Strategic Income VIP Fund (continued)				
14,792,309 ZAR	K2016470219 South Africa Ltd., A	2/08/13-2/01/17	\$114,768	\$—
1,472,041 ZAR	K2016470219 South Africa Ltd., B	2/01/17	1,093	—
7,021	^b Remington Outdoor Co., Inc., Litigation Units	4/12/19	—	—
Total Restricted Securities (Value is 0.07% of Net Assets)			\$368,572	\$279,033

*In U.S. dollars unless otherwise indicated.

^aThe Fund also invests in unrestricted securities of the issuer, valued at \$1,347,436 as of September 30, 2020.

^bThe Fund also invests in unrestricted securities of the issuer, valued at \$2,051 as of September 30, 2020.

8. Unfunded Loan Commitments

Certain or all Funds enter into certain credit agreements, all or a portion of which may be unfunded. The Fund is obligated to fund these loan commitments at the borrowers' discretion. Unfunded loan commitments and funded portions of credit agreements are marked to market daily. Funded portions of credit agreements are presented in the Statement of Investments.

At September 30, 2020, unfunded commitments were as follows:

Borrower	Unfunded Commitment
Franklin Strategic Income VIP Fund	
Fieldwood Energy LLC	\$270,448
Pathway Vet Alliance LLC	32,381
	\$302,829

9. 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 nine months ended September 30, 2020, 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	Investment Income
Franklin VolSmart Allocation VIP Fund								
Non-Controlled Affiliates								
								Dividends
Franklin DynaTech Fund, Class R6	\$9,701,447	\$1,700,000	\$(11,942,385)	\$5,149,340	\$(4,608,402)	\$—		\$—
Franklin Income Fund, Class R6	\$15,600,923	\$1,619,945	\$(1,552,000)	\$(211,629)	\$(1,503,105)	\$13,954,134	6,741,127	\$551,539
Franklin Liberty U.S. Core Bond ETF	\$—	\$27,703,683	\$(1,032,131)	\$5,340	\$361,460	\$27,038,352	1,030,425	\$343,446
Franklin Low Duration Total Return Fund, Class R6	\$32,117,065	\$428,199	\$(20,948,000)	\$(1,792,981)	\$398,904	\$10,203,187	1,061,726	\$428,927
Franklin Strategic Income Fund, Class R6	\$22,028,255	\$430,376	\$(14,669,000)	\$(1,610,718)	\$(58,480)	\$6,120,433	660,954	\$430,377

9. Investments in FT Underlying Funds (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 VolSmart Allocation VIP Fund (continued)								
Institutional Fiduciary Trust - Money Market Portfolio, 0%	\$4,131,506	\$117,394,728	\$(113,853,035)	\$—	\$—	\$7,673,199	7,673,199	\$15,377
Total Affiliated Securities	\$83,579,196	\$149,276,931	\$(163,996,551)	\$1,539,352	\$(5,409,623)	\$64,989,305		\$1,769,666

10. 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 September 30, 2020, investments in affiliated management investment companies 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	Investment Income
Franklin Allocation VIP Fund								
Non-Controlled Affiliates								
								Dividends
Franklin LibertyQ U.S. Equity ETF	\$—	\$4,446,394	\$(4,056,817)	\$(389,577)	\$—	\$—		\$10,093
Institutional Fiduciary Trust - Money Market Portfolio, 0%	\$21,473,752	\$228,799,603	\$(230,116,832)	\$—	\$—	\$20,156,523	20,156,523	\$72,099
Templeton Global Bond VIP Fund, Class 1	\$33,013,162	\$4,449,481	\$(25,400,000)	\$(6,081,323)	\$1,793,660	\$7,774,980	539,390	\$2,449,481
Total Affiliated Securities	\$54,486,914	\$237,695,478	\$(259,573,649)	\$(6,470,900)	\$1,793,660	\$27,931,503		\$2,531,673
Franklin Flex Cap Growth VIP Fund								
Non-Controlled Affiliates								
								Dividends
Institutional Fiduciary Trust - Money Market Portfolio, 0%	\$2,694,405	\$28,727,096	\$(27,423,094)	\$—	\$—	\$3,998,407	3,998,407	\$3,121
Non-Controlled Affiliates								
								Income from securities loaned
Institutional Fiduciary Trust - Money Market Portfolio, 0%	\$23,100	\$2,254,330	\$(2,050,105)	\$—	\$—	\$227,325	227,325	\$10
Total Affiliated Securities	\$2,717,505	\$30,981,426	\$(29,473,199)	\$—	\$—	\$4,225,732		\$3,131
Franklin Global Real Estate VIP Fund								
Non-Controlled Affiliates								
								Income from securities loaned
Institutional Fiduciary Trust - Money Market Portfolio, 0%	\$—	\$4,330,000	\$(4,155,000)	—	—	\$175,000	175,000	\$53
Total Affiliated Securities	\$—	\$4,330,000	\$(4,155,000)	\$—	\$—	\$175,000		\$53
Franklin Growth and Income VIP Fund								
Non-Controlled Affiliates								
								Income from securities loaned
Institutional Fiduciary Trust - Money Market Portfolio, 0%	\$—	\$3,580,000	\$(3,525,000)	—	—	\$55,000	55,000	\$182
Total Affiliated Securities	\$—	\$3,580,000	\$(3,525,000)	\$—	\$—	\$55,000		\$182

10. 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%	\$83,971,136	\$1,269,666,095	\$(1,140,683,502)	\$—	\$—	\$212,953,729	212,953,729	\$359,949
Non-Controlled Affiliates								
								Income from securities loaned
Institutional Fiduciary Trust - Money Market Portfolio, 0%	\$747,000	\$148,161,000	\$(143,681,000)	\$—	\$—	\$5,227,000	5,227,000	\$11,050
Total Affiliated Securities	\$84,718,136	\$1,417,827,095	\$(1,284,364,502)	\$—	\$—	\$218,180,729		\$370,999
Franklin Large Cap Growth VIP Fund								
Non-Controlled Affiliates								
								Income from securities loaned
Institutional Fiduciary Trust - Money Market Portfolio, 0%	\$411,000	\$7,285,000	\$(7,046,000)	—	—	\$650,000	650,000	\$1,039
Total Affiliated Securities	\$411,000	\$7,285,000	\$(7,046,000)	\$—	\$—	\$650,000		\$1,039
Franklin Rising Dividends VIP Fund								
Non-Controlled Affiliates								
								Dividends
Institutional Fiduciary Trust - Money Market Portfolio, 0%	\$17,735,928	\$199,685,422	\$(194,526,786)	\$—	\$—	\$22,894,564	22,894,564	\$38,591
Total Affiliated Securities	\$17,735,928	\$199,685,422	\$(194,526,786)	\$—	\$—	\$22,894,564		\$38,591
Franklin Small Cap Value VIP Fund								
Non-Controlled Affiliates								
								Dividends
Institutional Fiduciary Trust - Money Market Portfolio, 0%	\$24,977,897	\$185,858,852	\$(192,571,788)	\$—	\$—	\$18,264,961	18,264,961	\$—
Total Affiliated Securities	\$24,977,897	\$185,858,852	\$(192,571,788)	\$—	\$—	\$18,264,961		\$—
Franklin Small-Mid Cap Growth VIP Fund								
Non-Controlled Affiliates								
								Dividends
Institutional Fiduciary Trust - Money Market Portfolio, 0%	\$10,406,987	\$98,110,708	\$(94,354,053)	\$—	\$—	\$14,163,642	14,163,642	\$—

10. 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-Mid Cap Growth VIP Fund (continued)								
Non-Controlled Affiliates								
								Income from securities loaned
Institutional Fiduciary Trust - Money Market Portfolio, 0%	\$4,879,541	\$42,720,993	\$(42,864,479)	\$—	\$—	\$4,736,055	4,736,055	\$11,432
Total Affiliated Securities	\$15,286,528	\$140,831,701	\$(137,218,532)	\$—	\$—	\$18,899,697		\$11,432
Franklin Strategic Income VIP Fund								
Non-Controlled Affiliates								
								Dividends
Franklin Floating Rate Income Fund	\$9,264,918	\$—	\$—	\$—	\$(1,018,246)	\$8,246,672	1,118,951	\$323,102
Institutional Fiduciary Trust - Money Market Portfolio, 0%	\$11,463,714	\$145,463,683	\$(146,363,465)	\$—	\$—	\$10,563,932	10,563,932	\$29,388
Total Affiliated Securities	\$20,728,632	\$145,463,683	\$(146,363,465)	\$—	\$(1,018,246)	\$18,810,604		\$352,490
Templeton Developing Markets VIP Fund								
Non-Controlled Affiliates								
								Dividends
Institutional Fiduciary Trust - Money Market Portfolio, 0%	\$3,522,232	\$34,641,565	\$(29,355,729)	\$—	\$—	\$8,808,068	8,808,068	\$9,563
Total Affiliated Securities	\$3,522,232	\$34,641,565	\$(29,355,729)	\$—	\$—	\$8,808,068		\$9,563
Templeton Foreign VIP Fund								
Non-Controlled Affiliates								
								Dividends
Institutional Fiduciary Trust - Money Market Portfolio, 0%	\$70,825,763	\$247,355,708	\$(178,740,726)	\$—	\$—	\$139,440,745	139,440,745	\$185,345
Non-Controlled Affiliates								
								Income from securities loaned
Institutional Fiduciary Trust - Money Market Portfolio, 0%	\$—	\$205,042,271	\$(185,022,975)	—	—	\$20,019,296	20,019,296	\$15,612
Total Affiliated Securities	\$70,825,763	\$452,397,979	\$(363,763,701)	\$—	\$—	\$159,460,041		\$200,957

10. 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 Global Bond VIP Fund								
Non-Controlled Affiliates								
								Dividends
Institutional Fiduciary Trust - Money Market Portfolio, 0%	\$691,092,548	\$664,633,660	\$(1,085,186,152)	\$—	\$—	\$270,540,056	270,540,056	\$1,688,582
Total Affiliated Securities	\$691,092,548	\$664,633,660	\$(1,085,186,152)	\$—	\$—	\$270,540,056		\$1,688,582
Templeton Growth VIP Fund								
Non-Controlled Affiliates								
								Income from securities loaned
Institutional Fiduciary Trust - Money Market Portfolio, 0%	\$—	\$50,856,999	\$(48,552,616)	\$—	\$—	\$2,304,383	2,304,383	\$1,765
Total Affiliated Securities	\$—	\$50,856,999	\$(48,552,616)	\$—	\$—	\$2,304,383		\$1,765

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

Franklin Strategic Income VIP Fund invests in certain financial instruments 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. At September 30, 2020, FT Subsidiary's investment, Turtle Bay Resort, as well as any other assets and liabilities of FT Subsidiary are reflected in the Fund's Consolidated Statement of Investments. At September 30, 2020, the net assets of FT Subsidiary were \$6,345,178, representing 1.6% of the Fund's consolidated net assets. The Fund's investment in FT Subsidiary is limited to 25% of consolidated assets.

12. 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:

- 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 September 30, 2020, in valuing the Funds' assets and liabilities carried at fair value, is as follows:

12. Fair Value Measurements (continued)

	Level 1	Level 2	Level 3	Total
Franklin Allocation VIP Fund				
Assets:				
Investments in Securities:				
Common Stocks:				
Aerospace & Defense	\$9,454,243	\$2,287,988	\$—	\$11,742,231
Air Freight & Logistics	3,080,017	1,946,025	—	5,026,042
Airlines	—	309,195	—	309,195
Auto Components	186,842	1,302,004	—	1,488,846
Automobiles	311,032	1,806,353	—	2,117,385
Banks	2,187,012	7,463,851	—	9,650,863
Beverages	6,232,347	909,648	—	7,141,995
Biotechnology	9,012,959	3,736,913	—	12,749,872
Building Products	2,612,631	923,360	—	3,535,991
Capital Markets	13,093,845	7,280,764	—	20,374,609
Chemicals	12,588,832	6,644,034	—	19,232,866
Commercial Services & Supplies	2,768,725	170,089	—	2,938,814
Communications Equipment	1,370,741	—	—	1,370,741
Construction & Engineering	—	479,207	—	479,207
Construction Materials	532,620	58,710	—	591,330
Consumer Finance	16,644	—	—	16,644
Containers & Packaging	476,543	—	—	476,543
Distributors	520,879	—	—	520,879
Diversified Consumer Services	1,760,765	—	—	1,760,765
Diversified Financial Services	1,080,112	1,309,840	—	2,389,952
Diversified Telecommunication Services	3,382,867	3,180,371	—	6,563,238
Electric Utilities	3,266,150	534,995	—	3,801,145
Electrical Equipment	1,746,403	1,761,582	—	3,507,985
Electronic Equipment, Instruments & Components	3,223,526	917,326	—	4,140,852
Energy Equipment & Services	—	883,450	—	883,450
Entertainment	3,502,734	1,216,157	—	4,718,891
Equity Real Estate Investment Trusts (REITs)	6,447,982	809,295	—	7,257,277
Food & Staples Retailing	4,470,731	2,894,448	—	7,365,179
Food Products	3,013,753	897,191	—	3,910,944
Gas Utilities	106,392	476,538	—	582,930
Health Care Equipment & Supplies	19,347,401	5,855,008	—	25,202,409
Health Care Providers & Services	4,160,235	330,982	—	4,491,217
Health Care Technology	1,668,629	—	—	1,668,629
Hotels, Restaurants & Leisure	4,082,143	—	—	4,082,143
Household Durables	1,002,974	2,119,988	—	3,122,962
Household Products	6,459,731	53,331	—	6,513,062
Industrial Conglomerates	6,406,928	969,567	—	7,376,495
Insurance	2,031,851	2,274,436	—	4,306,287
Interactive Media & Services	13,574,005	134,418	—	13,708,423
Internet & Direct Marketing Retail	13,646,319	3,070,675	—	16,716,994
IT Services	18,972,945	5,184,658	—	24,157,603
Leisure Products	170,567	73,249	—	243,816
Life Sciences Tools & Services	5,245,031	795,724	—	6,040,755
Machinery	8,516,191	3,193,680	—	11,709,871
Marine	—	410,177	—	410,177
Media	1,950,313	3,604,107	—	5,554,420
Metals & Mining	1,605,248	3,372,788	—	4,978,036
Multiline Retail	3,184,756	772,544	—	3,957,300
Multi-Utilities	1,788,663	1,332,583	—	3,121,246
Oil, Gas & Consumable Fuels	3,875,179	3,760,725	—	7,635,904
Personal Products	624,477	784,558	—	1,409,035
Pharmaceuticals	13,943,744	8,837,942	—	22,781,686
Professional Services	4,440,279	4,871,622	—	9,311,901

12. Fair Value Measurements (continued)

	Level 1	Level 2	Level 3	Total
Franklin Allocation VIP Fund (continued)				
Assets:				
Investments in Securities:				
Common Stocks:				
Real Estate Management & Development	\$216,115	\$2,578,809	\$—	\$2,794,924
Road & Rail	7,823,949	69,948	—	7,893,897
Semiconductors & Semiconductor Equipment . .	19,298,927	3,568,514	—	22,867,441
Software	36,052,303	6,081,171	—	42,133,474
Specialty Retail	7,980,580	801,946	—	8,782,526
Technology Hardware, Storage & Peripherals . .	11,838,187	1,505,370	—	13,343,557
Textiles, Apparel & Luxury Goods	4,004,484	1,695,827	—	5,700,311
Thriffs & Mortgage Finance	—	681,520	—	681,520
Tobacco	1,159,497	898,260	—	2,057,757
Trading Companies & Distributors	2,742,764	1,559,833	—	4,302,597
Transportation Infrastructure	—	76,829	—	76,829
Water Utilities	1,080,225	—	—	1,080,225
Wireless Telecommunication Services	—	2,130,815	—	2,130,815
Management Investment Companies	23,105,443	—	—	23,105,443
Preferred Stocks	—	136,949	—	136,949
Rights	5,062	—	—	5,062
Corporate Bonds	—	87,085,099	—	87,085,099
Foreign Government and Agency Securities	—	4,992,770	—	4,992,770
U.S. Government and Agency Securities	—	87,914,438	—	87,914,438
Asset-Backed Securities	—	2,438,956	—	2,438,956
Mortgage-Backed Securities	—	80,918,940	—	80,918,940
Municipal Bonds	—	3,376,706	—	3,376,706
Short Term Investments	20,156,523	—	—	20,156,523
Total Investments in Securities	\$368,608,995	\$390,514,796	\$—	\$759,123,791
Liabilities:				
Other Financial Instruments:				
Futures contracts	70,063	—	—	70,063
Franklin Flex Cap Growth VIP Fund				
Assets:				
Investments in Securities: ^a				
Common Stocks	148,087,846	—	—	148,087,846
Short Term Investments	4,225,732	—	—	4,225,732
Total Investments in Securities	\$152,313,578	\$—	\$—	\$152,313,578
Franklin Global Real Estate VIP Fund				
Assets:				
Investments in Securities:				
Common Stocks:				
Diversified Telecommunication Services	—	1,269,204	—	1,269,204
Equity Real Estate Investment Trusts (REITs) . .	70,350,385	25,892,990	—	96,243,375
Hotels, Restaurants & Leisure	798,643	—	—	798,643
Real Estate Management & Development	—	25,888,159	—	25,888,159
Short Term Investments	175,000	829,881	—	1,004,881
Total Investments in Securities	\$71,324,028	\$53,880,234	\$—	\$125,204,262
Franklin Growth and Income VIP Fund				
Assets:				
Investments in Securities:				
Common Stocks:				
Aerospace & Defense	2,254,896	—	—	2,254,896
Air Freight & Logistics	783,161	—	—	783,161
Banks	5,632,282	—	—	5,632,282
Beverages	2,970,484	—	—	2,970,484

12. Fair Value Measurements (continued)

	Level 1	Level 2	Level 3	Total
Franklin Growth and Income VIP Fund (continued)				
Assets:				
Investments in Securities:				
Common Stocks:				
Capital Markets	\$3,577,810	\$—	\$—	\$3,577,810
Chemicals	—	322,680	—	322,680
Commercial Services & Supplies	1,148,205	—	—	1,148,205
Communications Equipment	437,229	—	—	437,229
Diversified Telecommunication Services	1,838,130	—	—	1,838,130
Electric Utilities	5,428,861	—	—	5,428,861
Electrical Equipment	486,857	—	—	486,857
Equity Real Estate Investment Trusts (REITs)	1,237,506	—	—	1,237,506
Food & Staples Retailing	1,364,123	—	—	1,364,123
Food Products	—	565,154	—	565,154
Health Care Equipment & Supplies	2,056,778	—	—	2,056,778
Health Care Providers & Services	1,186,258	—	—	1,186,258
Hotels, Restaurants & Leisure	1,163,297	—	—	1,163,297
Household Products	1,973,658	—	—	1,973,658
Insurance	485,668	—	—	485,668
Machinery	429,772	—	—	429,772
Media	1,207,386	—	—	1,207,386
Multiline Retail	1,566,329	—	—	1,566,329
Oil, Gas & Consumable Fuels	2,208,899	—	—	2,208,899
Personal Products	537,560	—	—	537,560
Pharmaceuticals	3,943,040	—	—	3,943,040
Road & Rail	1,380,235	—	—	1,380,235
Semiconductors & Semiconductor Equipment	2,064,820	—	—	2,064,820
Software	1,870,833	—	—	1,870,833
Specialty Retail	1,016,055	—	—	1,016,055
Technology Hardware, Storage & Peripherals	1,001,757	—	—	1,001,757
Trading Companies & Distributors	252,504	—	—	252,504
Wireless Telecommunication Services	95,160	—	—	95,160
Equity-Linked Securities	—	6,158,656	—	6,158,656
Convertible Preferred Stocks	4,347,619	—	—	4,347,619
Short Term Investments	55,000	13,900	—	68,900
Total Investments in Securities	\$56,002,172	\$7,060,390	\$—	\$63,062,562

Franklin Income VIP Fund

Assets:

Investments in Securities:

Common Stocks:

Air Freight & Logistics	36,275,351	—	—	36,275,351
Automobiles	17,754,000	—	—	17,754,000
Banks	197,819,780	15,770,107	—	213,589,887
Beverages	95,819,200	—	—	95,819,200
Capital Markets	40,130,500	—	—	40,130,500
Chemicals	—	28,919,467	—	28,919,467
Diversified Telecommunication Services	90,711,061	—	—	90,711,061
Electric Utilities	164,720,100	—	—	164,720,100
Energy Equipment & Services	1,560,000	—	—	1,560,000
Equity Real Estate Investment Trusts (REITs)	10,790,000	—	—	10,790,000
Health Care Providers & Services	57,948,000	—	—	57,948,000
Household Products	69,495,000	—	—	69,495,000
Industrial Conglomerates	49,383,000	—	—	49,383,000
Insurance	19,889,964	—	—	19,889,964
Machinery	21,116,000	—	—	21,116,000
Media	23,130,000	—	—	23,130,000
Metals & Mining	48,312,000	—	—	48,312,000

12. Fair Value Measurements (continued)

	Level 1	Level 2	Level 3	Total
Franklin Income VIP Fund (continued)				
Assets:				
Investments in Securities:				
Common Stocks:				
Multi-Utilities	\$115,613,937	\$—	\$—	\$115,613,937
Oil, Gas & Consumable Fuels	161,079,500	—	—	161,079,500
Personal Products	—	15,413,907	—	15,413,907
Pharmaceuticals	181,862,250	49,717,259	—	231,579,509
Road & Rail	35,436,600	—	—	35,436,600
Semiconductors & Semiconductor Equipment	90,242,817	—	—	90,242,817
Software	2,292,480	—	—	2,292,480
Tobacco	26,246,500	—	—	26,246,500
Equity-Linked Securities	—	390,791,365	—	390,791,365
Convertible Preferred Stocks:				
Banks	6,696,000	—	—	6,696,000
Capital Markets	4,420,000	—	—	4,420,000
Electric Utilities	59,185,854	—	—	59,185,854
Multi-Utilities	29,763,000	—	—	29,763,000
Semiconductors & Semiconductor Equipment	62,337,500	—	—	62,337,500
Thriffs & Mortgage Finance	—	12,896,250	—	12,896,250
Preferred Stocks	10,701,600	—	—	10,701,600
Convertible Bonds	—	11,135,000	—	11,135,000
Corporate Bonds	—	1,243,802,958	—	1,243,802,958
Senior Floating Rate Interests	—	962,032	—	962,032
U.S. Government and Agency Securities	—	183,924,352	—	183,924,352
Mortgage-Backed Securities	—	176,543,466	—	176,543,466
Escrows and Litigation Trusts	—	—	— ^b	—
Short Term Investments	218,180,729	1,307,880	—	219,488,609
Total Investments in Securities	\$1,948,912,723	\$2,131,184,043	\$—	\$4,080,096,766
Franklin Large Cap Growth VIP Fund				
Assets:				
Investments in Securities: ^a				
Common Stocks	125,198,846	—	—	125,198,846
Short Term Investments	650,000	2,765,237	—	3,415,237
Total Investments in Securities	\$125,848,846	\$2,765,237	\$—	\$128,614,083
Franklin Mutual Global Discovery VIP Fund				
Assets:				
Investments in Securities:				
Common Stocks:				
Aerospace & Defense	—	6,123,239	—	6,123,239
Auto Components	—	—	6,358	6,358
Automobiles	3,527,128	—	—	3,527,128
Banks	18,288,143	10,352,899	—	28,641,042
Beverages	—	4,901,304	—	4,901,304
Biotechnology	2,763,475	—	—	2,763,475
Building Products	7,514,031	—	—	7,514,031
Capital Markets	—	12,641,699	—	12,641,699
Chemicals	—	14,705,808	—	14,705,808
Communications Equipment	3,556,129	—	—	3,556,129
Construction Materials	—	4,988,910	—	4,988,910
Consumer Finance	5,151,500	—	—	5,151,500
Containers & Packaging	7,005,312	—	—	7,005,312
Diversified Financial Services	13,351,605	—	—	13,351,605
Diversified Telecommunication Services	—	3,721,973	—	3,721,973
Entertainment	8,907,827	—	—	8,907,827
Food Products	8,754,385	—	—	8,754,385

12. Fair Value Measurements (continued)

	Level 1	Level 2	Level 3	Total
Franklin Mutual Global Discovery VIP Fund (continued)				
Assets:				
Investments in Securities:				
Common Stocks:				
Health Care Equipment & Supplies	\$13,718,791	\$—	\$—	\$13,718,791
Health Care Providers & Services	17,113,437	—	—	17,113,437
Hotels, Restaurants & Leisure	—	5,042,730	—	5,042,730
Industrial Conglomerates	3,390,678	—	—	3,390,678
Insurance	15,430,360	18,071,335	—	33,501,695
IT Services	10,167,253	—	—	10,167,253
Media	14,437,321	—	12,128	14,449,449
Oil, Gas & Consumable Fuels	21,190,197	12,307,175	—	33,497,372
Pharmaceuticals	37,670,714	14,822,896	—	52,493,610
Semiconductors & Semiconductor Equipment	—	8,367,548	—	8,367,548
Software	18,367,230	—	—	18,367,230
Technology Hardware, Storage & Peripherals	6,083,601	13,912,828	—	19,996,429
Textiles, Apparel & Luxury Goods	—	4,499,567	—	4,499,567
Tobacco	7,834,528	9,769,286	—	17,603,814
Wireless Telecommunication Services	—	3,586,024	—	3,586,024
Preferred Stocks	—	11,061,576	—	11,061,576
Warrants	7,199	—	—	7,199
Corporate Bonds	—	10,971,169	—	10,971,169
Senior Floating Rate Interests	—	542,869	—	542,869
Companies in Liquidation	—	—	1,626 ^b	1,626
Short Term Investments	10,997,792	5,700,000	—	16,697,792
Total Investments in Securities	\$255,228,636	\$176,090,835	\$20,112	\$431,339,583
Other Financial Instruments:				
Forward exchange contracts	\$—	\$554,861	\$—	\$554,861
Futures contracts	369,747	—	—	369,747
Total Other Financial Instruments	\$369,747	\$554,861	\$—	\$924,608
Liabilities:				
Other Financial Instruments:				
Forward exchange contracts	—	273,364	—	273,364
Franklin Mutual Shares VIP Fund				
Assets:				
Investments in Securities:				
Common Stocks:				
Aerospace & Defense	25,625,227	27,821,397	—	53,446,624
Auto Components	—	—	25,944	25,944
Automobiles	15,876,307	—	—	15,876,307
Banks	159,718,872	—	—	159,718,872
Beverages	—	12,896,165	—	12,896,165
Biotechnology	12,558,931	—	—	12,558,931
Building Products	38,788,301	—	—	38,788,301
Capital Markets	—	23,684,141	—	23,684,141
Commercial Services & Supplies	—	—	— ^b	—
Communications Equipment	22,693,327	—	—	22,693,327
Consumer Finance	35,760,195	—	—	35,760,195
Containers & Packaging	51,391,626	—	—	51,391,626
Diversified Financial Services	77,241,030	—	—	77,241,030
Electric Utilities	24,603,438	—	—	24,603,438
Electrical Equipment	47,979,359	—	—	47,979,359
Electronic Equipment, Instruments & Components	37,861,427	—	—	37,861,427
Energy Equipment & Services	14,909,110	—	—	14,909,110

12. Fair Value Measurements (continued)

	Level 1	Level 2	Level 3	Total
Franklin Mutual Shares VIP Fund (continued)				
Assets:				
Investments in Securities:				
Common Stocks:				
Entertainment	\$54,329,297	\$—	\$—	\$54,329,297
Equity Real Estate Investment Trusts (REITs)	24,379,931	—	—	24,379,931
Food & Staples Retailing	68,971,087	—	—	68,971,087
Food Products	105,077,409	—	—	105,077,409
Health Care Equipment & Supplies	77,347,032	—	—	77,347,032
Health Care Providers & Services	74,833,207	—	—	74,833,207
Household Durables	77,081,919	—	—	77,081,919
Household Products	17,775,314	—	—	17,775,314
Industrial Conglomerates	20,808,206	—	—	20,808,206
Insurance	133,540,912	—	—	133,540,912
IT Services	56,404,652	—	—	56,404,652
Leisure Products	—	—	4,575,528	4,575,528
Machinery	—	8,486,978	—	8,486,978
Media	137,546,770	—	96,532	137,643,302
Oil, Gas & Consumable Fuels	86,805,960	34,267,686	—	121,073,646
Pharmaceuticals	193,626,970	53,526,407	—	247,153,377
Software	82,153,483	—	—	82,153,483
Specialty Retail	21,905,845	—	—	21,905,845
Technology Hardware, Storage & Peripherals	25,653,860	67,629,626	—	93,283,486
Textiles, Apparel & Luxury Goods	21,674,428	—	—	21,674,428
Tobacco	36,715,760	39,289,870	—	76,005,630
Wireless Telecommunication Services	—	11,161,793	—	11,161,793
Warrants	127,256	—	—	127,256
Corporate Bonds	—	126,486,174	—	126,486,174
Senior Floating Rate Interests	—	13,202,483	22,708,366	35,910,849
Companies in Liquidation	—	—	24,920 ^b	24,920
Short Term Investments	23,995,344	42,600,000	—	66,595,344
Total Investments in Securities	\$1,905,761,792	\$461,052,720	\$27,431,290	\$2,394,245,802
Other Financial Instruments:				
Forward exchange contracts	—	775,389	—	775,389
Futures contracts	934,195	—	—	934,195
Total Other Financial Instruments	\$934,195	\$775,389	\$—	\$1,709,584
Liabilities:				
Other Financial Instruments:				
Forward exchange contracts	—	1,170,672	—	1,170,672
Franklin Rising Dividends VIP Fund				
Assets:				
Investments in Securities: ^a				
Common Stocks	1,437,683,463	—	—	1,437,683,463
Short Term Investments	22,894,564	—	—	22,894,564
Total Investments in Securities	\$1,460,578,027	\$—	\$—	\$1,460,578,027
Franklin Small Cap Value VIP Fund				
Assets:				
Investments in Securities:				
Common Stocks:				
Auto Components	1,903,441	—	—	1,903,441
Automobiles	12,559,174	—	—	12,559,174
Banks	125,780,153	—	—	125,780,153
Building Products	44,452,612	—	—	44,452,612
Capital Markets	14,349,681	—	—	14,349,681
Chemicals	53,254,704	—	—	53,254,704

12. Fair Value Measurements (continued)

	Level 1	Level 2	Level 3	Total
Franklin Small Cap Value VIP Fund (continued)				
Assets:				
Investments in Securities:				
Common Stocks:				
Commercial Services & Supplies	\$16,546,176	\$—	\$—	\$16,546,176
Communications Equipment	12,347,048	—	—	12,347,048
Construction & Engineering	4,403,803	—	—	4,403,803
Construction Materials	15,351,753	—	—	15,351,753
Electric Utilities	12,477,504	—	—	12,477,504
Electrical Equipment	17,233,679	—	—	17,233,679
Electronic Equipment, Instruments & Components	18,040,305	—	—	18,040,305
Energy Equipment & Services	1,470,190	2,319,267	—	3,789,457
Equity Real Estate Investment Trusts (REITs)	27,998,497	—	—	27,998,497
Food & Staples Retailing	3,293,004	—	—	3,293,004
Food Products	4,839,110	16,583,559	—	21,422,669
Gas Utilities	1,169,496	—	—	1,169,496
Health Care Equipment & Supplies	33,143,025	—	—	33,143,025
Hotels, Restaurants & Leisure	52,815,548	2,434,213	—	55,249,761
Household Durables	8,008,095	—	—	8,008,095
Insurance	115,901,091	—	—	115,901,091
Leisure Products	21,488,198	—	—	21,488,198
Machinery	166,060,006	—	—	166,060,006
Metals & Mining	12,699,868	—	—	12,699,868
Multi-Utilities	10,295,167	—	—	10,295,167
Oil, Gas & Consumable Fuels	8,653,862	—	—	8,653,862
Paper & Forest Products	11,300,749	—	—	11,300,749
Professional Services	6,415,416	—	—	6,415,416
Road & Rail	2,658,963	—	—	2,658,963
Semiconductors & Semiconductor Equipment	10,095,554	—	—	10,095,554
Software	5,390,776	—	—	5,390,776
Specialty Retail	24,907,900	—	—	24,907,900
Textiles, Apparel & Luxury Goods	25,941,323	—	—	25,941,323
Thriffs & Mortgage Finance	4,085,694	—	—	4,085,694
Corporate Bonds	—	2,386,466	—	2,386,466
Short Term Investments	18,264,961	—	—	18,264,961
Total Investments in Securities	\$925,596,526	\$23,723,505	\$—	\$949,320,031

Franklin Small-Mid Cap Growth VIP Fund

Assets:

Investments in Securities:

Common Stocks:

Aerospace & Defense	6,484,274	—	—	6,484,274
Airlines	1,893,750	—	—	1,893,750
Banks	1,798,720	—	—	1,798,720
Biotechnology	19,003,639	—	—	19,003,639
Capital Markets	22,447,585	—	—	22,447,585
Chemicals	2,167,499	—	—	2,167,499
Commercial Services & Supplies	5,890,385	—	—	5,890,385
Construction Materials	4,001,120	—	—	4,001,120
Containers & Packaging	5,793,464	—	—	5,793,464
Diversified Financial Services	333,538	—	—	333,538
Electronic Equipment, Instruments & Components	11,468,866	—	—	11,468,866
Entertainment	14,961,643	—	—	14,961,643
Equity Real Estate Investment Trusts (REITs)	10,662,700	—	—	10,662,700
Food & Staples Retailing	1,993,524	—	—	1,993,524
Health Care Equipment & Supplies	28,825,507	—	—	28,825,507

12. Fair Value Measurements (continued)

	Level 1	Level 2	Level 3	Total
Franklin Small-Mid Cap Growth VIP Fund (continued)				
Assets:				
Investments in Securities:				
Common Stocks:				
Health Care Providers & Services	\$11,420,628	\$—	\$—	\$11,420,628
Health Care Technology	13,600,254	—	—	13,600,254
Hotels, Restaurants & Leisure	20,005,907	—	14,086,334	34,092,241
Household Durables	5,234,560	—	—	5,234,560
Household Products	4,779,210	—	—	4,779,210
Interactive Media & Services	10,347,891	—	—	10,347,891
Internet & Direct Marketing Retail	4,040,708	—	2,677,008	6,717,716
IT Services	61,441,057	—	—	61,441,057
Leisure Products	3,786,006	—	—	3,786,006
Life Sciences Tools & Services	17,896,216	—	—	17,896,216
Machinery	12,639,686	—	—	12,639,686
Personal Products	2,474,282	—	—	2,474,282
Pharmaceuticals	11,093,631	—	—	11,093,631
Professional Services	26,418,854	—	—	26,418,854
Road & Rail	5,742,959	—	—	5,742,959
Semiconductors & Semiconductor Equipment	34,715,097	—	—	34,715,097
Software	78,659,728	—	768,400	79,428,128
Specialty Retail	14,284,462	—	—	14,284,462
Textiles, Apparel & Luxury Goods	4,536,800	—	1,068,276	5,605,076
Trading Companies & Distributors	3,814,614	—	—	3,814,614
Short Term Investments	18,899,697	—	—	18,899,697
Total Investments in Securities	\$503,558,461	\$—	\$18,600,018	\$522,158,479
Franklin Strategic Income VIP Fund				
Assets:				
Investments in Securities:				
Common Stocks:				
Aerospace & Defense	—	—	2,051	2,051
Energy Equipment & Services	26,898	—	—	26,898
Entertainment	—	8,125	—	8,125
Hotels, Restaurants & Leisure	—	—	41,832	41,832
Machinery	—	—	231,947	231,947
Media	88,882	—	1,072	89,954
Multiline Retail	—	—	— ^b	—
Oil, Gas & Consumable Fuels	11,952	—	—	11,952
Paper & Forest Products	44,342	—	279,033	323,375
Road & Rail	—	—	— ^b	—
Specialty Retail	62,480	—	—	62,480
Management Investment Companies	8,246,672	—	—	8,246,672
Warrants:				
Oil, Gas & Consumable Fuels	—	—	4,999	4,999
Paper & Forest Products	—	376	—	376
Convertible Bonds	—	2,848	—	2,848
Corporate Bonds:				
Aerospace & Defense	—	1,049,805	—	1,049,805
Air Freight & Logistics	—	1,060,922	—	1,060,922
Airlines	—	1,129,827	—	1,129,827
Auto Components	—	2,442,937	—	2,442,937
Banks	—	16,889,548	—	16,889,548
Beverages	—	1,937,569	—	1,937,569
Biotechnology	—	3,264,507	—	3,264,507
Building Products	—	842,000	—	842,000
Capital Markets	—	5,746,881	—	5,746,881
Chemicals	—	10,838,093	—	10,838,093

12. Fair Value Measurements (continued)

	Level 1	Level 2	Level 3	Total
Franklin Strategic Income VIP Fund (continued)				
Assets:				
Investments in Securities:				
Corporate Bonds:				
Commercial Services & Supplies	\$—	\$783,675	\$—	\$783,675
Communications Equipment	—	1,321,616	—	1,321,616
Construction & Engineering	—	142,500	—	142,500
Construction Materials	—	1,342,241	—	1,342,241
Consumer Finance	—	3,168,166	—	3,168,166
Containers & Packaging	—	7,136,164	—	7,136,164
Distributors	—	395,000	—	395,000
Diversified Financial Services	—	925,875	—	925,875
Diversified Telecommunication Services	—	4,339,883	—	4,339,883
Electric Utilities	—	8,523,452	—	8,523,452
Electrical Equipment	—	203,967	—	203,967
Electronic Equipment, Instruments & Components	—	2,322,650	—	2,322,650
Energy Equipment & Services	—	1,136,378	—	1,136,378
Entertainment	—	2,834,088	—	2,834,088
Equity Real Estate Investment Trusts (REITs)	—	4,714,969	—	4,714,969
Food & Staples Retailing	—	1,276,160	—	1,276,160
Food Products	—	3,536,518	—	3,536,518
Gas Utilities	—	326,167	—	326,167
Health Care Equipment & Supplies	—	1,795,318	—	1,795,318
Health Care Providers & Services	—	4,842,036	—	4,842,036
Hotels, Restaurants & Leisure	—	5,765,183	—	5,765,183
Household Durables	—	3,786,938	—	3,786,938
Household Products	—	1,327,269	—	1,327,269
Independent Power and Renewable Electricity Producers	—	5,612,429	—	5,612,429
Insurance	—	4,008,622	—	4,008,622
Interactive Media & Services	—	2,137,546	—	2,137,546
Internet & Direct Marketing Retail	—	1,301,799	—	1,301,799
IT Services	—	2,091,713	—	2,091,713
Machinery	—	2,894,128	—	2,894,128
Marine	—	1,255,218	—	1,255,218
Media	—	9,226,155	—	9,226,155
Metals & Mining	—	4,409,593	—	4,409,593
Multiline Retail	—	353,885	1,763 ^b	355,648
Multi-Utilities	—	1,467,911	—	1,467,911
Oil, Gas & Consumable Fuels	—	15,817,793	—	15,817,793
Paper & Forest Products	—	401,480	—	401,480
Pharmaceuticals	—	4,242,327	—	4,242,327
Real Estate Management & Development	—	2,305,296	—	2,305,296
Road & Rail	—	4,274,302	228,852	4,503,154
Semiconductors & Semiconductor Equipment	—	1,020,895	—	1,020,895
Software	—	1,204,485	—	1,204,485
Specialty Retail	—	1,602,859	—	1,602,859
Textiles, Apparel & Luxury Goods	—	1,477,876	—	1,477,876
Thriffs & Mortgage Finance	—	2,433,198	—	2,433,198
Tobacco	—	1,912,517	—	1,912,517
Trading Companies & Distributors	—	2,657,234	—	2,657,234
Wireless Telecommunication Services	—	4,306,883	—	4,306,883
Senior Floating Rate Interests	—	17,526,580	2,346,679	19,873,259
Marketplace Loans	—	—	1,024,940	1,024,940
Loan Participations and Assignments	—	1,807,346	—	1,807,346
Foreign Government and Agency Securities	—	55,111,009	—	55,111,009
U.S. Government and Agency Securities	—	16,710,931	—	16,710,931

12. Fair Value Measurements (continued)

	Level 1	Level 2	Level 3	Total
Franklin Strategic Income VIP Fund (continued)				
Assets:				
Investments in Securities:				
Asset-Backed Securities	\$—	\$34,492,806	\$—	\$34,492,806
Commercial Mortgage-Backed Securities	—	41,046,559	—	41,046,559
Mortgage-Backed Securities	—	29,824,924	—	29,824,924
Municipal Bonds	—	10,278,753	—	10,278,753
Escrows and Litigation Trusts	—	2,430	4,500 ^b	6,930
Short Term Investments	10,563,932	—	—	10,563,932
Total Investments in Securities	\$19,045,158	\$392,377,133	\$4,167,668	\$415,589,959
Other Financial Instruments:				
Forward exchange contracts	—	202,288	—	202,288
Futures contracts	124,354	—	—	124,354
Swap contracts	—	43,085	—	43,085
Total Other Financial Instruments	\$124,354	\$245,373	\$—	\$369,727
Liabilities:				
Other Financial Instruments:				
Forward exchange contracts	—	303,492	—	303,492
Futures contracts	29,984	—	—	29,984
Swap contracts	—	797,333	—	797,333
Total Other Financial Instruments	\$29,984	\$1,100,825	\$—	\$1,130,809
Franklin U.S. Government Securities VIP Fund				
Assets:				
Investments in Securities: ^a				
Corporate Bonds	—	21,205,146	—	21,205,146
Foreign Government and Agency Securities	—	13,794,227	—	13,794,227
U.S. Government and Agency Securities	—	119,194,794	—	119,194,794
Mortgage-Backed Securities	—	606,856,427	—	606,856,427
Short Term Investments	—	60,298,619	—	60,298,619
Total Investments in Securities	\$—	\$821,349,213	\$—	\$821,349,213
Franklin VolSmart Allocation VIP Fund				
Assets:				
Investments in Securities: ^a				
Common Stocks	118,023,438	—	—	118,023,438
Management Investment Companies	57,316,106	—	—	57,316,106
Short Term Investments	7,673,199	—	—	7,673,199
Total Investments in Securities	\$183,012,743	\$—	\$—	\$183,012,743
Other Financial Instruments:				
Futures contracts	331,220	—	—	331,220
Total Other Financial Instruments	\$331,220	\$—	\$—	\$331,220
Liabilities:				
Other Financial Instruments:				
Swap contracts	—	460	—	460
	Level 1	Level 2	Level 3	Total
Templeton Developing Markets VIP Fund				
Assets:				
Investments in Securities:				
Common Stocks:				
Brazil	\$6,150,270	\$—	\$—	\$6,150,270
Cambodia	—	1,823,084	—	1,823,084
China	31,333,685	57,396,562	—	88,730,247
Czech Republic	—	896,212	—	896,212

12. Fair Value Measurements (continued)

	Level 1	Level 2	Level 3	Total
Templeton Developing Markets VIP Fund (continued)				
Assets:				
Investments in Securities:				
Common Stocks:				
Hungary	\$—	\$2,468,188	\$—	\$2,468,188
India	—	15,274,683	—	15,274,683
Indonesia	—	2,210,098	—	2,210,098
Kenya	258,542	—	—	258,542
Macau	—	78,890	—	78,890
Mexico	3,617,569	—	—	3,617,569
Pakistan	880,986	—	—	880,986
Peru	750,825	—	—	750,825
Philippines	—	584,449	—	584,449
Russia	6,878,263	14,058,640	—	20,936,903
South Africa	—	12,810,425	—	12,810,425
South Korea	—	55,088,634	—	55,088,634
Taiwan	—	42,416,251	—	42,416,251
Thailand	—	3,388,489	—	3,388,489
United Kingdom	—	8,783,954	—	8,783,954
United States	5,962,569	—	—	5,962,569
Preferred Stocks	7,093,973	—	—	7,093,973
Short Term Investments	8,808,068	—	—	8,808,068
Total Investments in Securities	\$71,734,750	\$217,278,559	\$—	\$289,013,309

	Level 1	Level 2	Level 3	Total
Templeton Foreign VIP Fund				
Assets:				
Investments in Securities:				
Common Stocks:				
Aerospace & Defense	\$—	\$23,625,964	\$—	\$23,625,964
Airlines	—	4,469,365	—	4,469,365
Auto Components	—	30,243,794	—	30,243,794
Automobiles	—	46,027,524	—	46,027,524
Banks	30,732,609	62,152,883	—	92,885,492
Beverages	—	21,764,727	—	21,764,727
Biotechnology	—	6,340,582	—	6,340,582
Chemicals	—	20,066,925	—	20,066,925
Construction & Engineering	—	4,337,477	—	4,337,477
Diversified Telecommunication Services	—	5,985,425	—	5,985,425
Electric Utilities	939,011	—	—	939,011
Electronic Equipment, Instruments & Components	—	29,758,066	—	29,758,066
Energy Equipment & Services	—	15,318,465	—	15,318,465
Food & Staples Retailing	—	33,561,500	—	33,561,500
Health Care Providers & Services	—	5,906,016	—	5,906,016
Household Durables	—	29,578,257	—	29,578,257
Industrial Conglomerates	—	32,267,782	—	32,267,782
Insurance	—	24,023,383	—	24,023,383
Interactive Media & Services	17,498,536	—	—	17,498,536
Internet & Direct Marketing Retail	—	17,122,177	—	17,122,177
Machinery	—	14,381,708	—	14,381,708
Marine	—	5,822,729	—	5,822,729
Media	—	15,935,198	—	15,935,198
Metals & Mining	36,712,930	34,246,245	—	70,959,175
Multi-Utilities	—	21,740,927	—	21,740,927

12. Fair Value Measurements (continued)

	Level 1	Level 2	Level 3	Total
Templeton Foreign VIP Fund (continued)				
Assets:				
Investments in Securities:				
Common Stocks:				
Oil, Gas & Consumable Fuels	\$2,691,213	\$43,444,357	\$—	\$46,135,570
Pharmaceuticals	—	127,478,423	—	127,478,423
Real Estate Management & Development	—	39,488,622	—	39,488,622
Semiconductors & Semiconductor Equipment . .	27,620,453	55,612,281	—	83,232,734
Technology Hardware, Storage & Peripherals . .	—	45,279,516	—	45,279,516
Thriffs & Mortgage Finance	—	18,519,888	—	18,519,888
Tobacco	—	19,832,666	—	19,832,666
Wireless Telecommunication Services	9,398,066	—	—	9,398,066
Short Term Investments	159,460,041	—	—	159,460,041
Total Investments in Securities	\$285,052,859	\$854,332,872	\$—	\$1,139,385,731
	Level 1	Level 2	Level 3	Total
Templeton Global Bond VIP Fund				
Assets:				
Investments in Securities:				
Foreign Government and Agency Securities:				
Argentina	\$—	\$—	\$39,563,992	\$39,563,992
Brazil	—	21,337,302	—	21,337,302
Colombia	—	37,626,229	—	37,626,229
Ghana	—	37,882,233	—	37,882,233
India	—	68,404,479	—	68,404,479
Indonesia	—	105,531,390	—	105,531,390
Mexico	—	340,200,758	—	340,200,758
Norway	—	119,651,627	—	119,651,627
South Korea	—	240,886,854	—	240,886,854
Supranational	—	9,704,795	—	9,704,795
U.S. Government and Agency Securities	—	485,305,384	—	485,305,384
Options purchased	—	18,663,490	—	18,663,490
Short Term Investments	513,251,396	295,209,109	2,701,983	811,162,488
Total Investments in Securities	\$513,251,396	\$1,780,403,650	\$42,265,975	\$2,335,921,021
Other Financial Instruments:				
Forward exchange contracts	\$—	\$32,638,103	\$—	\$32,638,103
Restricted Currency (ARS)	—	—	253,988	253,988
Total Other Financial Instruments	\$—	\$32,638,103	\$253,988	\$32,892,091
Receivables:				
Interest (ARS)	\$—	\$—	\$1,774,357	\$1,774,357
Liabilities:				
Other Financial Instruments:				
Options written	\$—	\$17,134,102	\$—	\$17,134,102
Forward exchange contracts	—	33,507,985	—	33,507,985
Total Other Financial Instruments	\$—	\$50,642,087	\$—	\$50,642,087
Payables:				
Deferred Tax (ARS)	\$—	\$—	\$2,102	\$2,102

12. Fair Value Measurements (continued)

	Level 1	Level 2	Level 3	Total
Templeton Growth VIP Fund				
Assets:				
Investments in Securities:				
Common Stocks:				
Aerospace & Defense	\$—	\$6,688,753	\$—	\$6,688,753
Air Freight & Logistics	9,301,120	—	—	9,301,120
Airlines	3,428,400	7,978,286	—	11,406,686
Auto Components	7,960,413	—	—	7,960,413
Automobiles	—	10,160,841	—	10,160,841
Banks	—	15,577,387	—	15,577,387
Beverages	—	34,574,970	—	34,574,970
Biotechnology	11,915,725	—	—	11,915,725
Chemicals	6,457,484	—	—	6,457,484
Consumer Finance	3,907,745	—	—	3,907,745
Diversified Telecommunication Services	16,233,453	—	—	16,233,453
Electric Utilities	1,355,539	—	—	1,355,539
Electrical Equipment	—	7,673,918	—	7,673,918
Electronic Equipment, Instruments & Components	—	10,995,859	—	10,995,859
Entertainment	10,503,248	—	—	10,503,248
Food & Staples Retailing	18,945,797	6,122,239	—	25,068,036
Food Products	9,353,730	—	—	9,353,730
Health Care Equipment & Supplies	11,767,352	—	—	11,767,352
Health Care Providers & Services	6,112,750	—	—	6,112,750
Hotels, Restaurants & Leisure	14,770,879	20,809,547	—	35,580,426
Household Durables	—	20,244,050	—	20,244,050
Industrial Conglomerates	4,887,436	10,515,240	—	15,402,676
Insurance	—	10,950,529	—	10,950,529
Internet & Direct Marketing Retail	10,178,546	12,743,980	—	22,922,526
IT Services	12,228,389	—	—	12,228,389
Machinery	3,633,280	16,456,492	—	20,089,772
Marine	—	8,394,277	—	8,394,277
Media	15,417,579	6,239,290	—	21,656,869
Metals & Mining	25,320,498	6,461,856	—	31,782,354
Multiline Retail	13,173,968	—	—	13,173,968
Multi-Utilities	—	13,182,193	—	13,182,193
Oil, Gas & Consumable Fuels	1,587,115	9,466,135	—	11,053,250
Pharmaceuticals	—	52,924,666	—	52,924,666
Road & Rail	—	4,213,982	—	4,213,982
Semiconductors & Semiconductor Equipment	6,894,005	—	—	6,894,005
Software	5,822,780	—	—	5,822,780
Specialty Retail	16,935,346	—	—	16,935,346
Technology Hardware, Storage & Peripherals	—	18,607,577	—	18,607,577
Textiles, Apparel & Luxury Goods	—	11,814,240	—	11,814,240
Short Term Investments	33,304,383	—	—	33,304,383
Total Investments in Securities	\$281,396,960	\$322,796,307	\$—	\$604,193,267

*For detailed categories, see the accompanying Statement of Investments.

^bIncludes securities determined to have no value at September 30, 2020.

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 September 30, 2020, the reconciliation is as follows:

12. 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
Franklin Mutual Shares VIP Fund										
Assets:										
Investments in Securities:										
Common Stocks:										
Auto Components . . .	\$62,818	\$—	\$—	\$—	\$—	\$—	\$—	\$(36,874)	\$25,944	\$(36,874)
Commercial Services & Supplies	— ^c	—	—	—	—	—	—	—	— ^c	—
Leisure Products	7,609,922	—	—	—	—	—	—	(3,034,394)	4,575,528	(3,034,394)
Media	183,628	—	—	—	—	—	—	(87,096)	96,532	(87,096)
Senior Floating Rate Interests:										
Diversified										
Telecommunication Services	—	—	—	22,327,680	—	—	—	380,686	22,708,366	380,686
Companies in Liquidation	49,840 ^c	—	—	—	—	—	—	(24,920)	24,920 ^c	(24,920)
Total Investments in Securities	\$7,906,208	\$—	\$—	\$22,327,680	\$—	—	—	(2,802,598)	\$27,431,290	(2,802,598)
Franklin Small-Mid Cap Growth VIP Fund										
Assets:										
Investments in Securities:										
Common Stocks:										
Hotels, Restaurants & Leisure	2,241,958	—	(381,076)	—	—	(7,937)	—	12,233,389	14,086,334	11,675,345
Internet & Direct Marketing Retail . . .	—	2,677,008	—	—	—	—	—	—	2,677,008	—
Software	1,763,456	768,400	—	—	—	799,998	—	1,936,582	768,400	1,936,582
Textiles, Apparel & Luxury Goods	—	1,068,276	—	—	—	—	—	—	1,068,276	—
Total Investments in Securities	\$4,005,414	\$4,513,684	\$(381,076)	\$—	—	792,061	—	14,169,971	\$18,600,018	13,611,927
Franklin Strategic Income VIP Fund										
Assets:										
Investments in Securities:										
Aerospace & Defense.										
Hotels, Restaurants & Leisure	46,610	—	—	—	—	—	—	(44,559)	2,051	(44,559)
Machinery	41,832	—	—	—	—	—	—	—	41,832	—
Media	—	—	—	182,716	—	—	—	49,231	231,947	49,231
Multiline Retail	2,040	—	—	—	—	—	—	(968)	1,072	(968)
Paper & Forest Products	11,614	—	—	—	—	—	—	(11,614)	— ^c	(11,614)
Road & Rail	254,512	—	—	—	—	—	—	24,521	279,033	24,521
Warrants:	—	—	—	—	—	—	—	—	— ^c	—
Oil, Gas & Consumable Fuels	2,073	—	—	—	—	—	—	2,926	4,999	2,926
Corporate Bonds:										
Multiline Retail	2,769	196	—	—	—	(69,796)	—	68,594	1,763 ^c	68,594
Road & Rail	—	—	—	219,039	—	—	—	9,813	228,852	9,813
Senior Floating Rate Interests:										
Household Products . .	2,416,190	—	—	—	—	8,318	—	(253,886)	2,170,622	(253,886)

12. 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
Franklin Strategic Income VIP Fund (continued)										
Assets:										
Investments in Securities:										
Senior Floating Rate										
Interests:										
Road & Rail	\$—	\$—	\$—	\$161,048	\$—	\$—	\$—	\$15,009	\$176,057	\$15,009
Marketplace Loans:										
Diversified Financial										
Services	—	1,149,952	—	—	—	—	—	(125,012)	1,024,940	(125,012)
Escrows and Litigation										
Trusts	— ^c	—	—	6,000	—	—	—	(1,500)	4,500 ^c	(1,500)
Total Investments in Securities	\$2,777,640	\$1,150,148	\$—	\$568,803	\$—	(61,478)	—	(267,445)	\$4,167,668	(267,445)

	Balance at Beginning of Period	Purchases	Sales	Transfer Into Level 3	Transfer Out of Level 3	Cost Basis Adjust- ments ^a	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	\$35,675,197	\$23,422,259	\$(10,217,792)	\$—	\$—	\$6,200,773	\$(18,641,512)	\$3,125,067	\$39,563,992	\$(4,348,063)
Short Term										
Investments	3,394,233	4,240,621	(2,160,508)	—	—	640,459	(817,458)	(2,595,363)	2,701,983	(1,586,548)
Total Investments in										
Securities	\$39,069,430	\$27,662,880	\$(12,378,300)	\$—	\$—	6,841,232	\$(19,458,970)	529,704	\$42,265,975	\$(5,934,611)
Other Financial Instruments:										
Restricted										
Currency (ARS)	\$8,460,563	\$8,928,264	\$(15,804,994)	\$—	\$—	\$—	\$(1,714,126)	\$384,281	\$253,988	\$(6,552)
Receivables:										
Interest (ARS)	\$1,601,869	\$5,371,849	\$(4,903,014)	\$—	\$—	\$—	\$(824,053)	\$527,706	\$1,774,357	\$(48,788)
Liabilities:										
Payables:										
Deferred Tax (ARS)	\$4,066	\$—	\$—	\$—	\$—	\$—	\$—	\$(1,964)	\$2,102	\$(1,964)

^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 September 30, 2020, are as follows:

12. Fair Value Measurements (continued)

Description	Fair Value at End of Year	Valuation Technique	Unobservable Inputs	Amount/ Range (Weight Average)	Impact to Fair Value if Input Increases ^a
Templeton Global Bond VIP Fund					
Assets:					
Investments in Securities:					
Foreign Government and Agency Securities:					
Argentina	\$39,563,992	Market comparables	Implied foreign exchange rate	145.3 ARS/USD	Decrease ^b
Short Term Investments:					
Argentina	2,701,983	Market comparables	Implied foreign exchange rate	145.3 ARS/USD	Decrease ^c
All Other	2,028,345 ^d				
Liabilities:					
All Other	2,102 ^d				
Total	\$44,292,218				
Franklin Mutual Shares VIP Fund					
Assets:					
Investments in Securities:					
Common Stock:					
Leisure Products	\$4,575,528	Market comparables	Discount for lack of marketability	19.0%	Decrease ^b
			EV/EBITDA multiple	14.7x	Increase ^b
			EV/Revenue multiple	0.6x	Increase
		Market Transactions	Transaction weighting	10.0%	Decrease
Senior Floating Rate Interests:					
TBD	22,708,367	Market Approach	Recovery Value	\$22.3 mil	Increase ^c
All Other Investments . .	147,396 ^{e,f}				
Total	\$27,431,291				
Franklin Small-Mid Cap Growth VIP Fund					
Assets:					
Investments in Securities:					
Equity Investments:					
Consumer Discretionary	\$14,086,334	Market comparables	Discount for lack of marketability	5.0%	Decrease ^b
All Other Investments . .	4,513,684 ^d				
Total	\$18,600,018				

12. Fair Value Measurements (continued)

Description	Fair Value at End of Year	Valuation Technique	Unobservable Inputs	Amount/ Range (Weight Average)	Impact to Fair Value if Input Increases ^a
Franklin Strategic Income VIP Fund					
Assets:					
Investments in Securities:					
Marketplace Loans:					
Diversified Financial Services	\$1,024,940	Discounted cash flow	Discount rate	8.0%	Decrease ^c
			Projected loss rate	22.6%	Decrease ^c
Senior Floating Rate Interests:					
Household Products . . .	2,170,622	Recovery value	Asset value estimate	\$220 mil	Increase ^c
All Other Investments . .	972,106 ^{e,f}				
Total	\$4,167,668				

^aRepresents the directional change in the fair value of the Level 3 financial instruments 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

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

^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.

^eIncludes securities determined to have no value at September 30, 2020.

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

13. 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		Currency	
BNDP	BNP Paribas SA	ARS	Argentine Peso
BNY	Bank of New York	AUD	Australian Dollar
BOFA	Bank of America Corp.	BRL	Brazilian Real
BZWS	Barclays Bank PLC	CAD	Canadian Dollar
CITI	Citigroup, Inc	CHF	Swiss Franc
DBAB	Deutsche Bank AG	COP	Colombian Peso
GSCO	Goldman Sachs Group, Inc.	DOP	Dominican Peso
HSBK	HSBC Bank plc	EUR	Euro
JPHQ	JPMorgan Chase Bank NA	GBP	British Pound
MSCO	Morgan Stanley	GHS	Ghanaian Cedi
SCNY	Standard Chartered Bank	IDR	Indonesian Rupiah
SSBT	State Street Bank and Trust Co.	INR	Indian Rupee
UBSW	UBS AG	JPY	Japanese Yen

Abbreviations (continued)

KRW	South Korean Won
MXN	Mexican Peso
NOK	Norwegian Krone
SEK	Swedish Krona
USD	United States Dollar
UYU	Uruguayan Peso
ZAR	South African Rand

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

Abbreviations (continued)

Index	
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CDX.NA.EM.Series	
number	CDX North America Emerging Markets Index
CDX.NA.HY.Series	
number	CDX North America High Yield Index
MCDX.NA.Series	
number	MCDX North America Index

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