

SEMIANNUAL REPORT

FRANKLIN TEMPLETON VARIABLE INSURANCE PRODUCTS TRUST

June 30, 2022

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Franklin Templeton Variable Insurance Products Trust Semiannual Report

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*Not part of the semiannual report. Retain for your records.

Not FDIC Insured	May Lose Value	No Bank Guarantee
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Important Notes to Performance Information

Performance data is historical and cannot predict or guarantee future results. Principal value and investment

UHWXUQ ZLOO ÀXFWXDWH ZLWK PDUNHW FRQGLWLRQV DQG \RX PD\
KDYH D JDLQ RU ORVV ZKHQ \RX ZLWKGUDZ \RXU PRQH\
,QFHSWLRQ GDWHV RI WKH IXQGV PD\
KDYH SUHFHGHG WKH H†HFWLYH
GDWHV RI WKH VXEDFFRXQVV FRQWUDFWV RU WKHLU DYDLODELOLW\ LQ DOO
states.

:KHQ UHYLHZLQJ WKH LQGH[FRPSDULVRQV SOHDVH NHHS LQ

mind that indexes have a number of inherent performance

GL†HUHQWLDQV RYHU WKH IXQGV)LUVW XQOLNH WKH IXQGV ZKLFK
PXVW KROG D PLQLPXP DPRXQW RI FDVK WR PDLQWDLQ OLTXLGLW\
LQGH[HV GR QRW KDYH D FDVK FRPSRQHQW 6HFRQG WKH IXQGV
DUH DFWLYHO\ PDQDJHG DQG WKXV DUH VXEMHFW WR PDQDJHPHQW
IHHV WR FRYHU VDODULHV RI VHFXULWLHV DQDO\VWV RU SRUWIRORL

managers in addition to other expenses. Indexes are

XQPDQDJHG DQG GR QRW LQFOXGH DQ\ FRPPLVVLRQV RU RWKHU
H[SHQVHV W\SLFDOO\ DVVRFLDWHG ZLWK LQYHVWLQJ LQ VHFXULWLHV
7KLUG LQGH[HV RIWHQ FRQWDLQ D GL†HUHQW PL[RI VHFXULWLHV
WKDQ WKH IXQG WR ZKLFK WKH\ DUH FRPSDUHG \$GGLWLRQDOO\
SOHDVH UHPHPE003

Templeton Foreign VIP Fund

This semiannual report covers the period from June 30, 2021 to June 30, 2022.

3 HUIRUPDQFH - XQGPDU \ DV RI

The Fund's Class 1 Shares posted a -11.85% total return* for the six-month period ended June 30, 2022.

*The Fund has a fee waiver associated with any investment it makes in a Franklin Templeton money fund and/or other Franklin Templeton fund, contractually guaranteed.

3 HUIRUPDQFH UHÀHFWV WKH)XQGTV &ODVV RSHUDWLQJ H[SHQVHV EXW GRHV FKDUJHV ,I WKH\ KDG EHHQ LQFOXGHG SHUIRUPDQFH ZRXOG EH ORZHU 7KHVH SROLFLHV FDQ KDYH D VLJQLFDQW HIIHFW RQ FRQWUDFW YDOXHV DQG LQVXUDGHV FULSWLRQ RI WKHVH H[SHQVHV LQFOXGLQJ VDOHV FKDUJHV

3 HUIRUPDQFH GDWD UHSUHVHQW SDVWXSHUDQW RFRXW XZKLBIKGRHWV ,QYHVWPHQ ZLOO ÀXFWXDWH DQG \RX PD\ KDYH D JDLQ RU ORVV ZKHQ \RX VHOO \RXU VKDU

7HPSOHWRQ)RUHLJQ 9,3)XQG

)XQG *RDO DQG 0DLQ ,QYHVWPHQWV

7KH)XQG VHHNV ORQJ WHUP FDSLWDO JURZWK 8QGHU QRUPDO

UDLVHG WKH IHGHUDO IXQGV WDUJHW UDWH Holdings 0DUFK IRU WKH
 UUVW WLPV VLQFH 7KH)HG UDLVHG WKH IHGHUDO IXQGV
 UDWH DJDLQ DW LWV VXEVTXHQW WZDQ Company HNLW LQJV DFFHOHUDWLQJ % of Total
 the rate of increase each time to end the period at a range Industry, Country Net Assets
 RI ± 7KH)HG QRWHG LQ LWV - Shell plc PPHWLQJ WKDW
 LQADWLRQ UHPDLQH HOHYDWHG DV LQ JURZWK & RQYXRDERE XXHOV DQG HWKHUODQGV
 WKH XQHPSOR\PHQW UDWH UHPDLQH 2LOZ *D\UW & RQYXRDERE XXHOV 8QLWHG .LQJGR
)HG VDLG LW ZRXOG FRQWLQXH WR UH Samsung Electronics Co. Ltd. KROGLQJV DQG
 anticipated instituting further interest rate increases at future 7HFKQRORJ\ +DUGZDUH 6WRUDJH 3HULSKHUD
 meetings. 6RXWK .RUHD

(FRQRPLF JURZWK LQ WKH HXUR]RQH Hitachi Ltd. ,QG XVWULDO & RQJORPHUDWHV -DSDQ
 LQ WKH UUVW TXDUWHU RI DV WKH 7DLQV DGHPLF RQYXRDERE XXHOV KIDFWXULQJ & R /
 VXSSO\ FKDLQV VHQW FRPPRGLW\ SULFHV KLJKHU DQG ZHDNHQH Standard Chartered plc
 WKH HFRQRPLF RXWORRN 7KH ZDU LQ 8DNDLQH LQWHQW LQ EXRPHG WR
 UHFRUG KLJK LQADWLRQ DFURVV WKH \$WUWHQPHQW DVSOR PPRGLW\
 DQG RLO SULFHV VRDUHG 7KH (XURSHDQ & HQWUDO %DQN LQGLFDWHG 3KDPDFHXWLFDOV 8QLWHG LQJGRP
 LW ZLOO UDLVH LQWHUHVW UDWHV LQ 3KDPDFHXWLFDOV LQWHUHVW LQ PRUH %D\HU \$
 WKDQ D GHFDGH WR UJKW JURZLQJ LQ \$S WURKS /WG WKLV HQYLURQPHQW
 (XURSHDQ GHYHORSHG PDUNHW HTXLWLVH QXUDQFH RQYXRDERE WKH
 06&, (XURSH ,QGH[15 SRVWHG D Imperial Brands plc
 the six months under review.¹ 7RERFR 8QLWHG LQJGRP

\$VLDQ GHYHORSHG DQG HPHUJLQJ PDUNHW HTXLWLVH DV
 PHDVXUHG E\ WKH 06&, \$OO & RXQWU\ \$VLD ,QGH[15 SRVWHG
 D WRWDO UHWXUQ IRUWKH VL[PRWK KSR\RS HTXLW\ LQYHVWPHQWV IRU
 PDQ\ \$VLDQ FRXQWULHV H[SHULHQFHG DFRSWRQ XSRQYRFRULHQWHG ORQJ W
 FRQGLWLRQV -DSDQ\ *3 FRQWUDFWHG LQWKH PDUNHW \$UDWURD FRPSDQ\ V
 DIWHU KDYLQJ UHWXUQHG WR JURZWK LQWKH PDUNHW \$UDWURD FRPSDQ\ V ORQ
 RI \$OWKRJK & KLQD\ HFRQRPL\ FRQGLWLRQV WR DVZ SRWHQWLDO :H DOV
 LW ZDV SUHVXUHG E\ FRURQDYLUXV SHULHQWUHQWULHV WR SUH FDK ARZ
 government measures to limit real estate speculation. liquidation value.

8QH[SHFWHG UHJXODWRU\ FKDJHV E\ WKH & KLQHVH JRYHUQPHQW
 ZKLFK QHJDWLYHO\ LPSDFWHG HGXFDWLRQ DQG WHFKQRORJ\ GHULYDWLYHV WR VHHN WR KHGJH SURWH
 UHODWHG EXVLQHVVHV DQG LQYHVWRU FRQFHUQV DERXW WKH 7KH)XQG PD\DOVR XVHD YDULHW\ RI HTX
 VROYHQF\ RI VHYHUDO ODUJH & KLQHVH SURSHU\ GHYHORSHU IRU YDULRXV SXUSRVHV LQFOXGLQJ HQKD
 IXUWKHU SUHVXUHG & KLQHVH VWRFNV LQFUHDVLRQ OLTXLGLW\ DQG JDLQLQJ H[S
 *OREDO HPHUJLQJ PDUNHW VWRFNV DV PHDVXUHG ERWK 06&,
 (PHUJLQJ 0DUNHWV ,QGH[15 SRVWHG D WRWDO

return for the six months under review.¹)ROORZLQJ 5XV DQV YDDJHU\ 'LVFXVLRQ
 LQYDVLQJ RI 8DNDLQH FOLPELQJ IRRG DQG HOHUJ\ SULFHV 7HPSOHWRU\ RUHLJQ 9.3)XQG GHFOLQH
 NLQGOHG LQADWLRQDU\ SUHVXUHV DQG UDLVHG FRQFHUQV RYHU WKH SHULRG EXW OLPLWHG ORVVHV UHODWLY
 SRVVLELOLW\ RI JRYHUQPHQW GHEW GHIDXOWV LQ VRRPH FRXQWULHV)XQG RXWSHUWRUPHG WKH 06& \$&:, H[86\$
 0HDQZKLOH VRRPH FRXQWULHV SDUWLFXODUO\ DWLQ \$PHULFD DV ODUJHVW LQDWLQV LQWHUHVW LWV LQFHSWLRQ
 ZHOOD DV 6RXWK \$IULFD DQG 6DXGL \$UDELD KDYH EHQR\WHG IURP
 WKH ULVLQJ FRPPRGLW\ SULFHV

Relative outperformance during the period was attributable
 SULPDULO\ WR VWRFN VHOHFWLRQ WKRXJ
 DOORFDWLRQV DOVR KHOSHG :H KDYH FR
 companies that feature both earnings resilience in a slowing
 HFRQRPL\ DQG SULFLQJ SRZHU LQ DQ LQAD
 ,Q JHQHUDO ZH KDYH EHHQ IRFXVHG RQ K

LGLRV\QFUDWLF H[SRVXUHV DQG YDOXH GULYHUV :H EHOLHYH RXU
SRUWIROLRV DUH FXUUHQWO\ ZHOO EDODQFHG LQ WHUPV RI H[SRVXUHV
DQG YDOXH W\SHV ZKLOH UHPDLQLQJ VRPHZKDW GHIHQVLYH LQ
FRQVWUXFWLRQ *LYHQ PDFURHFRQRPLF YXOQHUDELWLHV ZH DUH
DYRLGLQJ H[SRVXUH WR FRPSDQLHV WKDW LQ RXU DVVHVVPHQW
KDYH KLJK OHYHUDJH SRRU SULFLQJ SRZHU ZHDN FDVK ÀRZV
DQG FRPSHWLWLYH GLVDGYDQWDJHV ,Q FRPSDQ\ IRUHFDVWV
ZH DUH WKLQNLQJ FDUHIXOO\ DERXW MXVW KRZ GHHS DQG ZLGH
LQWHUPHGLDWH WHUP HDUQLQJV GRZQVLGH FRXOG EH VKRXOG WLJKWHU
SROLF\ SHUVLVW DQG LQWHQVLI\ PDFURHFRQRPLF KHDGZLQGV
7KHUHIRUH ZH IDYRU FRPSDQLHV ZLWK D QDUURZHU UDJH RI
HDUQLQJV SHU VKDUH IRUHFDVWV DQG GRQW WKLQN WKLW LV WKH
ULJKW HQYLURQPHQW WR VWUHWFK IRU H[FHVVLVLYHO\ KLJK ULVN UHZDUG
VWRFNV :H FRQWLQXH WR EH GLYHUVLHG LQ WKH RYHUDOO QXPEHU
RI KROGLQJV DQG FRQFHQWUDWH ODUJHU SRVLWLRQV RQO\ ZKHUH
FRQYLFWLRQ LV YHU\ KLJK VXFK DV LQ VRPH SKDUPDFHXWLFDOV

and integrated oil companies.

)URP D VHFWRU VWDQGSRLQW VWRFN VHOHFWLRQ DPRQJ

FDSLWDO DQG GLYLGHQGV VWHDGLO\ RYHU WLPH :H DOVR EHOLHYH
 WKDW WKH FRPSDQ\ LV UHODWLYHO\ ZHOO LQVXODWHG IURP QHDU WHUP
 LQADWLRQDU\ SUHVXUHV JLYHQ WKDW FXVWRPHU FRQWUDFWV UROO RYHU
 DQQXDOO\ DQG UHJXODWHG UHWXUQ WDUJHWV DUH UHVHW HYHU\ WKUHH WR
 IRXU \HUV

\$Q XQGHUZHJKWHG SRVLWLRQ LQ PDWHULDOV PRGHVWO\ GHWUDFWHG
 SUHVXUHG E\ *HUPDQ VSHFLDOW\ PDWHULDOV ;UP &RYHVVUR 7KH
 FRPSDQ\ UHSRUWHG VWURQJ UHVXOWV EXW GRZQJUDGHG HDUQLQJV
 JXLGDQFH GXH WR KLJK HQUJ\ DQG UDZ PDWHULDOV FRVWV \$W
 UHFHQW GHSUHVHG YDOXDWLRQV ZH FRQWLQXH WR EHOLHYH WKH
 VWRFN R±HUV SRWHQWLDOO\ JRRG YDOXH ZLWK D ZHOO GLYHUVL;HG
 portfolio of industrial exposures and high leverage to an
 HYHQWXDO GHPDQG UHFYHU\ IURP &KLQD

)URP D UHJLRQDO VWDQGSRLQW VWRFN VHOHFWLRQ LQ (XURSH
 QRWDEO\ FRQWULEXWHG WR UHODWLYH UHWXUQV OHG E\ WKH 8 . ZKLOH
 \$VLQDQ KROGLQJV DOVR SRVLWLYHO\ FRQWULEXWHG OHG E\ -DSDQ
 7KDNQ \RX IRU \RXU SDUWLFLSDWLRQ LQ 7HPSOHWRRQ)RUHLJQ 9,3
)XQG :H ORRN IRUZDUG WR VHUYLQJ \RXU IXWXUH LQYHVWPHQW
 needs.

7KH IRUHJRLQJ LQIRUPDWLRQ UHÀHFWV RXU DQDO\VLV RSLQLRQV
 DQG SRUWROLR KROGLQJV DV RI -XQH WKH HQG RI
 WKH UHSRUWLQJ SHULRG 7KH ZD\ ZH LPSOHPHQW RXU PDLQ
 LQYHVWPHQW VWUDWHJLHV DQG WKH UHVXOWLQJ SRUWROLR KROGLQJV
 PD\ FKDQJH GHSHQGLQJ RQ IDFWRUV VXFK DV PDUNHW DQG
 HFRQRPLF FRQGLWLRQV 7KHVH RSLQLRQV PD\ QRW EH UHOLHG XSRQ
 DV LQYHVWPHQW DGYLFH RU DQ RIIHU IRU D SDUWLFXODU VHFUXLW\ 7KH
 LQIRUPDWLRQ LV QRW D FRPSOHWH DQDO\VLV RI HYHU\ DVSHFW RI DQ\
 PDUNHW FRXQWU\ LQGXVWU\ VHFUXLW\ RU WKH)XQG 6WDWHPHQWV RI
 IDFW DUH IURP VRXUFHV FRQVLGHUHG UHOLDEOH EXW WKH LQYHVWPHQW
 PDQDJHU PDNHV QR UHSUHVHQWDWLRQ RU ZDUUDQW\ DV WR WKHLU
 FRPSOHWHQHVV RU DFFXUDF\ \$OWKRXJK KLVWRULFDO SHUIRUPDQFH
 LV QR JXDUDQWHH RI IXWXUH UHVXOWV WKHVH LQVLJKWV PD\ KHOS \RX
 XQGHUVWDQG RXU LQYHVWPHQW PDQDJHPHQW SKLORVRSK\

Class 1 Fund Expenses

TF P1 05/22

SUPPLEMENT DATED MAY 2, 2022
TO THE
CLASS 1 PROSPECTUS
DATED MAY 1, 2022 OF
TEMPLETON FOREIGN VIP FUND

D VHULHV RI)UDQNOLQ 7HPSOHWRQ 9DULDEOH ,QVXUDQFH
7KH &ODVV SURVSHFWXV RI WKH)XQG LV DPHQG HG DV IROORZV

3ULRU WR 0D\ WKH)XQG SDLG WKH LQYHVWPHQW PDQDJHU DYHWDHDXDO
ZHHNO\ QHW DVVHWV DV OLVWHG EHZ

RI WKH YDOXH RI LWV DYHUDJH GDLO\ QHW DVVHWV XS WR DQG LQFOXG
RI WKH YDOXH RI LWV DYHUDJH GDLO\ QHW DVVHWV RYHU PLOOLRQ
RI WKH YDOXH RI LWV DYHUDJH GDLO\ QHW DVVHWV RYHU PLOOLRQ
RI WKH YDOXH RI LWV DYHUDJH GDLO\ QHW DVVHWV RYHU ELOOLRQ
RI WKH YDOXH RI LWV DYHUDJH GDLO\ QHW DVVHWV RYHU ELOOLRQ
RI WKH YDOXH RI LWV DYHUDJH GDLO\ QHW DVVHWV RYHU ELOOLRQ
RI WKH YDOXH RI LWV DYHUDJH GDLO\ QHW DVVHWV RYHU ELOOLRQ
RI WKH YDOXH RI LWV DYHUDJH GDLO\ QHW DVVHWV LQ H[FHV RI EL

(±HFWLYH 0D\ WKH)XQG SD\ WKH LQYHVWPHQW PDQDJHU IH HTXDO
DYHUDJH ZHHNO\ QHW DVVHWV DV OLVWHG EHZ

RI WKH YDOXH RI LWV DYHUDJH GDLO\ QHW DVVHWV XS WR DQG LQFOXG
RI WKH YDOXH RI LWV DYHUDJH GDLO\ QHW DVVHWV RYHU PLOOLRQ
RI WKH YDOXH RI LWV DYHUDJH GDLO\ QHW DVVHWV LQ H[FHV RI E

)RU WKH VFDQ HDU HQGHG 'HFHPEHU ,QYHVWPHQW &RXQVHO DJUHHG
UHVXOWLQJ IURP WKH)XQG V LQYHVWPHQW LQ)UDQNOLQ 7HPSOHWRQ D^OLDW
'HFHPEHU WKH PDQDJHPHQW IHV IRU WKH)XQG EHIRUH DQG DIWHU Z

3OHDVH NHHS WKL VXSOPHQW ZLWK \RXU SURVSHFWXV IRU IXWX

TF P1 P2 P4 08/22

SUPPLEMENT DATED AUGUST 10, 2022
TO THE PROSPECTUSES
DATED MAY 1, 2022
TEMPLETON FOREIGN VIP FUND
D VHULHV RI)UDQNOLQ 7HPSOHWQR 9DULDEOH ,QVXUDQFH 3U

7KH SURVSHFWXV LV DPHQG HG DV IROORZV

, 7KH SRUWIROLR PDQDJH PHQW WHDP XQGHU WKH ³)XQG 6XPPDULHV ± 7HPSOHWQR SURVSHFWXV LV UHSODFHG ZLWK WKH IROORZLQJ

Peter A. Nori, CFA

([HFXWLYH 9LFH 3UHVLGHQW 3RUWIROLR 0DQDJHU 5HVHDFK \$QDO\ VW RI ,QYHV VLQFH

Matthew R. Nagle, CFA

3RUWIROLR 0DQDJHU RI ,QYHVWPHQW &RXQVHO DQG SRUWIROLR PDQDJHU RI W

Heather Waddell, CFA

6HQLRU 9LFH 3UHVLGHQW 3RUWIROLR 0DQDJHU 5HVHDFK \$QDO\ VW RI ,QYHVW

,, 7KH SRUWIROLR PDQDJHU WHDP XQGHU WKH ³)XQG 'HWDLOV ± 7HPSOHWQR)R SDJH 7) ' RI WKH SURVSHFWXV LV UHSODFHG ZLWK WKH IROORZLQJ

Peter A. Nori, CFA Executive Vice President/Portfolio Manager - Research Analyst of Investment Counsel

0U 1RUL KDV EHHQ WKH OHDG SRUWIROLR PDQDJHU RI WKH)XQG VLQFH +H WKH)XQG +H KDV QDO DXWKRULW\ RYHU DOO DVSHFW RI WKH)XQG V LQYHV DQG VDOHV RI LQGLYLGXDO VHFUXULWLHV SRUWIROLR ULVN DVVHVPHQW DQG DQWLFLSDWHG LQYHVWPHQW PDQDJH PHQW UHTXLUHPHQWV 7KH GHJUHH WR ZK WKHVH IXQFWLRQV PD\ FKDQJH IURP WLPH WR WLPH +H MRLQHG)UDQNOLQ

Financial Highlights

Templeton Foreign VIP Fund

	Six Months Ended June 30, 2022 (unaudited)	Year Ended December 31,				
		2021	2020	2019	2018	2017
Class 1						
Per share operating performance						
IRU D VKDUH RXWVWDQGLQJ WKURXJKRXW WKH SHULRG						
1HW DVVHW YDOXH E.HJ.LQQLQJ RI SHULRG						
Income from investment operations ^a						
..... 30 Net investment income ^b				^c		0.30
1HW UHDOLJHG DQG XQUHDOLJHG JDLQV ORVVHV						
Total from investment operations						

FRANKLIN TEMPLETON Foreign VIP

Templeton Foreign VIP Fund (continued)

	Six Months Ended June 30, 2022 (unaudited)	Year Ended December 31,				
		2021	2020	2019	2018	2017
Class 4						
Per share operating performance						
IRU D VKDUH RXWVWDQGLQJ WKURXJKRXW WKH SHULRG						
1HW DVVHW YDOXH E.HJ.LQQLQJ RI SHULRG						
Income from investment operations ^a						
Net investment income ^b c						
1HW UHDOL]HG DQG XQUHDOL]HG JDLQV ORVVHV						
Total from investment operations						
/HVV GLVWULEXWLRQV IURP						
Net investment income						
1HW UHDOL]HG JDLQV — — — — —						
Total distributions						
1HW DVVHW YDOXH .H.QG.RI SHULRG						
Total return ^d						
Ratios to average net assets ^e						
([SHQVHV EHIRUH ZDLYHU DQG SD\PHQWV E\ D^OLDWHV.						
([SHQVHV QHW RI ZDLYHU DQG SD\PHQWV E\ D^OLDWHV. f						
Net investment income c						
Supplemental data						
1HW DVVHWV HQG RI.SHULRG ¶V						
Portfolio turnover rate						

^aThe amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and UHSXUFKDVHV RI WKH)XQG¶V VKDUHV LQ UHODWLRQ WR LQFRPH HDUQHG DQG RU ÅFWXDWL
^bBased on average daily shares outstanding.
^cNet investment income per share includes approximately \$0.13 per share related to an adjustment for EU reclaims in connection with certain Fund holdings. Excluding this DPRXQW WKH UDWLR RI QHW LQYHVWPHQW LQFRPH WR DYUDJH QHW DVVHWV ZRXOG KDYH E
^d7RWDO UHWXUQ GRHV QRW LQFOXGH IHHV FKDUJHV RU H[SHQVHV LPSRVHG E\ WKH YDULDEO
 Products Trust serves as an underlying investment vehicle. Total return is not annualized for periods less than one year.
^eRatios are annualized for periods less than one year.
^f%HQH¿W RI ZDLYHU DQG SD\PHQWV E\ DI¿OLDWHV URXQGV WR OHVV WKDQ
^g%HQH¿W RI H[SHQVH UHGXFWRQ URXQGV WR OHVV WKDQ

Schedule of Investments (unaudited), June 30, 2022

Templeton Foreign VIP Fund

	Country	Shares	Value
Common Stocks 96.7%			
Aerospace & Defense 4.5%			
% \$(6 \ V W H P . V . S . O . F	8 Q L W H G . L Q J G R P		
' D V V D X O W \$ Y . L . D . W . L . R . Q . 6 \$) U D Q F H		
^a 5 R O O V 5 R \ F H + R . O G L . Q . J . V . S . O . F	8 Q L W H G . L Q J G R P		
Airlines 0.6%			
^d E Q W H U Q D W L R Q D O & R Q V R O L G D W H G . \$ L U O L Q 8 Q L W H G X S L Q S J G R P			
Auto Components 4.2%			
& R Q W L Q H . Q . W . D . O . \$ *	* H U P D Q \		
^a) D X U H F L D . 6 (.) U D Q F H		
9 D O . H R) U D Q F H		
Automobiles 3.5%			
% D \ H U L V F K H 0 R W R U H Q . : . H U N . H . \$ *	* H U P D Q \		
+ R Q G D 0 R W R U . & R . . / . W . G	Japan		
Banks 14.2%			
, 1 * * U R H S . 1 9	Netherlands		
. D V L N R U Q E D . Q N . 3 & /	Thailand		
^b . %) L Q D Q F L D O * U R X S . . , Q F . . \$ ' 5	6 R X W K . R U H D		

ctualTextb] T

Templeton Foreign VIP Fund (continued)

		Country	Shares	Value
Common Stocks	FRQLQXHG			
Insurance				

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

Templeton Foreign VIP Fund (continued)

	Country	Shares	Value
Common Stocks FRQWLQXHG			
Tobacco 2.5%			
Imperial Brands plc	8QLWHG	.LQJGRP	
Total Common Stocks (Cost \$806,738,405)			826,550,203
Short Term Investments 4.0%			
	Country	Shares	Value
Money Market Funds 3.0%			
^g H;QVWLWXWLRQDO)LGXFLDU\ 7UXVW ..0.RQH\80DLWHG\63VUWH ROLR			
Total Money Market Funds (Cost \$25,930,344)			25,930,344
Investments from Cash Collateral Received for Loaned Securities 1.0%			
Money Market Funds 1.0%			
^g H;QVWLWXWLRQDO)LGXFLDU\ 7UXVW ..0.RQH\80DLWHG\63VUWH ROLR			
Total Investments from Cash Collateral Received for Loaned Securities (Cost \$8,621,004)			8,621,004
Total Short Term Investments (Cost \$34,551,348)			34,551,348
Total Investments (Cost \$841,289,753) 100.7%			\$861,101,551
Other Assets, less Liabilities (0.7)%			(6,212,037)
Net Assets 100.0%			\$854,889,514

6HH \$EEUHYLDWLRQV RQ SDJH 7)

^a Non-income producing.

^E \$ SRUWLRQ RU DOO RI WKH VHFUXULW\ LV RQ ORDQ DW -XQH 6HH 1RWH F

^c 6HFXULW\ ZDV SXUFKDVHG SXUVXDQW WR 5XOH \$ RU 5HJXODWLRQ 6 XQGHU WKH 6HFXULWR TXDOL¿HG LQVWLWXWLRQDO EX\HUV RU LQ D SXEOLF RIIHULQJ UHJLVWHUHG XQGHU WKDQ HIIHFWLYH UHJLVWUDWLRQ VWDWHPHQW ¿OHG SXUVXDQW WR WKH 6HFXULWLHV \$FW RI VHFUXULWLHV ZDV UHSUHVHQWLQJ RI QHW DVVHWV

^d 6HH 1RWH H UHJDUGLQJ LQYHVWPHQWV LQ DI¿OLDWHG PDQDJHPHQW LQYHVWPHQW FRP

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

^f 6HH 1RWH F UHJDUGLQJ VHFUXULWLHV RQ ORDQ

Statement of Assets and Liabilities

June 30, 2022 (unaudited)

Templeton
 Foreign VIP
 Fund

\$ V V H W V	
, Q Y H V W P H Q W V L Q V H F X U L W L H V	
& R V W 8 Q D ^ O L D . W . H G . L . V . V . X . H . U . V	
Cost 1 R Q F R Q W U R O O H G D ^ O L D W H V . . 1 . R . W . H . . H	
9 D O X H 8 Q D ^ O L D W H G L V V X H U V , Q F O X G H . V . V . H . F . X . U . L . W . L . H . V . O . R . D . Q . H . G . R I	
9 D O X H R Q F R Q W U R O O H G D ^ O L D W H V . . 1 . R . W . H . . H	
Cash	
) R U H L J Q F X U U H Q F \ D W Y . D O X H . . F . R . V . W	
5 H F H L Y D E O H V	
Capital shares sold	
Dividends and interest	
(X U R S H D Q 8 Q L R Q W D \ D U H F O D L P . V . . 1 . R . W . H	
Total assets	
/ L D E L O L W L H V	
3 D \ D E O H V	
Capital shares redeemed	
0 D Q D J H P H Q . W . I . H H V	
Distribution fees	
7 U X V W H H V I H H V . D . Q . G . H [S H Q V H V	
3 D \ D E O H X S R Q U H W X U Q R I M H F X U L W L H V . O R D Q H G . 1 R W H	
Deferred tax	
\$ F F U X H G H [S H Q V H V D Q G . R W K H U . Q L D E L O L W L H V	
Total liabilities	
1 H W D V V H W V . . D W . Y . D O X H	
1 H W D V V H W V F R Q V L V W R I	
3 D L G L Q . F D S L W D O	
7 R W D O G L V W U L E X W D E O H . H . D U Q L Q J V . . O . R . V . V . H . V	
1 H W D V V H W V . . D W . Y . D O X H	

Templeton
 Foreign VIP
 Fund

Class 1:	
1 H W D V V H W V . . D W . Y . D O X H	
Shares outstanding	
1 H W D V V H W Y D O X H D Q G P D [L P X P . R \ H U L Q J . S U L F H . S H U . V K D U H	
Class 2:	
1 H W D V V H W V . . D W . Y . D O X H	
Shares outstanding	
1 H W D V V H W Y D O X H D Q G P D [L P X P . R \ H U L Q J . S U L F H . S H U . V K D U H	
Class 4:	
1 H W D V V H W V . . D W . Y . D O X H	
Shares outstanding	
1 H W D V V H W Y D O X H D Q G P D [L P X P . R \ H U L Q J . S U L F H . S H U . V K D U H	

Statement of Operations

for the six months ended June 30, 2022 (unaudited)

1RWHV WR)LQDQFLDO 6WDWHPHQWV X

Templeton Foreign VIP Fund

2UJDQLJDWLRQ DQG 6LJQL¿FDQW \$FFRXQWLQJ 3ROLFLHV
)UDQNOLQ 7HPSOHRQ 9DULDEOHUQVWUDQFH 3URGXFWV 7UXVW
 LV UHJLVWHUHG XQGHU WKH ,QYHVWPHQW &RPSDQ\ \$FW RI
 \$FW DV DQ RSHQ HQG PDQDJHPHQW LQYHVWPHQW
 FRPSDQ\ FRQVLVWHUHQHSDUDWHWKH¿DQ DQG
 DSSOLHV WKH VSHFLDOLJHG DFFRXQWLQJ DQG UHSRUWLQJ JXLGDQFH
 LQ 8 6 *HQHUDOO\ \$FFHSWHG \$FFRXQWLQJ 3ULQFLSOHV 8 6
 *\$\$3 7HPSOHRQ)RUHLJQ 9,3)XQG)XQG LV LQFOXGHG LQ
 WKLW 6HSDUHQW RI WKH)XQG DUH JHQHUDOO\ VROG RQO\ WR
 LQVXUDQFH FRPSDQ\ VHSUDWH DFFRXQW WR IXQG WKH EHQH¿WV
 RI YDULDEOH OLIH LQVXUDQFH SROLFLHV RU YDULDEOH DQQXLW\
 FRQWUDFWV 7KH)XQG R¿HUV WKUHH FODVVHV RI VKDUHV &ODVV
 &ODVV DQG &ODVV (DFK FODVV RI VKDUHV PD\ GL¿HU E\ LWV
 GLVWULEXWLRQ IHV YRWLQJ ULJKWV RQ PDWWHUV D¿HFWLQJ D VLQJOH
 class and its exchange privilege.

7KH IROORZLQJ V¿R¿DUV]MHVWKH¿FDQW DFFRXQWLQJ
 policies.

a. Financial Instrument Valuation

7KH)XQG V LQYHVWPHQWV LQ ¿QDQFLDO LQVWUXPHQWV DUH FDUULHG
 DW IDLU YDOXH GDLO\)DLU YDOXH LV WKH SULFH WKDW ZRXOG EH
 UHFHLYHG WR VHOO DQ DVVHW RU SDLG WR WUDQVIHU D OLDELOLW\ LQ DQ
 RUGHUO\ WUDQVDFWLRQ EHWZHHQ PDUNHW SDUWLFLSDQWV RQ WKH
 PHDVXUHPHQW GDWH 7KH)XQG FDOFXODWHV WKH QHW DVVHW YDOXH
 1\$9 SHU VKLHDFWGR\ S P (DVWHUQ
 WLPH RU WKH UHJXODUO\ VFKHGXOHG FORVH RI WKH 1HZ <RUN 6WRFN
 ([FKDQJH 1<6(ZKLFKHU LV HDUOLHU 8QGHU FRPSOLDQFH
 SROLFLHV DQG SURFHGXUHV%DFSUQ
 RI 7UXVWHHV WKH¿DQ DQG PLQMWUDWRU KDV
 UHVSQVLELOLW\ IRU RYHUVLJKW RXUHM000VWUDWRU KEHWKH

Templeton Foreign VIP Fund FRQWLQXHG

RI WKH UHSRUWLQJ SHULRG \$Q\ VHFUXULW\ YDOXDWLRQ FKDQJHV GXH
WR DQ RSHQ IRUHLJQ PDUNHW DUH DGMXVWHG DQG UHÀHFWHG E\ WKH
)XQG IRU ¿QDQFLDO UHSRUWLQJ SXUSRVHV

b. Foreign Currency Translation

Portfolio securities and other assets and liabilities

GHQRPLQDWHG LQ IRUHLJQ FXUUHQFLHV DUH WUDQVODWHG LQWR 8 6

dollars based on the exchange rate of such currencies

DJDLQVW 8 6 GROODUV RQ WKH GDWH RI YDOXDWLRQ 7KH)XQG PD\
HQWHU LQWR IRUHLJQ FXUUHQF\ H\FKDQJH FRQWUDFWV WR IDFLOLWDWH
WUDQVDFWLRQV GHQRPLQDWHG LQ D IRUHLJQ FXUUHQF\ 3XUFKDVHV
DQG VDOHV RI VHFUXULWLHV LQFRPH DQG H[SHQVH LWHPV

GHQRPLQDWHG LQ IRUHLJQ FXUUHQFLHV DUH WUDQVODWHG LQWR 8 6

GROODUV DW WKH H\FKDQJH UDWH LQ H¿HFW RQ WKH WUDQVDFWLRQ GDWH

Portfolio securities and assets and liabilities denominated

LQ IRUHLJQ FXUUHQFLHV FRQWDLQ ULVNV WKDW WKRVH FXUUHQFLHV ZLOO
GHFOLQH LQ YDOXH UHODWLYH WR WKH 8 6 GROODU 2FFDVLRQDOO\
HYHQWV PD\ LPSDFW WKH DYDLODELOLW\ RU UHOLDELOLW\ RI IRUHLJQ
H\FKDQJH UDWHV XVHG WR FRQYHUW WKH 8 6 GROODU HTXLYDOHQW

Templeton Foreign VIP Fund FRQWLQXHG

LQ WKH IRUHLJQ PDUNHWV LQ ZKLFK WKH)XQG LQYHVWV :KHQ D
FDSLWDO JDLQ WD[LV GHWHUPLQHG WR DSSO\ WKH)XQG UHFRUGV DQ
HVWLPDWHG GHIHUUHG WD[OLDELWLW\ LQ DQ DPRXQW WKDW ZRXOG EH
SD\DEOH LI WKH VHFUXLWLHV ZHUH GLVSRVHG RI RQ WKH YDOXDWLRQ
date.

\$V D UHVXOW RI VHYHUDO FRXUW FDUV LQ FHUWDLQ FRXQWULHV DFURVV
WKH (XURSHDQ 8QLRQ WKH)XQG ¿OHG DGGLWLRQDO WD[UHFODLPV
IRU SUHYLRXVO\ ZLWKKHOG WD[HV RQ GLYLGHQGV HDUQHG LQ WKRVH
FRXQWULHV (8 UHFODLPV FRJQL]HG LI DQ\ IRU (8
UHFODLPV LV UHÅHFWHG DV RWKHU LQFRPH LQ WKH 6WDWHPHQW RI
2SHUDWLRQV DQG DQ\ UHODWHG UHFHLYDEOH LI DQ\ LV UHÅHFWHG
DV (XURSHDQ 8QLRQ WD[UHFODLPV LQ WKH 6WDWHPHQW RI \$VVHWV
DQG /LDELWLWLHV \$Q\ IHHV DVVRFLDWHG ZLWK WKHVH ¿OLQJV DUH
UHÅHFWHG LQ RWKHU H[SHQVHV LQ WKH 6WDWHPHQW RI 2SHUDWLRQV
:KHQ XQFHUWDLQW\ H[LVVHV DV WR WKH XOWLPDWH UHVROXWLRQ RI
WKHVH SURFHGHQJV WKH OLNHOLKRRG RI UHFHLSW RI WKHVH (8
UHFODLPV DQG WKH SRWHQWLDO WLPLQJ RI SD\PHQW QR DPRXQWV
DUH UHÅHFWHG LQ WKH ¿QDQFLDO VWDWHPHQWV)RU 8 6 LQFRPH
WD[SXUSRVHV ZKHQ (8 UHFODLPV DUH UHFHLYHG E\ WKH)XQG
DQG WKH)XQG SUHYLRXVO\ SDVVHG IRUHLJQ WD[FUHGLW RQ WR LWV
VKDUHKROGHUV WKH)XQG ZLOO HQWHU LQWR D FORVLQJ DJUHHPHQW
ZLWK WKH ,QWHUQDO 5HYHQXH 6HUYLFH ,56 LQ RUGHU WR SD\ WKH
DVVRFLDWHG WD[OLDELWLW\ RQ EHKDOI RI WKH)XQG V VKDUHKROGHUV

7KH)XQG PD\ UHFRJQL]H DQ LQFRPH WD[OLDELWLW\ UHODWHG
WR LWV XQFHUWDLQ WD[SRVLWLRQV XQGHU 8 6 *\$\$3 ZKHQ WKH
XQFHUWDLQ WD[SRVLWLRQ KDV D OHVV WKDQ SUREDELWLW\ WKDW
LW ZLOO EH VXVWDLQHG XSRQ H[DPLQDWLRQ E\ WKH WD[DXWKRULWLHV
EDVHG RQ LWV WHFKQLFDO PHULWV \$V RI -XQH WKH)XQG
KDV GHWHUPLQHG WKDW QR WD[DOORFLEO\ LV UHTXLUHG LQ LWV
VWDWHPHQWV UHODWHG WR XQFHUWDLQ WD[SRVLWLRQV IRU DQ\ RSHQ
WD[\HDUV RU H[SHFWHG WR EH WDNHQ LQ IXWXUH WD[\HDUV 2SHQ
WD[\HDUV DUH WKRVH WKDW UHPDLQ VXEMHFW WR H[DPLQDWLRQ DQG
DUH EDVHG RQ WKH VWDWXWH RI OLPLDWLRQV LQ HDFK MXULVGLFWLRQ LQ
ZKLFK WKH)XQG LQYHVWV

e. Security Transactions, InvestmeT5 0 0 9.5 54 135.9597 Tm 5[00F W L R Q L QP,sactionnvestmeT5 0 0 9.22.960H Expenses a

FRANKLIN TEMPLETON VARIABLE INSURANCE PRODUCTS TRUST
NOTES TO FINANCIAL STATEMENTS (UNAUDITED)

Templeton Foreign VIP Fund FRQWLQXHG

6KDUHV RI %HQB; FLDO , QWHUHVW

\$W -XQH WKHUH ZHUH DQ XQOLPLWHG QXPEHU 7RUID QWDFML DQW K R UM JHG) XZLQ
ZHUH DV IROORZV

Six Months Ended
June 30, 2022

Year Ended
December 31, 2021

Share 2021

FRANKLIN TEMPLETON VARIABLE INSURANCE PRODUCTS TRU
NOTES TO FINANCIAL STATEMENTS (UNAUDITED)

Templeton Foreign VIP Fund FRQWLQXHG

6. Concentration of Risk

,QYHVWLQJ LQ IRUHLJQ VHFUXULWLHV PD\ LQFOXGH FHUWDLQ ULVNV DQG FRQVLG
VHFUXULWLHV VXFK DV ÀXFWXDWLQJ FXUUHQF\ YDOXHV DQG FKDQJLQJ ORFDO U
FRQGLWLRQV ZKLFK PD\ UHVXOW LQ JUHDWHU PDUNHW YRODWLQW\ 3ROLWLF
LQFUHDVH PDUNHW YRODWLQW\ DQG WKH HFRQRPLF ULVN RI LQYHVWLQJ LQ IR
EH DV OLTXLG DV 8 6 VHFUXULWLHV

7. Geopolitical Risk

2Q)HEUXDU\ 5XVVLD H WL00 H2Q ZLW\

FRANKLIN TEMPLETON VARIABLE INSURANCE PRODUCTS TRUST
NOTES TO FINANCIAL STATEMENTS (UNAUDITED)

Templeton Foreign VIP Fund FRQLQXHG

12. Subsequent Events

7KH)XQG KDV HYDOXDWHG VXEVTXHGW HYHQWV WKURXJK WKH LVVXDQFH RI W
have occurred that require disclosure.

Abbreviations

VIP2 SA1SA2 SA4 08/22

SUPPLEMENT DATED AUGUST 10, 2022
TO THE STATEMENT OF ADDITIONAL INFORMATION
DATED MAY 1, 2022 OF
TEMPLETON FOREIGN VIP FUND
(a series of Franklin Templeton Variable Insurance Products Trust)

7KH 6WDWHPHQW RI \$GGLWLRQDO ,QIRUPDWLRQ 6\$, LV DPHQG HG DV IROORZV

Name	Number of Other Registered Investment Companies Managed ¹	Assets of Other Registered Investment Companies Managed (x \$1 million) ¹	Number of Other Pooled Investment Vehicles Managed ²	Assets of Other Pooled Investment Vehicles Managed (x \$1 million) ²	Number of Other Accounts Managed ²	Assets of Other Accounts Managed (x \$1 million) ²
David Yuen	12	14,267.5	10	2,235.6	5 ⁶	4,264.9
7KHVH ¿JXUHV UHSUHVHQW UHJLVWHUHG LQYHVWPHQW FRPSDQLHV RWKHU WKDQ WKH)X						
7KH YDULRXV SRROHG LQYHVWPHQW YHKLFOHV DQG DFRXQWV OLVWHG DUH PDQDJHG E						
VROHO\ UHVSQRVLEOH IRU PDQDJLQJ VXFK OLVWHG DPRXQWV						

Index Descriptions

The indexes are unmanaged and include reinvestment of **Bloomberg U.S. Government - Intermediate Index**
 DQ\ LQFRPH RU GLVWULEXWLRQV 7KHL Q RW Q RW L Q M A H P W G D Q W I H H R P S R Q H Q W R I W
 H[SHQVHV RU VDOHV FKDUJHV 2QH FD Q R H W Q D P H G W W Q G L H J H F M K O F K L Q Q F O X G H V 8 6
 DQ LQGH[DQG DQ LQGH[LV QRW UHSU J H V G Q U D D M L Y C R R L Q D K H 8 6 Q G T V H D V X U L H V D G
 SRUWIROLR 1HW 5HWXUQV 15 LQFOXGH E L C F R R H Q V H W H F I X W D V L H V L V V X H G E \ 8 6
 withholding when dividends are paid. RU JRYHUQPHQW VSRQVRUHG HQWLWLHV

)RU 5XVVHOO ,QGH[HV)UDQN 5XVVHOO &RPSDQ\ LV WKH VRXUFH
 DQG RZQHU RI WKH WUDGHPDUNV V H U B r o n e r g U S H i g h Y e l d V e r y F l o o d I n d e x K W s a
 related to the Russell Indexes. Russell® LV D WUDGHPD U F R R S R Q H Q W R I W K H 8 6 & R U S R U D W H + L J K
)UDQN 5XVVHOO &RPSDQ\ G H V L J Q H G W R W U D F N D P R U H O L T X L G F R P
 6HH ZZZ IUDQNOLQWHP SOHWRQGDWDV R X U F H V F R P I R U D G G L W L R Q D O
 data provider information. Bloomberg U.S. Mortgage-Backed Securities (MBS)
 Index WUDFNV WKH SHUIRUPDQFH RI ¿[HG U

Bloomberg 1-3 Month U.S. Treasury Bill Index measures
 WKH SHUIRUPDQFH RI 8 6 7UHDVXU\ E L O Q Y W K D W K P Y H D Y H P S D L O Q J U H G G L H O D
 PDWXULW\ RI JUHDWHU WKDQ RU HTXD Q W R R Q H P R Q W K D Q G Q E U L G D G M X V W D E C
 WKUHH PRQWKV 7UHDVXULHV LI KHOG W R P D W X U L W \ R H U D ¿[HG U D W H
 RI UHWXUQ DQG D ¿[HG SULQFLSDO YDOXH WKHLU LQWHUHVW SD\PHQWV
 and principal are guaranteed.

Bloomberg U.S. Aggregate Bond Index measures
 WKH SHUIRUPDQFH RI WKH LQYHVWPHQW J U D S E W o r l d G o v e r n m e n t B o n d I n d e x D i e a s t
 GHQRPLQDWHG ¿[HG U D W H W D [D E O H E R Q G P D U N H W , W L Q F O X G S H I V I R 8 6 P Q Q D R U G I H C R P D W D W E R F D O F X U U
 LQFOXGHV 7UHDVXULHV JRYHUQPHQW U H O D W H G D Q G F R U S R U D W H
 VHFUXULWLHV PRUWJDJH EDFNHG VHFUXULWLHV DJHQF\ ¿[HG
 UDWH DQG K\EULG DGMXVWDEOH UDWH F T B E R P P R A T I O N A R E S D e v e l o p e d I n d e x J K W D I U H H A R D W
 DVVHW EDFNHG VHFUXULWLHV DQG FRP D E C U F L D W H E R U Q G I D J K E V D F N H G G W R P H D V X U H
 VHFUXULWLHV DJHQF\ DQG QRQDJHQF\ S X E O L F O \ W U D G H G U H D O H V W D W H V H F X U L
 and principal are guaranteed.

Bloomberg U.S. Corporate Bond Index measures the
 SHUIRUPDQFH RI WKH LQYHVWPHQW J U D S E W o r l d G o v e r n m e n t B o n d I n d e x D i e a s t
 FRUSRUDWH ERQG PDUNHW , W L Q F O X G S H I V I R 8 6 P Q Q D R U G I H C R P D W D W E R F D O F X U U
 VHFUXULWLHV SXEOLFO\ LVVXHG E\ 8 6 V R Q G U C H L Q G B E R Q Q G X D Q G U L D O W D W H G L Q 8 6
 XLWOLW\ DQG ¿QDQFLDO LVVXHUV

Bloomberg U.S. Corporate High Yield Bond Index
 PHDVXUH WKH SHUIRUPDQFH RI WKH 8 R Y H G U R O P H D U W G H F O R P L Q D W K P D W X U L W L H V J
 KLJK \LHOG ¿[HG U D W H F R U S R U D W H E R Q G P D U N H W Y H H G W Y H F R X S H L G I F R X Q W H L H V J O R E D
 FODVVL¿HG DV KLJK \LHOG LI WKH PLGGOH UDWLQJ RI 0RRG\ (V)LWFK
 DQG 6WDQGDUG 3RRU (V LV %D %% M S C I A l l C o u n t r y A s i a I n d e x N R
 IURP LVVXHUV ZLWK DQ HPHUJLQJ PDUNHWV (0 FRXQWU\ RI ULVN
 EDVHG RQ %ORRPEHUJ (0 FRXQWU\ GH¿QLWLRLQ DUH H[FOXGHG

FRANKLIN TEMPLETON VARIABLE INSURANCE PRODUCTS TRUST
INDEX DESCRIPTIONS

0DQDJHPPHQW WKHQ GLVFXVVHG ZLWK WKH %RDUG WKH DFWLRQV WKDW
DUH EHLQJ WDNHQ LQ DQ H†RUW WR DGGUHVV WKH VRXUFHV RI WKH
)XQG¶V XQGHUSHUIRUPDQFH LQFOXGLQJ HQKDQFHPPHQWV PDGH WR
WKH)XQG¶V LQYHVWPHQW VWUDWHJLHV 7KH %RDUG FRQFOXGHG WKDW
WKH)XQG¶V 0DQDJHPPHQW \$JUHHPPHQW VKRXOG EH FRQWLQXHG
IRU DQ DGGLWLRQDO RQH \HDU SHULRG DQG PDQDJHPPHQW¶V H†RUWV
VKRXOG FRQWLQXH WR EH FORVHO\ PRQLWRUH

)UDQNOLQ ,QFRPH 7,3)XQG¶V LQYHVWPHQW 8QLYHUVH IRU
WKH)XQG LQFOXGHG WKH)XQG DQG DOO ÀH[LEOH SRUWIROLR IXQGV
XQGHUO\LQJ 9,3V 7KH %RDUG QRWHG WKDW WKH)XQG¶V DQXDO]HG
LQFRPH UHWXUQ IRU WKH RQH WKUHH ¿YH DQG \HDU SHULRGV
ZDV DERYH WKH PHGLDQ RI LWV 3HUIRUPDQFH 8QLYHUVH 7KH
%RDUG DOVR QRWHG WKDW WKH)XQG¶V DQXDO]HG WRWDO UHWXUQ
IRU WKH RQH DQG \HDU SHULRGV ZDV DERYH WKH PHGLDQ RI
LWV 3HUIRUPDQFH 8QLYHUVH EXW IRU WKH WKUHH DQG ¿YH \HDU
SHULRGV ZDV EHORZ WKH PHGLDQ RI LWV 3HUIRUPDQFH 8QLYHUVH
7KH %RDUG FRQVLGHUHG WKH LQFRPH UHODWHG DWWULEXWHV RI
WKH)XQG VXFK DV D IXQGV¶V LQYHVWPHQW REMHFWLYH DQG RU
LQYHVWPHQW VWUDWHJ\ DQG WKDW WKH HYDOXDWLRQ RI WKH)XQG¶V
performance relative to its peers on an income return basis
ZDV DSSURSULDWH JLYHQ WKH)XQG¶V LQFRPH UHODWHG DWWULEXWHV
and investor expectations. The Board concluded that the
)XQG¶V SHUIRUPDQFH ZDV VDWLVIDFWRU\

)UDQNOLQ 6WUDWHJLF ,QFRPH 9,3)XQG DQG)UDQNOLQ 8 6
*RYHUQPHQW 6HFXULWLV 9,3)XQG¶V LQYHVWPHQW
8QLYHUVH IRU WKH)UDQNOLQ 6WUDWHJLF ,QFRPH 9,3)XQG
LQFOXGHG WKH)XQG DQG DOO PXOWL VHFWRU LQFRPH IXQGV
XQGHUO\LQJ 9,3V 7KH 3HUIRUPDQFH 8QLYHUVH IRU WKH)UDQNOLQ
8 6 *RYHUQPHQW 6HFXULWLV 9,3)XQG LQFOXGHG WKH)XQG
DQG DOO LQWHUPHGLDWH 86 JRYHUQPHQW IXQGV XQGHUO\LQJ 9,3V
7KH %RDUG QRWHG WKDW HDFK)XQG¶V DQXDO]HG LQFRPH UHWXUQ
IRU WKH RQH WKUHH ¿YH DQG Z0QW IXQUO(QH 8VE00 ¿YH WKH))TJ9 0 0 22379401.807

FRANKLIN TEMPLETON VARIABLE INSURANCE PRODUCTS TRUST
SHAREHOLDER INFORMATION

)UDQNOLQ *URZWK DQG , QFHR BHH U, BU X D Q F H
8QLYHUVH IRU WKH)XQG LQFOXGHG WKH)XQG DQG DOO HTXLW\
LQFRPH IXQGV XQGHUO\LQJ 9,3V 7KH %RDUG QRWHG WKDW WKH
)XQG¶V DQXDO DQJH LQFRPH UHWXUQ DQG DQXDO DQJH WRWDO UHWXUQ
IRU WKH RQH WKUHH ¿YH DQG \HDU SHULRGV ZHUH DERYH WKH
PHGLDQV RI LWV 3HUIRUPDQFH 8QLYHUVH 7KH %RDUG FRQFOXGHG
WKDW WKH)XQG¶V SHUIRUPDQFH ZDV VDWLVIDFWRU\

)UDQNOLQ \QD7HFK 9.3)XQG)UDQNOLQ 0XWXDO 6KDUHV 9,3
)XQG 7HPSOHWRQ)RUHLJQ 9,3)XQG DQG 7HPSOHWRQ *URZWK
9,3)XQG KH 3HUIRUPDQFH 8QLYHUVH IRU WKH)UDQNOLQ
\QD7HFK 9,3)XQG LQFOXGHG WKH)XQG DQG DOO ODUJH FDS
JURZWK IXQGV XQGHUO\LQJ 9,3V 7KH 3HUIRUPDQFH 8QLYHUVH IRU
WKH)UDQNOLQ 0XWXDO 6KDUHV 9,3)XQG LQFOXGHG WKH)XQG DQG
DOO PXOWL FDS YDOXH IXQGV XQGHUO\LQJ 9,3V 7KH 3HUIRUPDQFH
8QLYHUVH IRU WKH 7HPSOHWRQ)RUHLJQ 9,3)XQG LQFOXGHG WKH
)XQG DQG DOO LQWHUQDWRQDO PXOWL FDS YDOXH IXQGV XQGHUO\LQJ
9,3V 7KH 3HUIRUPDQFH 8QLYHUVH IRU WKH 7HPSOHWRQ *URZWK
9,3)XQG LQFOXGHG WKH)XQG DQG DOO JOREDQ PXOWL FDS YDOXH
IXQGV XQGHUO\LQJ 9,3V 7KH %RDUG QRWHG WKDW HDFK)XQG¶V
DQXDO DQJH WRWDO UHWXUQ IRU WKH RQH WKUHH ¿YH DQG \HDU

periods was below the median of its respective Performance

8QLYHUVH 7KH %RDUG IXUWKHU QRWHG WKDW H¿HFWLYH 0D\
WKH)UDQNOLQ \QD7HFK 9,3)XQG FDKQJHG LWV QDPH
LQYHVWPHQW VWUDWHJ\ DQG SULPDU\ EHQFKPDUN WR DOLJQ ZLWK
WKH)UDQNOLQ \QD7HFK)XQG DQG WKDW LW ZRXOG QHGH PRUH
WLPH WR DVVHVW WKH LPSOLFWRQ RI WKHVH FDKQJHV RQ)XQG
performance.

7KH %RDUG DOVR QRWHG PDQDJH PHQW¶V H[SODQDWRQ WKDW WKH
)UDQNOLQ 0XWXDO 6KDUHV 9,3)XQG¶V XQGHUSHUIRUPDQFH LQ
ZDV PDWHULDO DQG FRQLQXHV WR DGYHUVHO\ LPSDFW WKH
)XQG¶V UDQNLQJ RYHU ORQJHU WHUP SHULRGV 0DQDJH PHQW
UHPLQGHG WKH %RDUG RI WKH SULPDU\ IDFWRUV WKDW LPSDFWHG WKH
SHUIRUPDQFH LQFOXGLQJ DPRQJ IDFWRUV H[SRVXUH WR
QRQ 86 HTXLWLHV DQG VWRFN VHOHFWLRQ 0DQDJH PHQW H[SODLQHG
WKDW WKH)XQG KDV D PRUH YDOXH RULHQWHG WLOW DQG XQGHUZHLJKW
SRVLWRQ LQ 86 VHFULWLHV DV FRPSDUHG WR LWV 3HUIRUPDQFH
8QLYHUVH ERWK RI ZKLFK GHUODFWHG IURP WKH)XQG¶V UHODWLYH

performance during a period of historic and sustained

RXWSHUIRUPDQFH RI JURZWK RYHU YDOXH 0DQDJH PHQW IXUWKHU
H[SODLQHG WKDW NH\ GHUODFWWRUV IURP WKH)XQG¶V WKUHH \HDU
SHUIRUPDQFH LQFOXGHG WKH)XQG¶V VWRFN VHOHFWLRQ LQ WKH
¿QDQFLDOV DQG LQGXVWULDOV VHFWRUV DQG WKH)XQG¶V XQGHUZHLJKW
SRVLWRQ LQ WKH LQGXVWULDO VHFWRU 0DQDJH PHQW UHYLHZHG ZLWK
WKH %RDUG RQJRLQJ HQKDQFH PHQW WR WKH)XQG¶V LQYHVWPHQW
WHDP DQG SURFHVHV LQ DQ H¿RUW WR LPSURYH SHUIRUPDQFH

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([SHQVH *URXS IRU WKH)UDQNOLQ \$OORFDWLRQ 9,3)XQG LQFOXGHG
WKH)XQG DQG RWKHU PL[HG DVVHW WDUJHW DOORFDWLRQ JURZWK
IXQGV XQGHUO\LQJ 9,3V 7KH ([SHQVH *URXS IRU WKH)UDQNOLQ
*URZWK DQG ,QFRPH 9,3)XQG LQFOXGHG WKH)XQG DQG
RWKHU HTXLW\ LQFRPH IXQGV XQGHUO\LQJ 9,3V 7KH ([SHQVH
*URXS IRU WKH)UDQNOLQ ,QFRPH 9,3)XQG LQFOXGHG WKH)XQG
DQG RWKHU ÀH[LEOH SRUWIROLR IXQGV XQGHUO\LQJ 9,3V 7KH
([SHQVH *URXS IRU WKH)UDQNOLQ 6PDOO &DS 9DOXH 9,3)XQG
LQFOXGHG WKH)XQG DQG HLJKW RWKHU VPDOO FDS YDOXH IXQGV
XQGHUO\LQJ 9,3V 7KH ([SHQVH *URXS IRU WKH 7HPSOHWWRQ
*OREDO %RQG 9,3)XQG LQFOXGHG WKH)XQG DQG RWKHU JOREDO
LQFRPH IXQGV XQGHUO\LQJ 9,3V 7KH ([SHQVH *URXS IRU WKH
)UDQNOLQ \QD7HFK 9,3)XQG LQFOXGHG WKH)XQG DQG
RWKHU ODUJH FDS JURZWK IXQGV XQGHUO\LQJ 9,3V 7KH ([SHQVH
*URXS IRU WKH)UDQNOLQ 5LVLQJ 'LYLGHQGV 9,3)XQG LQFOXGHG
WKH)XQG DQG RWKHU ODUJH FDS FRUH IXQGV XQGHUO\LQJ
9,3V 7KH ([SHQVH *URXS IRU WKH)UDQNOLQ 6PDOO 0LG &DS
0&0ZWK 9,3)XQG LQFOXGHG WKH)XQG DQG RWKHU PLG FDS
JURZWK IXQGV XQGHUO\LQJ 9,3V 7KH %RDUG Q03

discussed with management the expenses of both of these

)XQGV DQG PDQDJHPPHQW DJUHHG WR LPSOHPHQW D UHGXFWRQ LQ
WKH 0DQDJHPPHQW 5DWH IRU WKH 7HPSOHWQR)RUHLJQ 9,3)XQG
DQG LPSOHPHQW DQ H[SHQVH FDS RQ WKH 7HPSOHWQR *URZWK
9,3)XQG¶V DFWXDO WRWDO H[SHQVH UDWLR RI H¶HFWLYH 0D\
7KH %RDUG DOVR QRWHG WKDW WKH)UDQNOLQ 9RO6PDUW
\$OORFDWLRQ 9,3)XQG¶V DFWXDO WRWDO H[SHQVH UDWLR UHÀHFWHG D
fee waiver from management. The Board further noted that
WKH 7HPSOHWQR 'HYHORSLQJ 0DUNHWV 9,3)XQG¶V VXE DGYLVHU
LV SDLG E\ 7\$0/ RXW RI WKH PDQDJHPPHQW IHH 7\$0/ UHFHLYHV
IURP WKH)XQG DQG WKDW WKH DOORFDWLRQ RI WKH IHH EHWZHHQ
7\$0/ DQG WKH VXE DGYLVHU UHÀHFWHG WKH VHUFLFHV SURYLGHG E\
HDFK WR WKH)XQG \$IWHU FRQVLGHUDWLRQ RI WKH DERYH WKH %RDUG
FRQFOXGHG WKDW WKH 0DQDJHPPHQW 5DWH FKDUJHG WR HDFK)XQG
DQG WKH VXE DGYLVHU\ IHH SDLG WR WKH 7HPSOHWQR 'HYHORSLQJ
0DUNHWV 9,3)XQG¶V VXE DGYLVHU DUH UHDVQRDEOH

3UR¿WDELOLW\

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WR WKH H[WHQW HFRQRPLHV RI VFDOH PD\ EH UHDOL]HG E\ HDFK

SUR[\ YRWLQJ UHFRUGV DUH DOVR PDGH DYDLODEOH RQOLQH DW
IUDQNOLQWHP SOHWRQ FRP DQG SRVWHG RQ WKH 8 6 6HFXULWLHV DQG
([FKDQJH &RPPLVVLRQ¶V ZHEVLWH DW VHF JRY DQG UHÅHFW WKH
PRVW UHFHQW PRQWK SHULRG HQGHG -XQH

4XDUWHUO\ 6FKHGXOH RI ,QYHVWPHQWV

7KH 7UXVW ¿OHV D FRPSOHWH VFKHGXOH RI LQYHVWPHQWV ZLWK
WKH 8 6 6HFXULWLHV DQG ([FKDQJH &RPPLVVLRQ IRU WKH ¿UVW
DQG WKLUG TXDUWHUV IRU HDFK ¿VFDO \HDU DV DQ H[KLELW WR LWV
UHSRUW RQ)RUP 1 3257 6KDUHKROGHUV PD\ YLHZ WKH ¿OHG
)RUP 1 3257 E\ YLVLWLQJ WKH &RPPLVVLRQ¶V ZHEVLWH DW VHF
JRY 7KH ¿OHG IRUP PD\ DOVR EH YLHZHG DQG FRSLHG DW WKH
&RPPLVVLRQ¶V 3XEOLF 5HIHUHQFH 5RRP LQ :DVKLQJWRQ '&

Information regarding the operations of the Public Reference

5RRP PD\ EH REWDLQHG E\ FDOOLQJ 6(&

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)UDQNOLQ 7HPSOHWQR 9DULDEOH ,QVXUDQFH 3URGXFWV 7UXVW)79,3 VKDUHV DU
RQO\ WR LQVXUDQFH FRPSDQ\ VHSUDWH DFFRXQWV 6HSDUDWH \$FFRXQW WR
FRQWUDFWV FHUWDLQ TXDOLHG SODQV DQG RWKHU PXWXDO IXQGV IXQGV

\$XWKRULJHG IRU GLVWULEXWLRQ WR LQYHVWRUV LQ 6HSDUDWH \$FFRXQWV RQO\ ZK
DSSOLFDEOH FRQWUDFW ZKLFK LQFOXGHV WKH 6HSDUDWH \$FFRXQW DQG WKH)79,
LQYHVWPHQW JRDOV ULNV FKDUJHV DQG SURSRWHV FRQWUDLOVHWLQJ DQG RWKH
FDUHIXOO\ EHIRUH LQYHVWLQJ

7R KHOS HQVXUH ZH SURYLGH \RX ZLWK TXDOLW\ VHU\LFH DOO FDOOV WR DQG IUR



Semiannual Report
Franklin Templeton Variable Insurance Products Trust

Investment Managers	Fund Administrator	Distributor
)UDQNOLQ \$GYLVHUV)UDQNOLQ 7HPSOHWQR 6HU\LFHV //&)		'LVWULEXWRUV //&
)UDQNOLQ 0XWXDO \$GYLVHUV //&		
)UDQNOLQ 7HPSOHWQR ,QVWLWXWLRQDO //&		
7HPSOHWQR \$VVHW 0DQDJHPHQW /WG		
7HPSOHWQR *OREDO \$GYLVHUV /LPLWHG		
7HPSOHWQR ,QYHVWPHQW &RXQVHO //&		