

PROSPECTUS

# FRANKLIN TEMPLETON VARIABLE INSURANCE PRODUCTS TRUST

May 1, 2023

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# Contents

Fund Summaries

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# FRANKLIN ALLOCATION VIP FUND

## Investment Goal

Capital appreciation. Its secondary goal is income.

## Fees and Expenses of the Fund

This table describes the fees and expenses that you may pay if you buy, hold and sell shares of the Fund. **The table and the example do not include any fees or sales charges imposed by variable insurance contracts, qualified retirement plans or funds of funds.** If they were included, your costs would be higher.

### Annual Fund Operating Expenses

(expenses that you pay each year as a percentage of the value of your investment)

	Class 1	Class 2	Class 4
Management fees	0.55%	0.55%	0.55%
Distribution and service (12b-1) fees	None	0.25%	0.35%
Other expenses <sup>1</sup>	0.05%	0.05%	0.05%
Acquired fund fees and expenses	0.01%	0.01%	0.01%
Total annual Fund operating expenses <sup>2</sup>	0.61%	0.86%	0.96%
Fee waiver and/or expense reimbursement <sup>3</sup>	-0.04%	-0.04%	-0.04%
<b>Total annual Fund operating expenses after fee waiver and/or expense reimbursement</b>	<b>0.57%</b>	<b>0.82%</b>	<b>0.92%</b>

<sup>1</sup> Other expenses have been restated to reflect fees and expenses for the current fiscal year. Consequently, the total annual Fund operating expenses differ from the ratio of expenses to average net assets shown in the Financial Highlights.

<sup>2</sup> Total annual Fund operating expenses differ from the ratio of expenses to average net assets shown in the Financial Highlights, which reflect the operating expenses of the Fund and do not include acquired fund fees and expenses.

<sup>3</sup> The investment manager has agreed to waive fees and/or reimburse operating expenses (excluding Rule 12b-1 fees and certain non-routine expenses or costs, such as those relating to litigation, indemnification, reorganizations and liquidations) for the Fund so that the ratio of total annual fund operating expenses will not exceed 0.57% for each share class. The investment manager has also agreed to reduce its fees to reflect reduced services resulting from the Fund's investments in Franklin Templeton affiliated funds. These arrangements are

## FUND SUMMARIES

Fund's portfolio to bring the Fund back to its typical allocation on a periodic basis, typically when market values deviate from target weights beyond predefined thresholds or when the manager's view on asset classes changes. In addition, during adverse market conditions, the investment

The investable universe typically includes equity securities of companies in the Russell 1000 Index. The investment manager uses a multi-factor process to determine securities that have favorable exposure to quality, value and momentum.

**Franklin U.S. Smart Beta Equity Strategy.** The strategy seeks long-term capital appreciation by investing substantially in U.S. equities using a proprietary, systematic model to screen, weigh and select securities, starting with those in a broad-market U.S. equity index (currently the Russell 1000 Index).

**Templeton Foreign Strategy.** The strategy seeks long-term capital growth by investing predominantly in foreign securities which are predominantly equity securities of companies located outside of the U.S., including developing markets.

**Brandywine Global Opportunities Bond Strategy.** The strategy seeks to maximize total return by investing at least 80% of its net assets in fixed income securities of issuers located in developed market countries. The Fund will invest in both investment grade and below investment grade fixed income securities.

**Franklin Investment Grade Corporate Strategy.** The strategy seeks as high a level of current income as is consistent with prudent investing, while seeking preservation of capital, by investing predominantly in investment grade corporate debt securities and investments.

**Franklin U.S. Core Bond Strategy.** This strategy seeks total return by investing substantially in bonds of U.S. issuers, including government, corporate debt, mortgage-backed and asset-backed securities. The strategy focuses predominately on investment grade debt securities and is generally expected to have sector, credit and duration exposures comparable to the Bloomberg U.S. Aggregate Bond Index.

**Franklin U.S. Treasury Securities Strategy.** This strategy seeks income by investing in direct obligations of the U.S. Treasury of any maturity and investments that provide exposure to direct obligations of the U.S. Treasury.

**Western Asset Core Bond Strategy.** The strategy seeks to maximize total return, consistent with prudent investment management and liquidity needs, by targeting a dollar weighted average effective duration range within 20% of the average duration of the estimated domestic bond market. The Fund invests in a portfolio of fixed income securities of various maturities and, under normal market conditions, will invest at least 80% of its net assets, including the amount of borrowing for investment purposes, if any, in debt and fixed income securities.

## Principal Risks

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favor, which could cause additional volatility in the prices of the Fund's portfolio holdings.

**Foreign Securities (non-U.S.)** Investing in foreign securities typically involves more risks than investing in U.S. securities, and includes risks associated with: (i) internal and external political and economic developments – e.g., the political, economic and social policies and structures of some foreign countries may be less stable and more volatile than those in the U.S. or some foreign countries may be subject to trading restrictions or economic sanctions; (ii) trading practices – e.g., government supervision and regulation of foreign securities and currency markets, trading systems and brokers may be less than in the U.S.; (iii) availability of information – e.g., foreign issuers may not be subject to the same disclosure, accounting and financial reporting standards and practices as U.S. issuers; (iv) limited markets – e.g., the securities of certain foreign issuers may be less liquid (harder to sell) and more volatile; and (v) currency exchange rate fluctuations and policies. The risks of foreign investments may be greater in developing or emerging market countries.

**Currency Management Strategies** Currency management strategies may substantially change the Fund's exposure to currency exchange rates and could result in losses to the Fund if currencies do not perform as the investment manager expects. In addition, currency management strategies, to the extent that they reduce the Fund's exposure to currency risks, also reduce the Fund's ability to benefit from favorable changes in currency exchange rates. Using currency management strategies for purposes other than hedging further increases the Fund's exposure to foreign investment losses. Currency markets generally are not as regulated as securities markets. In addition, currency rates may fluctuate significantly over short periods of time, and can reduce returns.

**Small and Mid Capitalization Companies** Securities issued by small and mid capitalization companies may be more volatile in price than those of larger companies and may involve additional risks. Such risks may include greater sensitivity to economic conditions, less certain growth prospects, lack of depth of management and funds for growth and development, and limited or less developed product lines and markets. In addition, small and mid capitalization companies may be particularly affected by interest rate increases, as they may find it more difficult to borrow money to continue or expand operations, or may have difficulty in repaying any loans.

**Interest Rate** When interest rates rise, debt security prices generally fall. The opposite is also generally true: debt security prices rise when interest rates fall. Interest rate changes are influenced by a number of factors, including government policy, monetary policy, inflation expectations, perceptions of risk, and supply of and demand for bonds. In general, securities with longer maturities or durations are more sensitive to interest rate changes.

**Credit** An issuer of debt securities may fail to make interest payments or repay principal when due, in whole or in part.

Changes in an issuer's financial strength or in a security's or government's credit rating may affect a security's value.

**Derivative Instruments** The performance of derivative instruments depends largely on the performance of an underlying instrument, such as a currency, security, interest rate or index, and such instruments often have risks similar to their underlying instrument, in addition to other risks. Derivative instruments involve costs and can create economic leverage in the Fund's portfolio which may result in significant volatility and cause the Fund to participate in losses (as well as gains) in an amount that exceeds the Fund's initial investment. Other risks include illiquidity, mispricing or improper valuation of the derivative instrument, and imperfect correlation between the value of the derivative and the underlying instrument so that the Fund may not realize the intended benefits. When a derivative is used for hedging, the change in value of the derivative may also not correlate specifically with the currency, security, interest rate, index or other risk being hedged. With over-the-counter derivatives, there is the risk that the other party to the transaction will fail to perform.

**Income** The Fund's distributions to shareholders may decline when prevailing interest rates fall, when the Fund experiences defaults on debt securities it holds or when the Fund realizes a loss upon the sale of a debt security.

**Mortgage Securities and Asset-Backed Securities** Mortgage securities differ from conventional debt securities because principal is paid back periodically over the life of the security rather than at maturity. The Fund may receive unscheduled payments of principal due to voluntary prepayments, refinancings or foreclosures on the underlying mortgage loans. Because of prepayments, mortgage securities may be less effective than some other types of debt securities as a means of "locking in" long-term interest rates and may have less potential for capital appreciation during periods of falling interest rates. A reduction in the anticipated rate of principal prepayments, especially during periods of rising interest rates, may increase or extend the effective maturity of mortgage securities, making them more sensitive to interest rate changes, subject to greater price volatility, and more susceptible than some other debt securities to a decline in market value when interest rates rise.

Issuers of asset-backed securities may have limited ability to enforce the security interest in the underlying assets, and credit enhancements provided to support the securities, if any, may be inadequate to protect investors in the event of default. Like mortgage securities, asset-backed securities are subject to prepayment and extension risks.

**Prepayment** Prepayment risk occurs when a debt security can be repaid in whole or in part prior to the security's maturity and the Fund must reinvest the proceeds it receives, during periods of declining interest rates, in securities that pay a lower rate of interest. Also, if a security has been purchased at a premium, the value of the premium would be lost in the event of prepayment. Prepayments generally increase when interest rates fall.



**Focus** To the extent that the Fund focuses on particular countries, regions, industries, sectors or types of investment from time to time, the Fund may be subject to greater risks of adverse developments in such areas of focus than a fund that invests in a wider variety of countries, regions, industries, sectors or investments.

**Floating Rate Corporate Investments** Floating rate corporate loans and corporate debt securities generally have credit ratings below investment grade and may be subject to resale restrictions. They are often issued in connection with highly leveraged transactions, and may be subject to greater credit risks than other investments including the possibility of default or bankruptcy. In addition, a secondary market in corporate loans may be subject to irregular trading activity, wide bid/ask spreads and extended trade settlement periods, which may impair the ability to accurately value

## Performance

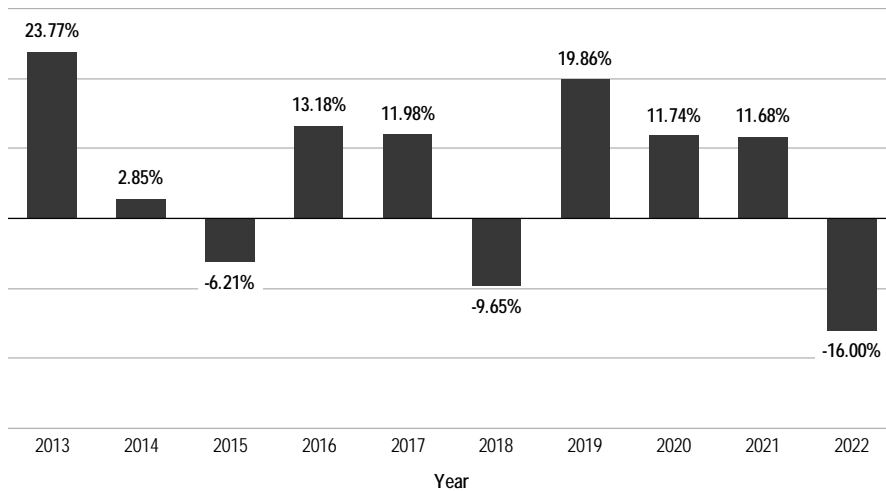
The following bar chart and table provide some indication of the risks of investing in the Fund. The bar chart shows changes in the Fund's performance from year to year for Class 2 shares. The table shows how the Fund's average annual returns for 1 year, 5 years, 10 years or since inception, as applicable, compare with those of a broad measure of market performance. The Fund's past performance is not necessarily an indication of how the Fund will perform in the future. On May 1, 2019, the Fund's investment strategies changed. The performance below prior to May 1, 2019 is attributable to the Fund's performance before the strategy changes.

The inclusion of the Bloomberg U.S. Aggregate Index shows how the Fund's performance compares to a group of

securities in a leading bond index. The inclusion of the MSCI World ex-US Index shows how the Fund's performance compares to a group of securities in a leading international equity index. The Linked Allocation VIP Fund Index, which is comprised of 40% S&P 500® Index, 40% Bloomberg U.S. Aggregate Index and 20% MSCI World ex-US Index-NR, is included to show the Fund's performance against its benchmarks in a way that corresponds to the Fund's asset allocation.

Performance reflects all Fund expenses but does not include any fees or sales charges imposed by variable insurance contracts, qualified plans or funds of funds. If they had been included, the returns shown below would be lower. Investors should consult the variable insurance contract prospectus, or the disclosure documents for qualified plans or funds of funds for more information.

### Class 2 Annual Total Returns



Best Quarter:	2020, Q2	13.78%
Worst Quarter:	2020, Q1	-13.36%

As of March 31, 2023, the Fund's year-to-date return was 5.67%.

### Average Annual Total Returns

For periods ended December 31, 2022

	1 Year	5 Years	10 Years
Franklin Allocation VIP Fund - Class 1	-15.68%	2.86%	5.83%
Franklin Allocation VIP Fund - Class 2	-16.00%	2.57%	5.56%
Franklin Allocation VIP Fund - Class 4	-16.19%	2.46%	5.44%
S&P 500 Index (index reflects no deduction for fees, expenses or taxes)	-18.11%	9.43%	12.56%
Bloomberg US Aggregate Index (index reflects no deduction for fees, expenses or taxes)	-13.01%	0.02%	1.06%
MSCI World ex-US Index-NR (index reflects no deduction for fees, expenses or taxes but are net of dividend tax withholding)	-14.29%	1.79%	4.59%
Linked Allocation VIP Fund Benchmark (index reflects no deduction for fees, expenses or taxes)	-15.01%	4.51%	7.74%

No one index is representative of the Fund's portfolio.

## Investment Manager

Franklin Advisers, Inc. (Advisers)

## Portfolio Managers

### **Thomas A. Nelson, CFA**

Portfolio Manager of Advisers and portfolio manager of the Fund since 2019.

### **Wylie Tollette, CFA**

Executive Vice President of Advisers and portfolio manager of the Fund since 2019.

### **Jacqueline Kenney, CFA**

Portfolio Manager of Advisers and portfolio manager of the Fund since October 2022.

## Purchase and Sale of Fund Shares

Shares of the Fund are sold to insurance companies' separate accounts (Insurers) to fund variable annuity or variable life insurance contracts and to qualified plans. Insurance companies offer variable annuity and variable life insurance products through separate accounts. Shares of the Fund may also be sold to other mutual funds, either as underlying funds in a fund of funds or in other structures. In addition, Fund shares are held by a limited number of Insurers, qualified retirement plans and, when applicable, funds of funds. Substantial withdrawals by one or more Insurers, qualified retirement plans or funds of funds could reduce Fund assets, causing total Fund expenses to become higher than the numbers shown in the fees and expenses table above.

The terms of the offering of interests in separate accounts are included in the variable annuity or variable life insurance product prospectus. The terms of offerings of funds of funds are included in those funds' prospectuses. The terms of offering of qualified retirement plans are described in their disclosure documents. Investors should consult the variable contract prospectus, fund of fund prospectus, or plan disclosure documents for more information on fees and expenses imposed by variable insurance contracts, funds of funds or qualified retirement plans, respectively.

## Taxes

Because shares of the Fund are generally purchased through variable annuity contracts or variable life insurance contracts, the Fund's distributions (which the Fund expects, based on its investment goals and strategies to consist of ordinary income, capital gains or some combination of both) will be exempt from current taxation if left to accumulate

within the variable contract. You should refer to your contract prospectus for more information on these tax consequences.

## Payments to Sponsoring Insurance Companies and Other Financial Intermediaries

The Fund or its distributor (and related companies) may pay broker/dealers or other financial intermediaries (such as banks and insurance companies, or their related companies) for the sale and retention of variable contracts which offer Fund shares and/or for other services. These payments may create a conflict of interest for an intermediary or be a factor in the insurance company's decision to include the Fund as an investment option in its variable contract. For more information, ask your insurance company or financial advisor, visit your insurance company's or intermediary's website, or consult the Contract prospectus or this Fund prospectus.

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# FRANKLIN ALLOCATION VIP FUND

## Investment Goal

The Fund's principal investment goal is capital appreciation. Its secondary goal is income. The Fund's investment goals are non-fundamental, which means they may be changed by the board of trustees without shareholder approval. Shareholders will be given at least 60 days' advance notice of any change to the Fund's investment goal.

## Principal Investment Policies and Practices

The Fund seeks to achieve its investment goals by allocating its assets among the broad asset classes of equity and fixed income investments through a variety of investment strategies or "sleeves" managed by the investment manager or its affiliates. The Fund is structured as a multi-manager fund (meaning the Fund's assets are managed by multiple sub-advisors), with the investment manager having overall responsibility for the Fund's investments. The investment manager allocates assets among various asset classes and strategy sleeves to seek to diversify the Fund's portfolio, to add incremental return, and to reduce the Fund's risk of being significantly impacted by changes in a specific asset class or by changing market conditions. The investment manager may, at times, implement a risk overlay strategy, which seeks to neutralize certain market risks that may exist in the Fund primarily through the use of equity and interest rate/bond futures.

Under normal market conditions, the Fund allocates approximately 60% of its assets to the equity asset class and 40% of its assets to the fixed income asset class by allocating the Fund's assets among the various sleeves. The Fund's asset allocation may change from time to time based on market conditions and the investment manager's strategic and tactical asset allocation views. The Fund's equity and fixed income investments typically will not vary by more than 5% from the stated allocations; however, appreciation and/or depreciation in the value of the Fund's investments may cause the relative percentages to vary by more than 5%. The investment manager rebalances the Fund's portfolio to bring the Fund back to its typical allocation on a periodic basis, typically when market values deviate from target weights beyond predefined thresholds or when the manager's view on asset classes changes. In addition, during adverse market conditions, the investment manager, in its sole discretion, may tactically manage the Fund's risk exposure on a Fund level, which could cause the Fund's allocations to vary by more than 5% from the stated allocations. The investment manager uses a variety of techniques to adjust the Fund's exposure to certain asset classes to manage risk including allocating additional assets or reducing assets allocated to certain sleeves, holding additional cash and cash equivalents in the Fund's portfolio, or using certain equity, interest rate and currency derivative instruments.

The Fund may invest in securities of U.S. and foreign companies in both the equity and fixed income sleeves, although the Fund currently does not anticipate investing more than 30% of its net assets in securities of issuers domiciled outside the United States. For purposes of this Fund's investment strategies, U.S. companies are those that are economically tied to the United States including when: (1) the issuer's principal securities trading market is in the United States; (2) the issuer derives 50% or more of its





A call option gives the purchaser of the option, upon payment of a premium, the right to buy, and the seller the obligation to sell, the underlying instrument at the exercise price. Conversely, a put option gives the purchaser of the option, upon payment of a premium, the right to sell, and the seller of the option the obligation to buy, the underlying instrument at the exercise price. For example, when the investment manager expects the price of a stock held by the Fund to decline in value, the Fund may also purchase put options that are expected to increase in value as the market price of the stock declines to hedge against such anticipated decline in value.

In determining an optimal mix of the equity and fixed income asset classes for the Fund, the investment manager assesses changing economic, market and industry conditions. The investment manager allocates among strategy sleeves utilizing a top-down approach, generating the Fund's strategy weightings by taking into account market conditions, risk factors, diversification, liquidity, transparency and other investment options, among other things.

#### **Information about the Strategy Sleeves**

Allocations to the individually managed sleeves discussed below typically will not exceed 20%, but will vary with market conditions; however, under normal market conditions, no sleeve constitutes a majority of the Fund's assets. The investment manager may select additional Franklin Templeton strategies for investment, other than those listed below, without notice to, or approval by, shareholders. Unless indicated, the individual strategy sleeves are managed by the investment manager.

**ClearBridge Large Cap Growth Strategy.** The strategy seeks long-term growth of capital by taking a concentrated, long-term approach to generating growth by owning three types of growth companies across the spectrum of growth and volatility that can thrive through varying market environments.

**ClearBridge Large Cap Value Strategy.** The strategy seeks long-term growth of capital by exploiting market inefficiencies to identify strong businesses at attractive valuations that it can hold for long time periods.

**Franklin Emerging Markets Core Equity Strategy.** This strategy seeks capital appreciation by investing in equity securities of issuers located in "emerging market countries. The investable universe typically includes equity securities of companies in the MSCI Emerging Market Equity Index. The investment manager uses a multi-factor process to determine securities that have favorable exposure to quality, value and momentum.

**Franklin International Core Equity Strategy.** This strategy seeks capital appreciation by investing predominately in non-U.S. equity securities of any capitalization. The investable universe typically includes both growth and value companies in the MSCI EAFE index. The investment manager uses a multi-factor process to determine securities that have favorable exposure to quality, value and momentum.

**Franklin International Growth Strategy.** The strategy seeks capital appreciation by investing predominantly in the equity securities of mid-and large capitalization companies outside the U.S. with long-term growth potential.

**Franklin U.S. Core Equity Strategy.** This strategy seeks capital appreciation by investing in U.S. equity securities. The investable universe typically includes equity securities of companies in the Russell 1000 Index. The investment manager uses a multi-factor process to determine securities that have favorable exposure to quality, value and momentum.

**Franklin U.S. Smart Beta Equity Strategy.** The strategy seeks long-term capital appreciation by investing substantially in U.S. equities using a proprietary, systematic model to screen, weight and select securities, starting with those in a broad-market U.S. equity index (currently the Russell 1000 Index).

**Templeton Foreign Strategy.** The strategy seeks long-term capital growth by investing predominantly in foreign securities which are predominantly equity securities of companies located outside of the U.S., including developing markets.

**Brandywine Global Opportunities Bond Strategy.** The strategy seeks to maximize total return by investing at least 80% of its net assets in fixed income securities of issuers located in developed market countries. The Fund will invest in both investment grade and below investment grade fixed income securities.

**Franklin Investment Grade Corporate Strategy.** The strategy seeks as high a level of current income as is consistent with prudent investing, while seeking preservation of capital, by investing predominantly in investment grade corporate debt securities and investments.

**Franklin U.S. Core Bond Strategy.** This strategy seeks total return by investing substantially in bonds of U.S. issuers, including government, corporate debt, mortgage-backed and asset-backed securities. The strategy focuses predominately on investment grade debt securities and is generally expected to have sector, credit and duration exposures comparable to the Bloomberg U.S. Aggregate Bond Index.

**Franklin U.S. Treasury Securities Strategy.** This strategy seeks income by investing in direct obligations of the U.S. Treasury of any maturity and investments that provide exposure to direct obligations of the U.S. Treasury.

**Western Asset Core Bond Strategy.** The strategy seeks to maximize total return, consistent with prudent investment management and liquidity needs, by targeting a dollar weighted average effective duration range within 20% of the average duration of the estimated domestic bond market. The Fund invests in a portfolio of fixed income securities of various maturities and, under normal market conditions, will invest at least 80% of its net assets, including the amount of borrowing for investment purposes, if any, in debt and fixed income securities.

## FUND DETAILS

At the discretion of the investment manager, the allocations to asset classes and sleeves may vary from time to time without shareholder approval, based on market conditions, the investment managers' assessment of an asset class' relative attractiveness as an investment opportunity, the investment managers' assessment of a strategy sleeve's effectiveness in changing economic environments, or as part of a risk management strategy.

Alongside traditional financial and economic analyses, the investment manager or sub-advisor assesses the potential impacts of material environmental, social and governance (ESG) factors on a company, which the investment manager

pandemic. This and other government intervention into the economy and financial markets may not work as intended, and have resulted in a large expansion of government deficits and debt, the long term consequences of which are not known. In addition, the COVID-19 pandemic, and measures taken to mitigate its effects, could result in disruptions to the services provided to the Fund by its service providers.

Stock prices tend to go up and down more dramatically than those of debt securities. A slower-growth or recessionary economic environment could have an adverse effect on the prices of the various stocks held by the Fund.

### **Management and Asset Allocation**

The Fund is actively managed and could experience losses if the investment manager's or sub-advisors' judgment about markets, future volatility, interest rates, industries, sectors and regions or the attractiveness, relative values, liquidity, effectiveness or potential appreciation of particular investments made for the Fund's portfolio prove to be incorrect. The investment manager's allocation of Fund assets among different asset classes and strategy sleeves may not prove beneficial in light of subsequent market events. There can be no guarantee that these techniques or the investment manager's or sub-advisors' investment decisions will produce the desired results.

The investment manager and sub-advisors may use

## FUND DETAILS

currency exchange rates and could result in losses to the Fund if currencies do not perform as the investment manager expects. In addition, currency management strategies, to the extent that they reduce the Fund's exposure to currency risks, may also reduce the Fund's ability to benefit from favorable changes in currency exchange rates. There is no assurance that the investment manager's use of currency management strategies will benefit the Fund or that they will be, or can be, used at appropriate times. Furthermore, there may not be perfect correlation between the amount of exposure to a particular currency and the amount of securities in the Fund's portfolio denominated in that currency. Investing in foreign currencies for purposes of gaining from projected changes in exchange rates, as opposed to hedging currency risks applicable to the Fund's holdings, further increases the Fund's exposure to foreign investment losses.

**Political and economic developments.** The political, economic and social policies or structures of some foreign countries may be less stable and more volatile than those in the United States. Investments in these countries may be subject to greater risks of internal and external conflicts, expropriation, nationalization of assets, foreign exchange controls (such as suspension of the ability to transfer currency from a given country), restrictions on removal of assets, political or social instability, military action or unrest, diplomatic developments, currency devaluations, foreign ownership limitations, and substantial, punitive or confiscatory tax increases. It is possible that a government may take over the assets or operations of a company or impose restrictions on the exchange or export of currency or other assets. Some countries also may have different legal systems that may make it difficult or expensive for the Fund to vote proxies, exercise shareholder rights, and pursue legal remedies with respect to its foreign investments.

certain Russian securities and securities of issuers in other countries that are subject to economic sanctions related to the invasion. To the extent that the fund has exposure to Russian investments or investments in countries affected by the invasion, the fund's ability to price, buy, sell, receive or deliver such investments may be impaired. The fund could determine at any time that certain of the most affected securities have zero value. In addition, any exposure that the fund may have to counterparties in Russia or in countries

## FUND DETAILS

different amount of credit risk by the market, the investment



## FUND DETAILS



effort to prevent or mitigate future cybersecurity incidents.

## FUND DETAILS

### Management

are retained from, and not in addition to, the overall investment management fee paid to Advisers by the Fund.

For the fiscal year ended December 31, 2022, the Fund paid Advisers an effective management fee of

## FUND DETAILS

### Financial Highlights

This table presents the financial performance of Fund shares for the past five years or since inception. The table shows certain information on a single Fund share basis (per share performance). It also shows some key Fund statistics, such as total return (past performance) and expense ratios. Total return represents the annual change in value of a share assuming reinvestment of dividends and capital gains. This information has been audited by PricewaterhouseCoopers LLP. Their report, along with the Fund's financial statements, is included in the annual report, which is available upon request.

#### Franklin Allocation VIP Fund - Class 1

	Year Ended December 31,				
	2022	2021	2020	2019	2018
Per share operating performance (for a share outstanding throughout the year)					
Net asset value, beginning of year	\$6.02	\$5.49	\$6.86	\$6.37	\$7.44
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b</sup>					

**Franklin Allocation VIP Fund - Class 2**

	Year Ended December 31,				
	2022	2021	2020	2019	2018
Per share operating performance (for a share outstanding throughout the year)					

## FUND DETAILS

### Franklin Allocation VIP Fund - Class 4

	Year Ended December 31,				
	2022	2021	2020	2019	2018
Per share operating performance (for a share outstanding throughout the year)					
Net asset value, beginning of year	\$6.17	\$5.62	\$6.97	\$6.46	\$7.53
Income from investment operations <sup>a</sup> :					
Net investment income <sup>b</sup>	0.06	0.04	0.08	0.08 <sup>c</sup>	0.20 <sup>c</sup>
Net realized and unrealized gains (losses)	(1.06)	0.60	0.46	1.13	(0.89)
Total from investment operations	(1.00)	0.64	0.54	1.21	(0.69)
Less distributions from:					
Net investment income	(0.08)	(0.09)	(0.09)	(0.24)	(0.21)
Net realized gains	(0.51)	—	(1.80)	(0.46)	(0.17)
Total distributions	(0.59)	(0.09)	(1.89)	(0.70)	(0.38)
<b>Net asset value, end of year</b>	<b>\$4.58</b>	<b>\$6.17</b>	<b>\$5.62</b>	<b>\$6.97</b>	<b>\$6.46</b>

## Additional Information, All Funds

### Dealer Compensation

Franklin Distributors, LLC (Distributors) and/or its affiliates may provide financial support to insurance companies that use the Funds as underlying investment options for their variable contracts, securities dealers that sell shares of Franklin Templeton funds, or participate in the offering of variable insurance products that invest in the Trust (VIP Qualifying Dealers) or other financial intermediaries (together, the intermediaries). Such financial support may be made by payments from Distributors' and/or its affiliates' resources, including from Distributors' retention of underwriting concessions and, in the case of Rule 12b-1 share classes, from payments to Distributors under such plans.

Distributors makes these payments to intermediaries for the provision of services to contract holders, or for marketing support in connection with efforts to educate financial advisors or for the provision of other services which may facilitate, directly or indirectly, investment in the Funds. A number of factors will be considered in determining payments, including an intermediary's sales, assets and redemption rates, the nature and quality of any servicing provided to the Funds, and the quality of an intermediary's relationship with Distributors. Distributors will, on an annual basis, determine the advisability of continuing these payments. To the extent permitted by SEC and FINRA rules and other applicable laws and regulations, Distributors and/or its affiliates may pay or allow other promotional incentives or payments to dealers. Sale of shares of the Funds, as well as shares of other Franklin Templeton funds, is not considered a factor in the selection of securities dealers to execute the Funds' portfolio transactions. Accordingly, the allocation of portfolio transactions for execution by VIP Qualifying Dealers is not considered marketing support payments.

You can find further details in the SAI about the payments made by Distributors and/or its affiliates and the services provided by your insurance company, VIP Qualifying Dealer or other financial intermediary. While your insurance company's fees and charges are generally disclosed in the insurance contract prospectus, your VIP Qualifying Dealer may charge you additional fees or commissions other than those disclosed in this prospectus. You can ask your insurance company, VIP Qualifying Dealer or other financial intermediary for information about any payments they receive from Distributors and/or its affiliates and any services they provide, as well as about fees and/or commissions they charge. These payments and other fees and charges are not reflected in the fee table included in this prospectus. Additional disclosure may be included in the insurance contract prospectus.

### Portfolio Holdings

A description of the Trust's policies and procedures regarding the release of portfolio holdings information for each Fund of the Trust (collectively, the "Fund") is also available in the Trust's SAI. Portfolio holdings information can be viewed online at [franklintempleton.com](http://franklintempleton.com).

### Statements and Reports

Contract Owners should receive financial reports for the Fund related to their Contract from the sponsoring Insurer every six months.

### Administrative Services

Franklin Templeton Services, LLC (FT Services) has an agreement with the investment managers to provide certain administrative services and facilities for each Fund.

FT Services or an affiliate, on behalf of itself and other affiliates of the managers, makes certain payments to insurance companies out of its own resources for certain

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Templeton fund or non-Franklin Templeton fund is brought to the attention of the Fund's investment manager or transfer agent and based on that information the Fund or its investment manager or transfer agent in their sole discretion conclude that such trading may be detrimental to the Fund

ADDITIONAL INFORMATION, ALL FUNDS

- x committing staff to selectively review on a continuing basis recent trading activity in order to identify trading activity that may be contrary to the Fund's Frequent Trading Policy;
- x monitoring potential price differentials following the





- x Typically, redemptions are processed by the next business day provided the redemption request is received in proper form and good order, but may take up to seven days to be processed if making immediate payment would adversely affect the Fund or there is another cause for delay (for example, if you sell shares recently purchased, proceeds may be delayed until your check, draft or wire/electronic funds transfer has cleared). In certain circumstances, however, the Fund may not have the ability to delay a redemption request or may not have the time to determine whether a particular redemption would have an adverse effect on the Fund before the redemption request is paid.
- x At any time, the Fund may establish or change investment minimums.
- x The Fund may make material changes to or discontinue the exchange privilege on 60 days' notice to insurance company or Fund of Fund shareholders, or as otherwise e may take

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## **For More Information**

**For information on the Fund, including a free copy of the Fund's prospectus and Statement of Additional Information, and the Fund's Annual and Semiannual Reports, contact your financial advisor or the insurance company offering your Contract.**

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

Not all Funds and classes are available in all Contracts. For information on the terms of investment in a Contract, please consult the Contract prospectus that accompanies this Fund prospectus.

You can learn more about the Fund in the following documents:

### **Annual/Semiannual Fund Reports to Shareholders**

Include a discussion of recent market conditions and Fund strategies that significantly affected Fund performance during its last fiscal year, financial statements, detailed performance information, portfolio holdings and, in the annual report only, the Independent Registered Public Accounting Firm's report.

### **Statement of Additional Information (SAI)**