SEMIANNUAL REPORT

TEMPLETON GLOBAL BOND VIP FUND

A Series of Franklin Templeton Variable Insurance Products Trust

June 30, 2023

FRANKLIN TEMPLETON

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

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

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

Not FDIC Insured | May Lose Value | No Bank Guarantee

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Templeton Global Bond VIP Fund

This semiannual report for Templeton Global Bond VIP Fund covers the period ended June 30, 2023.

Fund Overview

Fund Goal and Main Investments

The Fund seeks high current income, consistent with preservation of capital. Capital appreciation is a secondary consideration. Under normal market conditions, the Fund invests at least 80% of its net assets in bonds, which include debt securities of any maturity, such as bonds, notes, bills and debentures.

Performance Overview

You can find the Fund's six-month total return for all classes in the Performance Summary. For comparison, the J.P. Morgan Global Government Bond Index posted a +0.80% total return, and the FTSE World Government Bond Index posted a +1.66% total return for the same period.[1]

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

Geographic Composition
6/30/23

	% of Total Net Assets
Asia	38.6%
Latin America & Caribbean	17.1%
North America	13.7%
Australia & New Zealand	8.8%
Europe	6.7%
Other	0.5%
Short-Term Investments & Other Net Assets	14.6%

Thank you for your participation in Templeton Global Bond VIP Fund. We look forward to serving your future investment needs.

1.Source: Morningstar. The J.P. Morgan (JPM) Global Government Bond Index (GGBI) tracks total returns for liquid, fixed-rate, domestic government bonds with maturities greater than one year issued by developed countries globally. The FTSE World Government Bond Index measures the performance of fixed-rate, local currency, investment-grade sovereign bonds and is stated in U.S. dollar terms.

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

See www.franklintempletondatasources.com for additional data provider information.

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

Performance Summary as of June 30, 2023[1]

Share Class	6-Month Total Return
1	-0.53%
2	-0.80%
4	-0.78%

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

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

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

Fund Risks

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

All investments involve risks, including possible loss of principal. Derivative instruments can be illiquid, may disproportionately increase losses, and have a potentially large impact on performance. **International investments** are subject to special risks, including currency fluctuations and social, economic and political uncertainties, which could increase volatility. These risks are magnified in **emerging markets**. **Fixed income securities** involve interest rate, credit, inflation and reinvestment risks, and possible loss of principal. As interest rates rise, the value of fixed income securities falls. **Low-rated, high-yield bonds** are subject to greater price volatility, illiquidity and possibility of default. Changes in the **credit rating** of a bond, or in the credit rating or financial strength of a bond's issuer, insurer or guarantor, may affect the bond's value. The portfolio is **non-diversified** and may invest in a relatively small number of issuers, which may negatively impact the performance and result in greater fluctuation in value. The manager may consider **environmental, social and governance (ESG) criteria** in the research or investment process; however, ESG considerations may not be a determinative factor in security selection. In addition, the manager may not assess every investment for ESG criteria, and not every ESG factor may be identified or evaluated. These and other risks are discussed in the Fund's prospectus.

Your Fund's Expenses

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

Actual Fund Expenses

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

Hypothetical Example for Comparison with Other Mutual Funds

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

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

		Actual (actual return after expenses)		Hypothetical (5% annual return before expenses)		
Share Class	Beginning Account Value 1/1/23	Ending Account Value 6/30/23	Fund-Level Expenses Paid During Period 1/1/23–6/30/23[1,2]	Ending Account Value 6/30/23	Fund-Level Expenses Paid During Period 1/1/23–6/30/23[1,2]	Net Annualized Expense Ratio[2]
1	$1,000	$994.70	$2.32	$1,022.47	$2.35	0.47%
2	$1,000	$992.00	$3.55	$1,021.23	$3.60	0.72%
4	$1,000	$992.20	$4.04	$1,020.74	$4.10	0.82%

1. Expenses are equal to the annualized expense ratio for the six-month period as indicated above—in the far right column—multiplied by the simple average account value over the period indicated, and then multiplied by 181/365 to reflect the one-half year period.
2. Reflects expenses after fee waivers and expense reimbursements. Does not include any ongoing expenses of the Contract for which the Fund is an investment option or acquired fund fees and expenses.

TGB P1 05/23

SUPPLEMENT DATED MAY 8, 2023
TO THE PROSPECTUS
DATED MAY 1, 2023,
OF
TEMPLETON GLOBAL BOND VIP FUND

(a series of Franklin Templeton Variable Insurance Products Trust)

The prospectus is amended as follows:

I. The following replaces the "Fund Summaries – Templeton Global Bond VIP Fund – Performance – Average Annual Total Returns" section on page TGB-S5 of the prospectus:

Average Annual Total Returns
For periods ended December 31, 2022

	1 Year	5 Years	10 Years
Templeton Global Bond VIP Fund - Class 1	-4.85%	-2.08%	-0.54%
Templeton Global Bond VIP Fund - Class 2	-4.95%	-2.32%	-0.78%
Templeton Global Bond VIP Fund - Class 4	-5.13%	-2.41%	-0.89%
JP Morgan Global Government Bond Index (index reflects no deduction for fees, expenses or taxes)	-17.22%	-2.21%	-0.96%
FTSE World Government Bond Index (index reflects no deduction for fees, expenses or taxes)	-18.26%	-2.54%	-1.22%

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

Please keep this supplement with your SAI for future reference.

Financial Highlights

Templeton Global Bond VIP Fund

	Six Months Ended June 30, 2023 (unaudited)	Year Ended December 31, 2022	2021	2020	2019	2018
Class 1						
Per share operating performance (for a share outstanding throughout the period)						
Net asset value, beginning of period	$13.15	$13.82	$14.49	$16.63	$17.54	$17.17
Income from investment operations[a]:						
Net investment income[b]	0.22	0.47	0.48	0.52	0.89	0.88
Net realized and unrealized gains (losses)	(0.29)	(1.14)	(1.15)	(1.31)	(0.54)	(0.51)
Total from investment operations	(0.07)	(0.67)	(0.67)	(0.79)	0.35	0.37
Less distributions from:						
Net investment income and net foreign currency gains	—	—	—	(1.35)	(1.26)	—
Tax return of capital	—	—	—	(—)[c]	—	—
Total distributions	—	—	—	(1.35)	(1.26)	—
Net asset value, end of period	$13.08	$13.15	$13.82	$14.49	$16.63	$17.54
Total return[d]	(0.53)%	(4.85)%	(4.62)%	(4.73)%	1.89%	2.15%
Ratios to average net assets[e]						
Expenses before waiver and payments by affiliates and expense reduction	0.51%	0.50%	0.51%	0.51%	0.53%	0.56%
Expenses net of waiver and payments by affiliates	0.49%	0.48%	0.50%	0.46%	0.44%	0.47%
Expenses net of waiver and payments by affiliates and expense reduction	0.47%	0.48%[f]	0.50%[f]	0.45%	0.42%	0.45%
Net investment income	3.28%	3.56%	3.42%	3.43%	5.22%	5.09%
Supplemental data						
Net assets, end of period (000's)	$151,679	$153,423	$204,318	$224,704	$322,794	$285,046
Portfolio turnover rate	87.36%	14.78%	27.65%	52.84%	22.58%	18.22%

[a]The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Fund's shares in relation to income earned, adjustments to interest income for the inflation-indexed bonds, and/or fluctuating fair value of the investments of the Fund.

[b]Based on average daily shares outstanding.

[c]Amount rounds to less than $0.01 per share.

[d]Total return does not include fees, charges or expenses imposed by the variable annuity and life insurance contracts for which Franklin Templeton Variable Insurance Products Trust serves as an underlying investment vehicle. Total return is not annualized for periods less than one year.

[e]Ratios are annualized for periods less than one year.

[f]Benefit of expense reduction rounds to less than 0.01%.

Templeton Global Bond VIP Fund (continued)

	Six Months Ended June 30, 2023 (unaudited)	Year Ended December 31, 2022	2021	2020	2019	2018
Class 2						
Per share operating performance (for a share outstanding throughout the period)						
Net asset value, beginning of period	$12.47	$13.13	$13.82	$15.91	$16.83	$16.51
Income from investment operations[a]:						
Net investment income[b]	0.19	0.41	0.43	0.46	0.82	0.81
Net realized and unrealized gains (losses)	(0.28)	(1.07)	(1.12)	(1.24)	(0.53)	(0.49)
Total from investment operations	(0.09)	(0.66)	(0.69)	(0.78)	0.29	0.32
Less distributions from:						
Net investment income and net foreign currency gains	—	—	—	(1.31)	(1.21)	—
Tax return of capital	—	—	—	(—)[c]	—	—
Total distributions	—	—	—	(1.31)	(1.21)	—
Net asset value, end of period	$12.38	$12.47	$13.13	$13.82	$15.91	$16.83
Total return[d]	(0.80)%	(4.95)%	(4.99)%	(4.92)%	1.63%	1.94%
Ratios to average net assets[e]						
Expenses before waiver and payments by affiliates and expense reduction	0.76%	0.75%	0.76%	0.75%	0.78%	0.81%
Expenses net of waiver and payments by affiliates	0.74%	0.73%	0.75%	0.71%	0.69%	0.72%
Expenses net of waiver and payments by affiliates and expense reduction	0.72%	0.73%[f]	0.75%[f]	0.70%	0.67%	0.70%
Net investment income	3.02%	3.31%	3.17%	3.16%	4.97%	4.84%
Supplemental data						
Net assets, end of period (000's)	$1,418,349	$1,527,997	$1,859,619	$2,022,487	$2,389,610	$2,544,900
Portfolio turnover rate	87.36%	14.78%	27.65%	52.84%	22.58%	18.22%

[a]The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Fund's shares in relation to income earned, adjustments to interest income for the inflation-indexed bonds, and/or fluctuating fair value of the investments of the Fund.

[b]Based on average daily shares outstanding.

[c]Amount rounds to less than $0.01 per share.

[d]Total return does not include fees, charges or expenses imposed by the variable annuity and life insurance contracts for which Franklin Templeton Variable Insurance Products Trust serves as an underlying investment vehicle. Total return is not annualized for periods less than one year.

[e]Ratios are annualized for periods less than one year.

[f]Benefit of expense reduction rounds to less than 0.01%.

Templeton Global Bond VIP Fund (continued)

	Six Months Ended June 30, 2023 (unaudited)	Year Ended December 31, 2022	2021	2020	2019	2018
Class 4						
Per share operating performance (for a share outstanding throughout the period)						
Net asset value, beginning of period	$12.77	$13.46	$14.17	$16.27	$17.19	$16.88
Income from investment operations[a]:						
Net investment income[b]	0.19	0.41	0.42	0.46	0.82	0.81
Net realized and unrealized gains (losses)	(0.29)	(1.10)	(1.13)	(1.27)	(0.55)	(0.50)
Total from investment operations	(0.10)	(0.69)	(0.71)	(0.81)	0.27	0.31
Less distributions from:						
Net investment income and net foreign currency gains	—	—	—	(1.29)	(1.19)	—
Tax return of capital	—	—	—	(—)[c]	—	—
Total distributions	—	—	—	(1.29)	(1.19)	—
Net asset value, end of period	$12.67	$12.77	$13.46	$14.17	$16.27	$17.19
Total return[d]	(0.78)%	(5.13)%	(5.01)%	(5.00)%	1.48%	1.84%
Ratios to average net assets[e]						
Expenses before waiver and payments by affiliates and expense reduction	0.86%	0.85%	0.86%	0.85%	0.88%	0.91%
Expenses net of waiver and payments by affiliates	0.84%	0.83%	0.85%	0.81%	0.79%	0.82%
Expenses net of waiver and payments by affiliates and expense reduction	0.82%	0.83%[f]	0.85%[f]	0.80%	0.77%	0.80%
Net investment income	2.92%	3.21%	3.07%	3.06%	4.87%	4.74%
Supplemental data						
Net assets, end of period (000's)	$50,878	$55,577	$71,454	$76,771	$90,272	$94,312
Portfolio turnover rate	87.36%	14.78%	27.65%	52.84%	22.58%	18.22%

[a]The amount shown for a share outstanding throughout the period may not correlate with the Statement of Operations for the period due to the timing of sales and repurchases of the Fund's shares in relation to income earned, adjustments to interest income for the inflation-indexed bonds, and/or fluctuating fair value of the investments of the Fund.

[b]Based on average daily shares outstanding.

[c]Amount rounds to less than $0.01 per share.

[d]Total return does not include fees, charges or expenses imposed by the variable annuity and life insurance contracts for which Franklin Templeton Variable Insurance Products Trust serves as an underlying investment vehicle. Total return is not annualized for periods less than one year.

[e]Ratios are annualized for periods less than one year.

[f]Benefit of expense reduction rounds to less than 0.01%.

Schedule of Investments (unaudited), June 30, 2023

Templeton Global Bond VIP Fund

	Principal Amount*		Value
Foreign Government and Agency Securities 71.7%			
Australia 8.8%			
New South Wales Treasury Corp.,			
Senior Bond, 2%, 3/08/33	48,446,000	AUD	$25,507,989
[a] Senior Bond, Reg S, 1.75%, 3/20/34	43,382,000	AUD	21,541,137
Queensland Treasury Corp.,			
[a] Senior Bond, 144A, Reg S, 1.75%, 7/20/34	52,103,000	AUD	25,874,230
Senior Bond, 2%, 8/22/33	49,530,000	AUD	25,987,917
Treasury Corp. of Victoria,			
[a] Senior Bond, Reg S, 2.25%, 9/15/33	35,999,000	AUD	19,078,210
Senior Bond, 2.25%, 11/20/34	49,634,000	AUD	25,475,426
			143,464,909
Brazil 6.7%			
Brazil Notas do Tesouro Nacional,			
10%, 1/01/27	233,800,000	BRL	48,635,264
10%, 1/01/31	112,168,000	BRL	22,810,678
10%, 1/01/33	45,024,000	BRL	9,078,988
[b] F, 10%, 1/01/29	134,126,000	BRL	27,475,688
			108,000,618
Colombia 6.3%			
Colombia Government Bond, Senior Bond, 9.85%, 6/28/27	576,000,000	COP	132,951
Colombia Titulos de Tesoreria,			
B, 6.25%, 11/26/25	10,194,000,000	COP	2,256,351
B, 7.5%, 8/26/26	109,207,600,000	COP	24,513,089
B, 5.75%, 11/03/27	55,276,000,000	COP	11,379,012
B, 6%, 4/28/28	49,809,600,000	COP	10,210,682
B, 7.75%, 9/18/30	37,868,000,000	COP	8,055,908
B, 7%, 3/26/31	17,210,500,000	COP	3,470,408
B, 7%, 6/30/32	24,227,000,000	COP	4,750,961
B, 13.25%, 2/09/33	75,854,000,000	COP	21,281,684
B, 7.25%, 10/18/34	48,555,000,000	COP	9,369,358
B, 6.25%, 7/09/36	10,374,000,000	COP	1,795,814
B, 9.25%, 5/28/42	21,434,000,000	COP	4,588,551
			101,804,769
Germany 2.7%			
[a]Bundesobligation, Reg S, 10/18/24	9,999,000	EUR	10,454,667
[a]Bundesrepublik Deutschland, Reg S, 6.25%, 1/04/24	9,804,000	EUR	10,846,057
[a]Bundesschatzanweisungen, Reg S, 0.4%, 9/13/24	21,697,000	EUR	22,865,545
			44,166,269
Ghana 0.5%			
[c]Ghana Government Bond,			
PIK, 8.35%, 2/16/27	23,756,604	GHS	1,108,765
PIK, 8.5%, 2/15/28	23,756,604	GHS	969,227
PIK, 8.65%, 2/13/29	23,389,900	GHS	857,260
PIK, 8.8%, 2/12/30	23,389,900	GHS	781,697
PIK, 8.95%, 2/11/31	21,361,450	GHS	662,378
PIK, 9.1%, 2/10/32	21,361,450	GHS	624,808
PIK, 9.25%, 2/08/33	21,361,450	GHS	602,497
PIK, 9.4%, 2/07/34	16,227,603	GHS	441,309

Templeton Global Bond VIP Fund (continued)

	Principal Amount*		Value
Foreign Government and Agency Securities (continued)			
Ghana (continued)			
[c]Ghana Government Bond, (continued)			
PIK, 9.55%, 2/06/35	16,227,603	GHS	$429,587
PIK, 9.7%, 2/05/36	16,227,603	GHS	421,372
PIK, 9.85%, 2/03/37	16,227,603	GHS	415,779
PIK, 10%, 2/02/38	16,227,603	GHS	412,138
			7,726,817
India 4.7%			
India Government Bond,			
Senior Bond, 5.77%, 8/03/30	526,000,000	INR	5,948,149
Senior Bond, 7.26%, 8/22/32	1,877,900,000	INR	23,137,614
Senior Note, 7.1%, 4/18/29	3,794,000,000	INR	46,320,507
			75,406,270
Indonesia 9.0%			
Indonesia Government Bond,			
FR68, 8.375%, 3/15/34	283,972,000,000	IDR	21,715,667
FR73, 8.75%, 5/15/31	7,058,000,000	IDR	538,585
FR82, 7%, 9/15/30	7,166,000,000	IDR	495,202
FR87, 6.5%, 2/15/31	47,115,000,000	IDR	3,155,628
FR91, 6.375%, 4/15/32	132,268,000,000	IDR	8,823,447
FR95, 6.375%, 8/15/28	102,269,000,000	IDR	6,929,012
FR96, 7%, 2/15/33	1,498,234,000,000	IDR	104,709,307
			146,366,848
Malaysia 7.3%			
Malaysia Government Bond,			
3.9%, 11/30/26	68,750,000	MYR	14,892,897
3.892%, 3/15/27	5,820,000	MYR	1,257,419
3.502%, 5/31/27	9,330,000	MYR	1,988,328
3.899%, 11/16/27	209,830,000	MYR	45,413,171
3.519%, 4/20/28	16,340,000	MYR	3,489,797
3.733%, 6/15/28	112,390,000	MYR	24,185,189
3.885%, 8/15/29	17,610,000	MYR	3,793,124
4.498%, 4/15/30	43,070,000	MYR	9,648,510
3.582%, 7/15/32	67,880,000	MYR	14,242,469
			118,910,904
Mexico 4.1%			
Mexican Bonos,			
M, 10%, 11/20/36	39,180,000	MXN	2,531,573
M, Senior Bond, 7.75%, 11/23/34	121,750,000	MXN	6,643,922
Mexican Bonos Desarr Fixed Rate,			
M, 7.5%, 5/26/33	719,380,000	MXN	38,717,810
M, Senior Bond, 8.5%, 5/31/29	114,900,000	MXN	6,651,457
M, Senior Bond, 8.5%, 11/18/38	71,820,000	MXN	4,090,096
M, Senior Bond, 7.75%, 11/13/42	154,590,000	MXN	8,105,475
			66,740,333
Norway 4.0%			
[a]Norway Government Bond,			
Senior Bond, 144A, Reg S, 3%, 3/14/24	562,122,000	NOK	51,995,599
Senior Bond, 144A, Reg S, 1.75%, 3/13/25	89,312,000	NOK	8,001,404

Templeton Global Bond VIP Fund (continued)

	Principal Amount*		Value
Foreign Government and Agency Securities (continued)			
Norway (continued)			
[a]Norway Government Bond, (continued)			
Senior Bond, 144A, Reg S, 1.5%, 2/19/26	52,969,000	NOK	$4,629,128
			64,626,131
Singapore 4.4%			
Singapore Government Bond,			
2.875%, 9/01/30	7,560,000	SGD	5,514,800
2.625%, 8/01/32	53,040,000	SGD	37,906,921
3.375%, 9/01/33	35,730,000	SGD	27,147,244
			70,568,965
South Korea 10.1%			
Korea Treasury Bonds,			
2.25%, 9/10/23	36,742,000,000	KRW	27,817,655
0.875%, 12/10/23	22,287,000,000	KRW	16,723,186
1.875%, 3/10/24	33,811,000,000	KRW	25,375,872
1.375%, 9/10/24	75,881,910,000	KRW	56,114,620
3%, 9/10/24	18,500,000,000	KRW	13,942,839
Senior Note, 1.75%, 9/10/26	34,133,000,000	KRW	24,418,979
			164,393,151
Thailand 3.1%			
Thailand Government Bond,			
0.75%, 9/17/24	745,020,000	THB	20,752,991
1%, 6/17/27	570,140,000	THB	15,373,573
Senior Note, 0.66%, 11/22/23	481,230,000	THB	13,557,655
			49,684,219
Total Foreign Government and Agency Securities (Cost $1,209,172,595)			**1,161,860,203**
U.S. Government and Agency Securities 13.7%			
United States 13.7%			
U.S. Treasury Bonds,			
3.125%, 2/15/43	16,230,000		14,163,211
3.625%, 8/15/43	56,190,000		52,770,312
U.S. Treasury Notes, 3.5%, 2/15/33	159,100,000		154,998,204
			221,931,727
Total U.S. Government and Agency Securities (Cost $225,580,904)			**221,931,727**
Total Long Term Investments (Cost $1,434,753,499)			**1,383,791,930**

Short Term Investments 15.8%

	Principal Amount*		Value
Foreign Government and Agency Securities 6.4%			
Germany 2.0%			
[d]Germany Treasury Bills,			
[a] Reg S, 9/20/23	3,483,000	EUR	3,773,484

Templeton Global Bond VIP Fund (continued)

Short Term Investments (continued)

	Principal Amount*		Value
Foreign Government and Agency Securities (continued)			
Germany (continued)			
[d]Germany Treasury Bills, (continued)			
[a] Reg S, 10/18/23	26,962,000	EUR	$29,128,109
			32,901,593
Japan 4.4%			
[d]Japan Treasury Bills,			
11/10/23	2,248,200,000	JPY	15,591,626
12/20/23	879,000,000	JPY	6,097,075
2/20/24	7,151,000,000	JPY	49,614,587
			71,303,288
Total Foreign Government and Agency Securities (Cost $108,905,395)			**104,204,881**
	Shares		
Money Market Funds 9.4%			
United States 9.4%			
[e,f]Institutional Fiduciary Trust - Money Market Portfolio, 4.699%	151,670,880		151,670,880
Total Money Market Funds (Cost $151,670,880)			**151,670,880**
Total Short Term Investments (Cost $260,576,275)			**255,875,761**
Total Investments (Cost $1,695,329,774) 101.2%			**$1,639,667,691**
Other Assets, less Liabilities (1.2)%			**(18,761,927)**
Net Assets 100.0%			**$1,620,905,764**

*The principal amount is stated in U.S. dollars unless otherwise indicated.
[a]Security was purchased pursuant to Rule 144A or Regulation S under the Securities Act of 1933. 144A securities may be sold in transactions exempt from registration only to qualified institutional buyers or in a public offering registered under the Securities Act of 1933. Regulation S securities cannot be sold in the United States without either an effective registration statement filed pursuant to the Securities Act of 1933, or pursuant to an exemption from registration. At June 30, 2023, the aggregate value of these securities was $208,187,570, representing 12.8% of net assets.
[b]A portion or all of the security purchased on a delayed delivery basis. See Note 1(c).
[c]Income may be received in additional securities and/or cash.
[d]The security was issued on a discount basis with no stated coupon rate.
[e]See Note 3(e) regarding investments in affiliated management investment companies.
[f]The rate shown is the annualized seven-day effective yield at period end.

Templeton Global Bond VIP Fund (continued)

At June 30, 2023, the Fund had the following forward exchange contracts outstanding. See Note 1(d).

Forward Exchange Contracts

Currency	Counter-party[a]	Type	Quantity	Contract Amount*	Settlement Date	Unrealized Appreciation	Unrealized Depreciation
OTC Forward Exchange Contracts							
Chilean Peso	JPHQ	Buy	5,487,100,000	6,803,174	7/05/23	$40,687	$—
Chilean Peso	JPHQ	Sell	5,487,100,000	6,881,394	7/05/23	37,533	—
Indian Rupee	HSBK	Buy	241,380,400	2,919,524	7/10/23	21,546	—
Indian Rupee	HSBK	Sell	241,380,400	2,940,794	7/10/23	—	(275)
Indian Rupee	JPHQ	Buy	266,347,200	3,180,759	7/11/23	64,379	—
Chilean Peso	GSCO	Buy	3,510,200,000	4,329,571	7/12/23	43,755	—
Chilean Peso	GSCO	Sell	3,510,200,000	4,405,869	7/12/23	32,543	—
South Korean Won	JPHQ	Buy	16,905,000,000	13,678,844	7/18/23	—	(840,714)
South Korean Won	JPHQ	Sell	11,563,000,000	8,672,142	7/18/23	—	(109,124)
Chilean Peso	GSCO	Buy	4,513,615,115	4,518,185	7/26/23	1,092,893	—
Chilean Peso	GSCO	Sell	4,513,615,115	5,635,609	7/26/23	24,530	—
Chilean Peso	GSCO	Buy	8,834,202,936	10,773,418	8/04/23	193,186	—
Chilean Peso	JPHQ	Buy	3,325,454,736	4,053,208	8/04/23	74,945	—
Chilean Peso	JPHQ	Sell	990,000,000	1,239,747	8/04/23	10,781	—
Mexican Peso	MSCO	Buy	35,649,000	1,686,329	8/04/23	382,901	—
Mexican Peso	MSCO	Sell	35,649,000	1,613,442	8/04/23	—	(455,788)
Indian Rupee	HSBK	Buy	242,055,750	2,933,902	8/14/23	11,138	—
Chilean Peso	MSCO	Buy	6,390,810,000	7,930,029	8/16/23	—	(7,322)
Japanese Yen	JPHQ	Buy	2,202,609,690	15,866,488	8/21/23	—	(483,975)
Canadian Dollar	BOFA	Buy	8,949,000	6,494,572	9/11/23	268,310	—
Canadian Dollar	BOFA	Sell	8,949,000	6,631,836	9/11/23	—	(131,045)
Canadian Dollar	CITI	Buy	7,054,790	5,120,014	9/11/23	211,387	—
Canadian Dollar	CITI	Sell	7,054,790	5,224,455	9/11/23	—	(106,946)
Japanese Yen	BOFA	Buy	7,460,672,540	54,279,175	9/15/23	—	(1,972,780)
Japanese Yen	DBAB	Buy	9,711,052,240	70,566,815	9/15/23	—	(2,483,123)
Chilean Peso	GSCO	Buy	6,192,106,619	7,573,979	9/20/23	72,740	—
Indian Rupee	CITI	Buy	590,870,000	7,146,900	9/20/23	33,525	—
Indian Rupee	JPHQ	Buy	1,431,342,200	17,281,772	9/20/23	112,320	—
Japanese Yen	BNDP	Buy	14,877,674,660	108,273,709	9/20/23	—	(3,883,791)
Japanese Yen	BOFA	Buy	4,218,690,870	30,542,006	9/20/23	—	(941,359)
Japanese Yen	MSCO	Buy	2,196,400,000	15,745,085	9/20/23	—	(333,939)
New Zealand Dollar	BOFA	Buy	10,600,000	6,487,624	9/20/23	15,449	—
New Zealand Dollar	CITI	Buy	12,470,000	7,613,184	9/20/23	37,128	—
New Zealand Dollar	JPHQ	Buy	47,380,000	28,933,545	9/20/23	133,963	—
Singapore Dollar	CITI	Buy	4,670,000	3,477,290	9/20/23	—	(13,778)
Singapore Dollar	MSCO	Buy	10,540,000	7,842,641	9/20/23	—	(25,635)
Australian Dollar	HSBK	Buy	77,360,000	51,899,277	9/25/23	—	(252,890)
Indian Rupee	HSBK	Buy	241,380,400	2,932,933	10/05/23	—	(787)
Chilean Peso	JPHQ	Buy	3,325,445,264	4,053,691	10/16/23	42,476	—
Mexican Peso	CITI	Buy	106,418,000	5,019,214	10/23/23	1,068,012	—
Mexican Peso	CITI	Sell	106,418,000	4,633,013	10/23/23	—	(1,454,213)
Japanese Yen	GSCO	Buy	6,951,000,000	51,136,614	12/15/23	—	(1,637,709)
Indian Rupee	HSBK	Buy	875,000,000	10,540,899	12/20/23	53,324	—
Mexican Peso	MSCO	Buy	107,315,000	4,723,862	9/03/24	1,115,261	—
Mexican Peso	MSCO	Sell	107,315,000	4,562,422	9/03/24	—	(1,276,702)
Total Forward Exchange Contracts						$5,194,712	$(16,411,895)
Net unrealized appreciation (depreciation)							$(11,217,183)

*In U.S. dollars unless otherwise indicated.
[a]May be comprised of multiple contracts with the same counterparty, currency and settlement date.

Templeton Global Bond VIP Fund (continued)

At June 30, 2023, the Fund had the following interest rate swap contracts outstanding. See Note 1(d).

Interest Rate Swap Contracts

Description	Payment Frequency	Counter-party	Maturity Date	Notional Amount*	Value	Upfront Payments (Receipts)	Unrealized Appreciation (Depreciation)
Centrally Cleared Swap Contracts							
Receive Fixed 3.285% . Pay Floating 1-day SOFR	Annual		5/03/33	92,910,000	$(2,384,805)	$—	$(2,384,805)
Total Interest Rate Swap Contracts					$(2,384,805)	$—	$(2,384,805)

*In U.S. dollars unless otherwise indicated.

See Note 9 regarding other derivative information.

See Abbreviations on page 30.

Statement of Assets and Liabilities

June 30, 2023 (unaudited)

	Templeton Global Bond VIP Fund
Assets:	
Investments in securities:	
Cost - Unaffiliated issuers	$1,543,658,894
Cost - Non-controlled affiliates (Note 3e)	151,670,880
Value - Unaffiliated issuers	$1,487,996,811
Value - Non-controlled affiliates (Note 3e)	151,670,880
Cash	1,094
Foreign currency, at value (cost $829,519)	824,428
Receivables:	
Investment securities sold	30,747,465
Capital shares sold	432,799
Interest	21,193,929
Deposits with brokers for:	
OTC derivative contracts	12,536,297
Centrally cleared swap contracts	4,239,597
Variation margin on centrally cleared swap contracts	201,690
Unrealized appreciation on OTC forward exchange contracts	5,194,712
Total assets	1,715,039,702
Liabilities:	
Payables:	
Investment securities purchased	75,603,008
Capital shares redeemed	644,373
Management fees	596,053
Distribution fees	309,307
Trustees' fees and expenses	32
Unrealized depreciation on OTC forward exchange contracts	16,411,895
Deferred tax	553,949
Accrued expenses and other liabilities	15,321
Total liabilities	94,133,938
Net assets, at value	$1,620,905,764
Net assets consist of:	
Paid-in capital	$2,053,409,748
Total distributable earnings (losses)	(432,503,984)
Net assets, at value	$1,620,905,764

Statement of Assets and Liabilities (continued)

June 30, 2023 (unaudited)

	Templeton Global Bond VIP Fund
Class 1:	
Net assets, at value	$151,679,179
Shares outstanding	11,600,110
Net asset value and maximum offering price per share	$13.08
Class 2:	
Net assets, at value	$1,418,348,994
Shares outstanding	114,522,278
Net asset value and maximum offering price per share	$12.38
Class 4:	
Net assets, at value	$50,877,591
Shares outstanding	4,016,188
Net asset value and maximum offering price per share	$12.67

Statement of Operations

for the six months ended June 30, 2023 (unaudited)

	Templeton Global Bond VIP Fund
Investment income:	
Dividends:	
Non-controlled affiliates (Note 3e)	$2,616,180
Interest: (net of foreign taxes of $643,098)	
Unaffiliated issuers	28,668,453
Total investment income	31,284,633
Expenses:	
Management fees (Note 3a)	3,887,124
Distribution fees: (Note 3c)	
Class 2	1,836,097
Class 4	92,904
Custodian fees (Note 4)	285,053
Reports to shareholders fees	19,399
Professional fees	63,497
Trustees' fees and expenses	9,746
Other	26,498
Total expenses	6,220,318
Expense reductions (Note 4)	(162,276)
Expenses waived/paid by affiliates (Note 3e)	(211,965)
Net expenses	5,846,077
Net investment income	25,438,556
Realized and unrealized gains (losses):	
Net realized gain (loss) from:	
Investments: (net of foreign taxes of $237,108)	
Unaffiliated issuers	(120,393,430)
Foreign currency transactions	3,851,309
Forward exchange contracts	(999,475)
Swap contracts	(38,074)
Net realized gain (loss)	(117,579,670)
Net change in unrealized appreciation (depreciation) on:	
Investments:	
Unaffiliated issuers	115,950,979
Translation of other assets and liabilities denominated in foreign currencies	178,214
Forward exchange contracts	(32,148,964)
Swap contracts	(2,341,072)
Change in deferred taxes on unrealized appreciation	(388,902)
Net change in unrealized appreciation (depreciation)	81,250,255
Net realized and unrealized gain (loss)	(36,329,415)
Net increase (decrease) in net assets resulting from operations	$(10,890,859)

Statements of Changes in Net Assets

	Templeton Global Bond VIP Fund	
	Six Months Ended June 30, 2023 (unaudited)	Year Ended December 31, 2022
Increase (decrease) in net assets:		
Operations:		
Net investment income	$25,438,556	$62,270,111
Net realized gain (loss)	(117,579,670)	(253,888,402)
Net change in unrealized appreciation (depreciation)	81,250,255	88,365,607
Net increase (decrease) in net assets resulting from operations	(10,890,859)	(103,252,684)
Capital share transactions: (Note 2)		
Class 1	(859,517)	(41,188,071)
Class 2	(100,013,833)	(241,650,752)
Class 4	(4,327,450)	(12,302,406)
Total capital share transactions	(105,200,800)	(295,141,229)
Net increase (decrease) in net assets	(116,091,659)	(398,393,913)
Net assets:		
Beginning of period	1,736,997,423	2,135,391,336
End of period	$1,620,905,764	$1,736,997,423

Notes to Financial Statements (unaudited)

Templeton Global Bond VIP Fund

1. Organization and Significant Accounting Policies

Franklin Templeton Variable Insurance Products Trust (Trust) is registered under the Investment Company Act of 1940 (1940 Act) as an open-end management investment company, consisting of eighteen separate funds. The Trust follows the accounting and reporting guidance in Financial Accounting Standards Board (FASB) Accounting Standards Codification Topic 946, Financial Services – Investment Companies (ASC 946) and applies the specialized accounting and reporting guidance in U.S. Generally Accepted Accounting Principles (U.S. GAAP), including, but not limited to, ASC 946. Templeton Global Bond VIP Fund (Fund) is included in this report. Shares of the Fund are generally sold only to insurance company separate accounts to fund the benefits of variable life insurance policies or variable annuity contracts. The Fund offers three classes of shares: Class 1, Class 2 and Class 4. Each class of shares may differ by its distribution fees, voting rights on matters affecting a single class and its exchange privilege.

The following summarizes the Fund's significant accounting policies.

a. Financial Instrument Valuation

The Fund's investments in financial instruments are carried at fair value daily. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. The Fund calculates the net asset value (NAV) per share each business day as of 4 p.m. Eastern time or the regularly scheduled close of the New York Stock Exchange (NYSE), whichever is earlier. Under compliance policies and procedures approved by the Trust's Board of Trustees (the Board), the Board has designated the Fund's investment manager as the valuation designee and has responsibility for oversight of valuation. The investment manager is assisted by the Fund's administrator in performing this responsibility, including leading the cross-functional Valuation Committee (VC). The Fund may utilize independent pricing services, quotations from securities and financial instrument dealers, and other market sources to determine fair value.

Debt securities generally trade in the over-the-counter (OTC) market rather than on a securities exchange. The Fund's pricing services use multiple valuation techniques to determine fair value. In instances where sufficient market activity exists, the pricing services may utilize a market-based approach through which quotes from market makers are used to determine fair value. In instances where sufficient market activity may not exist or is limited, the pricing services also utilize proprietary valuation models which may consider market characteristics such as benchmark yield curves, credit spreads, estimated default rates, anticipated market interest rate volatility, coupon rates, anticipated timing of principal repayments, underlying collateral, and other unique security features in order to estimate the relevant cash flows, which are then discounted to calculate the fair value. Securities denominated in a foreign currency are converted into their U.S. dollar equivalent at the foreign exchange rate in effect at 4 p.m. Eastern time on the date that the values of the foreign debt securities are determined.

Investments in open-end mutual funds are valued at the closing NAV.

Certain derivative financial instruments are centrally cleared or trade in the OTC market. The Fund's pricing services use various techniques including industry standard option pricing models and proprietary discounted cash flow models to determine the fair value of those instruments. The Fund's net benefit or obligation under the derivative contract, as measured by the fair value of the contract, is included in net assets.

The Fund has procedures to determine the fair value of financial instruments for which market prices are not reliable or readily available. Under these procedures, the Fund primarily employs a market-based approach which may use related or comparable assets or liabilities, recent transactions, market multiples, and other relevant information for the investment to determine the fair value of the investment. An income-based valuation approach may also be used in which the anticipated future cash flows of the investment are discounted to calculate fair value. Discounts may also be applied due to the nature or duration of any restrictions on the disposition of the investments. Due to the inherent uncertainty of valuations of such investments, the fair values may differ significantly from the values that would have been used had an active market existed.

b. Foreign Currency Translation

Portfolio securities and other assets and liabilities denominated in foreign currencies are translated into U.S. dollars based on the exchange rate of such currencies against U.S. dollars on the date of valuation. The Fund may

Templeton Global Bond VIP Fund (continued)

1. Organization and Significant Accounting Policies (continued)

b. Foreign Currency Translation (continued)

enter into foreign currency exchange contracts to facilitate transactions denominated in a foreign currency. Purchases and sales of securities, income and expense items denominated in foreign currencies are translated into U.S. dollars at the exchange rate in effect on the transaction date. Portfolio securities and assets and liabilities denominated in foreign currencies contain risks that those currencies will decline in value relative to the U.S. dollar. Occasionally, events may impact the availability or reliability of foreign exchange rates used to convert the U.S. dollar equivalent value. If such an event occurs, the foreign exchange rate will be valued at fair value using procedures established and approved by the Board.

The Fund does not separately report the effect of changes in foreign exchange rates from changes in market prices on securities held. Such changes are included in net realized and unrealized gain or loss from investments in the Statement of Operations.

Realized foreign exchange gains or losses arise from sales of foreign currencies, currency gains or losses realized between the trade and settlement dates on securities transactions and the difference between the recorded amounts of dividends, interest, and foreign withholding taxes and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign exchange gains and losses arise from changes in foreign exchange rates on foreign denominated assets and liabilities other than investments in securities held at the end of the reporting period.

c. Securities Purchased on a Delayed Delivery Basis

The Fund purchases securities on a delayed delivery basis, with payment and delivery scheduled for a future date. These transactions are subject to market fluctuations and are subject to the risk that the value at delivery may be more or less than the trade date purchase price. Although the Fund will generally purchase these securities with the intention of holding the securities, they may sell the securities before the settlement date.

d. Derivative Financial Instruments

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

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

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

Templeton Global Bond VIP Fund (continued)

1. Organization and Significant Accounting Policies (continued)

d. Derivative Financial Instruments (continued)

securities. For OTC derivatives traded under an ISDA master agreement, posting of collateral is required by either the Fund or the applicable counterparty if the total net exposure of all OTC derivatives with the applicable counterparty exceeds the minimum transfer amount, which typically ranges from $100,000 to $250,000, and can vary depending on the counterparty and the type of agreement. Generally, collateral is determined at the close of Fund business each day and any additional collateral required due to changes in derivative values may be delivered by the Fund or the counterparty the next business day, or within a few business days. Collateral pledged and/or received by the Fund for OTC derivatives, if any, is held in segregated accounts with the Fund's custodian/counterparty broker and can be in the form of cash and/or securities. Unrestricted cash may be invested according to the Fund's investment objectives. To the extent that the amounts due to the Fund from its counterparties are not subject to collateralization or are not fully collateralized, the Fund bears the risk of loss from counterparty non-performance.

The Fund entered into OTC forward exchange contracts primarily to manage and/or gain exposure to certain foreign currencies. A forward exchange contract is an agreement between the Fund and a counterparty to buy or sell a foreign currency at a specific exchange rate on a future date.

The Fund entered into interest rate swap contracts primarily to manage interest rate risk. An interest rate swap is an agreement between the Fund and a counterparty to exchange cash flows based on the difference between two interest rates, applied to a notional amount. These agreements may be privately negotiated in the over-the-counter market (OTC interest rate swaps) or may be executed on a registered exchange (centrally cleared interest rate swaps). For centrally cleared interest rate swaps, required initial margins are pledged by the Fund, and the daily change in fair value is accounted for as a variation margin payable or receivable in the Statement of Assets and Liabilities. Over the term of the contract, contractually required payments to be paid and to be received are accrued daily and recorded as unrealized appreciation or depreciation until the payments are made, at which time they are realized.

See Note 9 regarding other derivative information.

e. Income and Deferred Taxes

It is the Fund's policy to qualify as a regulated investment company under the Internal Revenue Code. The Fund intends to distribute to shareholders substantially all of its taxable income and net realized gains to relieve it from federal income and if applicable, excise taxes. As a result, no provision for U.S. federal income taxes is required.

The Fund may be subject to foreign taxation related to income received, capital gains on the sale of securities and certain foreign currency transactions in the foreign jurisdictions in which it invests. Foreign taxes, if any, are recorded based on the tax regulations and rates that exist in the foreign markets in which the Fund invests. When a capital gain tax is determined to apply, the Fund records an estimated deferred tax liability in an amount that would be payable if the securities were disposed of on the valuation date.

The Fund may recognize an income tax liability related to its uncertain tax positions under U.S. GAAP when the uncertain tax position has a less than 50% probability that it will be sustained upon examination by the tax authorities based on its technical merits. As of June 30, 2023, the Fund has determined that no tax liability is required in its financial statements related to uncertain tax positions for any open tax years (or expected to be taken in future tax years). Open tax years are those that remain subject to examination and are based on the statute of limitations in each jurisdiction in which the Fund invests.

f. Security Transactions, Investment Income, Expenses and Distributions

Security transactions are accounted for on trade date. Realized gains and losses on security transactions are determined on a specific identification basis. Interest income and estimated expenses are accrued daily. Amortization of premium and accretion of discount on debt securities are included in interest income. Dividend income is recorded on the ex-dividend date. Distributions to shareholders are recorded on the ex-dividend date. Distributable earnings are determined according to income tax regulations (tax basis) and may differ from earnings recorded in accordance with U.S. GAAP. These differences may be permanent or temporary. Permanent differences are reclassified among capital accounts to reflect their tax character. These

Templeton Global Bond VIP Fund (continued)

1. Organization and Significant Accounting Policies (continued)

f. Security Transactions, Investment Income, Expenses and Distributions (continued)

reclassifications have no impact on net assets or the results of operations. Temporary differences are not reclassified, as they may reverse in subsequent periods.

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

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

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

g. Accounting Estimates

The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

h. Guarantees and Indemnifications

Under the Trust's organizational documents, its officers and trustees are indemnified by the Trust against certain liabilities arising out of the performance of their duties to the Trust. Additionally, in the normal course of business, the Trust, on behalf of the Fund, enters into contracts with service providers that contain general indemnification clauses. The Trust's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Trust that have not yet occurred. Currently, the Trust expects the risk of loss to be remote.

Templeton Global Bond VIP Fund (continued)

2. Shares of Beneficial Interest

At June 30, 2023, there were an unlimited number of shares authorized (without par value). Transactions in the Fund's shares were as follows:

	Six Months Ended June 30, 2023		Year Ended December 31, 2022	
	Shares	Amount	Shares	Amount
Class 1 Shares:				
Shares sold	753,395	$9,924,372	1,493,687	$19,745,561
Shares redeemed	(817,511)	(10,783,889)	(4,618,884)	(60,933,632)
Net increase (decrease)	(64,116)	$(859,517)	(3,125,197)	$(41,188,071)
Class 2 Shares:				
Shares sold	1,813,002	$22,744,696	4,612,566	$58,273,369
Shares redeemed	(9,785,831)	(122,758,529)	(23,697,756)	(299,924,121)
Net increase (decrease)	(7,972,829)	$(100,013,833)	(19,085,190)	$(241,650,752)
Class 4 Shares:				
Shares sold	76,164	$980,999	218,921	$2,837,434
Shares redeemed	(413,684)	(5,308,449)	(1,175,713)	(15,139,840)
Net increase (decrease)	(337,520)	$(4,327,450)	(956,792)	$(12,302,406)

3. Transactions with Affiliates

Franklin Resources, Inc. is the holding company for various subsidiaries that together are referred to as Franklin Templeton. Certain officers and trustees of the Fund are also officers and/or directors of the following subsidiaries:

Subsidiary	Affiliation
Franklin Advisers, Inc. (Advisers)	Investment manager
Franklin Templeton Services, LLC (FT Services)	Administrative manager
Franklin Distributors, LLC (Distributors)	Principal underwriter
Franklin Templeton Investor Services, LLC (Investor Services)	Transfer agent

a. Management Fees

The Fund pays an investment management fee, calculated daily and paid monthly, to Advisers based on the average daily net assets of the Fund as follows:

Annualized Fee Rate	Net Assets
0.625%	Up to and including $100 million
0.500%	Over $100 million, up to and including $250 million
0.450%	Over $250 million, up to and including $7.5 billion
0.440%	Over $7.5 billion, up to and including $10 billion
0.430%	Over $10 billion, up to and including $12.5 billion
0.420%	Over $12.5 billion, up to and including $15 billion
0.400%	In excess of $15 billion

For the period ended June 30, 2023, the annualized gross effective investment management fee rate was 0.465% of the Fund’s average daily net assets.

Templeton Global Bond VIP Fund (continued)

3. Transactions with Affiliates (continued)

b. Administrative Fees

Under an agreement with Advisers, FT Services provides administrative services to the Fund. The fee is paid by Advisers based on the Fund's average daily net assets, and is not an additional expense of the Fund.

c. Distribution Fees

The Board has adopted distribution plans for Class 2 and Class 4 shares pursuant to Rule 12b-1 under the 1940 Act. Under the Fund's compensation distribution plans, the Fund pays Distributors for costs incurred in connection with the servicing, sale and distribution of the Fund's shares up to 0.25% and 0.35% per year of its average daily net assets of Class 2 and Class 4, respectively. The plan year, for purposes of monitoring compliance with the maximum annual plan rates, is February 1 through January 31.

d. Transfer Agent Fees

Investor Services, under terms of an agreement, performs shareholder servicing for the Fund and is not paid by the Fund for the services.

e. Investments in Affiliated Management Investment Companies

The Fund invests in one or more affiliated management investment companies. As defined in the 1940 Act, an investment is deemed to be a “Controlled Affiliate” of a fund when a fund owns, either directly or indirectly, 25% or more of the affiliated fund’s outstanding shares or has the power to exercise control over management or policies of such fund. The Fund does not invest for purposes of exercising a controlling influence over the management or policies. Management fees paid by the Fund are waived on assets invested in the affiliated management investment companies, as noted in the Statement of Operations, in an amount not to exceed the management and administrative fees paid directly or indirectly by each affiliate. During the period ended June 30, 2023, the Fund held investments in affiliated management investment companies 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
Templeton Global Bond VIP Fund								
Non-Controlled Affiliates								
								Dividends
Institutional Fiduciary Trust - Money Market Portfolio, 4.699%	$154,512,860	$588,238,557	$(591,080,537)	$—	$—	$151,670,880	151,670,880	$2,616,180
Total Affiliated Securities . . .	$154,512,860	$588,238,557	$(591,080,537)	$—	$—	$151,670,880		$2,616,180

4. Expense Offset Arrangement

The Fund has entered into an arrangement with its custodian whereby credits realized as a result of uninvested cash balances are used to reduce a portion of the Fund's custodian expenses. During the period ended June 30, 2023, the custodian fees were reduced as noted in the Statement of Operations. Effective July 10, 2023, earned credits, if any, will be recognized as income.

Templeton Global Bond VIP Fund (continued)

5. Income Taxes

For tax purposes, capital losses may be carried over to offset future capital gains.

At December 31, 2022, the capital loss carryforwards were as follows:

Capital loss carryforwards not subject to expiration:	
Short term	$17,190,517
Long term	202,825,645
Total capital loss carryforwards	$220,016,162

At June 30, 2023, the cost of investments and net unrealized appreciation (depreciation) for income tax purposes were as follows:

Cost of investments	$1,725,391,523
Unrealized appreciation	$23,649,437
Unrealized depreciation	(122,975,257)
Net unrealized appreciation (depreciation)	$(99,325,820)

Differences between income and/or capital gains as determined on a book basis and a tax basis are primarily due to differing treatments of foreign currency transactions, bond discounts and premiums and tax straddles.

6. Investment Transactions

Purchases and sales of investments (excluding short term securities) for the period ended June 30, 2023, aggregated $1,113,947,997 and $1,098,056,752, respectively.

7. Credit Risk

At June 30, 2023, the Fund had 7.1% of its portfolio invested in high yield or other securities rated below investment grade and unrated securities. These securities may be more sensitive to economic conditions causing greater price volatility and are potentially subject to a greater risk of loss due to default than higher rated securities.

8. Concentration of Risk

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

Templeton Global Bond VIP Fund (continued)

9. Other Derivative Information

At June 30, 2023, investments in derivative contracts are reflected in the Statement of Assets and Liabilities as follows:

	Asset Derivatives		Liability Derivatives	
Derivative Contracts Not Accounted for as Hedging Instruments	**Statement of Assets and Liabilities Location**	**Fair Value**	**Statement of Assets and Liabilities Location**	**Fair Value**
Templeton Global Bond VIP Fund				
Interest rate contracts	Variation margin on centrally cleared swap contracts	$—	Variation margin on centrally cleared swap contracts	$2,384,805[a]
Foreign exchange contracts	Unrealized appreciation on OTC forward exchange contracts	5,194,712	Unrealized depreciation on OTC forward exchange contracts	16,411,895
Total		$5,194,712		$18,796,700

[a]This amount reflects the cumulative appreciation (depreciation) of centrally cleared swap contracts as reported in the Schedule of Investments. Only the variation margin receivable/payable at period end is separately reported within the Statement of Assets and Liabilities. Prior variation margin movements were recorded to cash upon receipt or payment.

For the period ended June 30, 2023, the effect of derivative contracts in the Statement of Operations was as follows:

Derivative Contracts Not Accounted for as Hedging Instruments	**Statement of Operations Location**	**Net Realized Gain (Loss) for the Period**	**Statement of Operations Location**	**Net Change in Unrealized Appreciation (Depreciation) for the Period**
Templeton Global Bond VIP Fund				
	Net realized gain (loss) from:		Net change in unrealized appreciation (depreciation) on:	
Interest rate contracts	Swap contracts	$(38,074)	Swap contracts	$(2,341,072)
Foreign exchange contracts	Forward exchange contracts	(999,475)	Forward exchange contracts	(32,148,964)
Total		$(1,037,549)		$(34,490,036)

For the period ended June 30, 2023, the average month end notional amount of swap contracts represented $54,945,714. The average month end contract value of forward exchange contracts was $935,033,073.

Templeton Global Bond VIP Fund (continued)

9. Other Derivative Information (continued)

At June 30, 2023, OTC derivative assets and liabilities are as follows:

	Gross Amounts of Assets and Liabilities Presented in the Statement of Assets and Liabilities	
	Assets[a]	Liabilities[a]
Templeton Global Bond VIP Fund		
Derivatives		
Forward exchange contracts	$5,194,712	$16,411,895
Total	$5,194,712	$16,411,895

[a]Absent an event of default or early termination, OTC derivative assets and liabilities are presented gross and not offset in the Statement of Assets and Liabilities.

At June 30, 2023, OTC derivative assets, which may be offset against OTC derivative liabilities and collateral received from the counterparty, are as follows:

		Amounts Not Offset in the Statement of Assets and Liabilities			
	Gross Amounts of Assets Presented in the Statement of Assets and Liabilities	Financial Instruments Available for Offset	Financial Instruments Collateral Received	Cash Collateral Received	Net Amount (Not less than zero)
Templeton Global Bond VIP Fund					
Counterparty					
BNDP	$—	$—	$—	$—	$—
BOFA	283,759	(283,759)	—	—	—
CITI	1,350,052	(1,350,052)	—	—	—
DBAB	—	—	—	—	—
GSCO	1,459,647	(1,459,647)	—	—	—
HSBK	86,008	(86,008)	—	—	—
JPHQ	517,084	(517,084)	—	—	—
MSCO	1,498,162	(1,498,162)	—	—	—
Total	$5,194,712	$(5,194,712)	$—	$—	$—

Templeton Global Bond VIP Fund (continued)

9. Other Derivative Information (continued)

At June 30, 2023, OTC derivative liabilities, which may be offset against OTC derivative assets and collateral pledged to the counterparty, are as follows:

		Amounts Not Offset in the Statement of Assets and Liabilities			
	Gross Amounts of Liabilities Presented in the Statement of Assets and Liabilities	Financial Instruments Available for Offset	Financial Instruments Collateral Pledged	Cash Collateral Pledged[a]	Net Amount (Not less than zero)
Templeton Global Bond VIP Fund					
Counterparty					
BNDP	$3,883,791	$—	$—	$(3,883,791)	$—
BOFA	3,045,184	(283,759)	—	(2,761,425)	—
CITI	1,574,937	(1,350,052)	—	(150,000)	74,885
DBAB	2,483,123	—	—	(2,483,123)	—
GSCO	1,637,709	(1,459,647)	—	(178,062)	—
HSBK	253,952	(86,008)	—	(167,944)	—
JPHQ	1,433,813	(517,084)	—	(916,729)	—
MSCO	2,099,386	(1,498,162)	—	(566,907)	34,317
Total	$16,411,895	$(5,194,712)	$—	$(11,107,981)	$109,202

[a]In some instances, the collateral amounts disclosed in the table above were adjusted due to the requirement to limit the collateral amounts to avoid the effect of overcollateralization. Actual collateral received and/or pledged may be more than the amounts disclosed herein.

See Note 1(d) regarding derivative financial instruments.

See Abbreviations on page 30.

10. Credit Facility

The Fund, together with other U.S. registered and foreign investment funds (collectively, Borrowers), managed by Franklin Templeton, are borrowers in a joint syndicated senior unsecured credit facility totaling $2.675 billion (Global Credit Facility) which matures on February 2, 2024. This Global Credit Facility provides a source of funds to the Borrowers for temporary and emergency purposes, including the ability to meet future unanticipated or unusually large redemption requests.

Under the terms of the Global Credit Facility, the Fund shall, in addition to interest charged on any borrowings made by the Fund and other costs incurred by the Fund, pay its share of fees and expenses incurred in connection with the implementation and maintenance of the Global Credit Facility, based upon its relative share of the aggregate net assets of all of the Borrowers, including an annual commitment fee of 0.15% based upon the unused portion of the Global Credit Facility. These fees are reflected in other expenses in the Statement of Operations. During the period ended June 30, 2023, the Fund did not use the Global Credit Facility.

11. Fair Value Measurements

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

Templeton Global Bond VIP Fund (continued)

11. Fair Value Measurements (continued)

- Level 1 – quoted prices in active markets for identical financial instruments
- Level 2 – other significant observable inputs (including quoted prices for similar financial instruments, interest rates, prepayment speed, credit risk, etc.)
- Level 3 – significant unobservable inputs (including the Fund's own assumptions in determining the fair value of financial instruments)

The input levels are not necessarily an indication of the risk or liquidity associated with financial instruments at that level.

A summary of inputs used as of June 30, 2023, in valuing the Fund's assets and liabilities carried at fair value, is as follows:

	Level 1	Level 2	Level 3	Total
Templeton Global Bond VIP Fund				
Assets:				
Investments in Securities:				
Foreign Government and Agency Securities	$—	$1,161,860,203	$—	$1,161,860,203
U.S. Government and Agency Securities	—	221,931,727	—	221,931,727
Short Term Investments	151,670,880	104,204,881	—	255,875,761
Total Investments in Securities	$151,670,880	$1,487,996,811	$—	$1,639,667,691
Other Financial Instruments:				
Forward exchange contracts	$—	$5,194,712	$—	$5,194,712
Total Other Financial Instruments	$—	$5,194,712	$—	$5,194,712
Liabilities:				
Other Financial Instruments:				
Forward exchange contracts	$—	$16,411,895	$—	$16,411,895
Swap contracts	—	2,384,805	—	2,384,805
Total Other Financial Instruments	$—	$18,796,700	$—	$18,796,700

12. Subsequent Events

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

Templeton Global Bond VIP Fund (continued)

Abbreviations

Counterparty

BNDP	BNP Paribas SA
BOFA	Bank of America Corp.
CITI	Citibank NA
DBAB	Deutsche Bank AG
GSCO	Goldman Sachs Group, Inc.
HSBK	HSBC Bank plc
JPHQ	JPMorgan Chase Bank NA
MSCO	Morgan Stanley

Selected Portfolio

PIK	Payment-In-Kind
SOFR	Secured Overnight Financing Rate

Currency

AUD	Australian Dollar
BRL	Brazilian Real
COP	Colombian Peso
EUR	Euro
GHS	Ghanaian Cedi
IDR	Indonesian Rupiah
INR	Indian Rupee
JPY	Japanese Yen
KRW	South Korean Won
MXN	Mexican Peso
MYR	Malaysian Ringgit
NOK	Norwegian Krone
SGD	Singapore Dollar
THB	Thai Baht

VIP SA1 07/23

SUPPLEMENT DATED JULY 10, 2023
TO THE STATEMENT OF ADDITIONAL INFORMATION
DATED MAY 1, 2023 OF
FRANKLIN ALLOCATION VIP FUND
FRANKLIN DYNATECH VIP FUND
FRANKLIN GLOBAL REAL ESTATE VIP FUND
FRANKLIN GROWTH AND INCOME VIP FUND
FRANKLIN INCOME VIP FUND
FRANKLIN LARGE CAP GROWTH VIP FUND
FRANKLIN MUTUAL GLOBAL DISCOVERY VIP FUND
FRANKLIN MUTUAL SHARES VIP FUND
FRANKLIN RISING DIVIDENDS VIP FUND
FRANKLIN SMALL CAP VALUE VIP FUND
FRANKLIN SMALL-MID CAP GROWTH VIP FUND
FRANKLIN STRATEGIC INCOME VIP FUND
FRANKLIN U.S. GOVERNMENT SECURITIES VIP FUND
FRANKLIN VOLSMART ALLOCATION VIP FUND
TEMPLETON DEVELOPING MARKETS VIP FUND
TEMPLETON FOREIGN VIP FUND
TEMPLETON GLOBAL BOND VIP FUND
TEMPLETON GROWTH VIP FUND
(a series of Franklin Templeton Variable Insurance Products Trust)

The Statement of Additional Information is amended as follows:

I. All references to "The Bank of New York Mellon" under the heading "Policies and Procedures Regarding the Release of Portfolio Holdings" are removed.

II. The following replaces in its entirety the "Custodian" section under "Management and Other Services":

Custodian JPMorgan Chase Bank, at its principal office at 270 Park Avenue, New York, NY 10017-2070, and at the offices of its branches and agencies throughout the world, acts as custodian of the Fund's securities and assets. As foreign custody manager, the bank selects and monitors foreign sub-custodian banks, selects and evaluates non-compulsory foreign depositories, and furnishes information relevant to the selection of compulsory depositories. Millennium Trust Company, LLC, 2001 Spring Road, Oak Brook, Illinois, 60523, acts as the custodian of the Strategic Income Fund's marketplace loans.

Please keep this supplement with your SAI for future reference.

Shareholder Information

Board Approval of Investment Management Agreements

FRANKLIN TEMPLETON VARIABLE INSURANCE PRODUCTS TRUST

Templeton Global Bond VIP Fund

(Fund)

At an in-person meeting held on April 18, 2023 (Meeting), the Board of Trustees (Board) of Franklin Templeton Variable Insurance Products Trust (Trust), including a majority of the trustees who are not "interested persons" as defined in the Investment Company Act of 1940 (Independent Trustees), reviewed and approved the continuance of the investment management agreement between Franklin Advisers, Inc. (Manager) and the Trust, on behalf of the Fund. The Independent Trustees received advice from and met separately with Independent Trustee counsel in considering whether to approve the continuation of the Management Agreement.

In considering the continuation of the Management Agreement, the Board reviewed and considered information provided by the Manager at the Meeting and throughout the year at meetings of the Board and its committees. The Board also reviewed and considered information provided in response to a detailed set of requests for information submitted to the Manager by Independent Trustee counsel on behalf of the Independent Trustees in connection with the annual contract renewal process. In addition, prior to the Meeting, the Independent Trustees held a virtual contract renewal meeting at which the Independent Trustees first conferred amongst themselves and Independent Trustee counsel about contract renewal matters; and then met with management to request additional information that the Independent Trustees reviewed and considered prior to and at the Meeting. The Board reviewed and considered all of the factors it deemed relevant in approving the continuance of the Management Agreement, including, but not limited to: (i) the nature, extent and quality of the services provided by the Manager; (ii) the investment performance of the Fund; (iii) the costs of the services provided and profits realized by the Manager and its affiliates from the relationship with the Fund; (iv) the extent to which economies of scale are realized as the Fund grows; and (v) whether fee levels reflect these economies of scale for the benefit of Fund investors.

In approving the continuance of the Management Agreement, the Board, including a majority of the Independent Trustees, determined that the terms of the Management Agreement are fair and reasonable and that the continuance of the Management Agreement is in the best interests of the Fund and its shareholders. While attention was given to all information furnished, the following discusses some primary factors relevant to the Board's determination.

Nature, Extent and Quality of Services

The Board reviewed and considered information regarding the nature, extent and quality of investment management services provided by the Manager and its affiliates to the Fund and its shareholders. This information included, among other things, the qualifications, background and experience of the senior management and investment personnel of the Manager; as well as information on succession planning where appropriate; the structure of investment personnel compensation; oversight of third-party service providers; investment performance reports and related financial information for the Fund; reports on expenses and shareholder services; legal and compliance matters; risk controls; pricing and other services provided by the Manager and its affiliates; and management fees charged by the Manager and its affiliates to US funds and other accounts, including management's explanation of differences among accounts where relevant. The Board also reviewed and considered an annual report on payments made by Franklin Templeton (FT) or the Fund to financial intermediaries, as well as a memorandum relating to third-party servicing arrangements. The Board acknowledged management's continued development of strategies to address areas of heightened concern in the mutual fund industry, including various regulatory initiatives and continuing geopolitical concerns.

The Board also reviewed and considered the benefits provided to Fund shareholders of investing in a fund that is part of the FT family of funds. The Board noted the financial position of Franklin Resources, Inc. (FRI), the Managers' parent, and its commitment to the mutual fund business as evidenced by its reassessment of the fund offerings in response to the market environment and project initiatives and capital investments relating to the services provided to the Fund by the FT organization. The Board specifically noted FT's commitment to technological innovation and advancement and investments to promote alternative investing.

Following consideration of such information, the Board was satisfied with the nature, extent and quality of services provided by the Manager and its affiliates to the Fund and its shareholders.

Fund Performance

The Board reviewed and considered the performance results of the Fund over various time periods ended December 31, 2022. The Board considered the performance returns for the Fund in comparison to the performance returns of mutual funds deemed comparable to the Fund included in a universe (Performance Universe) selected by Broadridge Financial Solutions, Inc. (Broadridge), an independent provider of investment company data. The Board received a description of the methodology used by Broadridge to select the mutual funds included in a Performance Universe. The Board also reviewed and considered Fund performance reports provided and discussions that occurred with portfolio managers at Board meetings throughout the year. A summary of the Fund's performance results is below.

The Performance Universe for the Fund included the Fund and all global income funds underlying VIPs. The Board noted that the Fund's annualized income return for the three-, five- and 10-year periods was above the median of its Performance Universe, but for the one-year period was below the median of its Performance Universe. The Board also noted that the Fund's annualized total return for the three- and five-year periods was below the median of its Performance Universe, but for the 10-year period was equal to the median of its Performance Universe, and for the one-year period was above the median and in the first quintile (best) of its Performance Universe. The Board discussed the Fund's performance with management and management explained that the Fund's three- and five-year below median annualized total return performance was due, in part, to the Fund's long exposure to emerging market local currency and short exposure to US Treasury duration as compared to the Fund's peers in the Performance Universe. The Board noted that the Fund outperformed its benchmark, the JP Morgan Global Government Bond Index, for the one-, three- and five-year periods ended December 31, 2022. The Board also noted management's confidence in the current portfolio positioning of the Fund. The Board further noted management's view regarding the income-related attributes of the Fund (e.g., a fund's investment objective) as set forth in the Fund's registration statement and that the evaluation of the Fund's performance relative to its peers on an income return basis was appropriate given these attributes. The Board concluded that the Fund's performance was acceptable.

Comparative Fees and Expenses

The Board reviewed and considered information regarding the Fund's actual total expense ratio and its various components, including, as applicable, management fees; transfer agent expenses; underlying fund expenses; Rule 12b-1 and non-Rule 12b-1 service fees; and other non-management fees. The Board also noted the quarterly and annual reports it receives on all marketing support payments made by FT to financial intermediaries. The Board considered the actual total expense ratio and, separately, the contractual management fee rate, without the effect of fee waivers, if any (Management Rate) of the Fund in comparison to the median expense ratio and median Management Rate, respectively, of other mutual funds deemed comparable to and with a similar expense structure to the Fund selected by Broadridge (Expense Group). Broadridge fee and expense data is based upon information taken from the fund's most recent annual or semi-annual report, which reflects historical asset levels that may be quite different from those currently existing, particularly in a period of market volatility. While recognizing such inherent limitation and the fact that expense ratios and Management Rates generally increase as assets decline and decrease as assets grow, the Board believed the independent analysis conducted by Broadridge to be an appropriate measure of comparative fees and expenses. The Broadridge Management Rate includes administrative charges. The Board received a description of the methodology used by Broadridge to select the mutual funds included in an Expense Group.

The Expense Group for the Fund included the Fund and ten other global income funds underlying VIPs. The Board noted that the Management Rate and actual total expense ratio for the Fund were below the medians of its respective Expense Group. The Board concluded that the Management Rate charged to the Fund is reasonable.

Profitability

The Board reviewed and considered information regarding the profits realized by the Manager and its affiliates in connection with the operation of the Fund. In this respect, the Board considered the Fund profitability analysis that addresses the overall profitability of FT's US fund business, as well as its profits in providing investment management and other services fund during the 12-month period ended September 30, 2022, being the most recent fiscal year-end for FRI. The Board noted that although management continually makes refinements to its methodologies used in calculating profitability in response to organizational and product-related changes, the overall methodology has remained consistent with that used in the Fund's profitability

report presentations from prior years. The Board also noted that PricewaterhouseCoopers LLP, auditor to FRI and certain FT funds, has been engaged to periodically review and assess the allocation methodologies to be used solely by the Fund's Board with respect to the profitability analysis.

The Board noted management's belief that costs incurred in establishing the infrastructure necessary for the type of mutual fund operations conducted by the Manager and its affiliates may not be fully reflected in the expenses allocated to the Fund in determining its profitability, as well as the fact that the level of profits, to a certain extent, reflected operational cost savings and efficiencies initiated by management. As part of this evaluation, the Board considered management's outsourcing of certain operations, which effort has required considerable up-front expenditures by the Manager but, over the long run is expected to result in greater efficiencies. The Board also noted management's expenditures in improving shareholder services provided to the Fund, as well as the need to implement systems and meet additional regulatory and compliance requirements resulting from recent US Securities and Exchange Commission and other regulatory requirements.

The Board also considered the extent to which the Manager and its affiliates might derive ancillary benefits from fund operations, including revenues generated from transfer agent services, potential benefits resulting from personnel and systems enhancements necessitated by fund growth, as well as increased leverage with service providers and counterparties. Based upon its consideration of all these factors, the Board concluded that the level of profits realized by the Manager and its affiliates from providing services to the Fund was not excessive in view of the nature, extent and quality of services provided to the Fund.

Economies of Scale
The Board reviewed and considered the extent to which the Manager may realize economies of scale, if any, as the Fund grows larger and whether the Fund's management fee structure reflects any economies of scale for the benefit of shareholders. With respect to possible economies of scale, the Board noted the existence of management fee breakpoints for the Fund, which operate generally to share any economies of scale with a Fund's shareholders by reducing the Fund's effective management fees as the Fund grows in size. The Board considered management's view that any analyses of potential economies of scale in managing the fund is inherently limited in light of the joint and common costs and investments the Manager incurs across the FT family of funds as a whole. The Board also recognized that given the decline in assets over the past three calendar years for the Fund, this Fund is not expected to experience additional economies of scale in the foreseeable future. The Board concluded that to the extent economies of scale may be realized by the Manager and its affiliates, the Fund's management fee structure provided a sharing of benefits with the Fund and its shareholders as the Fund grows.

Conclusion
Based on its review, consideration and evaluation of all factors it believed relevant, including the above-described factors and conclusions, the Board unanimously approved the continuation of the Management Agreement for an additional one-year period.

Liquidity Risk Management Program

Each of the Franklin Templeton and Legg Mason Funds has adopted and implemented a written Liquidity Risk Management Program (the "LRMP") as required by Rule 22e-4 under the Investment Company Act of 1940 (the "Liquidity Rule"). The LRMP is designed to assess and manage each Fund's liquidity risk, which is defined as the risk that the Fund could not meet requests to redeem shares issued by the Fund without significant dilution of remaining investors' interests in the Fund. In accordance with the Liquidity Rule, the LRMP includes policies and procedures that provide for: (1) assessment, management, and review (no less frequently than annually) of each Fund's liquidity risk; (2) classification of each Fund's portfolio holdings into one of four liquidity categories (Highly Liquid, Moderately Liquid, Less Liquid, and Illiquid); (3) for Funds that do not primarily hold assets that are Highly Liquid, establishing and maintaining a minimum percentage of the Fund's net assets in Highly Liquid investments (called a "Highly Liquid Investment Minimum" or "HLIM"); and (4) prohibiting the Fund's acquisition of Illiquid investments that would result in the Fund holding more than 15% of its net assets in Illiquid assets. The LRMP also requires reporting to the Securities and Exchange Commission ("SEC") (on a non-public basis) and to the Board if the Fund's holdings of Illiquid assets exceed 15% of the Fund's net assets. Funds with HLIMs must have procedures for addressing HLIM shortfalls, including reporting to the Board and, with respect to HLIM shortfalls lasting more than seven consecutive calendar days, reporting to the SEC (on a non-public basis).

The Director of Liquidity Risk within the Investment Risk Management Group (the "IRMG") is the appointed Administrator of the LRMP. The IRMG maintains the Investment Liquidity Committee (the "ILC") to provide oversight and administration of policies and procedures governing liquidity risk management for Franklin Templeton and Legg Mason products and portfolios. The ILC includes

representatives from Franklin Templeton's Risk, Trading, Global Compliance, Legal, Investment Compliance, Investment Operations, Valuation Committee, Product Management and Global Product Strategy.

In assessing and managing each Fund's liquidity risk, the ILC considers, as relevant, a variety of factors, including the Fund's investment strategy and the liquidity of its portfolio investments during both normal and reasonably foreseeable stressed conditions; its short and long-term cash flow projections; and its cash holdings and access to other funding sources including the Funds' interfund lending facility and line of credit. Classification of the Fund's portfolio holdings in the four liquidity categories is based on the number of days it is reasonably expected to take to convert the investment to cash (for Highly Liquid and Moderately Liquid holdings) or sell or dispose of the investment (for Less Liquid and Illiquid investments), in current market conditions without significantly changing the investment's market value.

Each Fund primarily holds liquid assets that are defined under the Liquidity Rule as "Highly Liquid Investments," and therefore is not required to establish an HLIM. Highly Liquid Investments are defined as cash and any investment reasonably expected to be convertible to cash in current market conditions in three business days or less without the conversion to cash significantly changing the market value of the investment.

At meetings of the Funds' Board of Trustees held in May 2023, the Program Administrator provided a written report to the Board addressing the adequacy and effectiveness of the program for the year ended December 31, 2022. The Program Administrator report concluded that (i.) the LRMP, as adopted and implemented, remains reasonably designed to assess and manage each Fund's liquidity risk; (ii.) the LRMP, including the Highly Liquid Investment Minimum ("HLIM") where applicable, was implemented and operated effectively to achieve the goal of assessing and managing each Fund's liquidity risk; and (iii.) each Fund was able to meet requests for redemption without significant dilution of remaining investors' interests in the Fund.

Proxy Voting Policies and Procedures

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

Quarterly Schedule of Investments

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

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

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

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

FRANKLIN TEMPLETON

Semiannual Report
Templeton Global Bond VIP Fund

Investment Manager
Franklin Advisers, Inc.

Fund Administrator
Franklin Templeton Services, LLC

Distributor
Franklin Distributors, LLC

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