

Templeton Developing Markets VIP Fund



Class 2

Annual Shareholder Report | December 31, 2024

This annual shareholder report contains important information about Templeton Developing Markets VIP Fund for the period January 1, 2024, to December 31, 2024. You can find additional information about the Fund at <https://www.franklintempleton.com/regulatory-fund-documents>. You can also request this information by contacting us at (800) 362-6243.

WHAT WERE THE FUND COSTS FOR THE LAST YEAR? (based on a hypothetical \$10,000 investment)

Class Name	Costs of a \$10,000 investment	Costs paid as a percentage of a \$10,000 investment*
Class 2 ¹	\$140	1.35%

* Reflects fee waivers and/or expense reimbursements, without which expenses would have been higher.
¹ Does not reflect expenses incurred from investing through variable annuity or variable life insurance products.

HOW DID THE FUND PERFORM LAST YEAR AND WHAT AFFECTED ITS PERFORMANCE?

For the twelve months ended December 31, 2024, Class 2 shares of Templeton Developing Markets VIP Fund returned 7.67%. The Fund compares its performance to the MSCI Emerging Markets Index-NR, which returned 7.50% for the same period.

PERFORMANCE HIGHLIGHTS

Top contributors to performance:

- ↑ By sector, information technology, consumer discretionary and financials were the largest absolute contributors.
- ↑ Geographically, Taiwan, China and India.
- ↑ TSMC, a Taiwanese semiconductor manufacturer, was the largest driver of performance driven by optimism on demand growth for artificial intelligence (AI) chips as well as strong quarterly results.

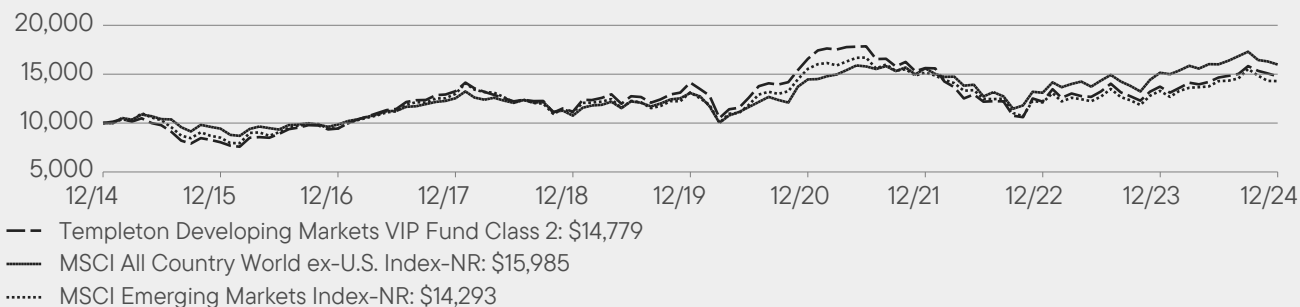
Top detractors from performance:

- ↓ By sector, materials, health care and industrials were the largest absolute detractors.
- ↓ Geographically, South Korea, Brazil and Mexico.
- ↓ Samsung Electronics, a South-Korean consumer electronics company, faced some challenges such as weakening chip prices and concerns that the company is lagging its rivals in the AI segment.

HOW DID THE FUND PERFORM OVER THE LAST 10 YEARS?

The Fund's past performance is not necessarily an indication of how the Fund will perform in the future. The graph and table do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or redemption of Fund shares.

VALUE OF A \$10,000 INVESTMENT – CLASS 2 12/31/2014 – 12/31/2024



AVERAGE ANNUAL TOTAL RETURNS (%) Period Ended December 31, 2024

	1 Year	5 Year	10 Year
Class 2	7.67	0.88	3.98
MSCI All Country World ex-U.S. Index-NR	5.53	4.10	4.80
MSCI Emerging Markets Index-NR	7.50	1.70	3.64

Performance does not reflect expenses incurred from investing through variable annuity or variable life insurance products, which if reflected, would reduce performance of the Fund.

Fund performance figures may reflect fee waivers and/or expense reimbursements, without which the performance would have been lower.

Important data provider notices and terms available at www.franklintempletondatasources.com.

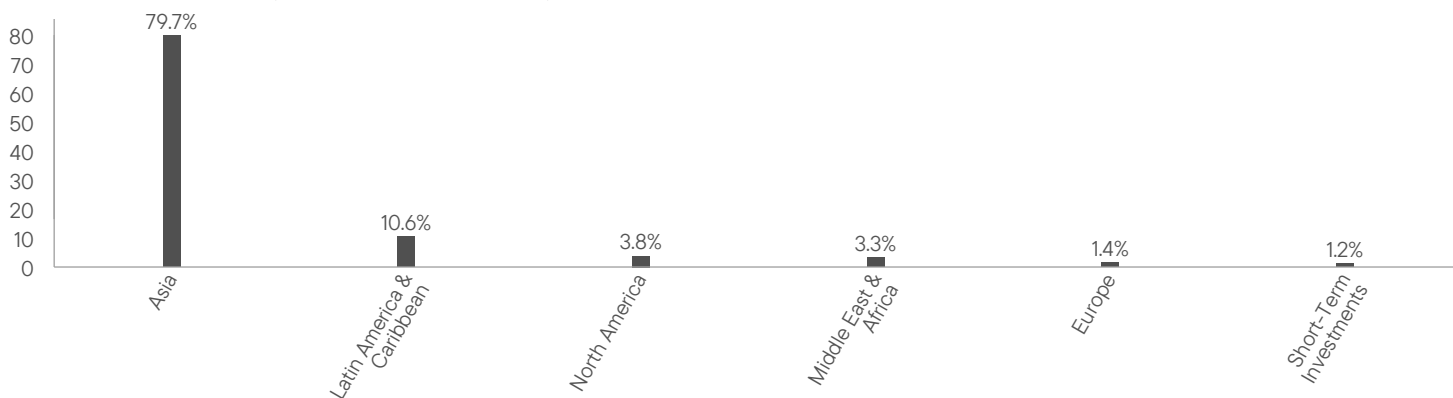
KEY FUND STATISTICS (as of December 31, 2024)

Total Net Assets	\$256,091,921
Total Number of Portfolio Holdings*	83
Total Management Fee Paid	\$2,736,871
Portfolio Turnover Rate	18.66%

* Does not include derivatives, except purchased options, if any.

WHAT DID THE FUND INVEST IN? (as of December 31, 2024)

Portfolio Composition* (% of Total Investments)



* Does not include derivatives, except purchased options, if any.



WHERE CAN I FIND ADDITIONAL INFORMATION ABOUT THE FUND?

Additional information is available on <https://www.franklintempleton.com/regulatory-fund-documents>, including its:

• prospectus • proxy voting information • financial information • holdings • tax information