
INFORMATION STATEMENT

MORGAN STANLEY PATHWAY FUNDS
2000 Westchester Avenue
Purchase, New York 10577

LARGE CAP EQUITY FUND

Dear Shareholder:

At the June 1, 2023 meeting (the “June Meeting”) of the Board of Trustees (“Board”) of Morgan Stanley Pathway Funds (the “Trust”), the Board (i) approved a new investment advisory agreement (the “June Advisory Agreement”) with Great Lakes Advisers, LLC (“Great Lakes”) as an additional sub-adviser to the Large Cap Equity Fund and (ii) terminated Delaware Investments Funds Advisers, a member of Macquarie Investment Management Business Trust and Lyrical Asset Management LP as investment advisers to the Large Cap Equity Fund. As was previously communicated to you in a supplement dated July 17, 2023 to the Trust’s Prospectus, Great Lakes began managing its respective allocated portion of the Large Cap Equity Fund’s investment portfolio on July 17, 2023.

At the September 14, 2023 meeting (the “September Meeting” and, together with the June Meeting, the “Meetings”) of the Board of the Trust (i) approved a new investment advisory agreement (the “September Advisory Agreement” and, together with the June Advisory Agreement, the “Advisory Agreements”) with Principal Asset Management (“Principal”) as an additional sub-adviser to the Large Cap Equity Fund and (ii) terminated Columbia Management Investment Advisers, LLC as an investment adviser to the Large Cap Equity Fund. Principal will begin managing its respective allocated portion of the Large Cap Equity Fund’s investment portfolio on November 20, 2023.

The Trust received an exemption from the U.S. Securities and Exchange Commission (“SEC”) issued on August 23, 1995, permitting the Consulting Group, a division of Consulting Group Advisory Services LLC (the “Manager”), the investment manager of the Funds (or a person controlling, controlled by or under common control with the Manager), to enter into or change investment advisory agreements with sub-advisers with Board approval, but without obtaining formal shareholder approval. Accordingly, the Advisory Agreement does not require a shareholder vote.

However, the SEC exemption requires that, among other things, the Trust provide an informational letter to you as a Fund shareholder whenever a new sub-adviser is selected or an investment advisory agreement is materially changed for the Large Cap Equity Fund. Set forth below is a description of Great Lakes, Principal and the Advisory Agreements approved by the Board.

We are not asking you for a proxy and you are not requested to send us a proxy.

LARGE CAP EQUITY FUND

Introduction

At the June Meeting, the Manager recommended and the Board, including all of the Trustees who are not “interested persons” (as defined in the Investment Company Act of 1940, as amended (“1940 Act”)) of the Trust or any party to the Trust’s investment advisory agreements (“Independent Trustees”), approved the June Advisory Agreement between the Manager, with respect to the Large Cap Equity Fund, and Great Lakes, pursuant to which the Great Lakes would provide day-to-day management of the portion of the Large Cap Equity Fund’s portfolio allocated to it by the Manager. Great Lakes began managing its allocated portion of the assets of the Large Cap Equity Fund effective July 17, 2023.

At the September Meeting, the Manager recommended and the Board, including all of the Independent Trustees, approved the September Advisory Agreement between the Manager, with respect to the Large Cap Equity Fund, and Principal (together with Great Lakes, each, a “New Sub-adviser”), pursuant to which Principal would provide day-to-day management of the portion of the Large Cap Equity’s portfolio allocated to it by the Manager. Principal is expected to begin managing its allocated portion of the assets of the Large Cap Equity Fund effectively November 20, 2023.

The Large Cap Equity Fund’s assets currently are allocated among five sub-advisers, including Great Lakes. The Large Cap Equity Fund’s assets will be allocated among five sub-advisers, including Principal, effective November 20, 2023.

Manager’s Recommendation and the Board’s Consideration

At the respective Meeting, the Manager recommended the New Sub-adviser based on, among other factors, the Manager’s evaluation of the New Sub-adviser’s performance during various time periods and market cycles, the New Sub-adviser’s reputation, experience, investment philosophy and policies, and the Manager’s analysis that the New Sub-adviser’s investment strategies are complementary to the investment strategy of the Large Cap Equity Fund’s other sub-advisers.

- **Great Lakes** – In managing its portion of the Large Cap Equity Fund’s assets, Great Lakes believes that a bottom-up focused portfolio targeting stocks with attractive valuations and improving fundamentals, coupled with a disciplined use of risk controls, has the potential to deliver consistent outperformance as well as protection in down markets with lower volatility than the benchmark. Great Lakes employs an integrated approach which balances quantitative analysis, fundamental research, and risk management guidelines to identify stocks within the broader market that align with this investment philosophy. Great Lakes will sell securities that no longer meet the investment criteria of its portfolio management team and will seek to replace them with stocks deemed to produce a portfolio with a better combination of risk and reward. The percentage of the Large Cap Equity Fund’s assets allocated to Great Lakes is targeted at 16%.
- **Principal** – In managing its portion of the Large Cap Equity Fund’s assets, Principal believes that a focus on high quality companies led by owner-operators with attractive valuations and strong business fundamentals, alongside a valuation discipline, has to the potential to deliver consistent long-term outperformance. Principal employs fundamental analysis with a focus on risk-adjusted returns over full market cycles to identify stocks within the market that align with its investment philosophy. The percentage of the Large Cap Equity Fund’s assets allocated to Principal is targeted at 11%.

At the respective Meeting, as to each New Sub-adviser, the Board, including all of the Independent Trustees, considered and approved the Advisory Agreement with the New Sub-adviser. In determining whether to approve the respective Advisory Agreement, the Board considered the due diligence materials prepared by the Manager and other information, which included copies of the Advisory Agreement which set forth the sub-investment advisory fees to be paid to the New Sub-adviser by the Manager, and information regarding: (i) the process by which the Manager selected and recommended the New Sub-adviser for Board approval; (ii) the nature, extent and quality of the services expected to be provided by the New Sub-adviser to the Large Cap Equity Fund; and (iii) the New Sub-adviser’s (A) investment management business, personnel, and operations, (B) trading policies and practices, (C) compliance programs, (D) historical performance returns managing investment mandates similar to the Large Cap Equity Fund’s investment mandate, with such performance compared to a relevant index, and (E) financial condition. The Independent Trustees considered the Manager’s favorable assessment of the nature and quality of the sub-advisory services expected to be provided to the Large Cap Equity Fund by the respective New Sub-adviser. The Independent Trustees also discussed the acceptability of the terms of the respective Advisory Agreement, noting the substantial similarity to the terms of the investment advisory agreements with the Trust’s other sub-advisers. The Independent Trustees also considered whether there were any ancillary benefits that may accrue to the New Sub-adviser as a result of its relationship with the Large Cap Equity Fund. The materials and information were provided in advance of and at the Meeting. Representatives from the New Sub-advisers also made presentations to and responded to questions from the Board. The Independent Trustees were assisted in their review by Fund

counsel and independent legal counsel and met with independent legal counsel in executive sessions separate from representatives of the Manager and the New Sub-advisers.

As to each New Sub-adviser, the Independent Trustees concluded that the nature, extent and quality of the sub-investment advisory services expected to be provided by the New Sub-adviser were adequate and appropriate in light of (i) the New Sub-adviser's expertise and the qualifications of its investment personnel in providing portfolio management services to other investment portfolios with an investment mandate similar to that of the Large Cap Equity Fund and the performance history of those portfolios, (ii) the New Sub-adviser's portfolio management and research resources to be applied in managing a portion of the Large Cap Equity Fund's assets allocated to it, (iii) how the New Sub-adviser's investment strategy would complement that of the Large Cap Equity Fund's existing sub-advisers, (iv) the New Sub-adviser's compliance programs, and (v) the Manager's recommendation to engage the New Sub-adviser, and supported a decision to approve the respective Advisory Agreement with the New Sub-adviser.

Because the New Sub-advisers were both newly-appointed sub-advisers for the Large Cap Equity Fund, the Independent Trustees could not consider its investment performance in managing a portion of the Large Cap Equity Fund's portfolio as a factor in evaluating the Advisory Agreements during the respective Meeting. The Independent Trustees discussed with representatives of the Manager the investment strategies to be employed by the New Sub-advisers in the management of their portion of the Large Cap Equity Fund's assets. The Independent Trustees noted the historical performance returns of the New Sub-advisers in managing investment mandates similar to the Large Cap Equity Fund's investment mandate, with such performance compared to a relevant index, and the Manager's experience and reputation in selecting, evaluating, and overseeing investment managers. Based on its consideration and review of the foregoing information, the Board concluded that these factors supported a decision to approve the Advisory Agreements with the New Sub-advisers.

The Independent Trustees reviewed and considered the sub-advisory fees payable under the Advisory Agreements. The Independent Trustees noted that the proposed fees payable to the New Sub-advisers would be paid by the Manager, and not the Large Cap Equity Fund, and, thus, would not impact the fees paid by the Large Cap Equity Fund. The Independent Trustees concluded, with respect to each New Sub-adviser, that the proposed fees payable to the New Sub-adviser by the Manager with respect to the Large Cap Equity Fund's assets to be allocated to the New Sub-adviser were reasonable and appropriate.

The Independent Trustees recognized that, because the New Sub-advisers' fees would be paid by the Manager, and not the Large Cap Equity Fund, an analysis of profitability was more appropriate in the context of the Board's consideration of the management agreement between the Trust and the Manager. The Board considered the effect on the profitability of the Manager with respect to the addition of the New Sub-advisers as additional sub-advisers for the Large Cap Equity Fund and determined that the Manager's profitability was not excessive in light of the nature, extent and quality of the services to be provided to the Large Cap Equity Fund by the Manager and the New Sub-advisers. Similarly, the Independent Trustees recognized that, because the New Sub-advisers' fees would be paid by the Manager, and not the Large Cap Equity Fund, an analysis of economies of scale in connection with the engagement of the New Sub-advisers was more appropriate in the context of the Board's consideration of the management agreement between the Trust and the Manager. Accordingly, consideration of economies of scale was not relevant to the Independent Trustees' determination to approve the Advisory Agreements with the New Sub-advisers. The Independent Trustees also concluded that any benefits that were expected to accrue to the New Sub-advisers by virtue of their relationship with the Large Cap Equity Fund were reasonable.

After full consideration of the factors discussed above, with no single factor identified as being of paramount importance, the Board, including the Independent Trustees, with the assistance of Fund counsel and independent legal counsel, concluded, as to each New Sub-adviser, that the approval of the respective Advisory Agreement with the New Sub-adviser was in the best interests of the Large Cap Equity Fund, and approved the Advisory Agreement with the New Sub-adviser.

The Manager entered into the June Advisory Agreement with Great Lakes, pursuant to which Great Lakes began managing the assets of the Large Cap Equity Fund allocated to it by the Manager on July 17, 2023. The Manager entered into the September Advisory Agreement with Principal, pursuant to which Principal will begin managing the assets of the Large Cap Equity Fund allocated to it by the Manager on November 20, 2023. The Manager determined that the target percentages of the Large Cap Equity Fund's assets to be allocated to the New Sub-advisers and the Fund's other sub-advisers would be approximately as follows: 16% to Great Lakes; 11% to Principal; 58% to BlackRock Financial Management, Inc.; 6% to ClearBridge Investments, LLC; and 9% to Lazard Asset Management LLC, such allocations having been previously approved by the Board.

The Advisory Agreements

The terms of the Advisory Agreements are similar in all material respects to the agreements between the Manager and the Trust's other sub-advisers. Each Advisory Agreement provides that, subject to the supervision of the Board and the Manager, the New

Sub-adviser shall manage the investments of the portion of the Fund’s assets allocated to it in accordance with the Fund’s investment objective, policies and restrictions, and in compliance with the requirements applicable to registered investment companies and such other limitations as the Manager may institute. Each Advisory Agreement provides that the New Sub-adviser will exercise its best judgment in rendering services to the Large Cap Equity Fund and, except as may otherwise be required by the 1940 Act or the rules thereunder or other applicable law, will not be liable for any error of judgment or mistake of law or for any loss suffered by the Fund or the Manager in connection with the matters to which the respective Advisory Agreement relates, except a loss resulting from the New Sub-adviser’s willful misfeasance, bad faith or gross negligence in the performance of its duties or from reckless disregard by the New Sub-adviser of its obligations and duties under the respective Advisory Agreement. The Advisory Agreements set forth information about the terms of the Advisory Agreements and the fees to be paid to the New Sub-advisers by the Manager thereunder.

The Large Cap Equity Fund has agreed to pay the Manager a management fee at the annual rate of 0.60% of the value of the Large Cap Equity Fund’s average daily net assets, from which, the Manager will pay the Large Cap Equity Fund’s sub-advisers. Effective January 1, 2023, the Manager has contractually agreed to waive fees and reimburse expenses for a period of one year in order to keep the Large Cap Equity Fund’s management fee from exceeding the total amount of sub-advisory fees paid by the Manager to the Large Cap Equity Fund’s sub-advisers plus 0.20% based on average net assets. This contractual waiver and reimbursement will only apply if the Large Cap Equity Fund’s total management fees exceed the total amount of sub-advisory fees paid by the Manager plus 0.20%, and will not affect the Fund’s total management fees if they are less than such amount. This fee waiver and reimbursement agreement shall remain in effect until January 1, 2024.

Additional Information about Great Lakes

Great Lakes’ offices are located at 231 S. Lasalle Street, 4th Floor, Chicago, Illinois 60604. Great Lakes is registered with the SEC as an investment adviser.

Listed below are the names and principal occupations of the senior personnel of Great Lakes responsible for the day-to-day management of the portion of the Large Cap Equity Fund’s assets allocated to Great Lakes. The principal business address of each person, as it relates to his duties at Great Lakes, is the same as that of Great Lakes.

Name	Position with Great Lakes	Years with Great Lakes
Paul Roukis, CFA	Portfolio Manager	18
Jeff Agne	Portfolio Manager and Managing Director	8

Comparable Funds

Great Lakes currently manages other accounts or funds having similar investment objectives and strategies to the Large Cap Equity Fund.

Payments of Commissions to Affiliated Brokers

During the fiscal year ended August 31, 2022, the Large Cap Equity Fund made \$7,513 aggregate brokerage commission payments to Morgan Stanley & Co.

Purchases of Securities by Trustees

None of the Trustee of the Trust owns any securities issued by Great Lakes.

Additional Information about Principal

Principal’s offices are located at 801 Grand Avenue, Des Moines, Iowa 50392. Principal is registered with the SEC as an investment adviser.

Listed below are the names and principal occupations of the senior personnel of Principal responsible for the day-to-day management of the portion of the Large Cap Equity Fund's assets that will be allocated to Principal. The principal business address of each person, as it relates to his duties at Principal, is the same as that of Principal.

Name	Position with Principal	Years with Principal
Bill Nolin, CFA	Chief Investment Officer and Portfolio Manager	27
Tom Rozycki, CFA	Director of Research and Portfolio Manager	23

Comparable Funds

Principal currently manages other accounts or funds having similar investment objectives and strategies to the Large Cap Equity Fund.

Payments of Commissions to Affiliated Brokers

During the fiscal year ended August 31, 2022, the Large Cap Equity Fund made \$7,513 aggregate brokerage commission payments to Morgan Stanley & Co.

Purchases of Securities by Trustees

None of the Trustee of the Trust owns any securities issued by Principal.

FUND-LEVEL OWNERSHIP/SHARES OUTSTANDING

Fund	Total Net Assets as of August 31, 2023	Shares Outstanding as August 31, 2023
Large Cap Equity Fund	\$ 1,817,106,075.10	82,724,446.16

To the knowledge of the Manager, as of August 31, 2023, the Board members and officers of the Trust, as a group, owned of record less than 1% of the outstanding shares of the Large Cap Equity Fund.

Beneficial Share Ownership

As of August 31, 2023, there were no shareholders who owned beneficially 5% or more of the shares of the Large Cap Equity Fund.

OTHER INFORMATION

Manager

Consulting Group Advisory Services LLC, a business of Morgan Stanley Smith Barney Holdings LLC, serves as the investment adviser for the Large Cap Equity Fund and is located at 2000 Westchester Avenue, Purchase, NY 10577. The Manager selects and oversees professional money managers (the sub-advisers) who are responsible for investing the assets of the Large Cap Equity Fund.

Distributor

The Trust's distributor, Morgan Stanley Smith Barney LLC, is located at 2000 Westchester Avenue, Purchase, NY 10577.

Administrator

Brown Brothers Harriman & Co. serves as the administrator to the Trust and is located at 50 Post Office Square, Boston, MA 02110.

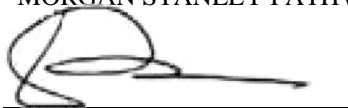
Householding

Only one copy of this informational letter is mailed to households, even if more than one person in a household is a Fund shareholder of record, unless the Fund has received instructions to the contrary. If you need additional copies of this informational letter, or if you do not want the mailing of an informational letter to be combined with those for other members of your household in the future, or if you are receiving multiple copies and would rather receive just one copy for the household, please contact the Trust by calling 1-888-454-3965 or by writing to the Trust at 2000 Westchester Avenue, Purchase, NY 10577.

Annual/Semi-Annual Reports

Shareholders can obtain a copy of the Trust's most recent Annual Report and any Semi-Annual Report following the Annual Report, without charge, by calling 1-888-454-3965 or by writing to the Trust at 2000 Westchester Avenue, Purchase, NY 10577.

ON BEHALF OF THE BOARD OF TRUSTEES OF
MORGAN STANLEY PATHWAY FUNDS



Eric Metallo
Secretary
October 13, 2023