

Licensing brief

Licensing Microsoft 365 Apps in Commercial Licensing

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Summary

The document provides an overview of licensing Microsoft 365 Apps for enterprise through Microsoft Commercial Licensing programs. It explains the differences between Microsoft 365 Apps for enterprise and Office LTSC licenses, highlighting that Microsoft 365 Apps can be licensed per user or per device, while Office LTSC is licensed per device1. The document also covers installation options, activation methods, and remote access scenarios for Microsoft 365 Apps. Additionally, it discusses licensing Office Online Server. Finally, it addresses frequently asked questions and provides a comparison between Office LTSC and Microsoft 365 Apps. For more information on Office LTSC device licenses, see the <u>"Licensing Microsoft Office LTSC Software in Commercial Licensing"</u> brief.

Details

Microsoft 365 Apps for enterprise licensing model

Microsoft 365 Apps for enterprise includes Word, PowerPoint, Excel, Outlook, OneNote, Publisher, and Access) and is licensed as a subscription service under the online services licensing model. You can subscribe on a per user or per device basis. This differs from Office LTSC Standard/Professional Plus which is licensed per device, typically with perpetual use rights. (For more information on Office LTSC device licenses, see the <u>"Licensing Microsoft Office LTSC Software in Commercial Licensing"</u> brief.)

Microsoft 365 Apps for enterprise installation

When you assign a Microsoft 365 Apps for enterprise User Subscription License to an individual, that individual (referred to as "Licensed Users" in the Product Terms) may access Microsoft 365 apps on PCs, Macs (except Publisher and Access), tablets, and mobile devices.

Your Licensed Users may activate the software for local or remote use on up to five concurrent operating system environments (OSEs). Microsoft 365 Apps for enterprise licensing treats physical and virtual OSEs (commonly referred to as *virtual machines*) the same, so the five concurrent activations may be on five different devices or multiple virtual machines on one or more devices. These devices may include company managed devices and users' personal devices. They may also use the software activated by another Licensed User.

Each Licensed User may also access Microsoft 365 Apps for enterprise hosted on a network server, including servers hosted by an authorized third party. See *Remote Access* below for additional details.

Licensed Users may also use the Microsoft 365 Apps for mobile for commercial purposes and sign in to Microsoft 365 Apps with their work or school account on up to five smartphones and five tablets.

With the Microsoft 365 Apps for enterprise Device Subscription License, you may install the software on one OSE on the device to which the license is assigned (referred to as "Licensed Device" in the Product Terms). Your users can also use the Licensed Device to remotely access the software on one OSE on a network server (including servers hosted by an authorized third party) or on Microsoft Azure. See *Remote Access* below for additional details.

Microsoft 365 Apps activation options

Microsoft 365 Apps for enterprise primarily uses click-to-run deployment technology to activate the software. Shared computer activation is another activation mode for Microsoft 365 Apps for enterprise and integrates with RDS virtualization technologies.

• Click-to-run deployment technology integrates with user-dedicated virtualization technologies. Clickto-run supports the full client installation on physical PCs as well as dedicated virtual desktop infrastructure (VDI) deployment on user-dedicated Windows 10/11 and Windows Server virtual machines without Remote Desktop Service (RDS) role enabled*.

*Additional software licenses are required to enable virtualization deployments on a network server. Customers can consult a Commercial Licensing Partner to determine license needs.

Shared computer activation is another activation mode for Microsoft 365 Apps for enterprise and
integrates with RDS virtualization technologies. Examples of virtualization scenarios using the RDS role
include Remote Desktop Session Host and Pooled VDI (using RDS). When Microsoft 365 Apps for
enterprise is deployed on a network server with RDS role enabled, each Licensed User may sign in with
their subscription account to temporarily activate Microsoft 365 Apps for enterprise via shared
computer activation*. Shared computer activation also enables the use of Microsoft 365 Apps for
enterprise on shared devices such as those on a factory floor or those used by medical personnel in a
hospital. Deploying Microsoft 365 Apps for enterprise using shared computer activation does not
count against a user's five desktop installations of Microsoft 365 Apps for enterprise. Shared computer
activation may also be used when deploying Microsoft 365 Apps for business, but only when Microsoft
365 Apps for enterprise Device Subscription Licenses do not include Share computer activation.

*Additional software licenses are required to enable virtualization deployments on a network server. Please consult a Volume Licensing Partner to determine your license needs.

Remote Access for Microsoft 365 Apps

You may choose to deploy the Microsoft 365 Apps for enterprise software for remote access by your users or devices licensed for Microsoft 365 Apps for enterprise. You can do this on your dedicated servers or in shared server environments. Your Licensed Users are entitled to remotely access the software and any user is entitled use a Licensed Device to remotely access the software.

- Dedicated server scenarios include deploying on the customer's own servers or using a third party to host a dedicated server. If the customer chooses to use a third party, this is often referred to as "Outsourcing Software Management" and requires the third party to be an Authorized Outsourcer. An Authorized Outsourcer is a third party that is not a Listed Provider and not using a Listed Provider as a data center provider. A list of Listed Providers can be found at https://aka.ms/ListedProviders. See Microsoft's Product Terms for details.
- Shared server scenarios include using Microsoft Azure or using Authorized Outsourcers under the Flexible Virtualization Benefit. The Flexible Virtualization Benefit is an outsourcing option introduced in October 2022 for customers with subscription licenses or licenses with Software Assurance. See Microsoft's Product Terms and <u>Flexible Virtualization Benefit Licensing Guide</u> for details.

Licensing Office Online Server

Microsoft Office Online Server delivers browser-based versions of Word, PowerPoint, Excel, and OneNote. A single Office Online Server farm can support users who access Office files through SharePoint Server, Exchange Server, shared folders, and web sites. Office Online Server supports viewing files without needing to download the files or install the apps.

Customers with Microsoft 365 Apps for enterprise may install any number of copies of Office Online Server on any Server. Any server that is under the management or control of an entity other than Customer or one of its Affiliates is subject to the Outsourcing Software Management terms. Please note that this provision does not apply to Customers that license this Product under the Microsoft Online Subscription Agreement, Microsoft Cloud Agreement, or other Microsoft agreement that cover Online Services only.

A Microsoft 365 Apps for enterprise license (or an Office LTSC license with Software Assurance) is required to edit files on Office Online Server. Customers that qualify for Office Online Server can access the software via their Microsoft 365 Admin Center.

Licensing Microsoft 365 for enterprise for use with Windows To Go

Because Microsoft no longer includes the Windows to Go feature in Windows, you no longer have an option to use Microsoft 365 Apps with Windows to Go.

Acquiring Microsoft 365 Apps for enterprise in Commercial Licensing

You can subscribe to Microsoft 365 Apps for enterprise through the Microsoft Enterprise Agreement, Microsoft Enterprise Subscription Agreement, Microsoft Customer Agreement, Microsoft Online Subscription Agreement, Microsoft Cloud Agreement, Microsoft Products and Services Agreement, Open programs, and Microsoft Enrollment for Education Solutions (under the Campus and School Agreement).

Microsoft 365 Apps for enterprise is available as a stand-alone User or Device Subscription License and is also included as a component of certain Office 365 and Microsoft 365 plans. Users who are licensed for any of the following are licensed for Microsoft 365 Apps for enterprise:

- Microsoft 365 Apps for enterprise
- Office 365 E3/A3/G3/E5/A5/G5
- Microsoft 365 E3/A3/A5/E5/A5/G5

Compare Microsoft 365 plans at https://www.microsoft.com/en-us/microsoft-365.

Online Services downgrade rights

With Microsoft 365 subscriptions, you have access to the latest technology with the newest features and releases. As with all Subscription Services, Microsoft generally offers only the latest version of the service at a time. Therefore, downgrade rights aren't available with Microsoft 365 Apps for enterprise licenses.

Frequently asked questions

1. What is the difference between Microsoft 365 Apps for enterprise and Office LTSC Professional Plus?

Microsoft 365 Apps for enterprise and Office LTSC Professional Plus both provide Word, Excel, PowerPoint, Outlook, Publisher, and Access desktop apps, however there are key differences. Office LTSC Professional Plus is provided under a desktop license that is tied to the computer it is assigned to and is available through Commercial Licensing only. Microsoft 365 Apps for enterprise is available as a per user and per device subscription. See the comparison of the two licensing models for Office in the <u>Appendix section</u> of this document.

- 2. Which Microsoft 365 Apps for enterprise subscriptions include shared computer activation? Any User Subscription License that contains Microsoft 365 Apps for enterprise is eligible for shared computer activation. This includes the following licenses:
 - Microsoft 365 Apps for enterprise
 - Office 365 E3/A3/G3/E5/A5/G5
 - Microsoft 365 E3/A3/G3/E5/A5/G5

Project Online and Visio Online also include shared computer activation.

- **3.** Can I run Microsoft 365 Apps for enterprise on my personal device to work from home? Yes. Microsoft 365 Apps for enterprise User Subscription Licenses permit installation and use on up to five devices at a time (for use by the licensed user only).
- 4. Can I bring my personal device to work and use it with Microsoft 365 Apps for enterprise? Yes. Microsoft 365 Apps for enterprise User Subscription Licenses permit installation on up to five devices at a time and be used by the licensed user anywhere, at work or at home. Per device licenses permit installation and use on only one device that can be either a personal device or a work device.
- Can I run Microsoft 365 Apps for enterprise on my Mac? Yes. Microsoft 365 Apps for enterprise is available for MacOS, except for Access and Publisher
- 6. Can I deploy Microsoft 365 Apps for enterprise on shared public cloud environments? Yes. Microsoft 365 Apps for enterprise may be deployed and accessed by Licensed Users on shared servers using shared computer activation on Microsoft Azure or with an Authorized Outsourcer. For more information, see the <u>Flexible Virtualization Benefit Licensing Guide</u>.
- Can I deploy Microsoft 365 Apps for enterprise on Azure? Yes. User Subscription Licenses permit deploying Microsoft 365 Apps for enterprise on Azure with shared computer activation.

Appendix: Microsoft Office LTSC software vs. Microsoft 365 Apps

Customers may license Office LTSC under a desktop application license (per device) or Microsoft 365 Apps as a subscription service. See the main differences between the two offerings below:

	Office LTSC under a desktop application license	Microsoft 365 Apps as a subscription service
Licensing Model	Per device perpetual license	Per user or per device subscription license
Product Editions	Office LTSC Standard, Office LTSC Professional Plus	Microsoft 365 Apps for enterprise, Microsoft 365 Apps for business
Downgrade	May downgrade to earlier version of same Microsoft Office edition licensed for device.	N/A

Remote Use	 <u>Software Assurance Roaming Rights</u> Remote use rights permitted including via Virtual Desktop Infrastructure (VDI) or Remote Desktop Services (RDS) 	Licensed Users may install one copy of the software on up to five devices and use Microsoft 365 Apps locally on those devices from anywhere. Remote Use Rights permitted including via Virtual Desktop Infrastructure (VDI) or Remote Desktop Services with shared computer activation enabled for Licensed Users, or remote use from the Licensed Device for per device licenses.
Home Use	 Work At Home (WAH) licenses Software Assurance Roaming Rights 	 Licensed Users may install one or more copies on any devices (including home), up to five devices per user license. Software may be installed on a home device or a work device under a device subscription license.

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