

Microsoft Agent 365

Q: How is Agent 365 licensed—per user or per agent—and how does the licensing model differ between Microsoft 365 E7 and Agent 365 standalone?

Agent 365 is licensed per user because it applies to agents acting on behalf of that user (also referred to as “OBO agents” or “assistive agents”).

If an agent acts on behalf of a licensed user, that agent activity is covered under that user’s Agent 365 or Microsoft 365 E7 license. You do not need to license On Behalf Of (OBO) agents separately with Agent 365 or Microsoft 365 E7.

Q: Which users in our organization should we license for Agent 365?

Users who leverage agents that rely on Agent 365 capabilities for observing, governing, or securing agent activity should be licensed with Agent 365. If unlicensed users benefit from Agent 365 premium capabilities, the organization may be out of compliance.

Q: Do Microsoft 365 E3 or Microsoft 365 E5 include Agent 365?

No, Agent 365 is not included with Microsoft 365 E3 or Microsoft 365 E5.

Q: If we already have Microsoft 365 Copilot, do we still need Agent 365 for full protection and compliance for agents?

Yes. Microsoft 365 Copilot provides artificial intelligence (AI) capabilities to end users, but you still need Agent 365 in addition to Copilot to manage, govern, and secure agents beyond Copilot.

Think of it this way: Copilot is about what AI can do; Agent 365 is about controlling what AI is allowed to do.

Q: How do we license autonomous (non-human) agents under Agent 365 if we do not tie them to a specific user identity in our organization?

Today, Agent 365 provides observability, security, and governance for agents acting on behalf of a licensed user (also referred to as “OBO agents” or “assistive agents”).

Support for non-OBO agents will remain in preview. You will not be charged incrementally until these capabilities reach general availability with a clearly defined business model.

Q: Is there a limit on the number of agents we can manage with Agent 365?

No. As a licensed user, you can manage any number of agents.

Q: If Agent 365 is a per-user license that covers all agents a user touches, can we have a single licensed sponsor manage a fleet of 1,000+ agents?

Agent 365 licensing currently applies specifically to On Behalf Of (OBO) agents. One user license covers that individual's interactions with any number of OBO agents acting on their behalf.

Q: Do we need Microsoft 365 E7 to use Agent 365?

No. You do not need Microsoft 365 E7 to use Agent 365—Agent 365 can be purchased as a standalone subscription. However, Microsoft 365 E7 provides the most complete experience for scaling AI and agents securely across your organization.

Q: Does Microsoft 365 E7 include Agent 365?

Yes. Agent 365 is included with Microsoft 365 E7, and it is also offered as a standalone per-user subscription.

Q: Do we need a Microsoft 365 E3 or Microsoft 365 E5 license as a prerequisite to use Agent 365 to govern and secure agentic artificial intelligence (AI) workloads?

No, there is no licensing prerequisite for Agent 365. However, without the appropriate Microsoft 365 E3/E5 licensing, some security capabilities may be limited, including:

- Label-based data security (for example, label honoring, inheritance, and label-based Data Loss Prevention (DLP)) requires the data you are grounding to be labeled—this typically requires Microsoft 365 E3+ for Microsoft 365 data, or Microsoft Purview pay-as-you-go (PAYG) for non-Microsoft 365 data.
- Conditional Access and Identity Protection for On Behalf Of (OBO) agents are evaluated against the user's identity token—so the user must be licensed with Microsoft 365 E3 for Conditional Access and Microsoft 365 E5 for Identity Protection for these features to apply to their On Behalf Of (OBO) agents.
- Identity Governance for On Behalf of (OBO) governs the human-to-agent delegation relationship. If your users are not licensed for Identity Governance, there is no delegation relationship to govern—so the user must have Identity Governance standalone or Microsoft Entra Suite.

Q: If we are currently on Microsoft 365 E3, does an Agent 365 license grant us E5-level Microsoft Purview or Microsoft Defender capabilities?

No. An Agent 365 license does not grant any additional use rights at the user level.

Q: Which Agent 365 capabilities are included with Microsoft Cloud subscription, and which require an Agent 365 license?

Some Agent 365 capabilities are included with a Microsoft Cloud subscription, including:

- Agent identity
- The Agent 365 Registry for visibility into agents
- Basic usage insights for agents used in Microsoft 365 Copilot (active users and response count)

- Agent audit logs
- eDiscovery (Content search)
- Admin governance actions (publish, deploy, block, delete, approve, reassign, manage user access, pin, etc.)

Other capabilities require an Agent 365 license:

- Advanced agent usage insights
- Agent Map
- Data Security Posture Management for agents
- Data security for agents
- Extension of conditional access and identity protection to agents
- Agent identity governance
- Automated agent governance actions using conditions-based rules
- Control which tools or MCP servers agents can access
- Policy templates to agents
- Data lifecycle management for agent interactions
- Detection and investigation on non-compliant agent interactions

Q: Does Microsoft 365 E7 (including Agent 365) meet European Union (EU) Data Boundary requirements?

Yes. Microsoft 365 E7, including Agent 365, is designed to align with Microsoft's European Union (EU) Data Boundary commitments.

As with other Microsoft commercial offerings, customers will have options available both with and without Microsoft Teams in accordance with Microsoft's commitments in the European Union (EU).

Q: Do we pay extra for security when we register Microsoft Foundry agent in Agent 365?

No. For On Behalf Of (OBO) agents, Agent 365 does not differentiate between agents built in Microsoft Foundry or Copilot Studio. Because licensing is assigned to the user, the security and governance capabilities are included at no additional cost, regardless of which platform you used to create the agent.
