

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, whether purchased as part of Microsoft 365 E7 or as a standalone offering.

Agents do not require their own licenses. Licensing aligns to how agents are used - across both delegated access and own access flows and is tied to the user associated with the agent (e.g. user, owner, sponsor, or manager).

In all cases, licensing is assigned per user.

Q: What is the business model and pricing structure for Agent 365, including pay-as-you-go and consumption-based options?

Agent 365 is available in the ME7 license with list price \$99/user/mo. It can also be available standalone license with list price at \$15/user/mo.

There are no consumption-based costs for Agent 365 yet. All interactions of a user's agents (including agents using delegated access and own access) will be managed under the per user license.

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

An Agent 365 license is recommended for all users who interact with, manage, or sponsor Agent 365-managed agents (i.e., agents registered in the Agent 365 control plane).

We recommend broad coverage to support compliance and scale, including:

- Users interacting with agents
- Agent owners, sponsors, and managers
- Microsoft 365 Copilot users
- Teams expanding beyond initial pilots into broader agent adoption

A license is required for users who interact with, manage, or sponsor agents that use Agent 365 premium capabilities. If unlicensed users benefit from these capabilities, the organization may be out of compliance.

Microsoft recognizes that this guidance can be difficult to operationalize today, as there is limited visibility into user-level agent interactions during policy configuration. We are continuing to improve visibility, tracking, and the overall licensing experience.

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 AI capabilities to end-users, but Agent 365 is needed in addition to M365 Copilot to ensure all agents (beyond Copilot) are managed, governed and

secured.

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

Q: If Agent 365 is a per-user license that covers all agents a user touches, can a single licensed sponsor manage a fleet of 1,000+ A2A or A2T agents manage a fleet of 1,000+ agents?

Yes, a single licensed user can manage a large number of agents, including at fleet scale.

There is no fixed cap in the licensing model on the number of agents a licensed user can oversee.

However, standard service protections and usage limits may apply to ensure platform stability and fair usage.

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

No, Microsoft 365 ME7 is not needed for using Agent 365, which can be purchased as a standalone add-on (\$15 per user month). However, Microsoft 365 E7 provides the most complete Agent 365 experience for scaling agents securely across an organization.

Q: Does Microsoft 365 E7 include Agent 365?

Yes, Agent 365 is available as part of Microsoft 365 E7 and is also offered as a standalone per-user subscription, subject to applicable licensing terms and availability at GA. Agent 365 is not included in M365 E3/E5 licenses.

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 pre-req for Agent 365. However, some security capabilities are limited without appropriate E3 or E5 licenses, including:

- Label-based data security capabilities, including label honoring, label inheritance, label-based DLP, will require grounding data to be labeled, which requires OE3+ licenses for Microsoft 365 data or Purview pay-as-you-go for non-M365 data.
 - Conditional Access and Identity Protection for agents in a delegated access flow are evaluated against a user's identity token, hence a user must be licensed with Microsoft 365 E3 for Conditional Access and Microsoft 365 E5 for Identity Protection for these features to work for their delegated access flows.
 - Advanced threat hunting and investigation for agents depend on log data, which is currently captured via Office connectors in Microsoft Defender for Cloud Apps (MDA). As a result, a user must have a license that includes MDA or these capabilities to function.
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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 E5-level security features to a user or elevate their seat's capabilities. It provides no additional user security value, meaning it does not upgrade the

underlying human user's identity or access rights to premium security tools.

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

Some Agent 365 capabilities are included with a Microsoft 365 plan and available at the tenant level, including:

- Agent Identity
- Agent Registry
- Basic agent usage insights
- Shadow AI detection
- Admin agent governance actions (publish, deploy, block, delete, approve, reassign, manage user access, pin, etc.)
- Audit logs and eDiscovery for agent activity
- Block unsanctioned, shadow AI agents

Other capabilities require an Agent 365 licenses:

- Observability:
- Advanced agent usage insights
- Agent Map
- Registry sync
- Graph API
- Governance
- Agent Identity Governance
- Lifecycle management for agents
- Automate agent lifecycle actions
- Tool controls for agents
- Policy templates for agents
- Data Lifecycle Management for agent data and interactions
- Communication Compliance for agents
- Security
- Data Security Posture Management for agents
- Insider Risk Management for agents
- Agents inherit and honor data sensitivity labels
- Data loss prevention for agents
- Conditional access and identity protection for agents
- Secure Access Service Edge (SASE) for agents
- Device compliance for agent conditional access
- Policy controlled environment for agents runtime
- Agent Security Posture Management
- Threat Detection and Blocking for agents
- Threat Hunting and Investigation for agents

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 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 EU.

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

No. Agent 365 does not differentiate between agents built in Microsoft Foundry or Copilot Studio. Since the license is assigned to the user, the security and governance capabilities are included at no additional cost, regardless of which platform was used to create the agent.

Q: What are the key principles to understand Agent 365 licensing? —

Principle 1: Agent 365 is licensed per-user for every agent. We recommend licensing all users of agents

- Agent 365 is licensed per user, covering agents that users interact with, manage, or sponsor across both delegated access and own access.
- A single Agent 365 license covers all agents associated with that user; agents themselves are not licensed. Licensing is tied to the user benefiting from or responsible for the agent's actions.
- An Agent 365 license is recommended for all users who interact with, manage, or sponsor agents, to ensure consistent governance and protection as adoption scales.
- A license is required only for users who interact with, manage, or sponsor agents that use Agent 365 premium capabilities.
- Principle 2: Licensing is contractually enforced – same as today for ME5
- If an agent is tied to an unlicensed user, the activity is not entitled to A365 protections. This creates an out of compliance scenario.
- As with other Microsoft services, users cannot access or benefit from functionality they are not licensed for under the Microsoft Universal License Terms.
- Multiplexing, the pooling services to reduce the number of required licenses, is not permitted.

Principle 3: Microsoft Cloud subscription customers get basic capabilities. Licensed users are entitled to premium capabilities.

- All Microsoft Cloud subscription customers receive foundational Agent 365 capabilities at no additional cost, including agent identity, inventory visibility, basic usage insights, and core admin governance actions.
- Premium capabilities such as advanced usage analytics, agent governance policies, security posture management, threat detection, and data security controls—require an Agent 365 license.
- This tiered model allows organizations to start governing agents immediately, while enabling deeper observability, governance, and security controls as adoption scales.
- An Agent 365 license is required for users who need premium capabilities; foundational capabilities included with Microsoft Cloud subscriptions do not require additional licensing.
- Principle 4: Agent 365 covers a range of agent types (both 1P and 3P) though some feature availability may vary.
- Agent 365 provides a unified observability, governance, and framework that applies to both first-party Microsoft agents and ecosystem partner agents operating within the tenant.
- Core capabilities – such as agent identity, registry visibility, and admin governance apply broadly across agent types, ensuring consistent management regardless of origin.
- Premium capabilities may vary in depth or availability depending on the agent type, platform, or level of integration.
- Organizations can sync agents from external platforms into the Agent 365 registry, extending visibility and governance to ecosystem partner agents across their

environment.

Q: If Agent 365 governs agents rather than people, why is it licensed per user?

Agent 365 is licensed per user because every agent is associated with a person in some capacity, whether interacting with the agent or serving as its owner, sponsor, or manager.

This per-user model is familiar and predictable, helping organizations plan, budget, and scale their agent adoption.

Q: What counts toward our Agent 365 licensing needs—blueprints, agents, or agent instances?

Blueprints, agents, and agent instances are not licensed separately. They do not count as individual licensing units.

A single licensed user can create, manage, and use multiple blueprints, agents, and agent instances.

There are no additional per-agent or per-instance charges within Agent 365.

Q: Is Windows 365 for Agents included in Agent 365 or bundled with other Microsoft products?

- No. Windows 365 for Agents is not included in Agent 365 and is not bundled with other Microsoft products like Copilot Studio.
 - It is a standalone offering that integrates with Agent 365 and other services, but must be purchased separately.
 - Agent 365 provides the governance layer for agents, while Windows 365 for Agents provides the runtime environment when needed, so customers can choose to use them together based on their scenarios.
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Q: How is Windows 365 for Agents sold with Agent 365?

- Windows 365 for Agents and Agent 365 are offered as separate but complementary products.
 - Agent 365 is licensed per user (either standalone or as part of Microsoft 365 E7), while Windows 365 for Agents is billed based on usage.
 - Customers typically use Agent 365 to govern agents across their environment and add Windows 365 for Agents when those agents need a full desktop or browser-based runtime environment to complete tasks.
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Q: How is Windows 365 for Agents billed?

- Windows 365 for Agents is billed on a pay-as-you-go basis, based on hourly usage.
 - Customers are charged \$0.40 per VM per hour, and the cost appears as a separate line item in billing.
 - This model allows organizations to scale usage up or down depending on demand, so they only pay for the compute resources when agents are actively running.
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Q: If I don't have an Agent 365 license, can I still use Data Security Posture Management (DSPM) and AI Observability?

Yes. You can use DSPM and AI Observability without an Agent 365 license. However, to see agent-specific insights in DSPM and AI Observability, you need Agent 365 or Microsoft 365 E7. If you don't have Agent 365 or Microsoft 365 E7, you can still view non-agent insights, but you won't see agent-related insights.
