

When E5 and Copilot Aren't Enough, Microsoft's Latest E7 SKU Is on the AI 'Frontier'

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According to a recent Microsoft [blog post](#), Microsoft 365 E7 (the Frontier Suite) will be available for license as of May 1, 2026. Microsoft is positioning E7 Frontier as the next-generation approach to enterprise AI, with more robust governance and in-app agentic capabilities. E7 Frontier bundles (i) Microsoft 365 E5 (the full productivity, security, and compliance stack, including Entra, Defender, Intune, and Purview); (ii) Microsoft 365 Copilot (Wave 3) for agent-driven AI in Word, Excel, PowerPoint, Outlook, and chat; and (iii) Agent 365, which provides centralized visibility, identity-aware access, lifecycle management, and governance for AI agents.

E5 with the Copilot add-on is estimated to cost about \$90 per user per month. By contrast, E7 is priced at \$99 per user per month, less expensive than licensing E5, Copilot, and Agent 365 à la carte.

Key eDiscovery and Information Governance Implications

As AI agents and autonomous workflows scale, organizations should anticipate and plan for the following challenges:

- **New discoverable data:** Prompts and AI outputs (including document and meeting summaries) may become subject to retention and eDiscovery.
- **Non-obvious data locations:** AI artifacts may be stored in a variety of back-end repositories, increasing the risk of preservation and collection gaps.
- **Amplified oversharing risk:** Because agents inherit user permissions, unduly permissive access controls can expose or recombine sensitive or privileged information.
- **Governance blind spots:** "Shadow agents" and unclear ownership may sit outside established retention, legal hold, and audit controls.

Organizations adopting Copilot, with or without the increased capabilities available in Agent 365, should consider proactively **classifying AI interactions** as a distinct content type, defining appropriate **retention** and **legal hold** rules, **clarifying ownership** and oversight of AI agents, and **aligning eDiscovery workflows** to capture relevant prompts, responses, and related artifacts. When approached thoughtfully, organizations can enable AI at scale while strengthening, rather than undermining, governance and risk management.

Struggling with how to get the most out of your Microsoft 365 environment, securely and defensibly? eMerge can help you turn Microsoft Copilot and other AI tools into governed, high-value assets rather than liabilities breeding unmanaged risk. Our team can design end-to-end eDiscovery workflows to identify, preserve, and collect

AI-related data, and we can help you classify information and remediate ROT (redundant, obsolete, and trivial) so that your AI workflows are grounded in trusted, high-quality sources.

To explore how we can support your Microsoft 365 and AI strategy, please contact eMerge Information Governance.

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