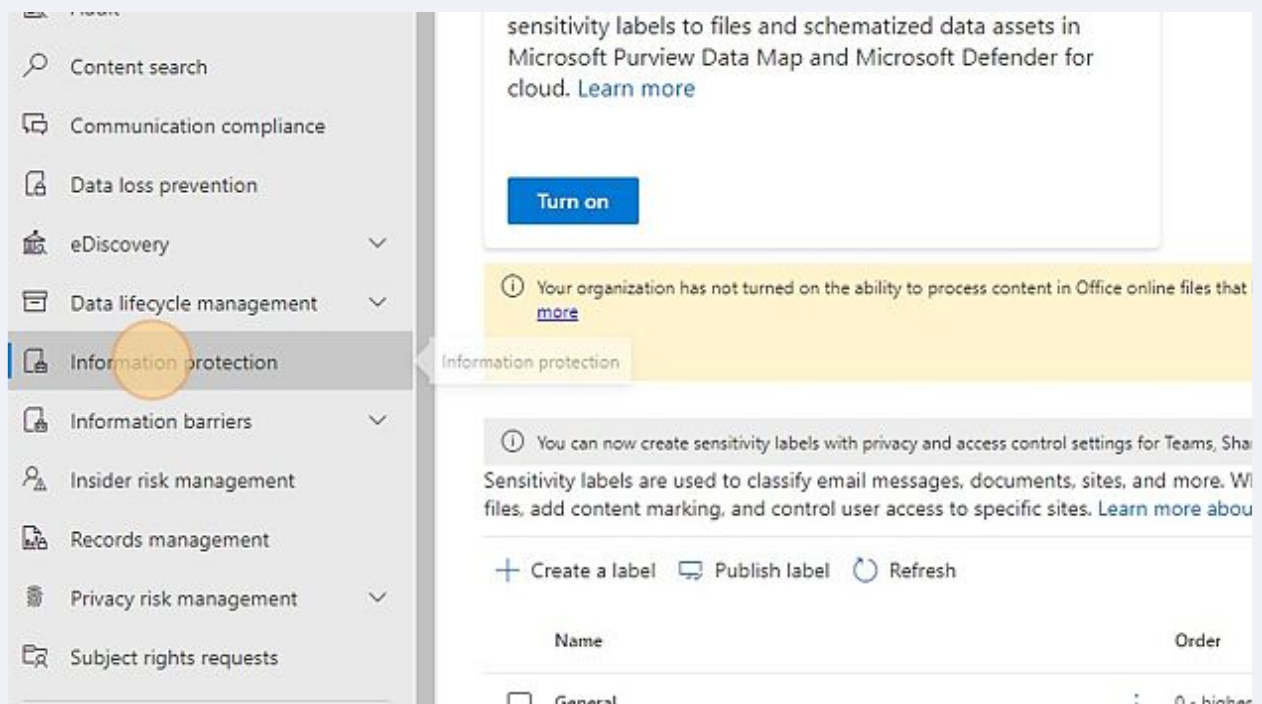


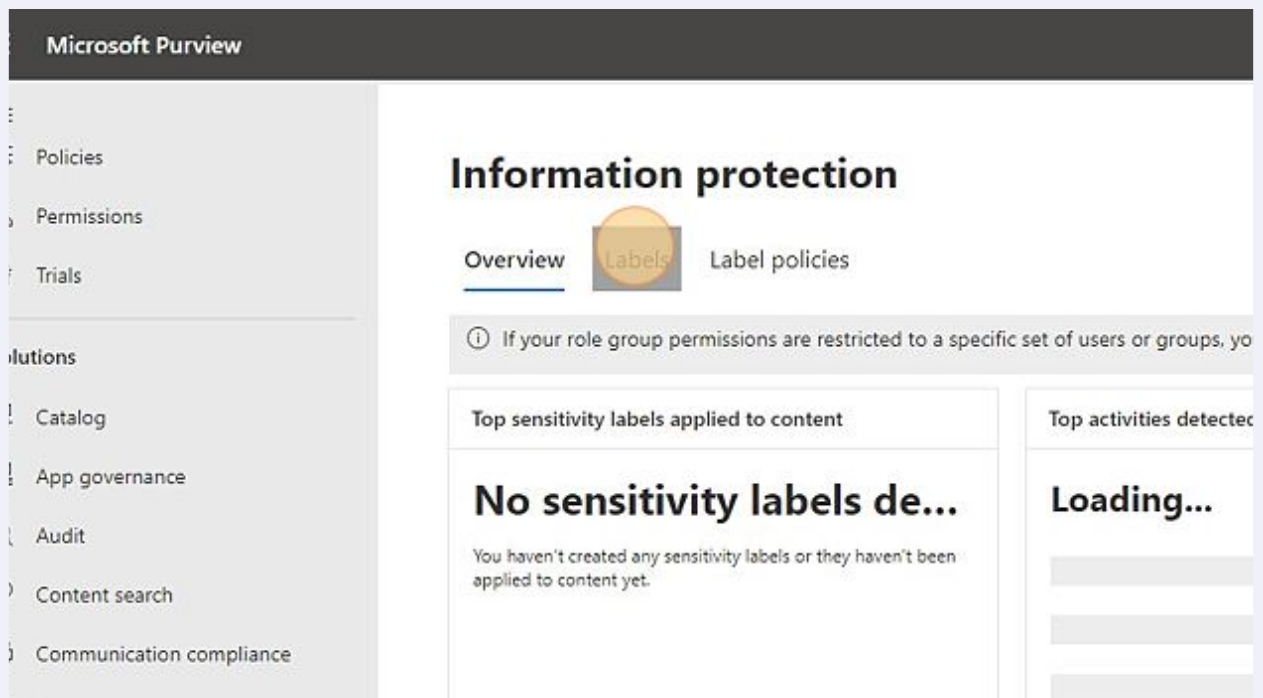
How to Create a Confidential/Internal Only Sensitivity Label in Microsoft 365

1 Navigate to compliance.microsoft.com

2 Click "Information protection"

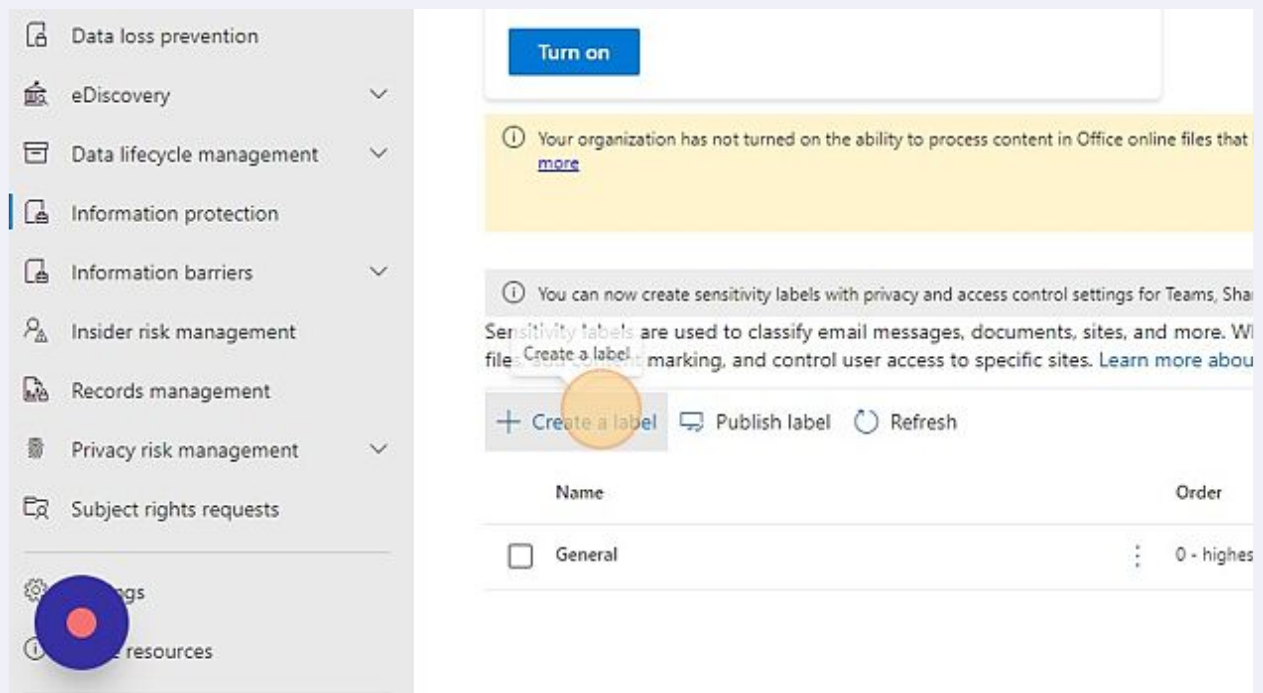


3 Click "Labels"



The screenshot shows the Microsoft Purview Information protection interface. The left sidebar contains a navigation menu with items like Policies, Permissions, Trials, Solutions, Catalog, App governance, Audit, Content search, and Communication compliance. The main content area is titled 'Information protection' and has three tabs: Overview, Labels (which is selected and highlighted with an orange circle), and Label policies. Below the tabs, there is a message: 'If your role group permissions are restricted to a specific set of users or groups, you...'. The main content is divided into two sections: 'Top sensitivity labels applied to content' and 'Top activities detected'. The 'Top sensitivity labels applied to content' section displays 'No sensitivity labels de...' with a sub-message: 'You haven't created any sensitivity labels or they haven't been applied to content yet.' The 'Top activities detected' section shows 'Loading...'.

4 Click "Create a label" to first create the parent label of "Confidential"



The screenshot shows the Microsoft Purview Information protection 'Labels' page. The left sidebar is expanded, showing various security and compliance options, with 'Information protection' selected. The main content area has a 'Turn on' button at the top. Below it, there is a yellow warning message: 'Your organization has not turned on the ability to process content in Office online files that...'. A blue information message follows: 'You can now create sensitivity labels with privacy and access control settings for Teams, SharePoint, and more. Sensitivity labels are used to classify email messages, documents, sites, and more. With labels, you can create a label marking, and control user access to specific sites. Learn more about...'. At the bottom, there is a '+ Create a label' button (highlighted with an orange circle), a 'Publish label' button, and a 'Refresh' button. Below these buttons is a table with two columns: 'Name' and 'Order'. The table contains one row: 'General' with an order of '0 - highest'.

| Name | Order |
|---------|-------------|
| General | 0 - highest |

- 5 Click the "Display name" field.

Labeled files will be protected wherever they go, whether they're saved in t

Name * ⓘ

Confidential

Display name * ⓘ

Enter a display name. This is the name your users will see in the apps where it's publ

Description for users * ⓘ

Enter text that helps users understand this label's purpose

Description for admins ⓘ

- 6 Fill in the details and select "Yellow" as the label color. All sub labels will inherit this color.

Microsoft Purview

New sensitivity label

Name & description

Scope

Items

Groups & sites

Pinch

Name and create a tooltip for your label

The protection settings you choose for this label will be immediately enforced on the items or content containers to which it's applied. Labeled files will be protected wherever they go, whether they're saved in the cloud or downloaded to a computer.

Name * ⓘ

Confidential

Display name * ⓘ

Confidential

Description for users * ⓘ

Confidential Parent Label

Description for admins ⓘ

Confidential Parent Label

Label color

The color selected below is currently applied to the parent label. As a result, all sublabels of the parent label will inherit the same color. If you want to use a different color, edit the parent label. Learn more about label color

■ ■ ■ ■ ■ ■ ■ ■ ■ ■

Next

7 Run through the wizard and create the parent label.

The screenshot shows the 'New sensitivity label' wizard in Microsoft Purview. The left sidebar shows the progress: Name & description, Scope, Items, Groups & sites, and Finish (highlighted). The main area is titled 'Review your settings and finish' and lists the following settings with 'Edit' links:

- Name: Confidential
- Display name: Confidential
- Description for users: Confidential Parent Label
- Description: Confidential Parent Label
- Scope: File, Email
- Content marking
- Auto-labeling for files and emails
- Group settings
- Site settings

At the bottom, there are 'Back' and 'Create label' buttons. A yellow callout bubble points to the 'Create label' button.

8 Click the 3 dots next to the "Confidential" parent label.

The screenshot shows the 'Sensitivity labels' page in Microsoft Purview. At the top, there is a 'Turn on' button. Below it, there are two informational messages. The first message states: 'Your organization has not turned on the ability to process content in Office online files that have encrypted sensitivity labels applied and are stored in OneDrive. [Learn more](#)'. The second message states: 'You can now create sensitivity labels with privacy and access control settings for Teams, SharePoint sites, and Microsoft 365 Groups. To do this, you must first turn on sensitivity labels. Sensitivity labels are used to classify email messages, documents, sites, and more. When a label is applied (automatically or by the user), the label can add content marking, and control user access to specific sites. [Learn more about sensitivity labels](#)'. Below the messages, there are buttons for 'Create a label', 'Publish label', and 'Refresh'. The main table lists the sensitivity labels:

| | Name | Order | Scope | Created |
|--------------------------|--------------|-------------|-------------|---------|
| <input type="checkbox"/> | General | 0 - lowest | File, Email | Mark |
| <input type="checkbox"/> | Confidential | 1 - highest | File, Email | Mark |

A yellow callout bubble points to the three-dot menu icon next to the 'Confidential' label, with the text 'Actions' inside the bubble.

9 Click "Add sub label"

Turn on

Your organization has not turned on the ability to process content in Office online files that have encrypted sensitivity labels applied and are stored in OneDrive [more](#)

You can now create sensitivity labels with privacy and access control settings for Teams, SharePoint sites, and Microsoft 365 Groups. To do this, you must first turn on sensitivity labels. Sensitivity labels are used to classify email messages, documents, sites, and more. When a label is applied (automatically or by the user), the content is marked, and control user access to specific sites. [Learn more about sensitivity labels](#)

Create a label Publish label Refresh

| Name | Order | Scope | Created by |
|--------------|--------------------------|-------------|------------|
| General | Add sub label Move up | File, Email | Mark C |
| Confidential | 1 - highest | File, Email | Mark C |

10 Fill out the basic label information.

Name and create a tooltip for your label

The protection settings you choose for this label will be immediately enforced on the items or content containers to which it's applied. Labeled files will be protected wherever they go, whether they're saved in the cloud or downloaded to a computer.

Name * ⓘ
Internal Only

Display name * ⓘ
Internal Only

Description for users * ⓘ
This data includes sensitive business information that is meant to be consumed by internal employees ONLY. Exposing this data to unauthorized users may cause damage to the business.

Description for admins ⓘ
Visual marking, encryption, only internal users via AAD

Label color
The color selected below is currently applied to the parent label. As a result, all sublabels of the parent label will inherit the same color. If you want to use a different color, edit the parent label. [Learn more about label color](#)

Next Cancel

11 Select the scope that you require for your label, and click "Next"

The screenshot shows a wizard interface for selecting the scope of a label. On the left, a vertical progress bar has four steps: 'Scope' (selected with a blue dot), 'Items', 'Groups & sites', and 'Finish'. The main content area on the right explains that labels can be applied to items, containers, or data assets. It lists three options with checkboxes: 'Items' (checked), 'Groups & sites', and 'Schematized data assets (preview)'. Each option has a brief description of its use. At the bottom, there are 'Back' and 'Next' buttons, with 'Next' highlighted by an orange circle.

Labels can be applied directly to items (such as files, emails, meetings), containers like SharePoint sites and Teams, or to schematized data assets, and more. Let us know where you want this label to be used so you can configure the settings. [Learn more about label scopes](#)

- ☒ **Items**
Configure protection settings for labeled emails, Office files, and Power BI items. Also define auto-labeling to apply this label to sensitive content in Office, files in Azure, and more.
- ☐ **Groups & sites**
Configure privacy, access control, and other settings to protect labeled Teams, Microsoft 365 Groups, and SharePoint sites.
- ☐ **Schematized data assets (preview)**
Apply labels to files and schematized data assets in Microsoft Purview Data Map. Schematized data assets include Azure Synapse, Azure Cosmos, AWS RDS, and more.

[Back](#) [Next](#)

12 Click "Apply or remove encryption"

The screenshot shows the 'Choose protection settings for labeled' step in the wizard. The left sidebar has a 'Description' section. The main content area is titled 'Choose protection settings for labeled' and includes a sub-header 'Configure encryption and content marking settings to protect your data'. There are two options with checkboxes: 'Apply or remove encryption' (checked and highlighted with an orange circle) and 'Apply content marking'. Each option has a brief description of its function. The 'Next' button from the previous step is still visible at the bottom right.

Choose protection settings for labeled

Configure encryption and content marking settings to protect your data

- ☒ **Apply or remove encryption**
Control who can access items that have this label applied
- ☐ **Apply content marking**
Add custom headers, footers, and watermarks to items that have this label applied

13

Click "Apply content marking"

positivity label

ription

Choose protection settings for labeled

Configure encryption and content marking settings to protect

☒ Apply or remove encryption

Control who can access items that have this label applied

☒ Apply content marking

Add custom headers, footers, and watermarks to items t

S

14

Click "Next"

[Back](#)

Next

15 Set "Assign permissions now or let users decide?" to "Assign permissions now"

Items

Encryption

Content marking

Auto-labeling for files and emails

Groups & sites

Finish

Turning on encryption impacts Office files (Word, PowerPoint, Excel) that have this label applied. Because the files are encrypted when they are opened or saved, and some SharePoint and OneDrive features will be limited or unavailable.

Assign permissions now or let users decide?

Assign permissions now

The encryption settings you choose will be automatically enforced when the label is applied to email and documents.

User access to content expires ⓘ

Never

Allow offline access ⓘ

Always

Assign permissions to specific users and groups * ⓘ

[Assign permissions](#)

| Users and groups | Permissions |
|-------------------|-------------|
| No data available | |

Back Next

16 Set "User access to content expires" to "Never"

Items and emails

Assign permissions now or let users decide?

Assign permissions now

The encryption settings you choose will be automatically enforced when the label is applied to email and documents.

User access to content expires ⓘ

Never

Allow offline access ⓘ

Never

Assign permissions to specific users and groups * ⓘ

[Assign permissions](#)

| Users and groups | Permissions |
|------------------|-------------|
|------------------|-------------|

17 Set "Allow offline access" to "Only for a number of days"

User access to content expires ⓘ

Never

Allow offline access ⓘ

Never

Always

Never

Only for a number of days

Users and groups

Permissions

Back Next

18 Set "Offline access" to "7 days"

User access to content expires ⓘ

Never

Allow offline access ⓘ

Only for a number of days

Users have offline access to the content for this many days

You can specify up to 100 days

The value of this field should be a number between 1 and 100.

Assign permissions to specific users and groups * ⓘ

[Assign permissions](#)

Back Next

19

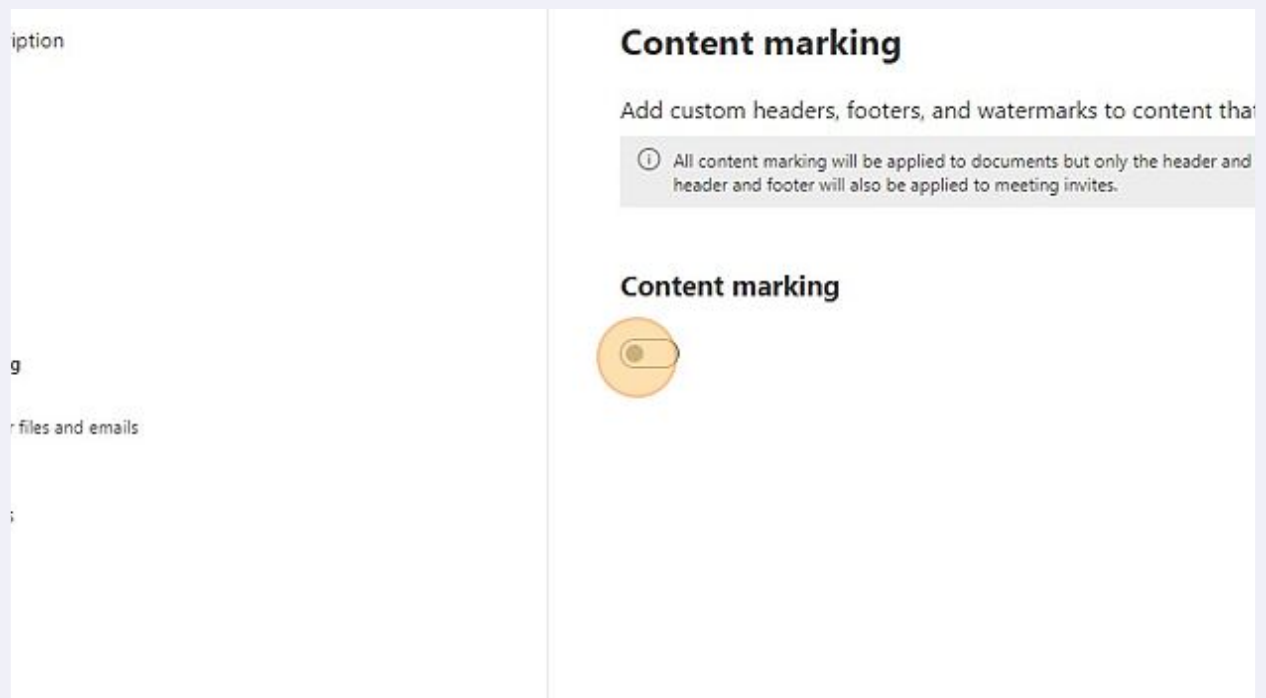
permissi

20

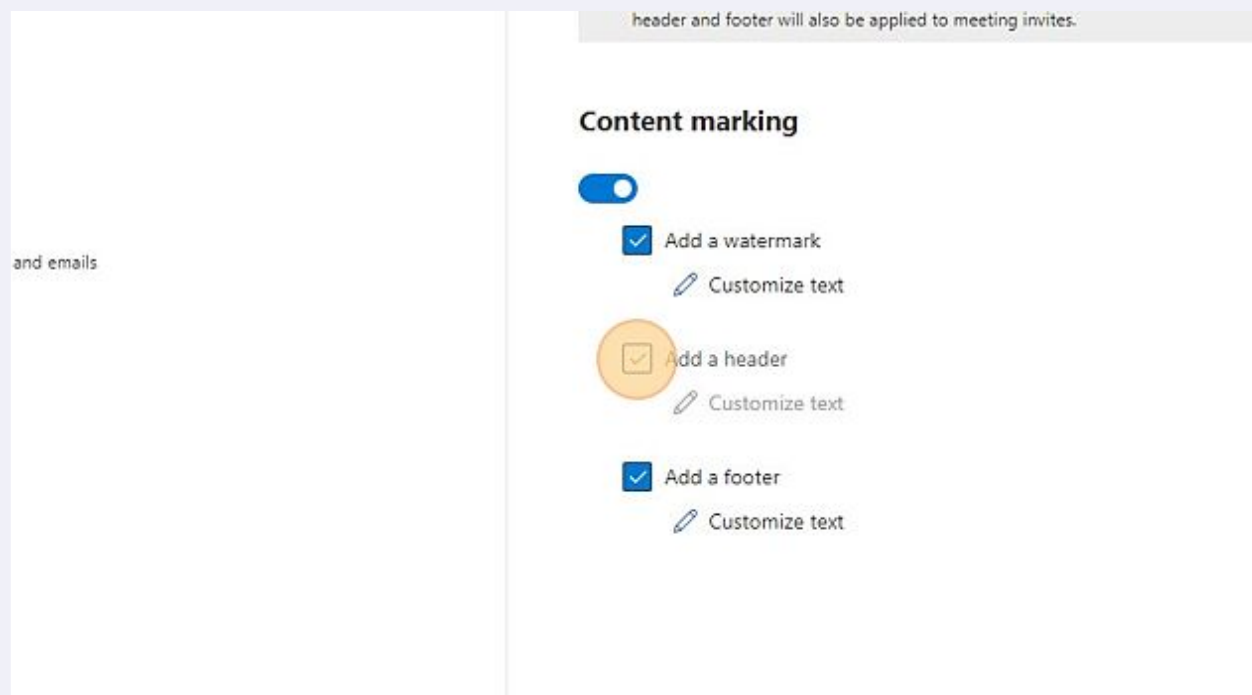


USERS

21 Enable "Content Marking"



22 Enable the desired markings.



23 Customize the text to your liking.

Customize watermark text

This text will appear as a watermark only on labeled documents. It won't be applied to email messages.

Watermark text *

Enter up to 255 characters

Font size

10

Font color

Black

Text layout

24 When you are done editing, click "Next"

Confidential - Internal Only

☒ Add a header

[Customize text](#)

Confidential - Internal Only

☒ Add a footer

[Customize text](#)

Confidential - Internal Only

Back Next

25 Select auto labeling, if appropriate.

When users edit Office files or compose, reply to, or forward emails from Outlook that contain content matching here, we'll automatically apply this label or recommend that they apply it themselves. [Learn more about auto-labeling policies](#)

To automatically apply this label to files that are already saved (in SharePoint and OneDrive) or emails that are already processed by Exchange, y policy. [Learn more about auto-labeling policies](#)

Auto-labeling for files and emails

☐

[Back](#) [Next](#)

26 Review the settings and click "Create label"

File, Email
[Edit](#)

Encryption
Encryption
[Edit](#)

Content marking
Watermark: Confidential - Internal Only
Header: Confidential - Internal Only
Footer: Confidential - Internal Only
[Edit](#)

Auto-labeling for files and emails
[Edit](#)

Group settings
[Edit](#)

Site settings
[Edit](#)

Meetings settings
[Edit](#)

[Back](#) [Create label](#)