CLOUD SECURITY PROJECT (AWS)

Implementing IAM Least Privilege for EC2 Using Tags

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Date: November 2025

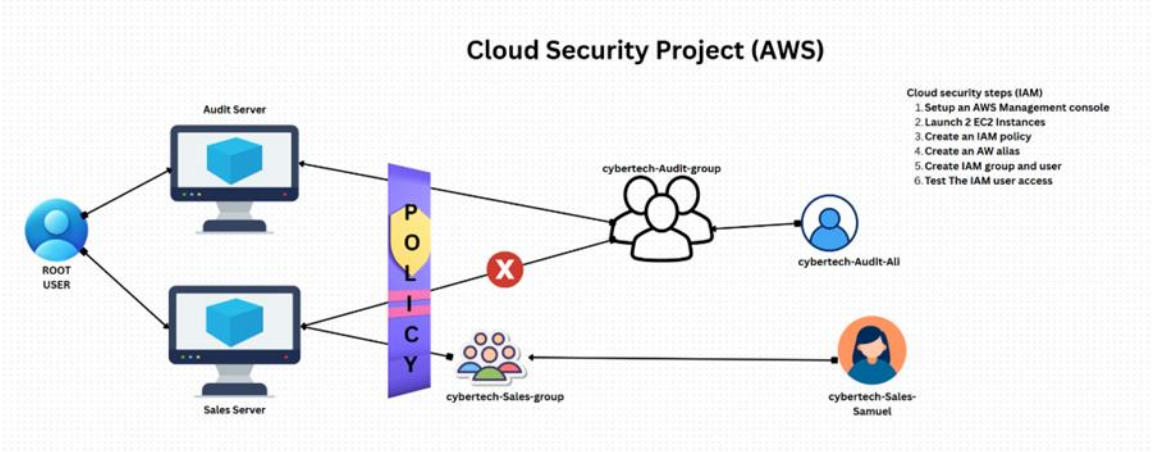
1. Project Overview

This project focuses on implementing **least privilege access control** for Amazon EC2 instances using **AWS Identity and Access Management (IAM)** and **resource tags**.

The scenario:

- The organization runs multiple EC2 instances.
- Two of them are key:
  - `audit` – a critical instance that must not be stopped or started by standard users.
  - `sales` – a business application instance that standard users are allowed to start and stop.
- We want IAM users to:
  - **Start/stop only the `sales` instance.**
  - **Be blocked from starting/stopping the `audit` instance.**

This is achieved by combining **IAM policies** with **EC2 tags**, rather than giving broad EC2 permissions or hard-coding instance IDs.



2. Objectives

The goals of this project were to:

1. Demonstrate how to enforce **least privilege** for EC2 operations using IAM.
2. Restrict EC2 lifecycle actions (start/stop) based on **tags** instead of granting blanket permissions.
3. Separate **sensitive** and **non-sensitive** workloads (`audit` vs `sales`) at the access-control level.
4. Validate the configuration by testing **expected vs actual behavior** using an IAM user account.

3. AWS Services & Tools Used

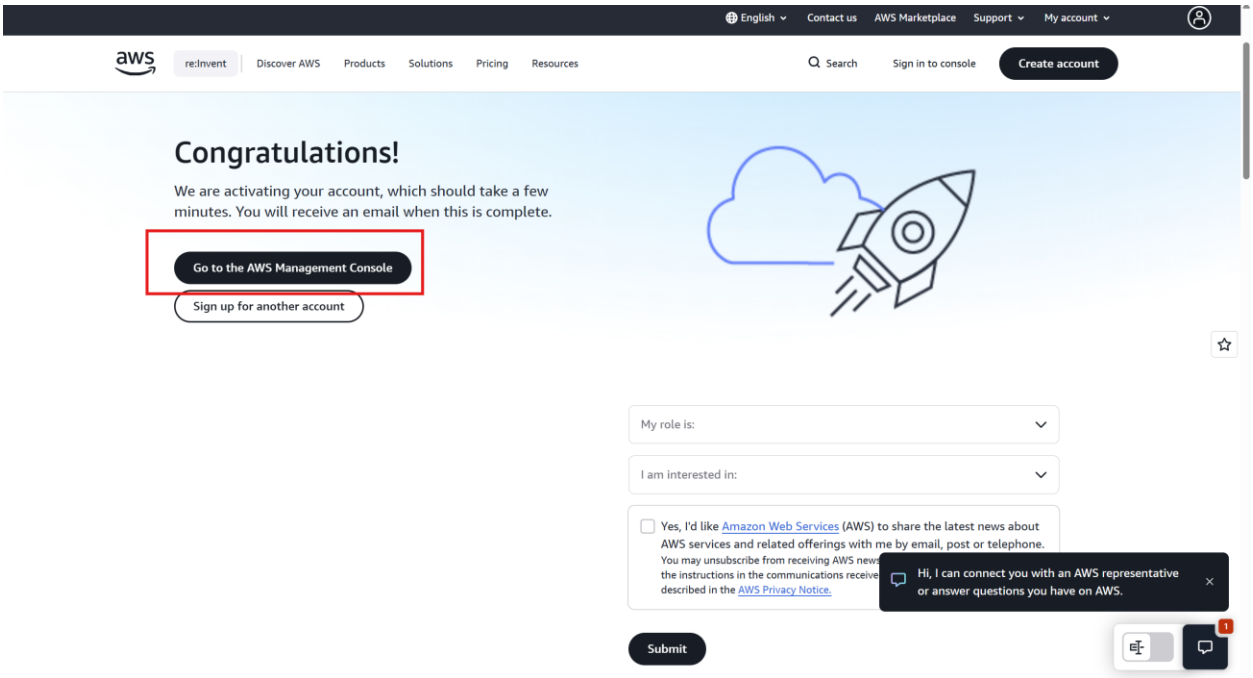
- **AWS Management Console**
  For managing IAM, EC2, and testing user access.
- **AWS Identity and Access Management (IAM)**
  - Users
  - Groups
  - Customer-managed policies
  - Account alias (friendly sign-in URL)
- **Amazon EC2 (Elastic Compute Cloud)**
  - Launching Linux instances
  - Adding and managing tags

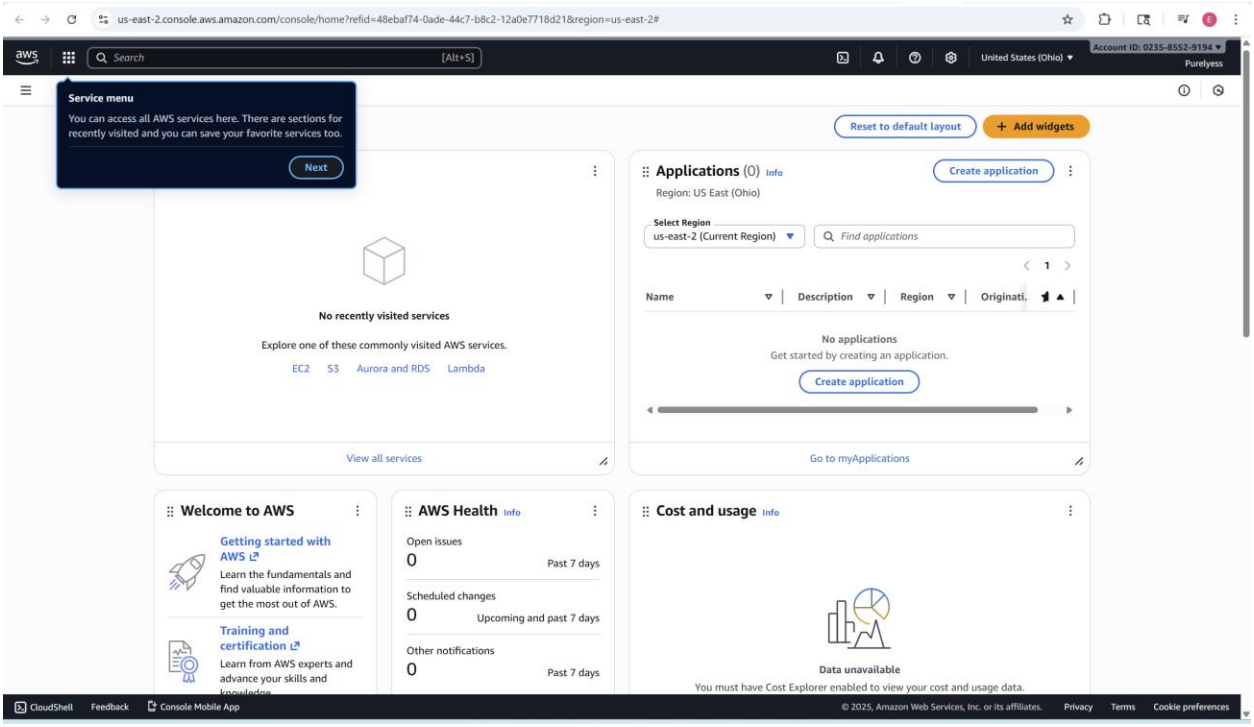
    - Starting and stopping instances
- **IAM Policy Language (JSON)**
    - `Effect`, `Action`, `Resource`, `Condition` blocks
    - Tag-based conditions using `ec2:ResourceTag/*`

4. Environment Setup

1. **AWS Account**
    a. Logged into an AWS account via the **Management Console**.
    b. Confirmed that the root user is reserved only for high-level administration and not used for daily tasks.
2. **IAM Account Alias**
    a. Navigated to **IAM → Dashboard**.
    b. Created a **custom account alias** to replace the long numeric sign-in URL with a human-readable URL for IAM users.

This setup allows IAM users to log in with a simple URL while keeping the root account minimally used, which is a best practice in cloud security.





5. EC2 Instance Configuration

Two EC2 instances were launched to represent different environments:

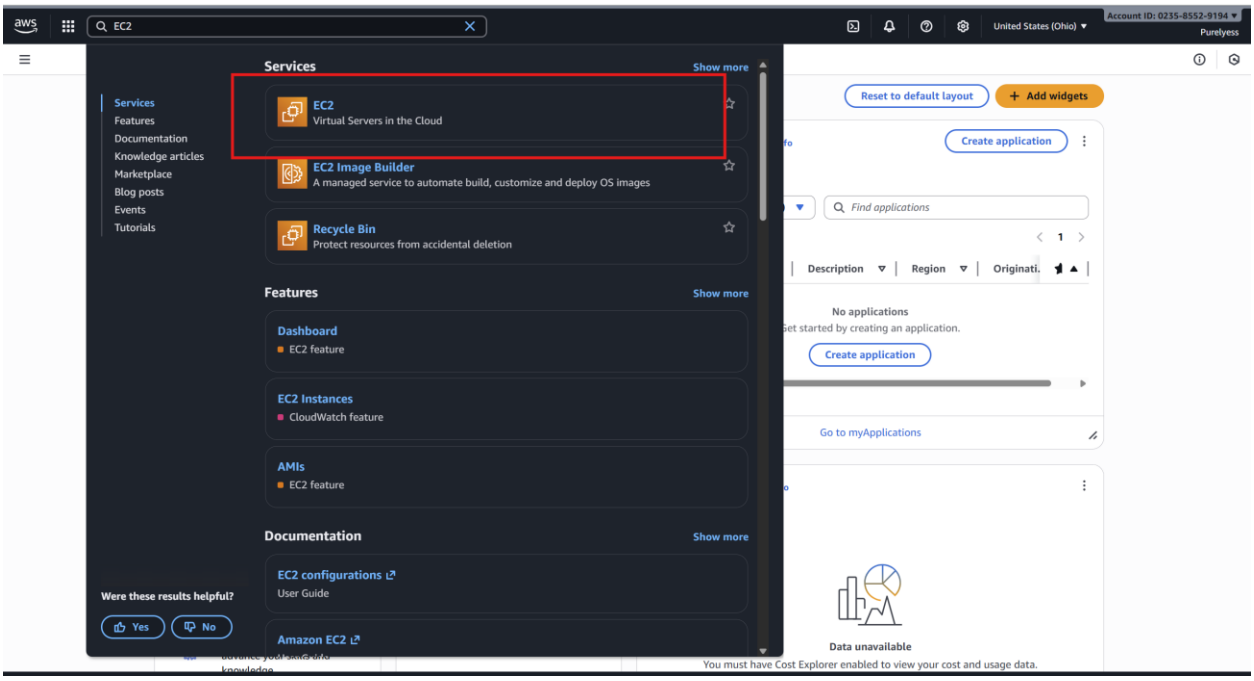
1. **`audit` instance**
    a. Purpose: Sensitive auditing/logging system.
    b. Configuration:
        i. Launched via **EC2 → Instances → Launch instance**.
        ii. Free-tier eligible AMI (e.g., Amazon Linux 2).
        iii. Instance tagged with:
            1. `Key = Environment`
            2. `Value = Audit`
2. **`sales` instance**
    a. Purpose: Sales or application server that standard users may manage.
    b. Configuration:
        i. Launched in the same region as `audit`.
        ii. Tagged with:
            1. `Key = Environment`
            2. `Value = Sales`

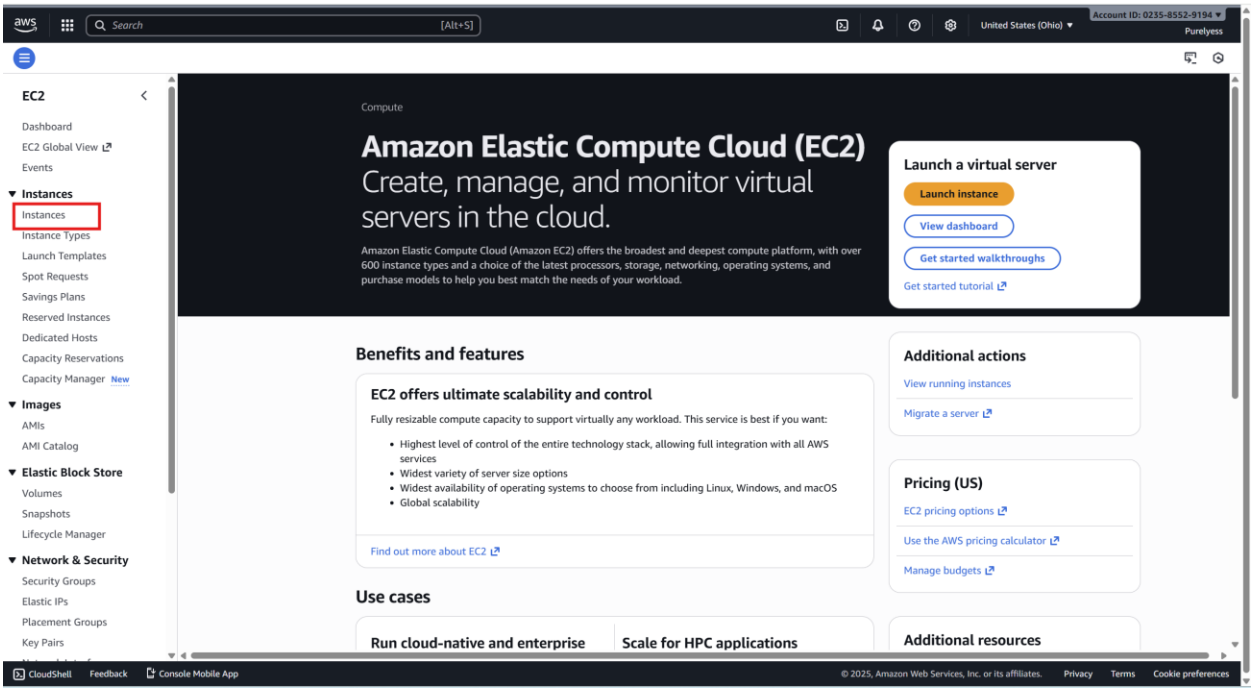
Tagging Strategy

The same tag key is used for both instances, but the values are different:

Instance	Tag Key	Tag Value
audit	Environment	Audit
sales	Environment	Sales

These tags are the basis for the IAM policy's conditional logic.




Search [Alt+S]
United States (Ohio)
Account ID: 0235-8552-9194
Purelyess
EC2
Dashboard
EC2 Global View
Events
Instances
Instances
Instance Types
Launch Templates
Spot Requests
Savings Plans
Reserved Instances
Dedicated Hosts
Capacity Reservations
Capacity Manager New
Images
AMIs
AMI Catalog
Elastic Block Store
Volumes
Snapshots
Lifecycle Manager
Network & Security
Security Groups
Elastic IPs
Placement Groups
Key Pairs
Compute
Amazon Elastic Compute Cloud (EC2)
Create, manage, and monitor virtual servers in the cloud.
Amazon Elastic Compute Cloud (Amazon EC2) offers the broadest and deepest compute platform, with over 600 instance types and a choice of the latest processors, storage, networking, operating systems, and purchase models to help you best match the needs of your workload.
Launch a virtual server
Launch instance
View dashboard
Get started walkthroughs
Get started tutorial
Benefits and features
EC2 offers ultimate scalability and control
Fully resizable compute capacity to support virtually any workload. This service is best if you want:
Highest level of control of the entire technology stack, allowing full integration with all AWS services
Widest variety of server size options
Widest availability of operating systems to choose from including Linux, Windows, and macOS
Global scalability
Find out more about EC2
Use cases
Run cloud-native and enterprise
Scale for HPC applications
Additional actions
View running instances
Migrate a server
Pricing (US)
EC2 pricing options
Use the AWS pricing calculator
Manage budgets
Additional resources
CloudShell
Feedback
Console Mobile App
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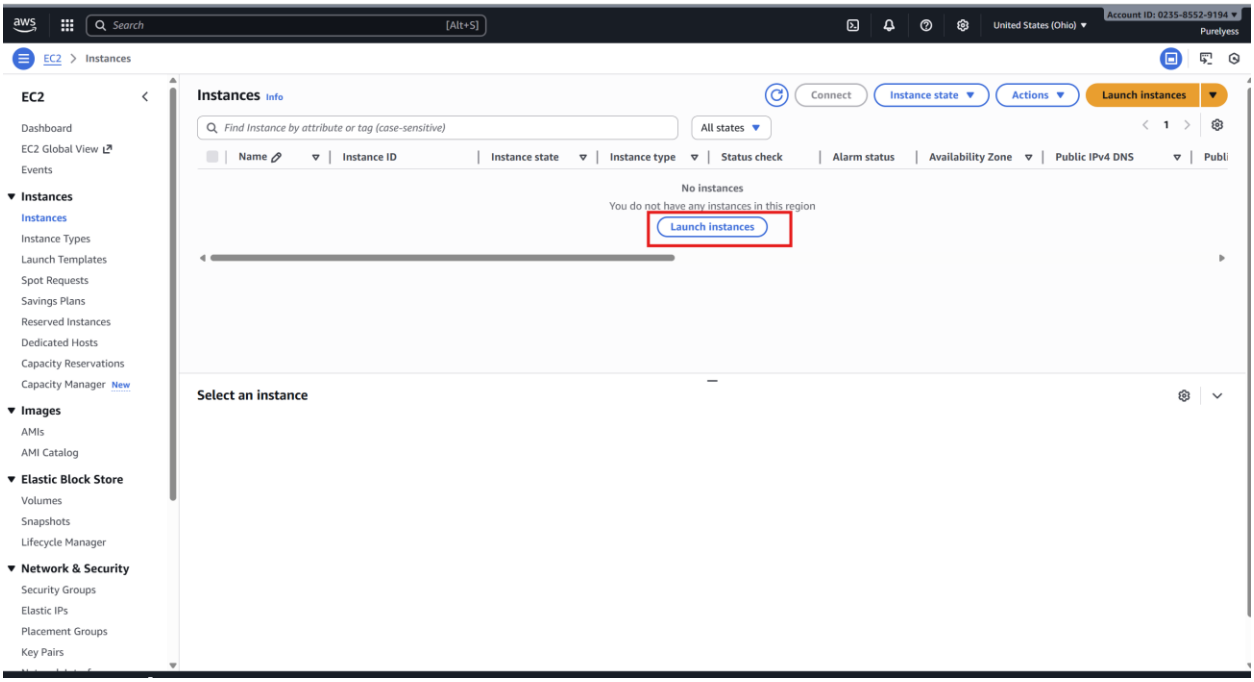
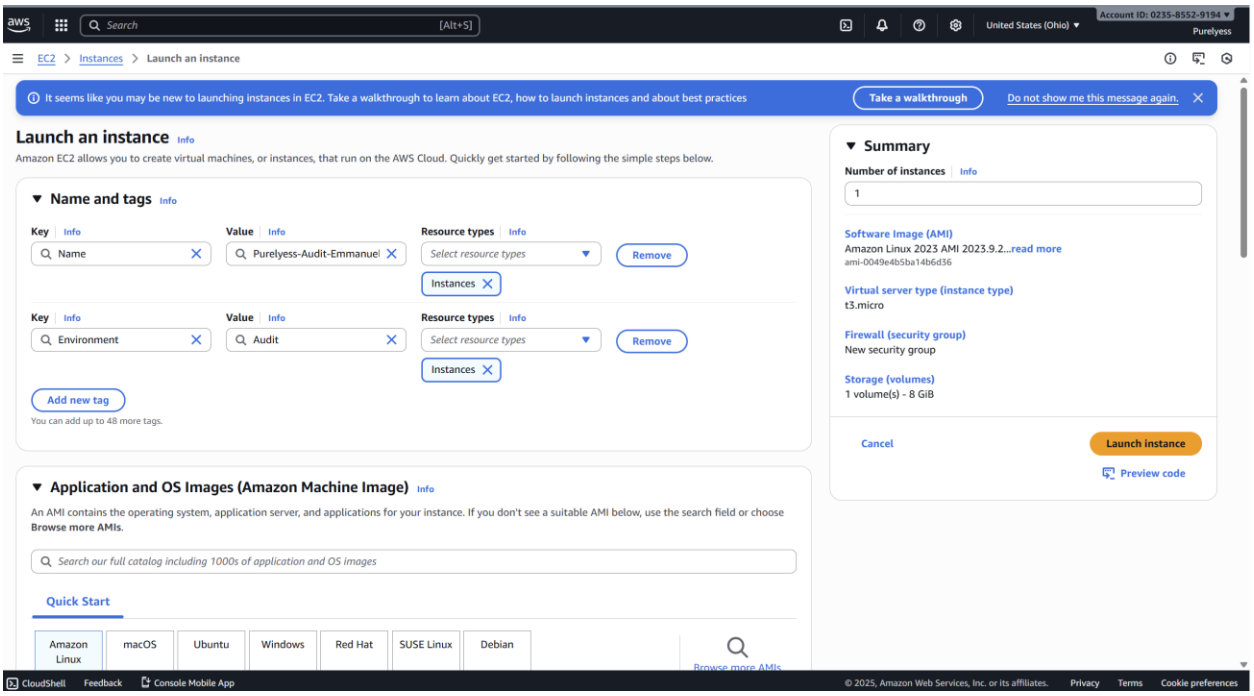

Search [Alt+S]
United States (Ohio)
Account ID: 0235-8552-9194
Purelyess
EC2 > Instances
EC2
Dashboard
EC2 Global View
Events
Instances
Instances
Instance Types
Launch Templates
Spot Requests
Savings Plans
Reserved Instances
Dedicated Hosts
Capacity Reservations
Capacity Manager New
Images
AMIs
AMI Catalog
Elastic Block Store
Volumes
Snapshots
Lifecycle Manager
Network & Security
Security Groups
Elastic IPs
Placement Groups
Key Pairs
Instances Info
Connect
Instance state
Actions
Launch instances
Find Instance by attribute or tag (case-sensitive)
All states
Name
Instance ID
Instance state
Instance type
Status check
Alarm status
Availability Zone
Public IPv4 DNS
No instances
You do not have any instances in this region
Launch instances
Select an instance


Search [Alt+S]
United States (Ohio)
Account ID: 0235-8552-9194
Purelyess
EC2 > Instances > Launch an instance
It seems like you may be new to launching instances in EC2. Take a walkthrough to learn about EC2, how to launch instances and about best practices
Take a walkthrough
Do not show me this message again.
Launch an instance Info
Amazon EC2 allows you to create virtual machines, or instances, that run on the AWS Cloud. Quickly get started by following the simple steps below.
Name and tags Info
Key Info
Name
Value Info
Purelyess-Audit-Emmanuel
Resource types Info
Select resource types
Instances
Remove
Key Info
Environment
Value Info
Audit
Resource types Info
Select resource types
Instances
Remove
Add new tag
You can add up to 48 more tags.
Application and OS Images (Amazon Machine Image) Info
An AMI contains the operating system, application server, and applications for your instance. If you don't see a suitable AMI below, use the search field or choose Browse more AMIs.
Search our full catalog including 1000s of application and OS images
Quick Start
Amazon Linux
macOS
Ubuntu
Windows
Red Hat
SUSE Linux
Debian
Browse more AMIs
Summary
Number of instances Info
1
Software Image (AMI)
Amazon Linux 2023 AMI 2023.9.2...read more
ami-0049e4b5ba14b6d36
Virtual server type (instance type)
t3.micro
Firewall (security group)
New security group
Storage (volumes)
1 volume(s) - 8 GiB
Cancel
Launch instance
Preview code
CloudShell
Feedback
Console Mobile App
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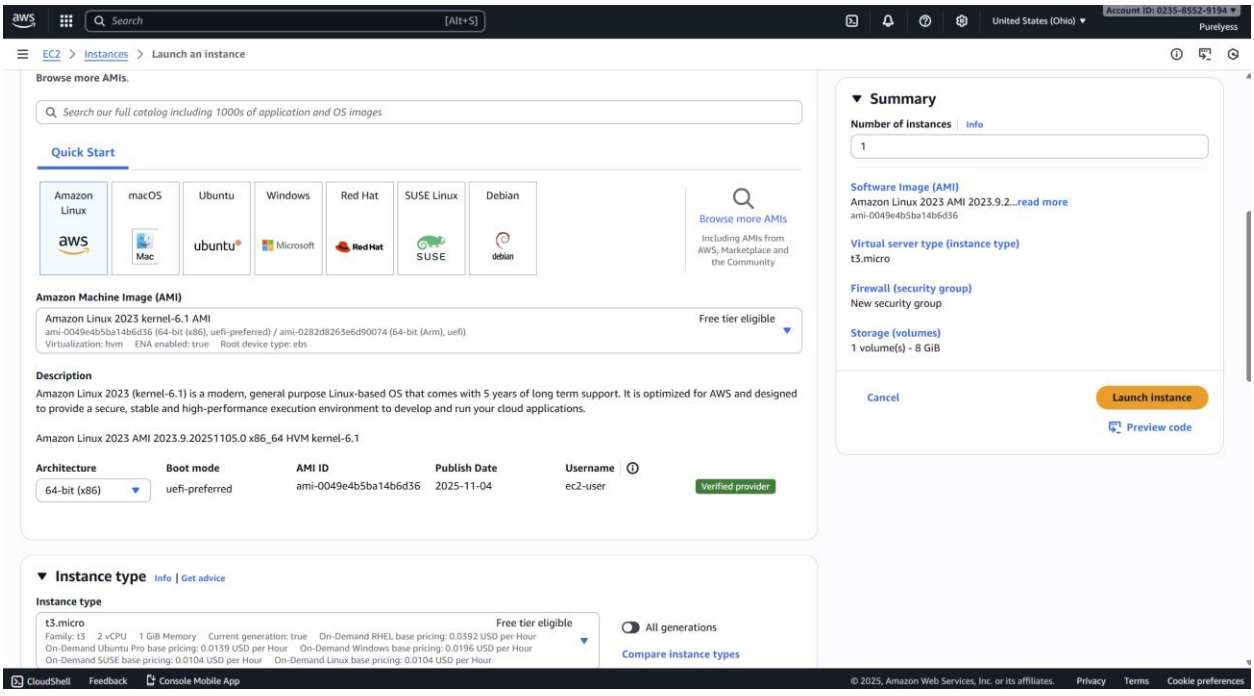
Search [Alt+S]
United States (Ohio)
Account ID: 0235-8552-9194
Purelyess
EC2 > Instances > Launch an instance
Browse more AMIs.
Search our full catalog including 1000s of application and OS images
Quick Start
Amazon Linux
macOS
Ubuntu
Windows
Red Hat
SUSE Linux
Debian
Browse more AMIs
Including AMIs from AWS, Marketplace and the Community
Amazon Machine Image (AMI)
Amazon Linux 2023 kernel-6.1 AMI
ami-0049e4b5ba14b6d36 (64-bit (x86), uefi-preferred) / ami-0282d8263e6d90074 (64-bit (Arm), uefi)
Virtualization: hvm ENA enabled: true Root device type: ebs
Free tier eligible
Description
Amazon Linux 2023 (kernel-6.1) is a modern, general purpose Linux-based OS that comes with 5 years of long term support. It is optimized for AWS and designed to provide a secure, stable and high-performance execution environment to develop and run your cloud applications.
Amazon Linux 2023 AMI 2023.9.20251105.0 x86_64 HVM kernel-6.1
Architecture
64-bit (x86)
Boot mode
uefi-preferred
AMI ID
ami-0049e4b5ba14b6d36
Publish Date
2025-11-04
Username
ec2-user
Verified provider
Instance type Info | Get advice
Instance type
t3.micro
Free tier eligible
Family: t3 2 vCPU 1 GiB Memory Current generation: true On-Demand RHEL base pricing: 0.0392 USD per Hour
On-Demand Ubuntu Pro base pricing: 0.0139 USD per Hour On-Demand Windows base pricing: 0.0196 USD per Hour
On-Demand SUSE base pricing: 0.0104 USD per Hour On-Demand Linux base pricing: 0.0104 USD per Hour
All generations
Compare instance types
Summary
Number of instances Info
1
Software Image (AMI)
Amazon Linux 2023 AMI 2023.9.2...read more
ami-0049e4b5ba14b6d36
Virtual server type (instance type)
t3.micro
Firewall (security group)
New security group
Storage (volumes)
1 volume(s) - 8 GiB
Cancel
Launch instance
Preview code
CloudShell
Feedback
Console Mobile App
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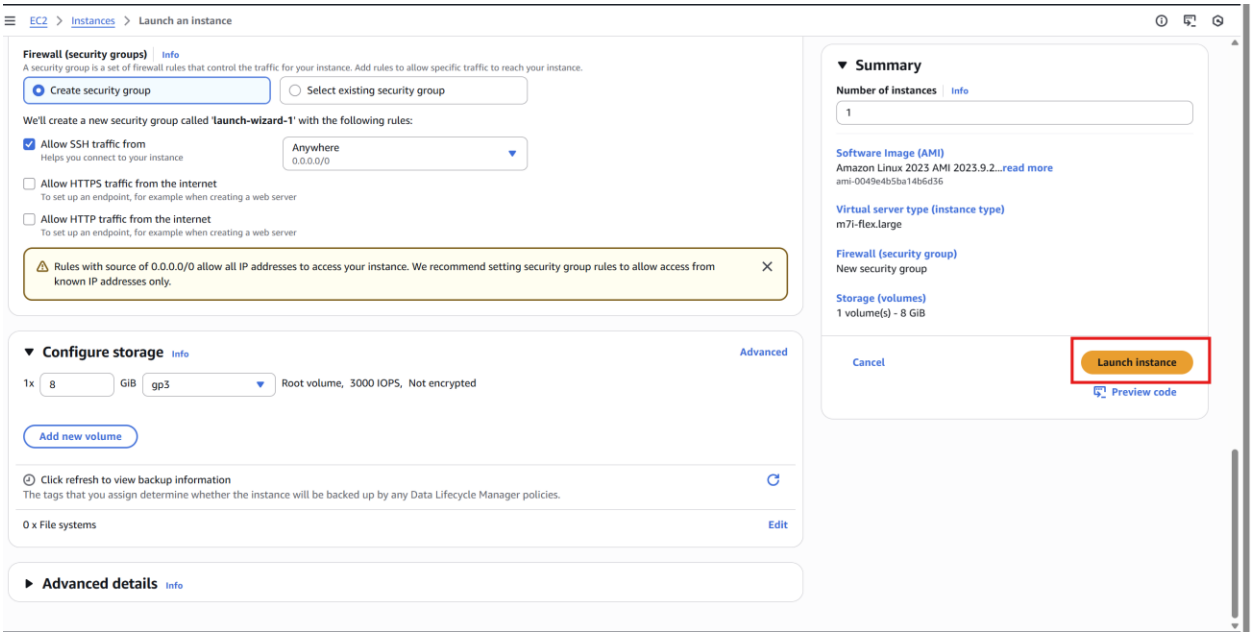
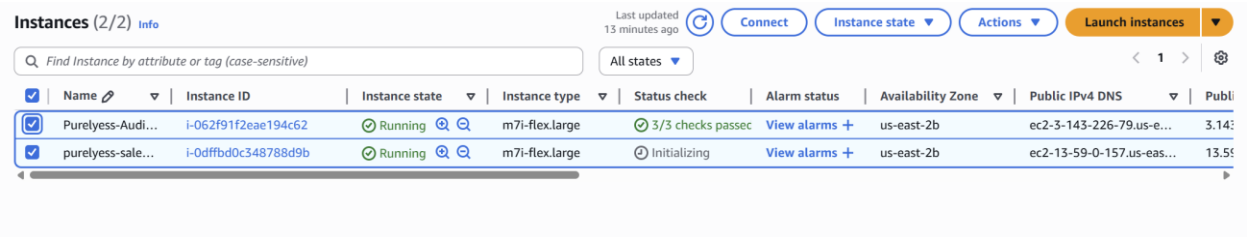




6. IAM Policy Design

The core of this project is the IAM policy that:

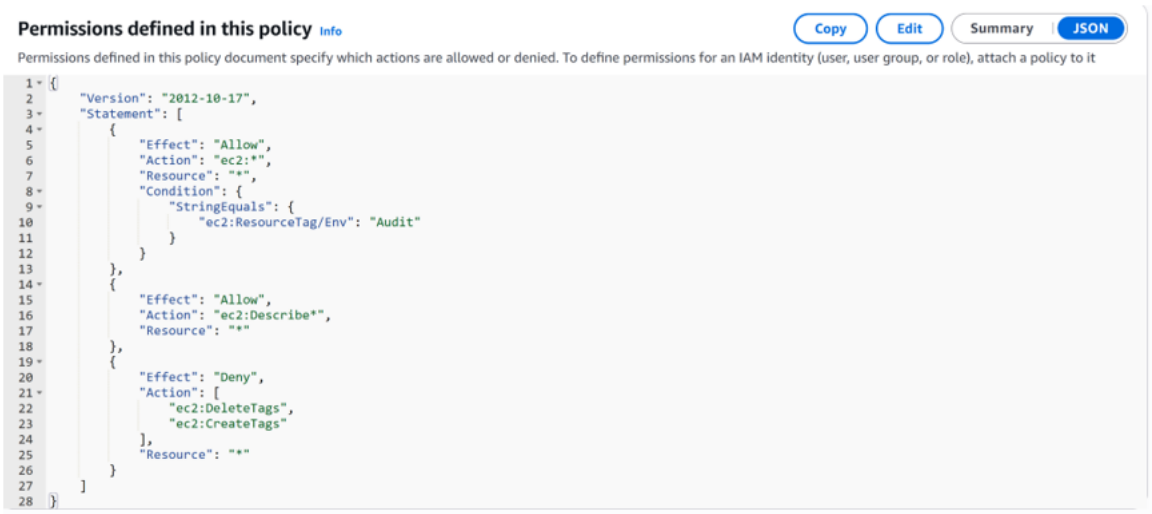
- Allows **read-only** access to EC2 resources.
- Allows **start/stop** actions only on instances tagged `Environment=Sales`.
- Does **not** grant start/stop permissions for instances tagged `Environment=Audit`.

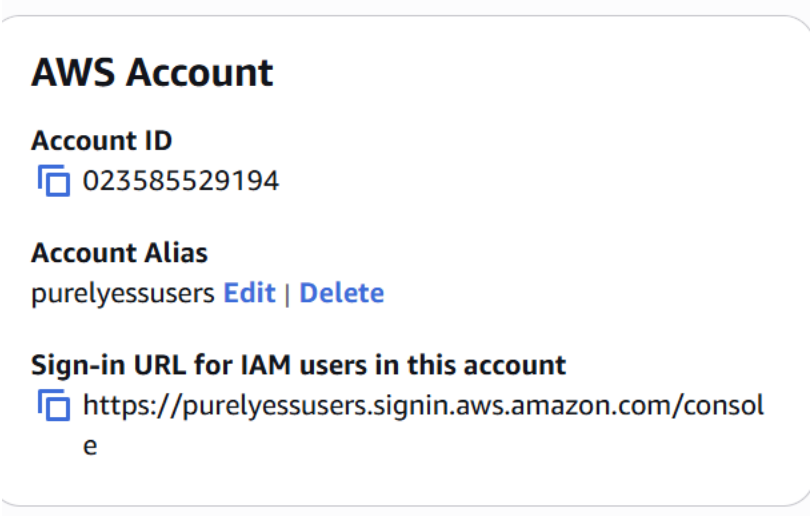
Policy Logic

- **Read-only:**
  All instances can be described so the user can see what exists.
- **Start/Stop** **allowed:**
  Only when the target EC2 instance has the tag `Environment=Sales`.
- **Implicit** **deny:**
  Because there is no matching allow for `Environment=Audit`, start/stop on the `audit` instance is denied.

Example IAM Policy (JSON)

```
{
  "Version": "2012-10-17",
  "Statement": [
    {
      "Sid": "AllowReadOnlyEC2",
      "Effect": "Allow",
      "Action": [
        "ec2:DescribeInstances",
        "ec2:DescribeInstanceStatus",
        "ec2:DescribeTags"
      ],
      "Resource": "*"
    },
    {
      "Sid": "AllowStartStopSalesOnly",
      "Effect": "Allow",
      "Action": [
        "ec2:StartInstances",
        "ec2:StopInstances"
      ],
      "Resource": "*",
      "Condition": {
        "StringEquals": {
          "ec2:ResourceTag/Environment": "Sales"
        }
      }
    }
  ]
}
```





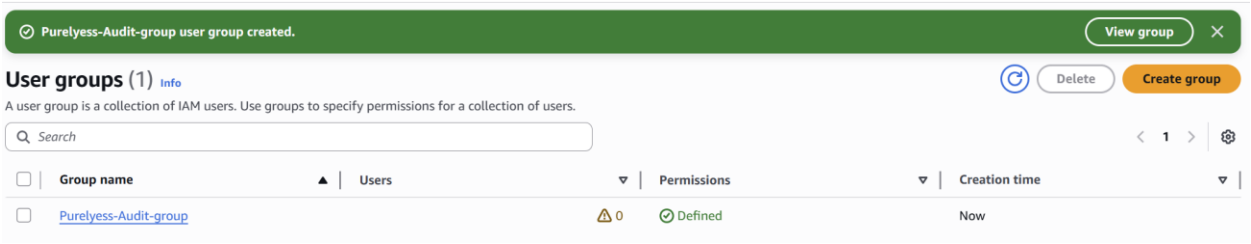
7. IAM Group and User Setup

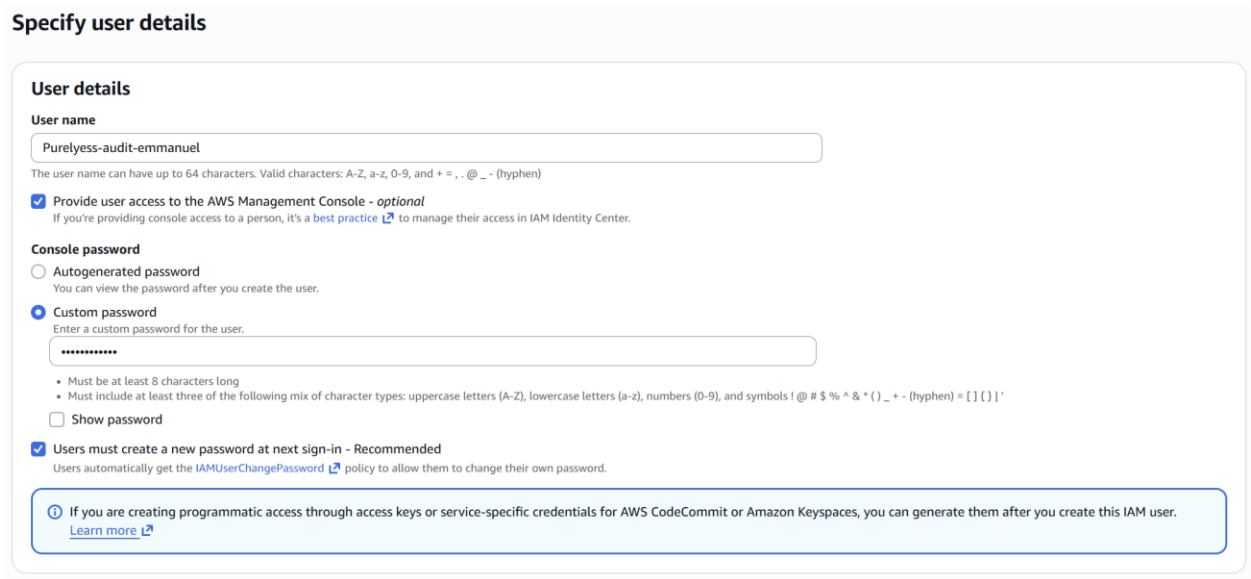
1. **Create IAM Group**
    a. Path: **IAM → User groups → Create group**.
    b. Group name: `Audit`.
    c. Attached policy: `PurelyessAuditEnvPolicy`.
2. **Create IAM Users**
    a. Path: **IAM → Users → Add users**.

b. Created standard IAM user accounts (e.g., `audit-operator1`).
c. Granted **console access** with a login password.
d. Added users to the `Audit` group so they inherit the group policy.

3. **Sign-In Options for IAM Users**
   a. Via the **custom account alias URL** in the browser.
   b. Optionally, via **AWS CLI** if programmatic access keys are created.

This structure keeps permissions centralized at the **group** level, which is easier to manage and audit than assigning policies directly to users.





Set permissions

Add user to an existing group or create a new one. Using groups is a best-practice way to manage user's permissions by job functions. Learn more

Permissions options

- **Add user to group** — Add user to an existing group, or create a new group. We recommend using groups to manage user permissions by job function.
- **Copy permissions** — Copy all group memberships, attached managed policies, and inline policies from an existing user.
- **Attach policies directly** — Attach a managed policy directly to a user. As a best practice, we recommend attaching policies to a group instead. Then, add the user to the appropriate group.

User groups (1/1)

Create group

Search

1

Group name	Users	Attached policies	Created
Purelyess-Audit-group	0	PurelyessAuditEnvPolicy	2025-11-09 (9 minutes ago)

▶ **Set permissions boundary - *optional***

Cancel Previous Next

Review and create

Review your choices. After you create the user, you can view and download the autogenerated password, if enabled.

User details

User name	Console password type	Require password reset
Purelyess-audit-emmanuel	Custom password	No

Permissions summary

1

Name	Type	Used as
Purelyess-Audit-group	Group	Permissions group

Tags - *optional*

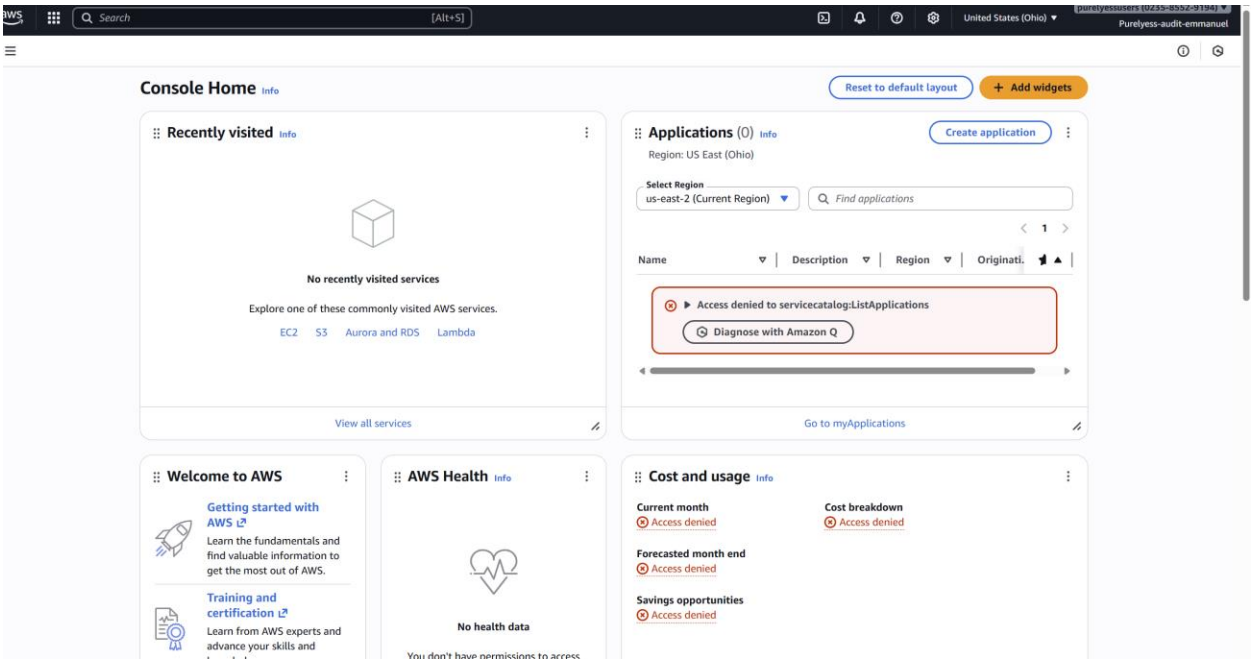
Tags are key-value pairs you can add to AWS resources to help identify, organize, or search for resources. Choose any tags you want to associate with this user.

No tags associated with the resource.

Add new tag

You can add up to 50 more tags.

Cancel Previous Create user



8. Testing the Access Controls

To verify the policy, I performed the following tests while logged in as the IAM user (not as root):

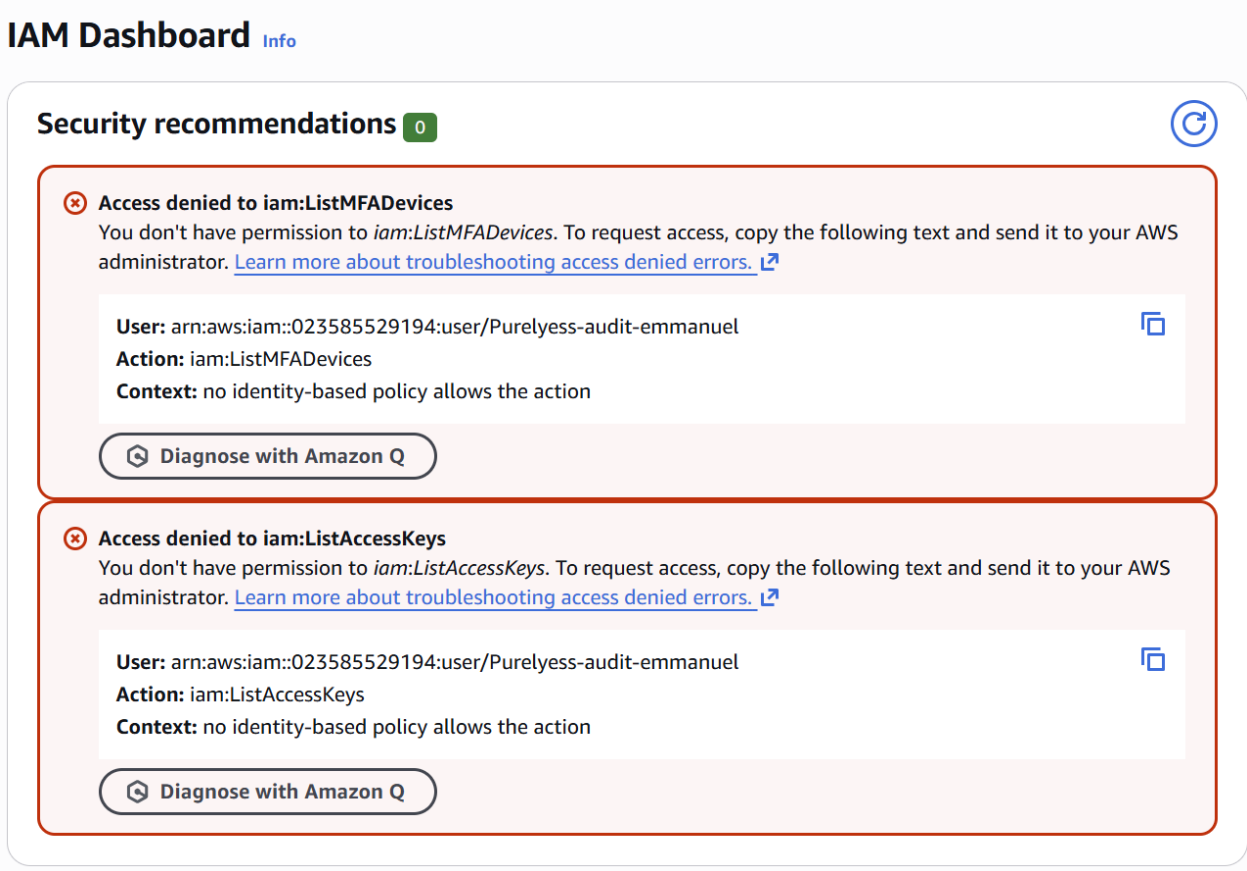
Test Matrix

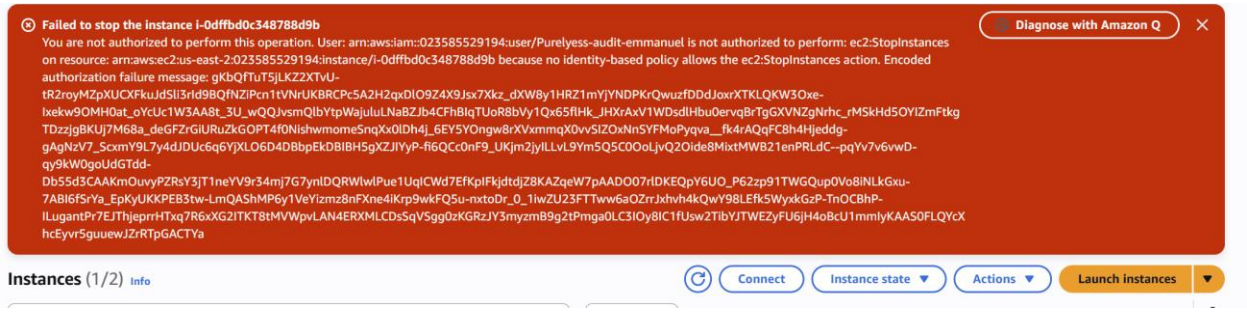
Test Action	Target Instance	Expected Result	Actual Result
Stop instance	`audit`	Denied	Access denied (IAM policy enforced)
Stop instance	`sales`	Allowed	Instance stopped successfully
Start instance	`audit`	Denied	Access denied (IAM policy enforced)
Start instance	`sales`	Allowed	Instance started successfully

The results matched the design:

- Attempts to start/stop the **`audit`** instance failed with an **"Access denied"** error due to missing permissions for resources tagged `Environment=Audit`.

- Start/stop operations on the **`sales`** instance succeeded because the condition on `Environment=Sales` was satisfied.





9. Security Impact

This configuration demonstrates several important security principles:

- **Least Privilege:**
  Users receive exactly the permissions needed to manage the `sales` instance, and nothing more.
- **Tag-Based Access Control:**
  Access is controlled by **resource tags**, which makes it easy to scale this design:
  - Any new instance tagged `Environment=Sales` automatically falls under the same policy.
  - Sensitive resources (tagged differently) remain protected without editing the policy.
- **Separation of Duties:**
  Critical systems such as `audit` can be reserved for administrators, while operational users can manage non-critical workloads.

10. Lessons Learned & Next Steps

Lessons Learned

- Tags are not just for organization; they are powerful **security controls** when combined with IAM conditions.
- Designing IAM policies correctly requires:
  - Clear understanding of resources and actions.
  - Careful use of conditions to avoid over-privileged access.
- Testing with a **non-admin IAM user** is essential to confirm that policies behave as expected.

Possible Enhancements

- Enable **AWS CloudTrail** to log all EC2 start/stop actions and review them for unauthorized attempts.
- Add **CloudWatch Alarms** to alert when critical instances (like `audit`) are stopped or when a denied action occurs.

- Extend the design using **Infrastructure as Code** (e.g., Terraform or CloudFormation) to automate instance creation, tagging, and IAM policy deployment.
- Introduce **Service Control Policies (SCPs)** under AWS Organizations for stricter guardrails at the account or OU level.