

### Microsoft Digital Defense Report



https://aka.ms/mddr

Microsoft Digital Defense Report Overview - 2023

**Executive Summary - MDDR 2023** 

Full Report - MDDR 2023



Securing our future together

#### Securing our future together

Welcome to the Microsoft Digital Defense Report. As the digital domain continues to evolve, defenders around the world are innovating and collaborating more closely than ever. In this fourth annual edition of the report we share actionable steps and valuable insights from what we're seeing for the reporting period from July 2022 through June 2023.

"Artificial Intelligence will be a critical component of successful defense. In the coming years, innovation in Al-powered cyber defense will help reverse the current rising tide of cyberattacks."

Tom Burt, Corporate Vice President, Customer Security and Trust, Microsoft





## Microsoft Security Community The 2023 Microsoft Digital Defense Report



We will start at 1-2 minutes after the scheduled time to accommodate those still connecting.

Questions? Feel free to type them in the instant message window (Live event Q&A) at any time.

Note that any questions you post will be public. You have the option to post questions anonymously.



This webinar is being recorded. Recordings will be posted after the session ends at <a href="https://aka.ms/SecurityCommunity">https://aka.ms/SecurityCommunity</a>, located under the Videos & Webinar Recordings section.



Closed captions are available during the session, including the recordings. During the live broadcasting you can enable the closed captions by pressing the "Cc" button and selecting from the available languages.



Please submit your feedback on this webinar session at <a href="https://aka.ms/SecurityWebinarFeedback">https://aka.ms/SecurityWebinarFeedback</a>.

Join our Community: https://aka.ms/SecurityCommunity.



### MDDR – Report Chapters



Introduction



The State of Cybercrime



**Nation State Threats** 



**Critical Cybersecurity Challenges** 



Innovating for Security and Resilience



Collective Defense

# **Opportunities for** nations to further improve its cyber defenses

- 1 Defend with the power and scale of the cloud
- 2 Apply Zero Trust principles
- Use extended detection and response and antimalware
- Make cybersecurity a core priority for central government bodies and agencies
- 5 Leverage external partners to enhance societal resilience to combat current and emerging influence actors and threats

### 65 trillion

signals synthesized

That is over 750 billion signals per second, synthesized using sophisticated data analytics and Al algorithms to understand and protect against digital threats and criminal cyberactivity.



300+ threat actors tracked

Microsoft Threat Intelligence has grown to track more than 300 unique threat actors, including 160 nation-state actors, 50 ransomware groups, and hundreds of others.



10,000+ security and threat intelligence experts

10,000+ engineers, researchers, data scientists, cybersecurity experts, threat hunters, geopolitical analysts, investigators, and frontline responders across the globe.



100,000+ domains removed

100,000+ domains utilized by cybercriminals, including over 600 employed by nation-state threat actors, have been removed (all time).



4,000 attacks blocked per second

4,000 identity authentication threats blocked per second.



15,000+ partners

15,000 + partners with specialized solutions in our security ecosystem, who increase cyber resilience for our customers.



135 million managed devices

135 million managed devices providing security and threat landscape insights.



#### Tracked activity

- Nation-state actors
- Ransomware groups
- Cyber mercenaries
   or private sector offensive actors
- Storm-#### designations refer to emerging or developing clusters of threat activity.



Denim Tsunami Carmine Tsunami



**Strawberry Tempest** 





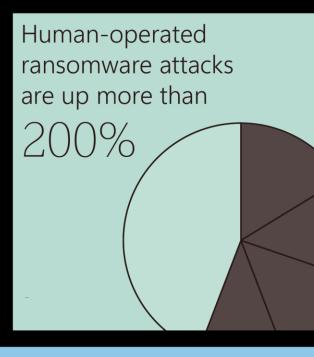
# The State of Cybercrime

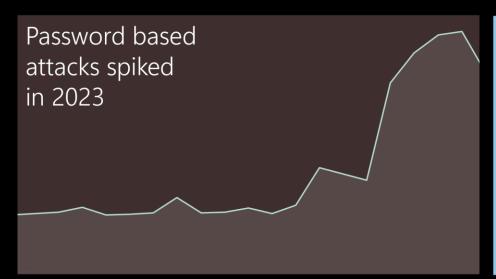
Key developments

80-90%
of all successful ransomware compromises originate through unmanaged devices.

A return on mitigation (ROM) framework is helpful for prioritization and may highlight actions requiring low effort or resources but that have a high impact.

70% of organizations encountering human-operated ransomware had fewer than 500 employees.





Last year marked a significant shift in cybercriminal tactics

with threat actors exploiting cloud computing resources such as virtual machines to launch DDoS attacks. When hundreds of millions of requests per second originating from tens of thousands of devices constitute an attack, the cloud is our best defense, due to the scale needed to mitigate the largest attacks.



# Innovating for Security and Resilience

Key developments

With modern Al advancements analyzing trillions of security signals daily, we have the potential to build a safer, more resilient online ecosystem.

Our approach for the next year will focus on bringing to bear AI in combating threats while also embracing the three SDL principles of Secure by Design, Secure by Default, and Secure in Deployment (SD3).

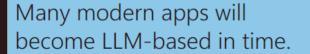
() Find out more on page 99

**⊙** Find out more on page 106

transform cyber defense for next-gen cybersecurity.

Microsoft's researchers and applied scientists are exploring many scenarios for LLM application in cyber defense.

Find out more on page 101



This will increase the threat surface, making them vulnerable to both inadvertent and deliberate misalignments. As LLM-based apps bring new and unique threats, we adapt our security measures and protocols to address them.

Find out more on page 104



### Three key lessons

#### Innovation



We need to use the latest innovations, such as Al, to supercharge our cyber defense.

### **Partnerships**



We need to work together with all stakeholders – be they public or private.

#### Skills



According to LinkedIn data, EU cyber skills demand is up by 22%. A clear skills gap is here.

# How can we protect against 99% of attacks?

The vast majority of successful cyberattacks could be thwarted by implementing a few fundamental security hygiene practices.

By adhering to these minimum-security standards, it is possible to protect against over 99 percent of attacks:

Enable multifactor authentication (MFA): This protects against compromised user passwords and helps to provide extra resilience for identities.

- Apply Zero Trust principles: The cornerstone of any resilience plan is to limit the impact of an attack on an organization. These principles are:
- Explicitly verify. Ensure users and devices are in a good state before allowing access to resources.

- Use least privilege access. Allow only the privilege that is needed for access to a resource and no more.
- Assume breach. Assume system defenses have been breached and systems may be compromised. This means constantly monitoring the environment for possible attack.
- 3 Use extended detection and response (XDR) and antimalware: Implement software to detect and automatically block attacks and provide insights to the security operations software. Monitoring insights from threat detection systems is essential to being able to respond to threats in a timely fashion.
- Keep up to date: Unpatched and outof-date systems are a key reason many organizations fall victim to an attack. Ensure all systems are kept up to date including firmware, the operating system, and applications.
- 5 Protect data: Knowing your important data, where it is located, and whether the right defenses are implemented is crucial to implementing the appropriate protection.

Implementing security solutions like MFA or Zero Trust principles is simpler with hyperscale cloud because these capabilities are already built into the platform. Additionally, cloud-enabled capabilities like XDR and MFA are constantly updated with trillions of daily signals, providing dynamic protection that adjusts to the current threat landscape.

How effective is MFA at deterring cyberattacks? A recent study based on real-world attack data from Microsoft Entra found that MFA reduces the risk of compromise by 99.2 percent.<sup>1</sup>

Fundamentals of cyber hygiene

99%

Basic security hygiene still protects against 99% of attacks.

Enable multifactor authentication (MFA)



Apply Zero
Trust principles



Use extended detection and response (XDR) and antimalware



Keep up to date



Protect data

Outlier attacks on the bell curve make up just 1%.

