

SDE: System Design and Engineering

Lecture - 7
Introduction to
Security

From Zero to Google: Architecting the Invisible Infrastructure

by

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Sections

- Covers fundamentals: CIA Triad, threats, firewalls, VPNs, and Secure System design.
- Emphasizes secure practices: DevSecOps, permission systems, password hashing, and tokenization.
- Explains auth systems: JWT, OAuth 2.0 flows, Google Authenticator, and SSO.
- Highlights encryption types: symmetric, asymmetric, encoding vs. encryption vs. tokenization.
- Focuses on future security trends:zero-trust, and secure-by-design models.



Introduction to Cybersecurity

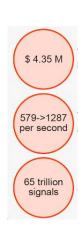
- Cybersecurity is the practice of PROTECTING DATA, SYSTEMS, AND NETWORKS from digital attacks.
- It prevents **UNAUTHORIZED ACCESS**, data theft, or service disruption.
- It is ESSENTIAL for PRIVACY, BUSINESS CONTINUITY, and NATIONAL SECURITY.

Why is Cybersecurity Important?

\$4.35 MILLION: Average cost of a data breach in **2022**.

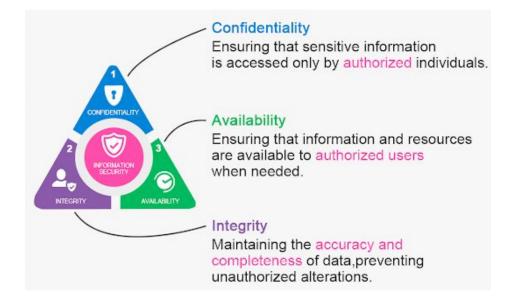
579–1287 password attacks occur EVERY SECOND.

Over 65 TRILLION SIGNALS are analyzed DAILY by Microsoft.





The CIA Triad: Core Principles of Cybersecurity





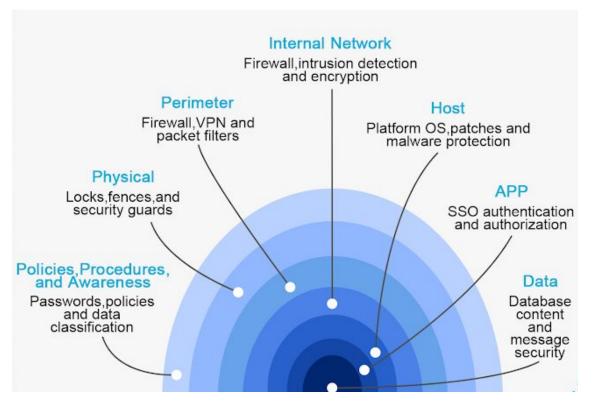
Top 15 Cybersecurity Threats



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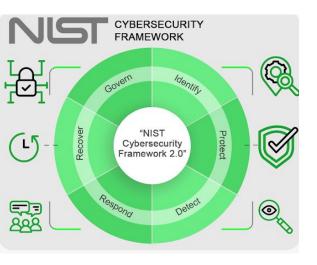


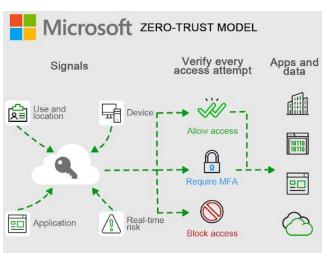
Basic Defense Mechanisms

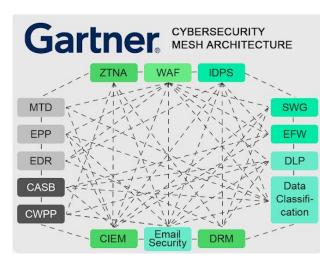




Cybersecurity Frameworks

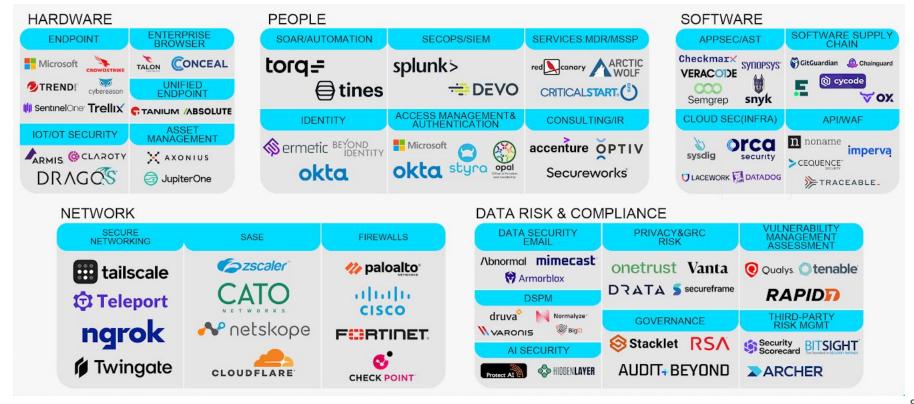








Cybersecurity Ecosystem



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What is DevSecOps?

- DevSecOps = Development + Security + Operations
- A culture and methodology that ensures security is integrated at every stage of the software development lifecycle (SDLC).
- Emphasizes **automated security**, **shared responsibility**, and **collaboration** between developers, operations, and security teams.

Key Concepts in DevSecOps:

- **CI/CD Automation**: Embed security checks into continuous integration and delivery pipelines.
- Automated Security Checks: Linting, static code analysis, dependency scanning.\
- **Gontinuous Monitoring**: Real-time threat detection and alerting in runtime environments.



What is DevSecOps?

- **Infrastructure as Code (IaC)**: Secure, version-controlled infrastructure provisioning.
- **Container Security**: Image scanning, runtime sandboxing, least privilege containers.
- **Secret Management**: Secure storage of API keys, credentials, tokens.
- Vulnerability Management: Early detection and automated patching of security flaws.
- **Threat Modeling**: Anticipate attack vectors early in design.
- **QA Integration**: Functional + security tests in pre-production.
- Collaboration and Communication: Shared responsibility model across teams.

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Principles of Secure System Design

- Secure system design involves **12 critical domains**.
- Emphasizes **defense-in-depth** and **zero trust** principles.
- Security must be built-in from the **architecture stage**.
- 1. Authentication

Scenarios to Protect:

• User logins, employee access to internal systems

- Strong password policies
- Multi-factor authentication (MFA)



2. Authorization

Scenarios to Protect:

• Data access, user roles

Design Points:

- Least privilege principle
- Role-based access control (RBAC)
- Regular permission reviews

3. Encryption

Scenarios to Protect:

• Sensitive data, secure communication

- TLS for data transit
- AES or stronger encryption for data at rest
- Robust key management systems



4. Vulnerability Management

Scenarios to Protect:

Vulnerability exploits, zero-day attacks

Design Points:

- Regular scanning
- Security patching
- Continuous monitoring

5. Audit & Compliance

Scenarios to Protect:

 Regulatory requirements (e.g., GDPR, HIPAA)

- Audit trails, data breach logs
- Compliance reporting
- Encrypted logging systems



6. Network Security

Scenarios to Protect:

Internal and external network attacks

Design Points:

- Firewalls, segregated VLANs
- Intrusion detection systems (IDS)
- Secure DNS configuration

7. Terminal Security

Scenarios to Protect:

• Laptops, workstations, POS devices

- Antivirus, full-disk encryption
- Device hardening, patch management



8. Emergency Responses

Scenarios to Protect:

DDoS, ransomware, breach incidents

Design Points:

- Incident response plans
- Runbooks & drills
- Security operations center (SOC) procedures

9. Container Security

Scenarios to Protect:

Microservices, containerized environments

- Base image scanning
- Runtime sandboxing
- Role-limited containers



10. API Security

Scenarios to Protect:

• Public and internal APIs

Design Points:

- OAuth2, API key management
- Rate limiting, input validation

11.3rd-Party Management

Scenarios to Protect:

• Integrations with SaaS or vendor APIs

- Vendor risk assessments
- Secure data-sharing agreements
- Monitoring third-party access logs



12. Disaster Recovery

Scenarios to Protect:

• Data center failures, ransomware events

Design Points:

- Disaster recovery (DR) plans
- Redundant backup systems
- Geo-replication



Why It Matters:

- Permission systems determine who can access what.
- The wrong model leads to security breaches or maintenance nightmares.
- Choosing the right model depends on the application domain, security requirements, and user complexity.



1. ACL – Access Control List

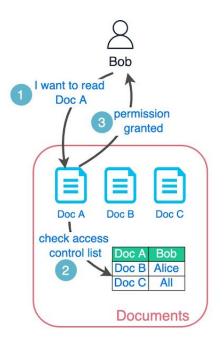
• A **list of rules** specifying which users are **granted or denied** access to a resource.

• Pros:

- Simple, intuitive
- Easy to attach to individual resources

• Cons:

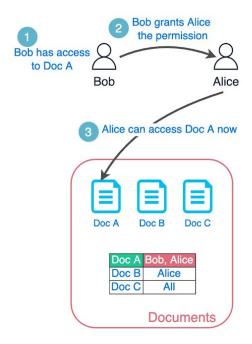
- Hard to maintain at scale
- **Error-prone** and repetitive





2. DAC – Discretionary Access Control

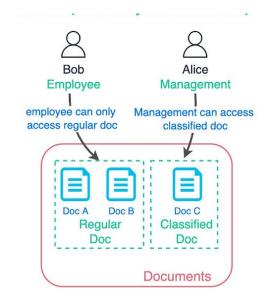
- Access is controlled by the resource owner.
- Based on ACL, but allows owners to grant access at their discretion.
- Pros:
 - Flexible and commonly used (e.g., Linux file systems)
- Cons:
 - Decentralized control → potential misconfigurations
 - o Too much authority in the owner's hands





3. MAC – Mandatory Access Control

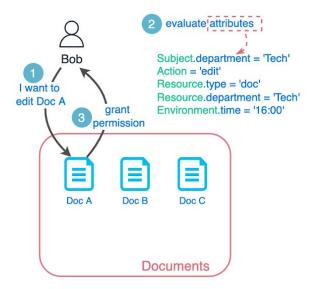
- System-enforced access rules based on classification labels.
- Used in **military and government systems**.
- Pros:
 - Strict and secure, prevents privilege escalation
- Cons:
 - Rigid and difficult to configure
 - Not suitable for dynamic user environments





4. ABAC – Attribute-Based Access Control

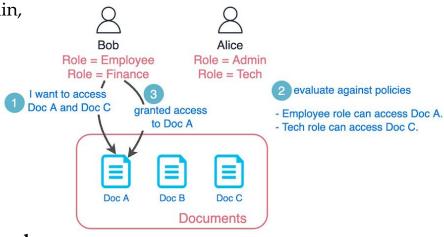
- Permissions depend on attributes: user role, resource type, action, and environment.
- Pros:
 - **Highly flexible**, supports context-aware decisions
- Cons:
 - o Complex rules, harder to audit and implement
 - Rarely used in mainstream applications





5. RBAC – Role-Based Access Control

- Access decisions based on user roles (e.g., admin, viewer).
- Users inherit permissions via roles.
- Pros:
 - **Scalable**, easy to group users
 - Widely adopted in enterprises and SaaS platforms
- Cons:
 - Static roles may not capture contextual needs





Storing Passwords Safely

Common Mistakes to Avoid

- **NEVER** store passwords in **plain text**.
- Avoid storing raw password hashes without additional safeguards.
- Raw hashes are vulnerable to rainbow table attacks and brute-force attempts.

Real-World Breach Example

• In several major breaches (e.g., Yahoo, RockYou), millions of passwords were leaked due to lack of proper hashing/salting.

Key Point:

• "If your database is compromised, your password scheme must still protect users."



Best Practices in Password Storage

What is Salt?

- A salt is a random string added to a password before hashing.
- It **ensures uniqueness** in the hash output, even for identical passwords.
- Defined by **OWASP** as:

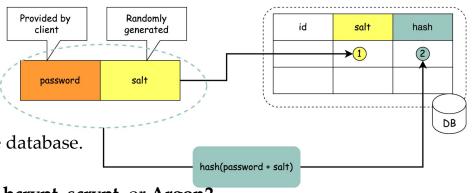
"A unique, randomly generated string that is added to each password as part of the hashing process."

How to Store Passwords Securely

- 1. **Generate a random salt** per user.
- 2. Compute: hash(passwor

hash(password + salt)

- 3. Store both salt and hashed password in the database.
 - Salt is stored in **plain text**.
 - Hash must use **strong algorithms** like **bcrypt**, **scrypt**, or **Argon2**.





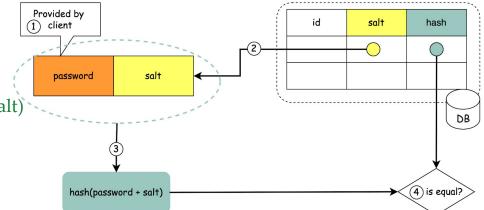
Best Practices in Password Storage

How to Validate a Password

- 1. User submits password.
- 2. Fetch salt from database.
- 3. Compute:

H1 = hash(submitted_password + stored_salt)

- 4. Compare H1 with stored hash (H2).
 - \circ If H1 == H2, the password is **valid**.





Best Practices in Password Storage

Recommended Hashing Algorithms

- **bcrypt** built-in salting, adaptive
- **scrypt** resistant to GPU attacks
- **Argon2** OWASP's preferred algorithm (memory-hard)



Password Managers

What Is a Password Manager?

- A tool that **generates**, **stores**, **and autofills** passwords.
- Can be accessed via browser extension, app, or command line.
- Stores credentials in an **encrypted vault**.
- Only one master password needs to be remembered by the user.

Use Cases:

- Individuals: Web logins, app credentials.
- Teams: Shared vaults, role-based access.
- Enterprises: Audit logging, compliance, SSO integration.

Key Benefit:

"You never store or transmit plain passwords—the system is built on strong encryption and **zero-knowledge principles**."

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How Password Managers Work (Internals)

Step-by-Step Process:

Step 1: Account Creation

- User provides:
 - Email address
 - Account password
- Password manager generates a Secret Key.
- These 3 values are used to compute:
 - MUK (Master Unlock Key)
 - **SRP-X (Secure Remote Password)** via 2SKD algorithm.
- Secret key is stored locally, never sent to the server.



How Password Managers Work (Internals)

Step 2: Key Derivation

MUK is used to generate an encrypted Master Password Key (MP key).

Step 3–5: Key Hierarchy & Vault

- MP Key \rightarrow derives:
 - A Private Key
 - A Vault Key
- Vault key encrypts the vault items (passwords, notes, keys).
- All data is **stored encrypted on the cloud**, but **decrypted only on your device**.



How Password Managers Work (Internals)

Step 6: Zero-Knowledge Encryption

- All encryption happens **locally**.
- Even the **password manager service cannot read** your data.

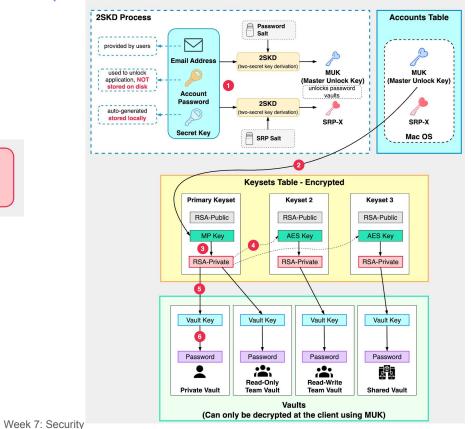
Crypto Principles Used:

- **AES-256 encryption** for vault data
- **2SKD protocol** for password-based key derivation
- SRP (Secure Remote Password) for safe authentication
- **Zero-Knowledge Architecture** for privacy



How Password Managers Work (Internals)





Decoding

algorithm

cipher text



Encoding, Encryption, and Tokenization

1. Encoding

Transforming data into a **different**, **reversible format** for **data transmission or storage**.

Example:

Base64 encoding: Encodes binary data into ASCII for network transmission.

Key Points:

- Purpose: Data representation, not security.
- **No key is required** anyone can decode it.
- Use in: Web development, data serialization, file transfer (e.g., email attachments).

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cipher text

plain text



Encoding, Encryption, and Tokenization

2. Encryption

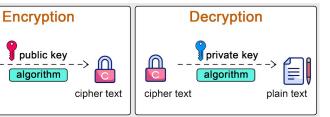
Transforms **plaintext** into **ciphertext** using an **algorithm** + **key** to ensure confidentiality.

Types:

- **Symmetric** (AES): Same key for encryption and decryption.
- **Asymmetric** (RSA): Public key for encryption, private key for decryption.

Key Points:

- Purpose: Confidentiality and access control.
- Requires a **key** to decrypt.
- Use in: TLS/SSL, email encryption, data-at-rest security.



public key

algorithm

plain text



Encoding, Encryption, and Tokenization

3. Tokenization

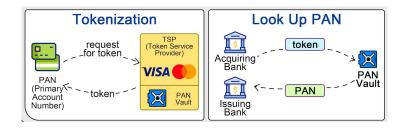
Replaces **sensitive data** with **non-sensitive tokens**, stored separately in a **secure token vault**.

Example:

Credit card PAN → Token in payment processing.

Key Points:

- Tokens have **no mathematical link** to original data.
- Cannot be reverse-engineered.
- Use in: PCI-DSS compliance, payment gateways, PII protection.





Symmetric vs. Asymmetric Encryption

Symmetric Encryption

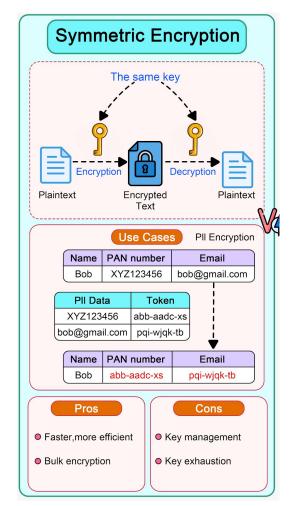
- One key is used for both encryption and decryption.
- Fast and efficient ideal for bulk data encryption.
- Used in:
 - AES (Advanced Encryption Standard)
 - Encrypting PII, backups, and files

Pros:

- High speed
- Minimal computational overhead

Cons:

- Key distribution problem
- Risk if key is intercepted





Symmetric vs. Asymmetric Encryption

Asymmetric Encryption

- Uses a **key pair**:
 - **Public key** to encrypt & **Private key** to decrypt
- Only the private key holder can decrypt the message.

Used in:

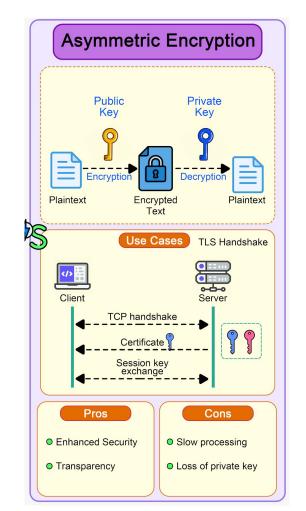
• TLS Handshakes, email encryption (PGP), digital signatures

Pros:

- Secure communication with no shared secret
- Enables digital identity verification

Cons:

- Slower performance
- Complex key management and generation





Understanding JSON Web Tokens (JWT)

What is JWT?

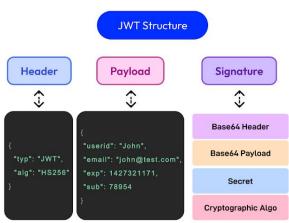
- JWT (JSON Web Token) is an open standard (RFC 7519) used for securely transmitting information between parties.
- Commonly used in **authentication** and **authorization** mechanisms in modern web applications.

Structure of a JWT

A JWT consists of **three parts**, separated by dots (.):

1. Header

- Contains algorithm (alg) and token type (typ)
- o e.g. { "alg": "HS256", "typ": "JWT" }





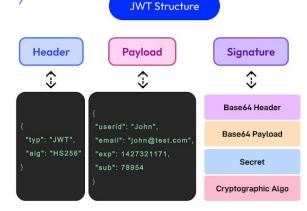
Understanding JSON Web Tokens (JWT)

2. Payload

- Contains claims and user data
- Claim types:
 - Registered claims (e.g., iss, exp)
 - Public claims
 - Private claims

3. Signature

- Ensures **integrity** and **authenticity**
- Created using: HMACSHA256(base64UrlEncode(header) + "." + base64UrlEncode(payload), secret)



Example:

eyJhbGciOi...header eyJzdWliOi...payload SflKxwRJSMe...signature



Understanding JSON Web Tokens (JWT)

Why Use JWT?

- Stateless (no need to store sessions)
- Portable (can be passed in headers, cookies)
- Self-contained (holds authentication data)



Signing Methods in JWT

Symmetric Signature

- Uses a shared secret key to sign and verify the JWT.
- Algorithm: **HMAC** (e.g., **HS256**).
- Simpler but both parties must securely manage the **same key**.

Use Cases:

• Internal services where **both signing and verification** happen on the **same server or trusted cluster**.



Signing Methods in JWT

Asymmetric Signature

- Uses a **private key** to sign and a **public key** to verify.
- Algorithms: **RS256**, **ES256** (RSA/ECC based).
- Ensures verification can happen without exposing the private key.

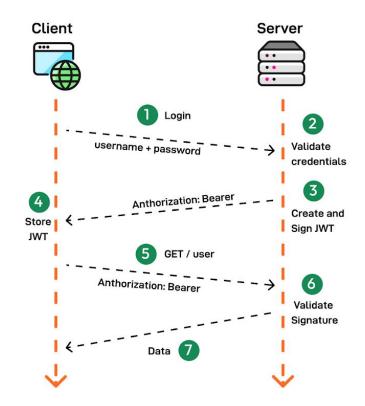
Use Cases

• Microservices, third-party APIs, or public-facing apps where clients or external systems must verify tokens.



JWT Flow in Authentication

- 1. User logs in \rightarrow server generates JWT and sends it back.
- 2. Client includes JWT in subsequent requests (usually in **Authorization header**).
- 3. Server verifies JWT signature before granting access.





OAuth 2.0

- A secure authorization framework that enables applications to access resources on behalf of a user, without sharing credentials.
- Standardized in **RFC 6749** and widely used by **Google**, **Facebook**, **GitHub**, etc.

OAuth 2.0 Entities

- 1. **User**: The resource owner
- 2. Client (App): Requests access to the user's data
- 3. **Authorization Server**: Issues access tokens (typically the IDP)
- 4. **Resource Server**: Hosts user data and verifies access via token



OAuth 2.0

Use Case Example

- Logging into Spotify with your Google account
- Google is the Identity Provider, Spotify is the Client, and you are the User

Grant Types

- **Authorization Code** (most secure, used by web apps)
- Implicit (legacy; discouraged)
- Client Credentials (machine-to-machine)
- Resource Owner Password Credentials (rare; legacy)



OAuth Token

- A **short-lived**, **secure token** issued by the Authorization Server
- Represents **identity + permissions** of the user
- Sent with requests to access protected APIs or user data

Capabilities of OAuth Tokens

1. Single Sign-On (SSO)

- Use one login to access multiple apps or services
- Enhances usability and reduces password fatigue

2. Cross-System Authorization

- Allows authorized access to **external APIs or services**
- Example: Slack posting to your Google Calendar on your behalf



OAuth Token

3. Scoped Data Access

- Tokens carry **scopes** (permissions)
- Only allows access to specific resources (e.g., email address, not full inbox)

Security Considerations

- Tokens are not passwords—but they can still be stolen or intercepted
- Always use **HTTPS**, set **expiration time**, and **revoke** when compromised



- A workflow pattern used by OAuth 2.0 to issue access tokens.
- Each flow suits a **specific use case** depending on:
 - Client type (web, mobile, server)
 - Security posture
 - Deployment model



1. Authorization Code Flow

Best For: Web applications with a backend How It Works:

- User authenticates via Identity Provider (IDP)
- App receives a **temporary authorization code**
- App exchanges code for an **access token** and optionally a **refresh token**

Pros:

- Most secure (tokens issued on backend)
- Supports refresh tokens

Example:Login to Slack using Google account (with server validation)



2. Client Credentials Flow

Best For: Machine-to-machine communication

How It Works:

- No user involved
- Client uses its **client ID** + **secret** to request an access token from the Authorization Server

Pros:

- Lightweight
- Ideal for microservices and background jobs

Example: Internal service calling another service API within the same system



3. Implicit Flow (Deprecated / Legacy)

Best For: Single Page Applications (SPAs) (Not Recommended)

How It Works:

- User logs in, and the access token is returned directly in the URL fragment
- No authorization code stage

Cons:

- No refresh token support
- Vulnerable to token leakage in browser history

Status: Open Deprecated by the OAuth Working Group — use **Authorization Code with PKCE** instead.



4. Resource Owner Password Credentials (ROPC) Flow

Best For: Legacy or **trusted first-party applications**

How It Works:

- User provides **username** + **password** directly to the client
- Client exchanges them for an access token

Cons:

- Breaks the separation of concerns
- User credentials are handled directly by the app

Status: O Discouraged in modern systems due to security risks



Google Authenticator

- A software-based authenticator app used for **2FA**
- Implements **TOTP** (**Time-based One-Time Password**) algorithm (RFC 6238)
- Adds a second layer of authentication beyond username & password

Authentication Workflow: Two Main Stages

Stage 1: Setup

- 1. **User enables 2FA** in the application
- 2. **Authentication server** generates a **unique secret key** for the user
- 3. Server sends a **URI** (otpauth://) with issuer, username, and secret
- 4. This URI is **converted into a QR code**
- 5. **User scans QR code** using Google Authenticator \rightarrow stores secret key



Google Authenticator

Stage 2: Login

- 1. User logs in using **username + password**
- 2. Google Authenticator generates a **6-digit TOTP code** every 30 seconds
- 3. User enters the code from their app
- 4. Server retrieves the same user's **secret key from the DB**
- 5. Server generates TOTP and compares with user's input
- 6. If the codes **match**, authentication is successful



Google Authenticator

Time-Based One-Time Passwords

- TOTP = HMAC-SHA1(secret + current timestamp)
- Each 6-digit code is valid for **30 seconds**
- Based on **clock sync**, not internet access



Is TOTP 2FA Secure?

Yes, But with Important Conditions:

Protection of Secret Key

- Secret is **generated server-side** and shared **once**
- Must be transmitted via HTTPS
- Must be **encrypted** in:
 - User's mobile device
 - Authentication server database



Is TOTP 2FA Secure?

Why 6-Digit TOTP is Hard to Break

- Each code has **1,000,000 combinations** (000000 to 999999)
- Code changes every **30 seconds**
- To guess correctly within the window, an attacker would need to try:
 - ~30,000 guesses/sec
 - Which is **impractical** without massive brute-force capability and bypassing rate-limits



Security of Google Authenticator

Best Practices

- Enable rate-limiting and account lockout on repeated failure
- Use **time drift tolerance** of ±30s to avoid legitimate failure
- Regularly **rotate and expire** old secrets if needed
- Prefer hardware-backed secure storage (e.g., Android Keystore, iOS Secure Enclave)

🔥 Risks If Implemented Poorly

- Secret key leakage via:
 - Non-HTTPS transmission
 - Insecure frontend QR display
- Device compromise = Authenticator compromise



Firewall

- A firewall is a network security device or software that monitors, filters, and controls incoming and outgoing network traffic.
- It establishes a **barrier between trusted internal networks and untrusted external networks**, such as the internet.

Firewall Categories

- **Software-Based:** Installed on devices (e.g., desktops, servers) to monitor local traffic
- **Hardware-Based:** Standalone appliances securing entire network segments

Why Use Firewalls?

- Prevent unauthorized access
- Block malicious traffic
- Enforce security policies
- Inspect traffic before it reaches endpoints
 Week 7: Security



Types of Firewalls

1. Packet Filtering Firewall

- Filters packets based on source IP, destination IP, port, and protocol
- Stateless makes decisions **per packet**
- Lightweight but limited in context awareness

2. Circuit-Level Gateway

- Monitors TCP handshakes to validate the legitimacy of sessions
- Operates at **Session Layer (Layer 5)** of the OSI model
- Efficient, but does not inspect payload



Types of Firewalls

3. Application-Level Gateway (Proxy Firewall)

- Acts as an intermediary between user and service
- Inspects traffic at **Application Layer (Layer 7)**
- Can detect malware, malicious scripts, and content-based attacks

4. Stateful Inspection Firewall

- Maintains **state tables** for active connections
- Analyzes packet context (e.g., is this a response to a legitimate request?)
- Combines speed and security: tracks connection state + inspects traffic



Types of Firewalls

5. Next-Generation Firewall (NGFW)

- Integrates:
 - Deep Packet Inspection (DPI)
 - Intrusion Prevention System (IPS)
 - Application-layer awareness
 - Identity-based access control
- Ideal for **modern threat landscapes** (zero-day exploits, APTs, etc.)

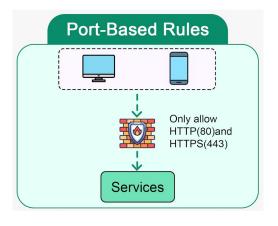


1. Port-Based Rules

- Controls traffic based on TCP/UDP port numbers
- Example:
 - Allow: Port **80** (HTTP), Port **443** (HTTPS)
 - o Block: Port **23** (Telnet), Port **445** (SMB)

Use Case:

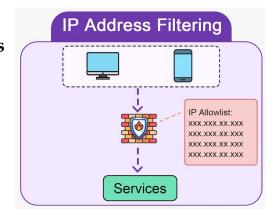
Permit only web traffic; block outdated or insecure protocols.





2. IP Address Filtering

- Permit or deny traffic based on **source/destination IP addresses**
- Tactics:
 - Whitelist trusted IPs
 - Blacklist known malicious IPs (e.g., threat intel feeds)



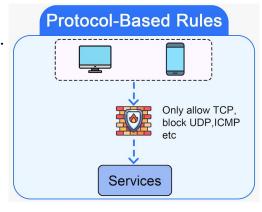
Use Case:

Only allow access to internal services from corporate VPN IP ranges.



3. Protocol-Based Rules

- Filter based on network protocols such as **TCP**, **UDP**, **ICMP**, etc.
- Example:
 - Allow only **TCP traffic** on Port 22 (SSH)
 - Block all **ICMP ping requests**



Use Case:

Allow SSH for administrators, disable ICMP to mitigate reconnaissance.

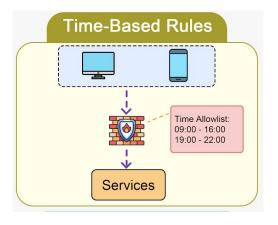


4. Time-Based Rules

- Enable or disable rules **based on time schedules**
- Example:
 - Block database access after business hours
 - Allow web traffic only **9AM–5PM**

Use Case:

Reduce the attack surface by limiting access windows.



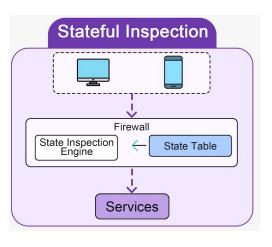


5. Stateful Inspection

- Monitor connection state to allow traffic only from established sessions
- Evaluates context of packets: sequence, timing, legitimacy

Use Case:

Prevent **unauthorized inbound traffic** while allowing valid response traffic.



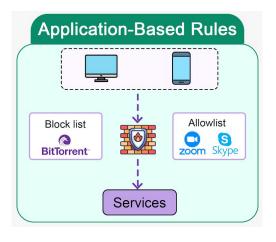


6. Application-Based Rules

- Filter traffic based on **application signatures or behaviors**
- Example:
 - Block: **BitTorrent**, **TOR**, **gaming apps**
 - Allow: Microsoft Teams, Zoom, Slack

Use Case:

Enforce company-wide **acceptable use policies** and limit bandwidth abuse.





VPN

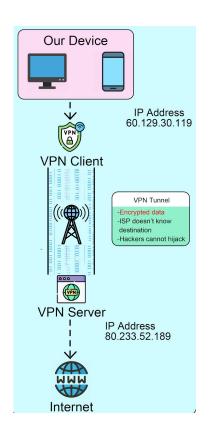
What is a VPN?

- A Virtual Private Network (VPN) creates a secure, encrypted tunnel between your device and a remote server over the public internet.
- It allows users to send and receive data as if they were directly connected to a private network.

How a VPN Works – 4-Step Flow

Step 1: Tunnel Initialization

- VPN client establishes a **secure tunnel** to the VPN server using protocols like:
 - OpenVPN
 - o IPSec
 - WireGuard





VPN

Step 2: Encryption

- All outgoing traffic from your device is encrypted before transmission.
- Prevents eavesdropping on public networks (e.g., Wi-Fi in cafes).

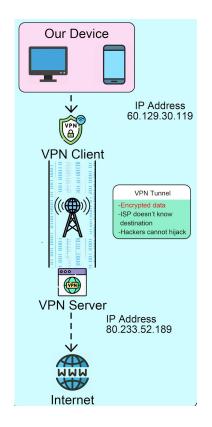
Step 3: IP Masking

- Your real IP address is hidden.
- Replaced with the VPN server's IP address, providing anonymity.

Step 4: Traffic Routing

 All internet traffic is routed through the VPN server, making it appear as if your activity originates from that server's location.

Week 7: Security





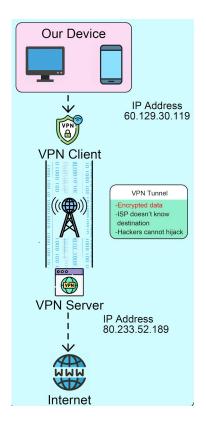
VPN

Advantage:

- ISP and others can't see your activity
- Your IP is masked
- Prevents MITM and packet sniffing attacks
- Protects sensitive data over public/untrusted network
- Geo-Spoofing : Access content as if you're in a different country

Disadvantage:

- Some websites (e.g., streaming services) block VPN traffic
- Due to encryption overhead and routing delays
- You must trust the VPN provider not to log or misuse data





Thank you! Any Questions?