



# Office 365 What are the current threats? What are the actions to be taken quickly?

Cybersecurity & Privacy Insight Day | November 2020

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MS500 - Microsoft 365 Security Administrator



## A few precisions before starting the webinar



/ 35 minutes presentation

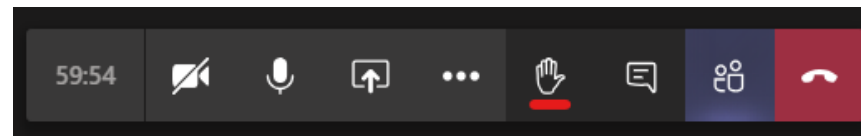
/ 10 minutes of Q/A



### **Guidelines for use:**

/ Keep the microphone off when the presenter is speaking

/ Notify before speaking



This webinar is interactive and will be recorded.  
Therefore, please note that any questions asked orally may be recorded  
in the replay of the webinar.

# Microsoft OFFICE 365

1<sup>st</sup> COLLABORATIVE PLATFORM

**50%** of the worldwide Enterprise Messaging market

**258 millions** monthly active users in 2020 (+**21%**)

**70%** of **Fortune 500** companies have purchased Office 365

**60%** of **EMEA** companies use Office 365

**80%** of **CAC40** companies use Office 365

Source: Microsoft, Wavestone

# *versus* CYBERCRIME

A MOST WANTED TARGET

More than **50%** of **the sensitive data** of the organizations

**92%** of **malware** are delivered by emails

**38%** of **phishing attack** target SaaS services (1<sup>st</sup> before financial)

**The most targeted** brand since 2Q18

**43%** of **all malicious attachments** are Microsoft Office documents

Source: Verizon



Microsoft  
OFFICE 365

versus

CYBERCRIME

With **3 main motivations** in the end...

1<sup>st</sup> COLLABORATIVE PLATFORM

A MOST WANTED TARGET

50% of the worldwide enterprise  
Messaging market



**Financial gains**

258 millions monthly active  
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**Data theft**

70% of Fortune 500 companies  
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**Credential harvesting and rebound**

80% of Fortune 500 companies  
use Office 365

60% of CAC40 companies use  
Office 365

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# What are the main **CYBER TOPICS** *with* Office 365 ?

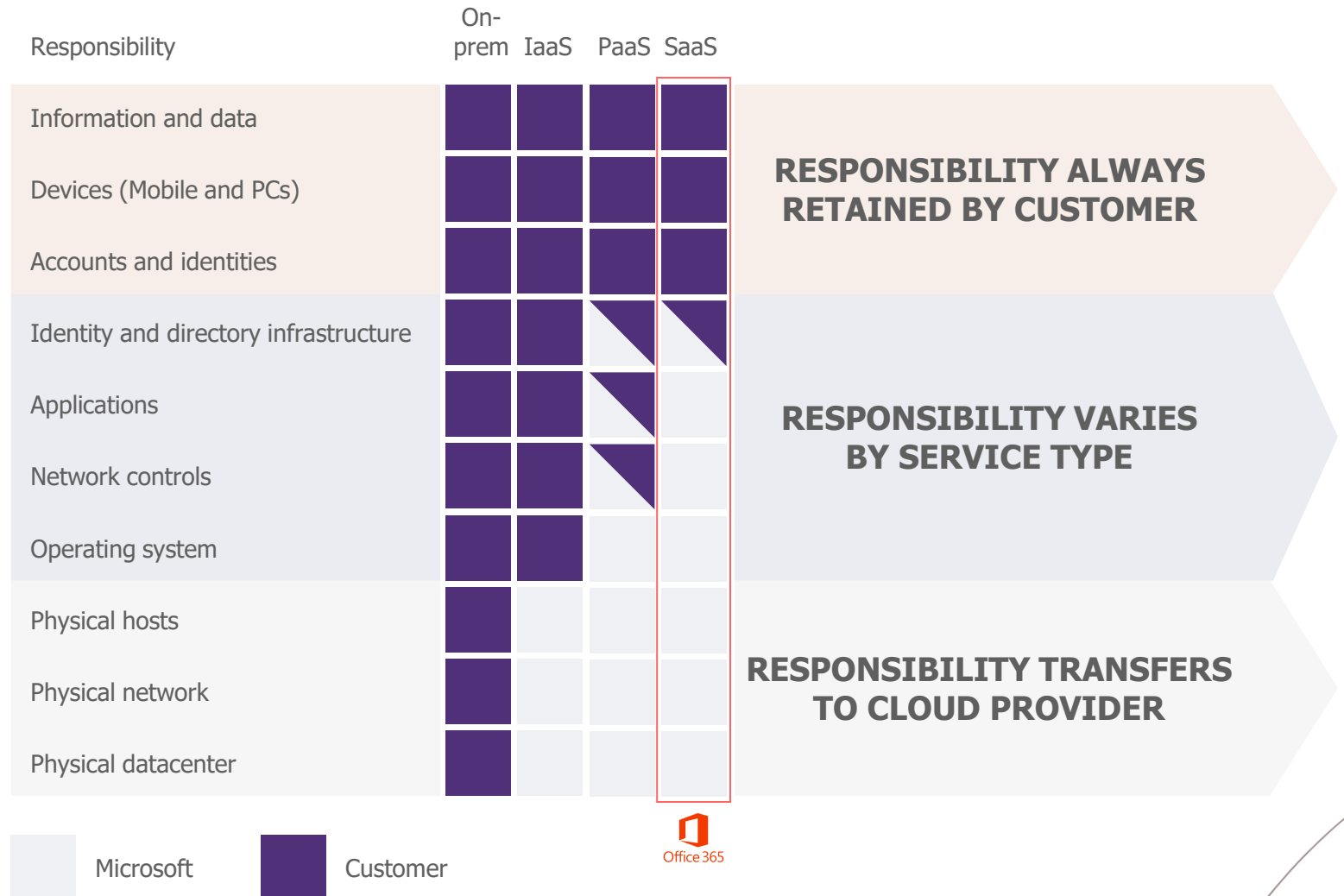
## AS-A-SERVICE SHARED RESPONSIBILITY MODEL

### Good news:

Microsoft provides a secure platform and services... You "only" need to focus to users/data/devices and to read "Service Trust Portal" to understand security around Microsoft Infrastructure

### Bad news:

Misconfiguration, Phishing, Zero Day Malware, Information protection, Compliance, Account takeover...





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## IDENTITY IS THE NEW PERIMETER

*"Defenders think in lists.  
Attacks think in graphs. As long as it is true, attackers wins."*

Traditional VPN and certificated based authentication do no longer guarantee the identity and the compliance of a connection

## Old world vs **new world**

Users are the employees

→ **Internal, partners, clients...**

Devices are managed by the company

→ **BYOD ("Bring Your Own Device")**

Applications are used on our network

→ **Everything is going in the Cloud**

Internal network and firewall

→ **No more perimeter**

Local footprints

→ **A lot, lot more signals!**



# *What are the* **main CYBER TOPICS** *with* **Office 365 ?**

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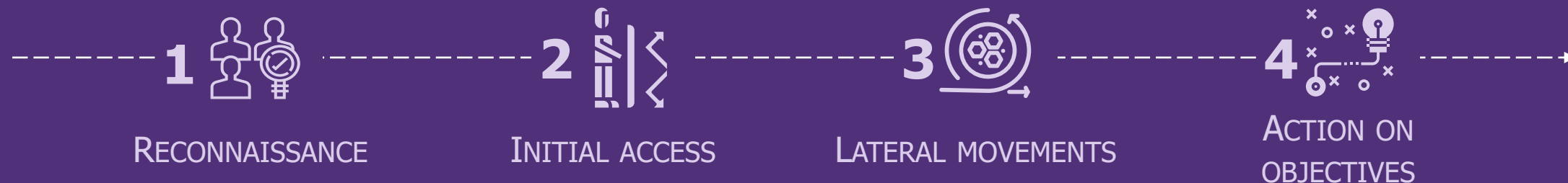
Traditional VPN and certificated based authentication do no longer guarantee the identity and the compliance of a connection

**SECURITY TEAMS  
RARELY INVOLVED**

The migration is over...  
But security should not be forgotten and left aside!

**Think cybersecurity  
by design**

# *To anticipate, watch your company with* **CYBERCRIMINAL** *eyes*



Initial Access	Execution	Persistence	Privilege Escalation	Defense Evasion	Credential Access	Discovery	Lateral Movement	Collection	Command And Control	Exfiltration
Spearphishing Attachment	CMSTP	Accessibility Features	Accessibility Features	Bypass User Account Control	Credential Dumping	Account Discovery	Logon Scripts	Data Staged	Remote Access Tools	Data Compressed
Spearphishing Link	Command-Line Interface	Logon Scripts	Bypass User Account Control	CMSTP		Network Service Scanning	Remote Desktop Protocol	Automated Collection	Remote File Copy	Data Encrypted
Valid Accounts	Dynamic Data Exchange	New Service	Exploitation for Privilege Escalation	File Deletion		Permission Groups Discovery	Remote File Copy		Standard Application Layer Protocol	
Exploit Public-Facing Application	Exploitation for Client Execution	Redundant Access	New Service	Indicator Removal from Tools		Process Discovery	Windows Admin Shares		Standard Cryptographic Protocol	
	PowerShell	Registry Run Keys / Startup Folder	Process Injection	Masquerading		Remote System Discovery			Web Service	
	Regsvr32	Scheduled Task	Scheduled Task	Obfuscated Files or Information		Security Software Discovery				
	Scheduled Task	Valid Accounts	Valid Accounts	Process Injection						
	Scripting	Web Shell	Web Shell	Redundant Access						
	Service Execution			Regsvr32						
	Signed Binary Proxy Execution			Scripting						
	User Execution			Signed Binary Proxy Execution						
Windows Management Instrumentation	XSL Script Processing									
XSL Script Processing			Valid Accounts							
			Web Service							

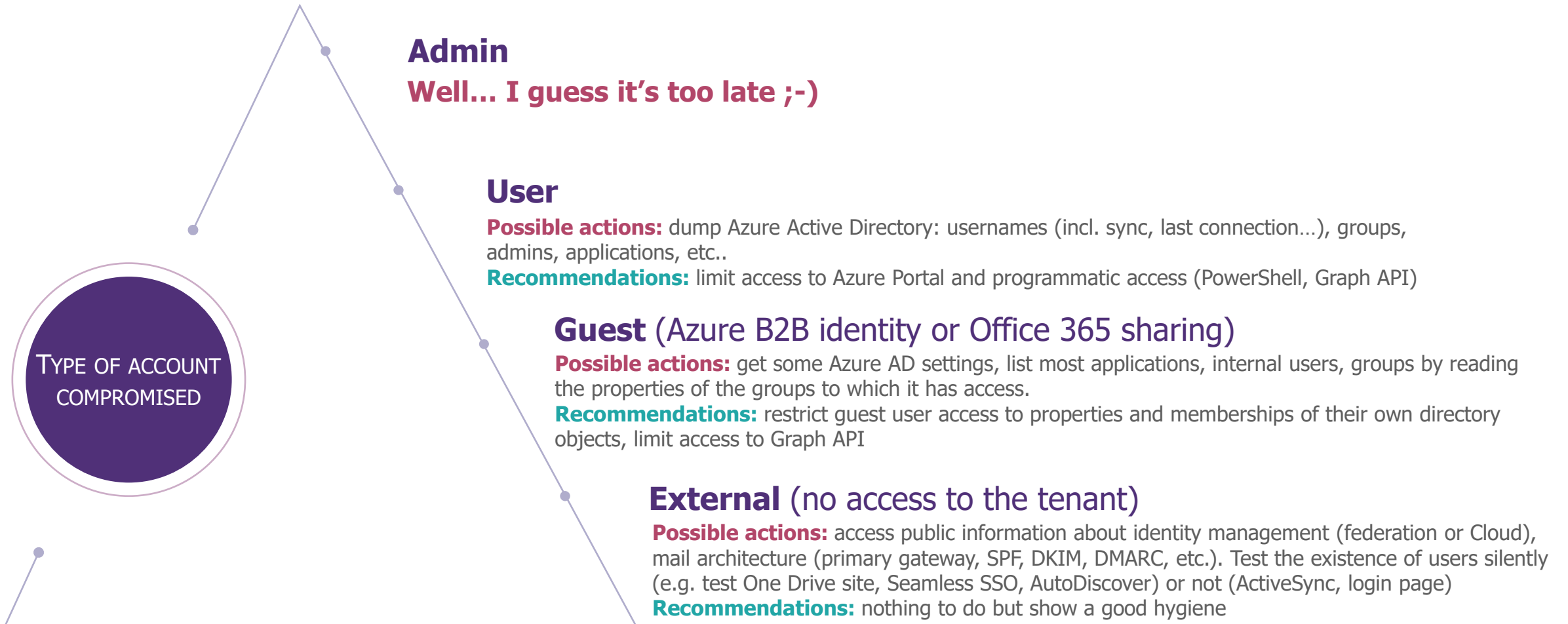
**MITRE**

**ATT&CK™**



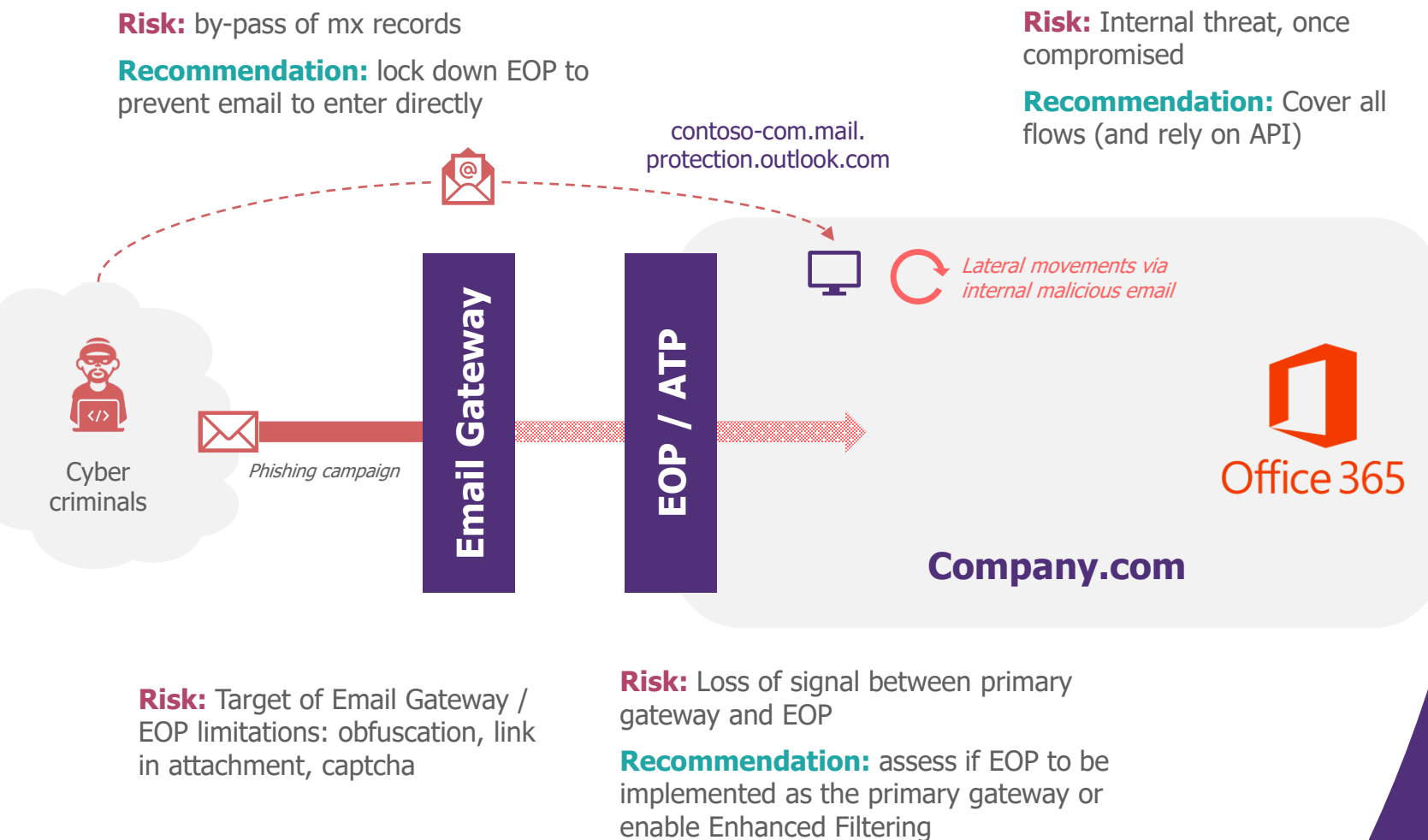
# RECONNAISSANCE *phase*

What information can be exploited?



# INITIAL ACCESS *phase*

## How the attack is delivered?



~99% of email attacks require a **manual action** (Microsoft, Verizon)



## WHY ARE MY USERS TAKING THE BAIT?

*Used to look & feel*

*Access to online documents*

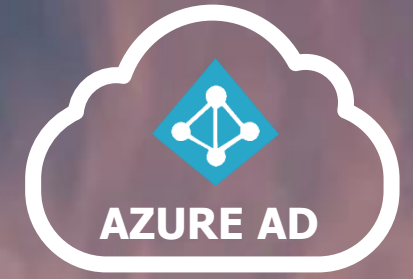
*Action required*

*User impersonation*



# Initial foothold on Office 365

*are mainly* **IDENTITY BASED...**



CREDENTIAL

**Collection of the user's credentials** (login / password) to authenticate in his place

TOKEN

**Interception of access / refresh tokens** and reuse by the attacker

OAUTH

**Delegation of consent** to a malicious application on user's data, emails and settings

**... and can be mainly covered with a good hygiene and a relevant Zero Trust strategy**



## **CREDENTIAL HARVESTING**

*Old-fashioned but still widely used*





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### (Spear) Phishing

*Mislead the user to collect his credentials*

- / 30% of phishing attacks target Microsoft accounts (Verizon, DBIR 2020)
- / Sending the user to a forged login page
- / Still 10-30% of users falls into the trap
- / Only 7% of Microsoft accounts are covered by MFA
- / All services (e.g. Azure Portal) are not always MFA protected

**→ Enforcing MFA good, registering it better!**



### Password spray

*Test the most frequently used passwords on identified accounts*

- / Ex: Early 2020, 30 000 were tested in 2 days (all ingredients are available on the internet)
- / 99% of password spray based on legacy protocols, such as IMAP, POP, etc. (Microsoft)
- / Legacy protocols do not support MFA and will be deprecated for the second half of the second half of 2021

**→ Do not wait 2021 to cut legacy protocols (with Conditional Access AND admin center)**



## **TOKENS INTERCEPTION**

*MFA is not a silver bullet*





## Refresh token with MITM attack (2018)

*Combination of phishing with real time verification and reverse proxy (e.g. Evilginx2)*

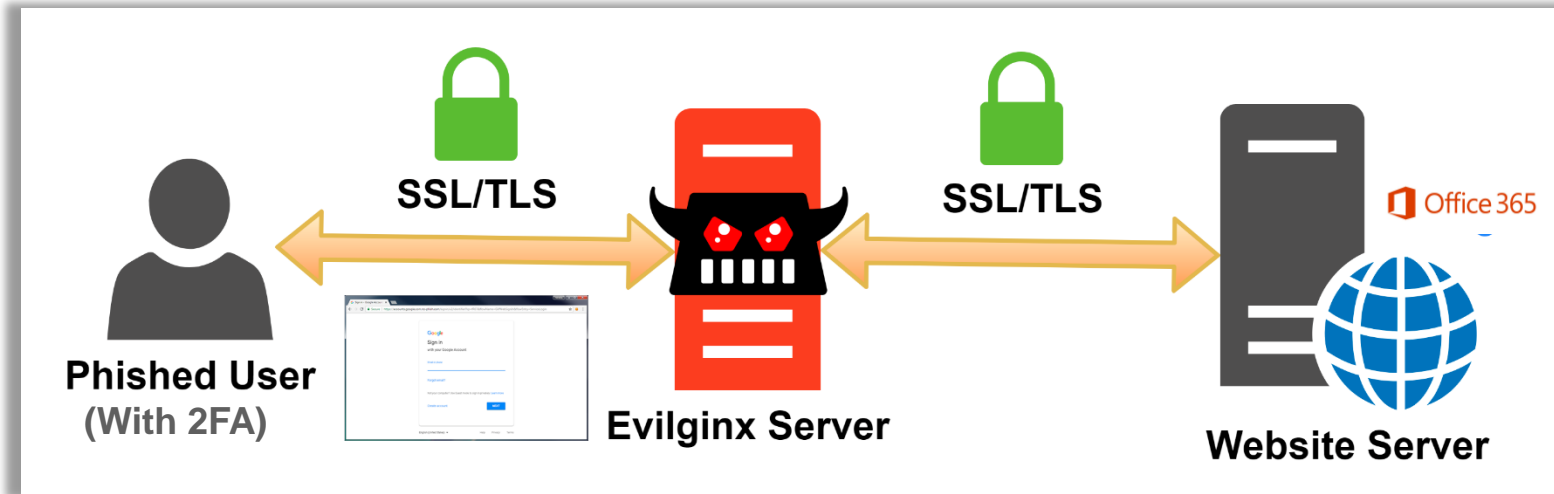
- / Relay between the user and the applications
- / Server collect the credentials and the authentication token after a simple / multi factor authentication

➔ **From MFA to Conditional Access**

## TOKENS INTERCEPTION

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## *An example of MITM attack with Evilginx2 for O365 (2018)*



<https://breakdev.org/evilginx-2-next-generation-of-phishing-2fa-tokens/>

“

Instead of serving templates of sign in pages lookalikes, Evilginx becomes a relay between the real website and the phished user. Phished user interacts with the real website, while Evilginx captures all the data being transmitted between the two parties.

”

### **Effective counter-measures within Office 365**

U2F

Conditional Access  
with IP

Conditional Access  
with joined device

Conditional Access  
with compliant  
device

IDP accessible  
only through VPN

IDP with  
certificate based  
authentication



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Refresh token with device code attack (2020)  
*Simulate an input-constrained device to request an authentication on a trusted environment*

- / Rely on OAuth device code protocol (Very simple to implement)
- / By design, Azure AD sees only attacker context
- / Most of company are today vulnerable (e.g. against third-party conditional access: IP or certificate-based authentication)

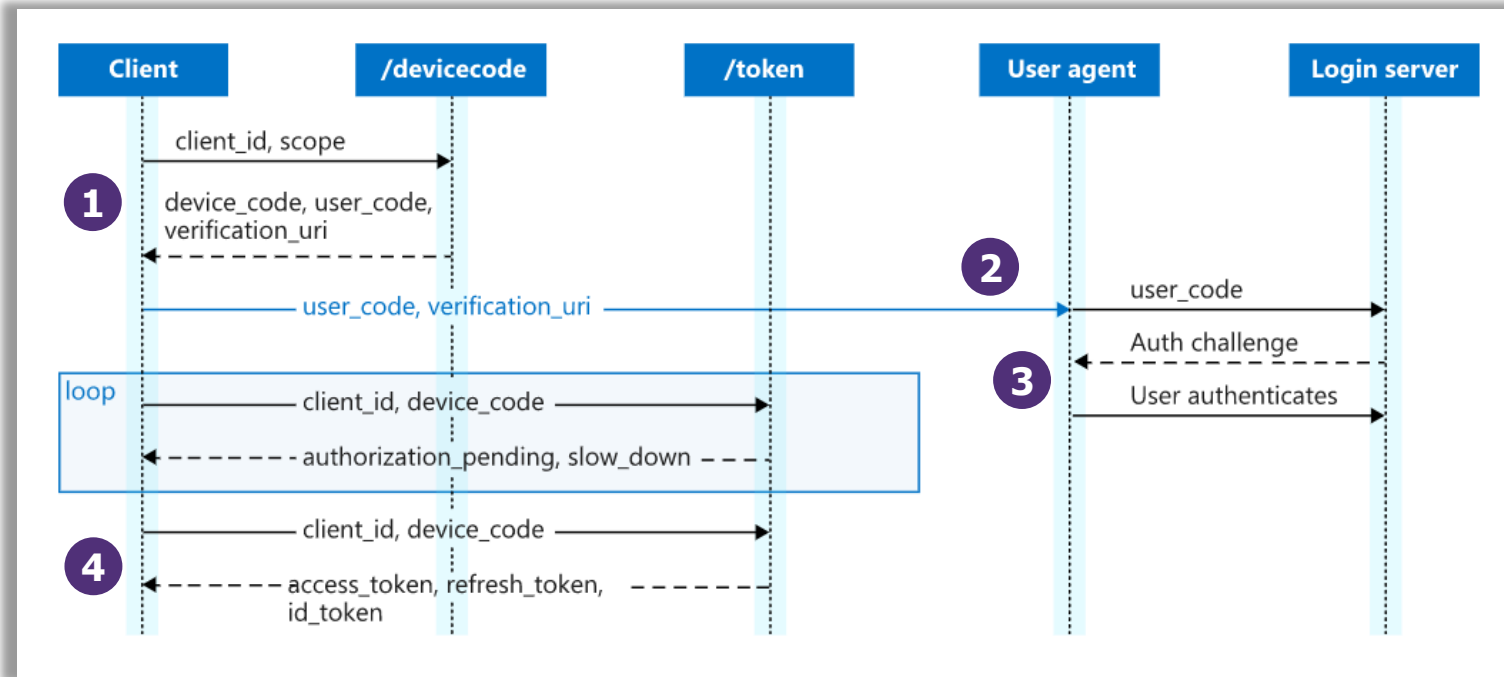
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## *An example of device code attack (2020)*



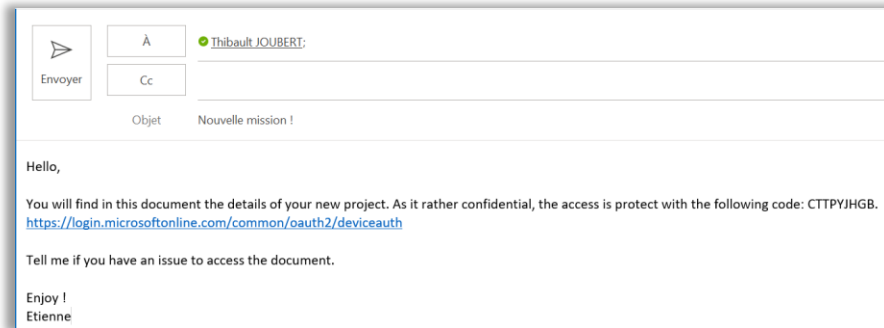
- 1 An attacker **connects to /devicecode** endpoint and sends `client_id` and resource to get `user_code` and `verification_uri`
- 2 Send to the victim **the verification\_uri** (<https://login.microsoftonline.com/common/oauth2/deviceauth>) **and user\_code**
- 3 Victim **clicks the link, provides the code and completes the sign in** (according the authentication policy in place)
- 4 The attacker **receives access\_token and refresh\_token** and can now mimic the victim

# An example of device code attack (2020)

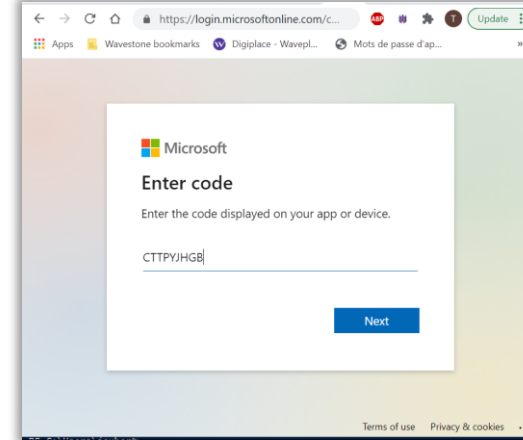
```
PS C:\Users\joubert>
# Tentative to reach Office applications through Graph Explorer
$body='{
  "client_id" = "d3590ed6-52b3-4102-aeff-aad2292ab01c"
  "resource" = "https://graph.windows.net"
}'

# Launch device code flow to get device and user codes
$authResponse = Invoke-RestMethod -UseBasicParsing -Method Post -Uri "https://login.microsoftonline.com/common/oauth2/devicecode?api-version=1.0" -Body $body
$device_code = $authResponse.device_code
$user_code = $authResponse.user_code
$device_code
$device_code
C00P2J733
```

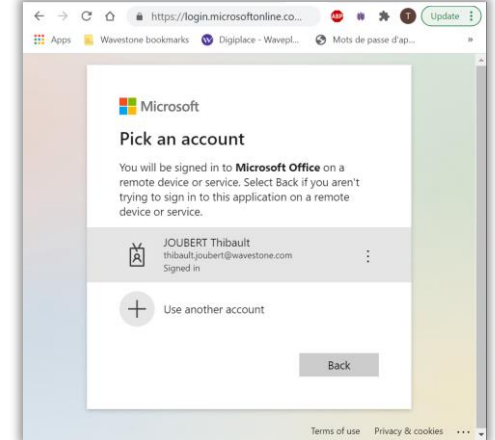
***The attacker launches device code flow***



***Share the bait: sensitive document***



***The user enter the provided code in the 100% Microsoft url***



***After the usual authentication (in a trusted context), the attacker gets an access token***

The authentication of the user is performed in a trusted environment

The only clue is the fact the request to access O365 comes from the attacker's context

## Effective counter-measures within Office 365

AAD / CASB  
Conditional Access  
with IP address

AAD / CASB  
Conditional Access  
with device joined

AAD / CASB  
Conditional Access  
with compliant devices

CASB with certificated  
verification



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**CONDITIONAL ACCESS**  
*Evaluation of context must be performed for the authorization not the authentication*





## **OAUTH CONSENT**

*A wolf in sheep's clothing*



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### Azure AD Applications

*Mislead users to grant permissions*

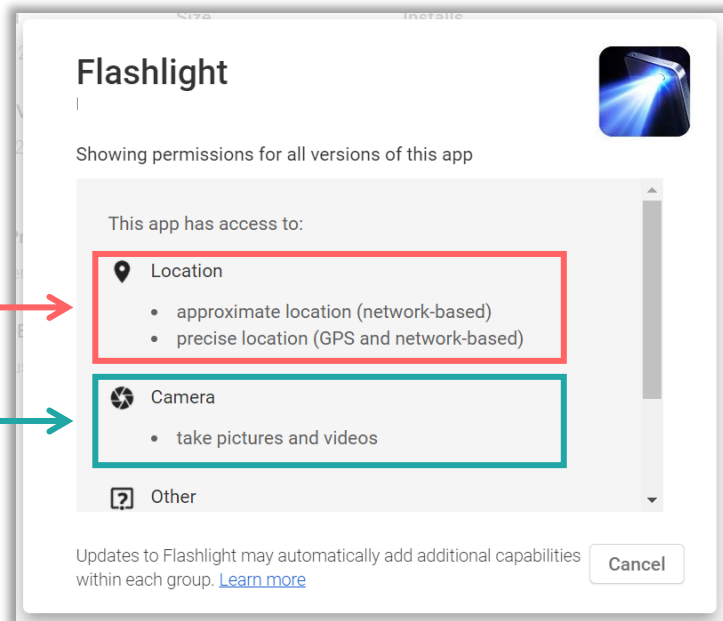
- / OAuth framework allow authorized third-party apps to perform action on the behalf of a user
- / By default, a user can give consent for "non sensitive permissions". But sensitive is relative!
- / Ex: Synchronization OneDrive to Google Drive
- / Ex: Dump of Azure Active Directory

➔ **Prevent users to give their consent and define an application management process**

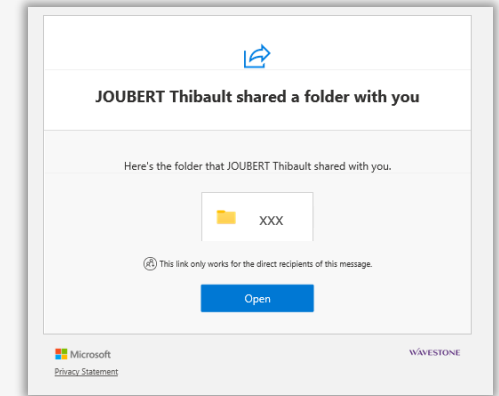
*Remember this?*

**Legitimate permissions?**

**Legitimate permissions**



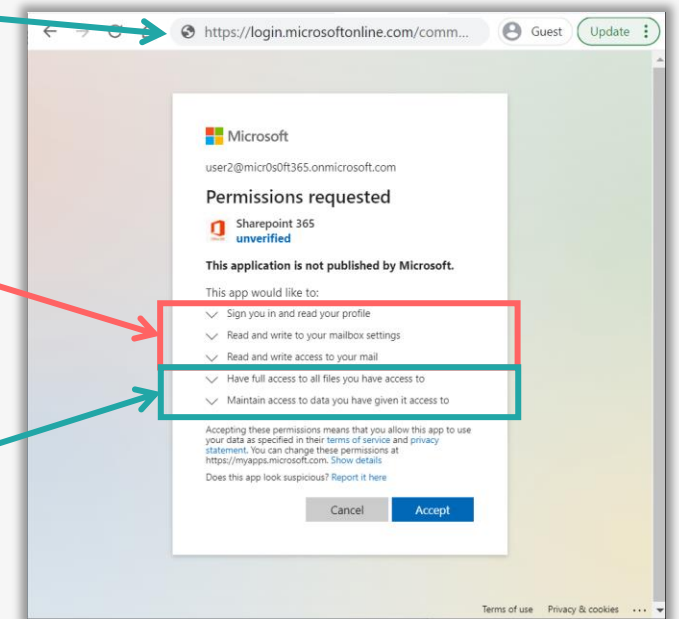
**IT'S THE SAME THING FOR O365!**



**Url 100% Microsoft**

**Legitimate permissions?**

**Legitimate permissions**







## Azure AD Applications

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## MANAGE THIRD-PARTY APPS

*And include SharePoint, Office, Teams, Power Automate, Power BI add-ins and connectors*

# How to keep a foothold within Office 365?



## Create a guest account

/ *Less strict Conditional Access & No lifecycle*

## Registration of a new application with the associated secret

/ *User Impersonation*

/ *Privilege escalation (if the Application Admin role is compromised)*

## Consent permissions to Azure AD third applications

/ *User Impersonation with the use of OAuth permission*

**Attackers mainly  
rely on lack of  
governance and  
basic hardening**



## Creation of email transfer rule within Exchange Online

/ *Full or partial transfer of incoming emails to an external mailbox*  
*Note that Microsoft is to switch Automatic forwarding to "Off" by default*



## Creation of a Power Automate (ex-Microsoft Flow)

/ *The use of Power Automate cannot be blocked (but connector can be prevented to access business data)*  
/ *By-pass of email transfer interdiction rule, Synchronization of documents, etc.*

*\*Most of the ~10 Office 365 audits carried out this year did not comply with these controls*

## **LATERAL MOVEMENTS** *phase and ...* *Searching a target*

More phishing ... more persistence ...

More phishing ... more persistence ...

More phishing ... more persistence ...



**Until finding interesting accounts**  
(VIP, Global accounts, “shadow  
admins” as Application Admin or  
Privileged Administrator Account)

## **... ACTION ON OBJECTIVES** *phase* *Bingo!*

### **Business Email Compromise**

**Data theft** (e.g. automated with workflow or API)

**Data destruction** (e.g. with retention policy)

### **Corporate spying**



eDiscovery  
Graph API  
Retention label





# What **MUST** you have in your Office 365 security roadmap?



01

## Back to basics

### Now:

- / Review the opening and the hardening of the services
- / Meet your workplace counterpart and work together
- / Raise awareness

### Tomorrow:

- / Keep Evergreen



02

## Authentication

### Now:

- / Adopt MFA, disable legacy authentication, enforce smart lock out
- / Reinforce password settings

### Tomorrow:

- / Build your modern workplace with UEM
- / Implement a true conditional access
- / Go passwordless
- / Sync the hashes into the Cloud for resilience purposes



03

## Emails

### Now:

- / Review EOP settings and Exchange Transport Rule to filter emails
- / Implement anti-spoofing

### Tomorrow:

- / Migrate your gateway in the Cloud and cover all flows and emails at rest



04

## Privileged access management

### Now:

- / Review your privileged admins

### Tomorrow:

- / Leverage Microsoft advanced capabilities with cloud accounts (, Azure PIM, Azure AD Id Protection, etc.)



05

## Detection & Reaction

### Now:

- / Keep your logs
- / Know of to react in case of compromise

### Tomorrow:

- / Think your supervision to cover the main threat and common attacks (MITRE ATT&CK)
- / Leverage Security Graph API and advances tools machine learning to support your SOC teams

**THANK YOU**