

## CUSTOMER STORY

# INTERNATIONAL RETAILER BOLSTERS SECURITY OPERATIONS

Use case for Red Team Assessment



## Former cyber breach target initiates assessment

Proactive preparation is key to getting ahead of targeted adversary attacks, including periodic independent evaluation of the organization's current prevention, detection and response capabilities. Virtually all breached organizations think their security program is effective – until they find out the hard way that it isn't.

Mandiant has a world-class reputation responding to the most complex breaches worldwide. Knowing this, the retailer engaged a Mandiant red team assessment to objectively evaluate their detection and response capabilities against targeted attacks. A no-holds-barred simulated attack scenario was conducted in the client's environment, emulating current, real-world threats. The red team consultants worked with the retailer's senior leaders to identify a set of jointly agreed upon objectives that focused on high-risk areas of the business.

## Situation

A popular global clothing retailer suffered a harmful cyber breach involving theft of its customers' personal data. After remediation efforts were concluded, the organization's security leaders committed to revamping their program infrastructure. They quickly recognized the need to assess the effectiveness of their cyber security posture and existing operational controls in the event of another targeted attack against their critical assets, which they identified as customer credentials, employee data, payment information and point-of-sale (POS) systems.

### Meeting assessment objectives

Over the course of an eight-week engagement, Mandiant experts evaluated the organization’s prevention, detection and incident response capabilities by simulating a determined attacker. This evaluation went far beyond compliance checklists—it examined the client’s ability to detect malicious activity and respond to the detected events by observing the processes, tools and staffing deployed in response to threat activity.

The red team simulated a full attack lifecycle—from initial reconnaissance to mission completion (Fig. 1).

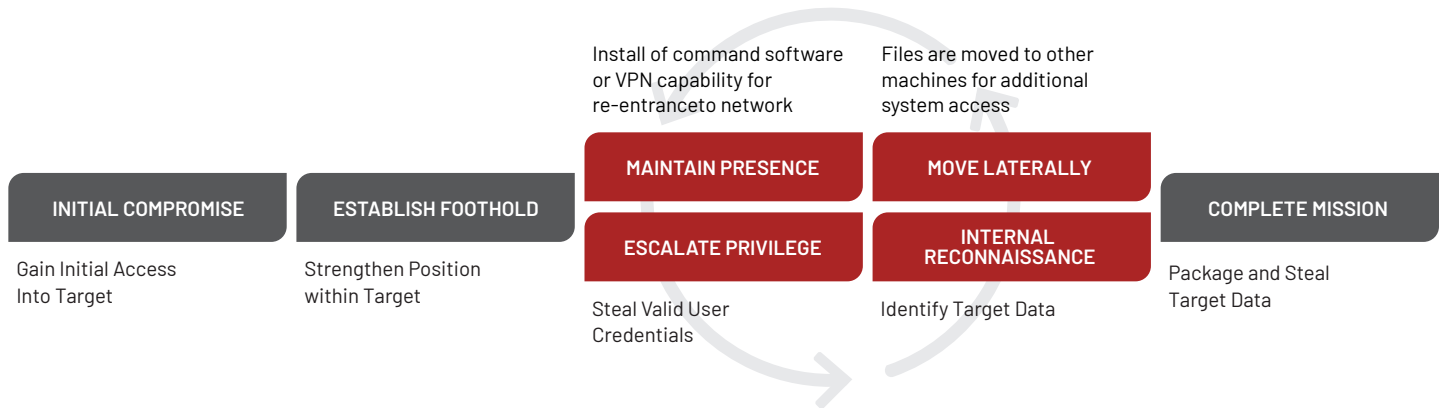


FIGURE 1. Cyber attack lifecycle.

TABLE 1. Red team attack lifecycle simulation activity.		
Lifecycle phase	Duration	Scenario Tactics
Initial compromise	3 days	<ul style="list-style-type: none"> <li>• Recon-based phishing</li> <li>• Domain fronting</li> <li>• Obfuscated payload</li> </ul>
Establish foothold	1 day	<ul style="list-style-type: none"> <li>• Registry persistence</li> </ul>
Lateral movement	Ongoing over 7 weeks	<ul style="list-style-type: none"> <li>• WMI and Powershell frameworks</li> <li>• 2-Factor bypass using SMB sessions</li> <li>• Segmentation bypass through pivoting</li> </ul>
Escalate privileges	—	<ul style="list-style-type: none"> <li>• Kerberoasting – 1 day</li> <li>• Credential dumping – Ongoing over 7 weeks</li> </ul>
Internal reconnaissance	Ongoing over 7 weeks	<ul style="list-style-type: none"> <li>• Interrogation of network hosts</li> </ul>
Maintain presence	Ongoing over 7 weeks	<ul style="list-style-type: none"> <li>• Expanding network positions</li> </ul>
Complete mission	2 weeks	<ul style="list-style-type: none"> <li>• Enabling admin logon using API interface</li> <li>• Exfiltration using HTTPS</li> </ul>

Mandiant consultants tested the detection and response capabilities of the retailer's current security function by performing the following tactics.

Through these exercises, Mandiant experts revealed the true impact a sophisticated attacker can have on the organization's cyber environment.

### Initial compromise

**Recon-based phishing.** The red team performed targeted phishing attacks on employees identified by the organization and executed lures based on reconnaissance findings.

**Domain fronting.** The domain name of a reputable site was used for initial connection. While this well-known domain was exposed to the gateways in clear-text, the domain name of the actual target server was only communicated after the establishment of an encrypted HTTPS connection. This information was hidden from the organization's security technology deployed at the gateway.

**Obfuscated payload.** The red team constructed an implant and disguised it using the Veil Evasion tool. This created a Windows executable file that served as a means to obtain an initial foothold into the retailer's network. Use of the tool's Python Packer prevented detection by most common antivirus applications.

### Establish foothold

**Registry persistence.** The red team established a foothold by installing a persistent backdoor to the retail manufacturer's host systems, which became accessible after initial compromise.

### Escalate privileges

**Domain access.** The red team obtained domain privileges by using a technique called Kerberoasting. This technique targeted accounts used to run services (such as MSSQL, J2EE, SCCM, Citrix) within the domain and other trusted domains. These service accounts were registered as service principal names (SPNs) on the domain controller.

Kerberoasting took advantage of the fact that, by design, any domain user could request a Kerberos ticket for any domain service, regardless of whether the user was granted access to the service. Each ticket contained a hashed form of the service account password which was then attacked offline.

**Credential dumping.** Local administrator logins were used to dump credentials in memory for pass the hash attacks or password cracking of over 30 passwords.

### Internal reconnaissance

**Interrogation.** Using the initially acquired list of client domain computers, the red team began interrogating the network's reachable hosts by inspecting the activity of users who had active sessions on hosts to which the red team had gained access.

This process was repeated as new network perspectives were gained through lateral movement. This information was then used to dump credentials on hosts of interest after lateral movement was achieved.



**Domain fronting** is a communication technique using different domain names across various layers of communication.

**Kerberos** is a network protocol that uses secret-key cryptography to authenticate client-server applications.

**Kerberoasting** takes advantage of how service accounts use Kerberos authentication with service principal names (SPNs) and allows password cracking for those accounts.

**Lateral movement**

**WMI and Powershell.** The red team used WMI and Powershell frameworks to execute the in-memory payload across hosts to achieve lateral movement.

**2-Factor bypass.** The red team bypassed 2-factor controls on remote desktop protocol (RDP) interfaces by using server message block (SMB) sessions to infiltrate such restricted systems including production and infrastructure administration servers.

**Segmentation bypass.** The red team used dual-homed hosts to pivot from accessible segments where the red team gained an initial foothold to restricted segments, such as the production and administration servers.

**Maintain presence**

**Expanding presence.** The red team continued to establish backdoors and alternate callbacks from restricted segments that allowed navigation to additional areas with increased network accessibility.

**Complete mission**

**Administrator login.** The red team bypassed 2-factor controls that were set on the retailer’s POS devices being used to restrict administrator access. This was accomplished by disabling the 2nd factor from the POS API interface and logging in as an administrator.

**Accessing PII.** The red team proved they were able to access personal customer data (such as email addresses, phone numbers, home addresses, usage history) by using a cloud hosted API interface with API keys from developer emails.

**Taking action**

After the assessment was completed, the customer received tactical and strategic recommendations for immediate and long-term improvements. Because multiple ineffective controls were discovered and business risks continued to accumulate, the CISO worked closely with Mandiant experts to strengthen the organization’s detection capabilities and ultimately reduce overall incident response time.

- Based on these recommendations, the retail manufacturer reprioritized its security investments:
- Implementation of endpoint and detection response (EDR) products and egress monitoring systems
- Adoption of an augmented IR plan
- Mandate for routine use of prescriptive playbooks addressing:
  - Phishing
  - Data theft
  - Compromised credentials
  - Malware
  - Denial of service
  - Ransomware
  - Compromised system
  - Security violations
  - Unlawful activity
  - Vulnerability exploitation
  - Other criminal activity



FIGURE 2. Cyber attack lifecycle.

## Red teams raise critical vulnerability awareness

**WMI and Powershell.** The customer deployed a Mandiant Red Team Assessment to test the detection and response capabilities of its current security function. Their security team gained first-hand experience responding to a real-world target attack—without actual risk to the business.

Through these exercises, Mandiant experts revealed the true impact a sophisticated attacker has on an organization's cyber environment. This assessment uncovered significant gaps in the retailer's security posture and the effectiveness of their existing processes, increasing the organization's awareness of current vulnerabilities that attackers could use in a future attack.

The red team engagement succeeded in helping the organization learn from their incident response shortfalls and build a roadmap for immediate and long-term improvements. Ultimately, the results of this assessment helped justify additional security budget and the need for periodic maturity evaluations to maintain the retailer's ability to outmaneuver advanced attackers.

Learn more at [www.mandiant.com](http://www.mandiant.com)

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### About Mandiant

Since 2004, Mandiant has been a trusted security leader to organizations that can't afford to fail. Today Mandiant delivers decades of frontline insights at scale through easy-to-deploy and consume SaaS solutions for provable and transformative cyber defense.

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