



# Ransomware in Manufacturing

Dragos & SideChannel Series Pt. 2

**Brian Haugli, Co-Founder, SideChannel**

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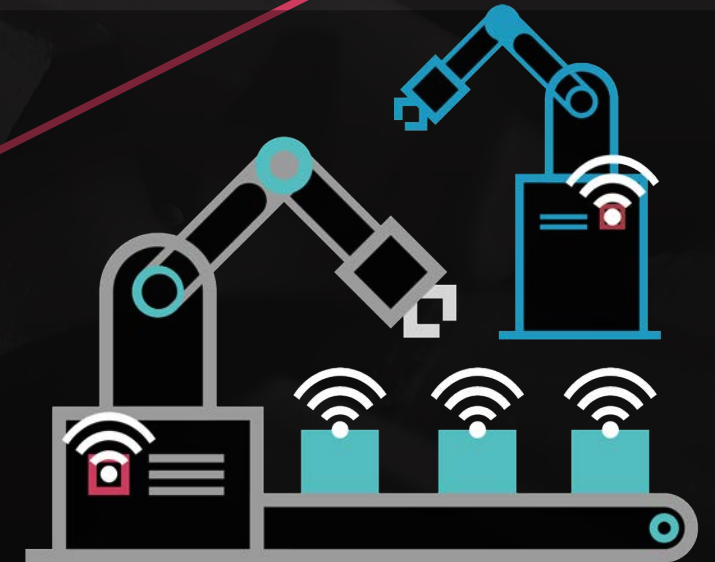
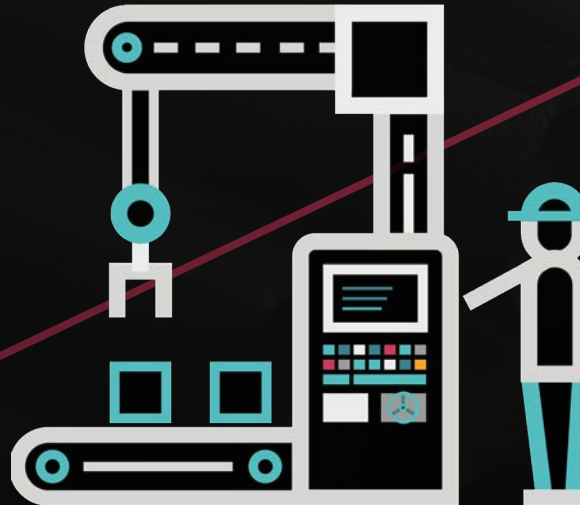
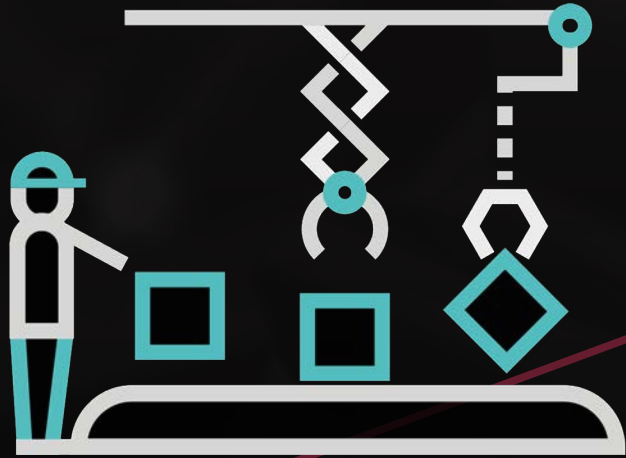
**Berardino Baratta, VP, Projects and Engineering, MxD**

# Evolution of Operational Technology (OT)

STAND-ALONE

LOOSELY CONNECTED

HIGHLY CONNECTED



standardization

3<sup>rd</sup> Industrial Revolution

Automation of Production by Electronics

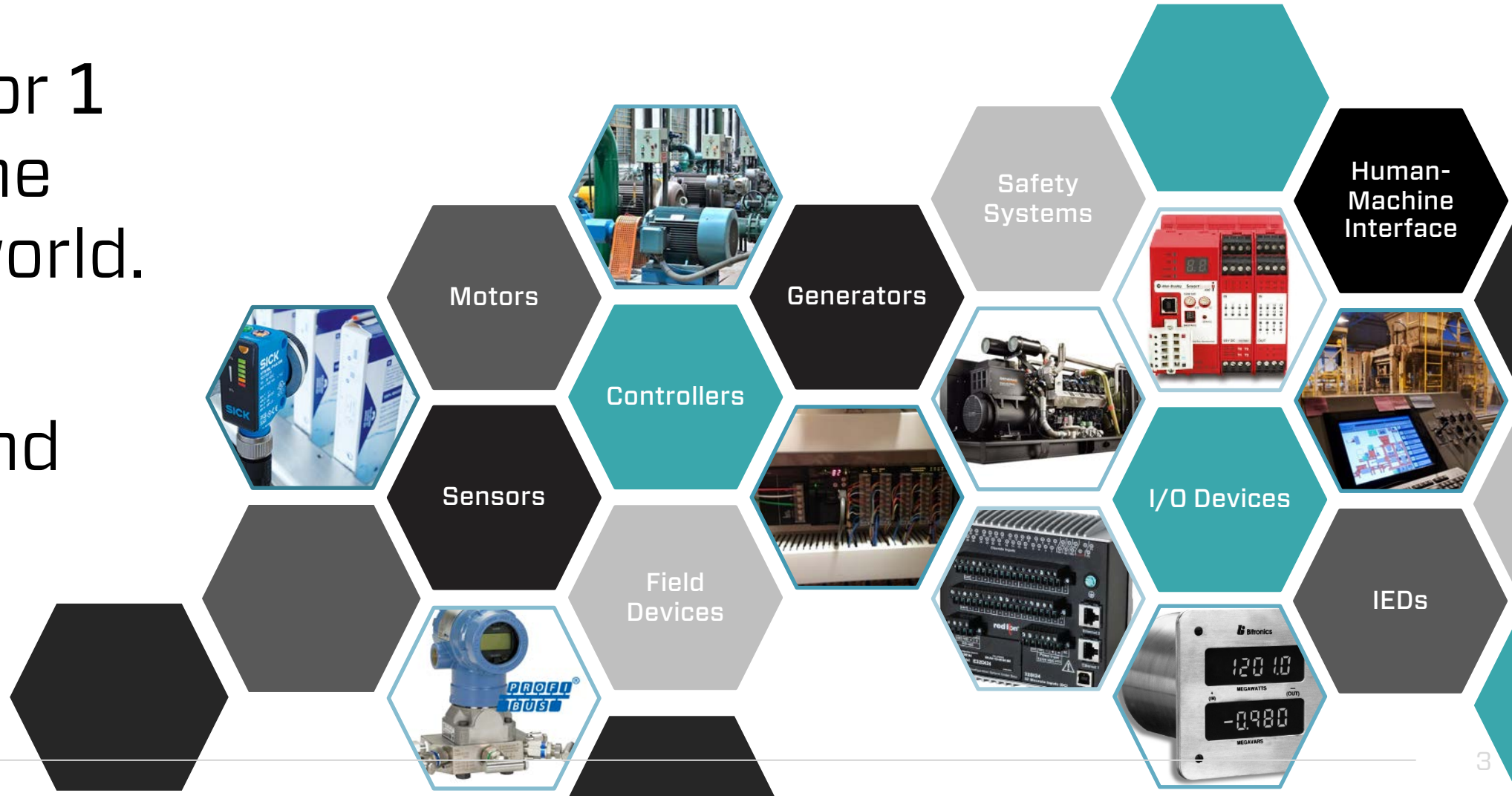
DCS | Distributed Control System  
SCADA | Supervisory Control & Data Acquisition

4<sup>th</sup> Industrial Revolution  
Smart Connected Systems  
"Industry 4.0" // "Industrial IoT"

# What are industrial control systems?

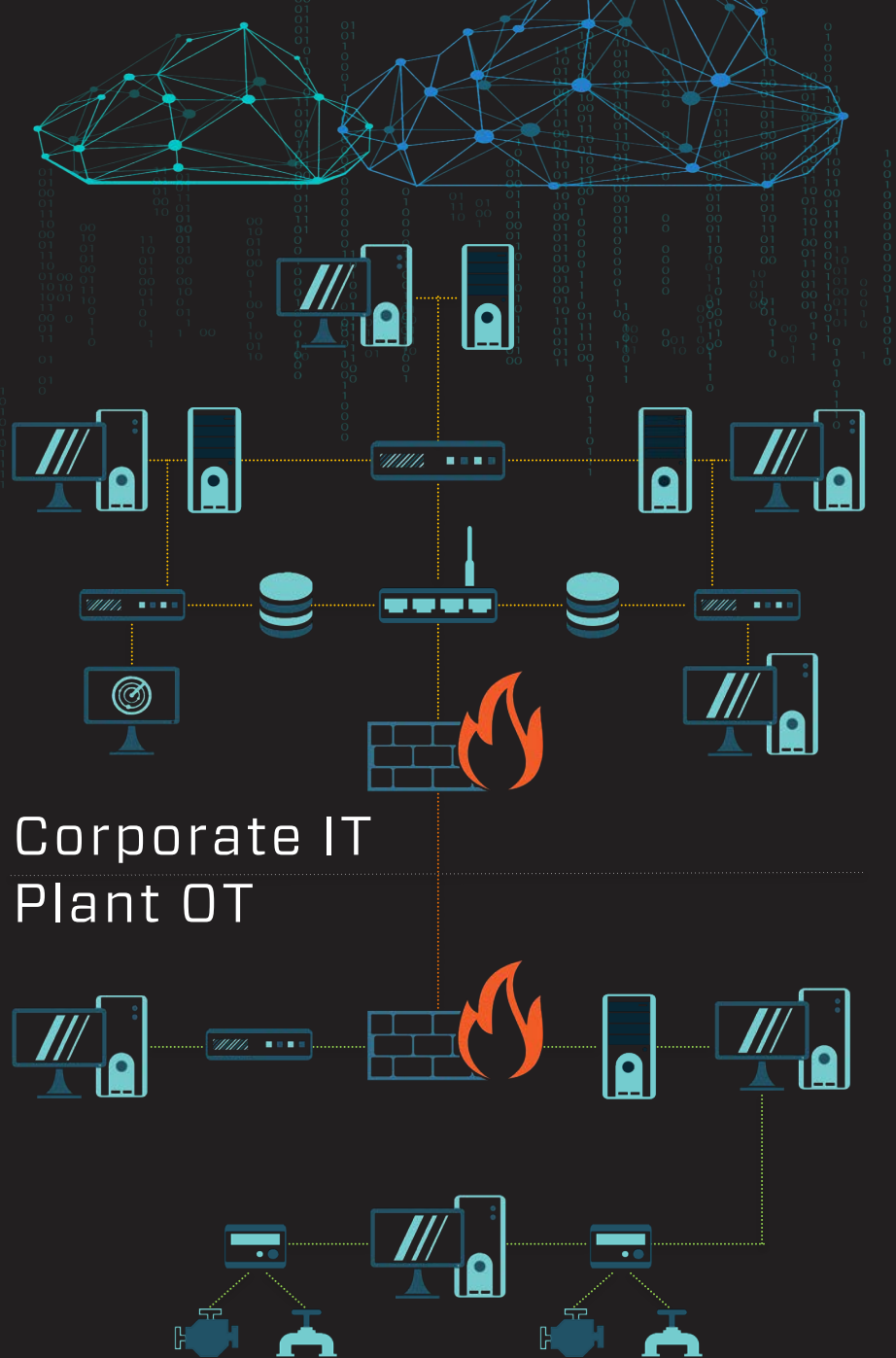
When a 0 or 1  
impacts the  
physical world.

Devices and  
systems  
include:





# INDUSTRIAL ATTACKS: IT and OT

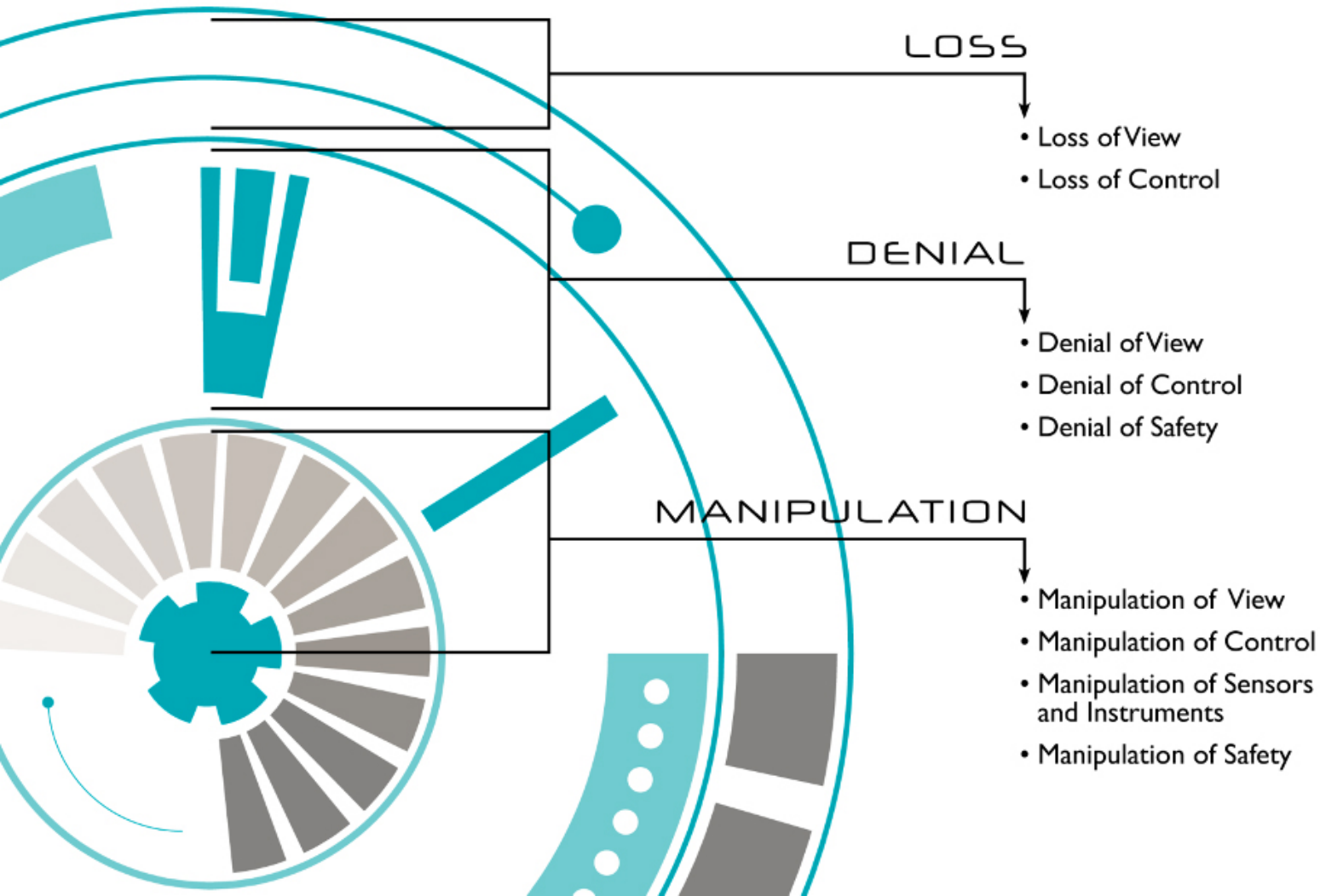


STAGE 1

STAGE 2

Stage 1 and Stage 2 work together to impact industrial processes, stretching across both IT and OT networks

# Industrial Process Impacts



For ICS-specific capabilities, the impact would be focused on *operational* impacts.



ENTER

RANSOMWARE

# Evolution of Ransomware

Pre-2017

- Primary targeting via phishing, malicious websites
- Single victim, single machine focus

2017-2018

- RISE OF THE WORMS
- Single victim machine, opportunistic targeting

2018-Present

- Interactive operations to attack corporate networks
- Hold entire networks hostage





# WannaCry

11:12 AM Eastern

150+  
countries

230+  
companies



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MIKE MCQUADE

ANDY GREENBERG SECURITY 08.22.2018 05:00 AM

## The Untold Story of NotPetya, the Most Devastating Cyberattack in History

Crippled ports. Paralyzed corporations. Frozen government agencies. How a single piece of code crashed the world.

IT WAS A perfect sunny summer afternoon in Copenhagen when the world's largest shipping conglomerate began to lose its mind.

Most Popular



MAERSK



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## One Year After NotPetya Cyberattack, Firms Wrestle With Recovery Costs

Fedex says its expenses tied to malware attack was \$400 million over past year, Merck put costs at \$670 million in 2017

By Kim S. Nash, Sara Castellanos and Adam Janofsky

Updated June 27, 2018 12:03 pm ET

# NotPetya... Not Ransomware

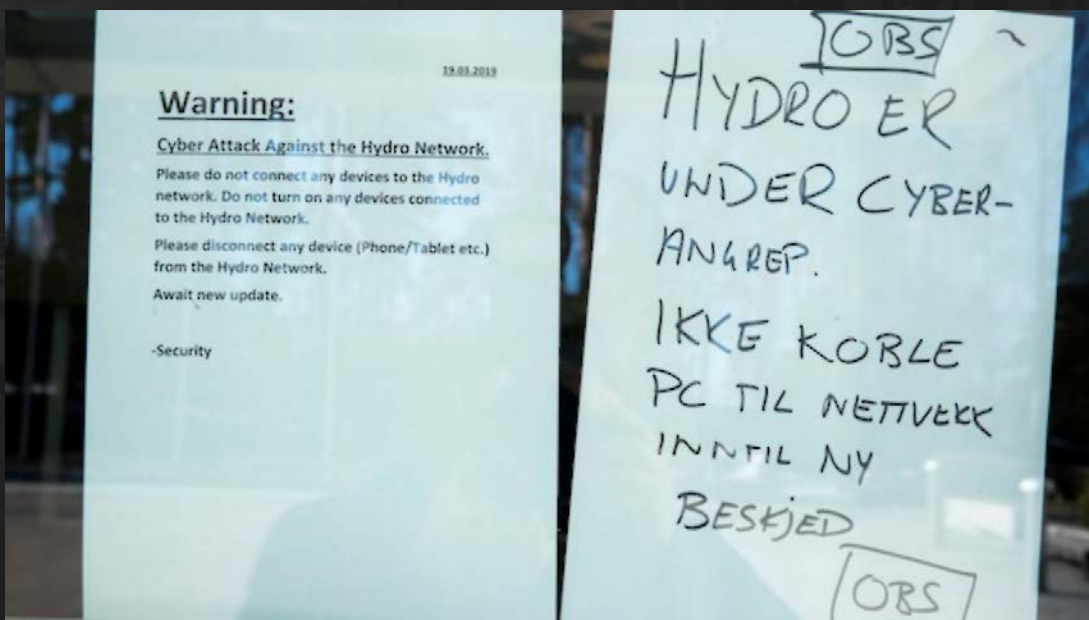
“Wiper disguised as ransomware,” with increased collateral damage beyond any initial targets.

**+\$10B** in estimated damages

**2M** computers impacted in 2HRs

**+65** countries involved in response

# Norsk Hydro & LockerGoga



## ...at execution...

- Removes self, launches child process
- Writes ransom note

## ...through encryption...

- Encrypts files, binaries, etc
- Changes local user and admin credentials

## ...to lock out...

- Disables system network card
- Logs off all logged-in users

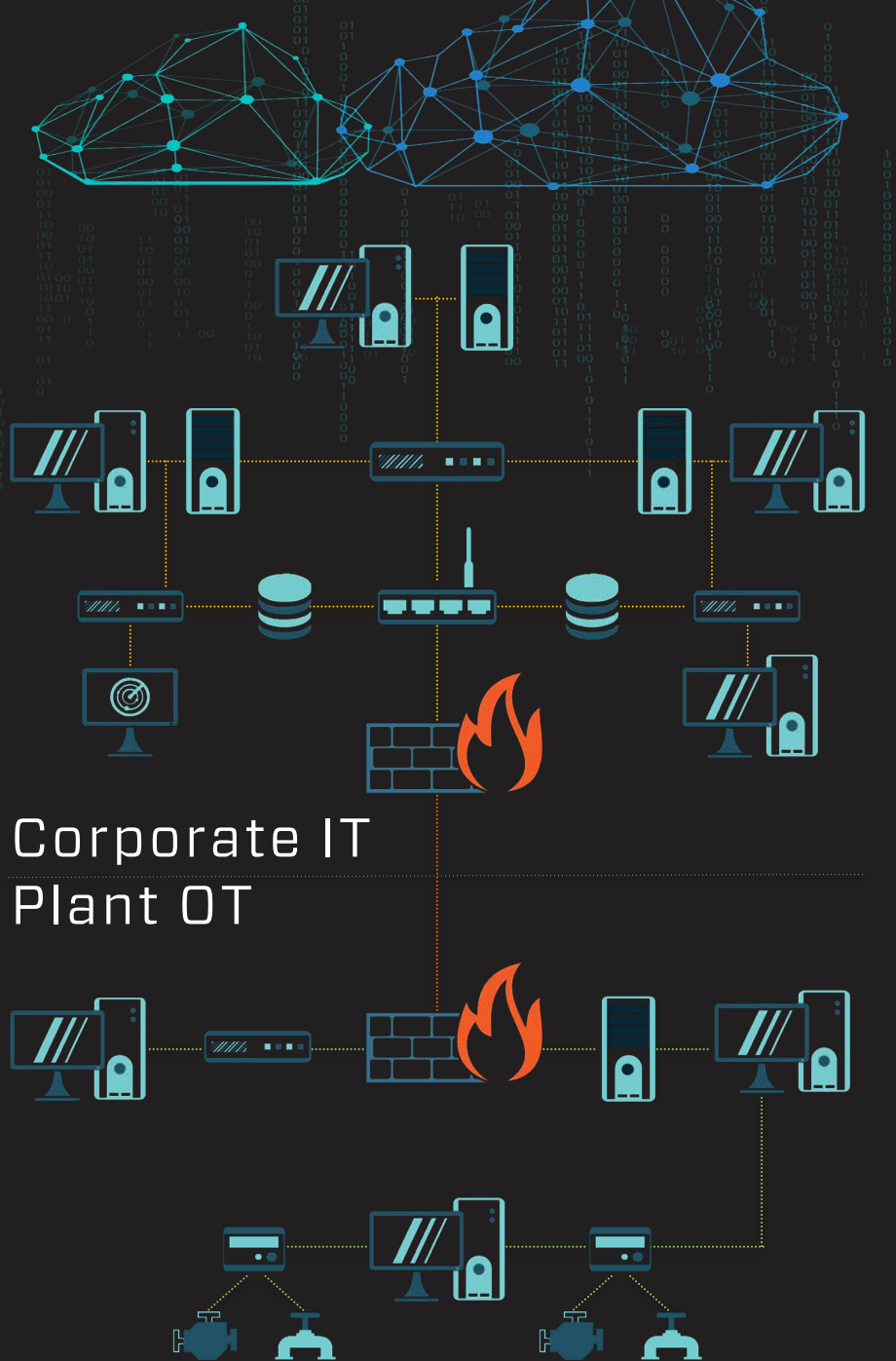
# IT-Centric RANSOMWARE in OT Systems

Again, think back to the **ICS Cyber Kill Chain** – there are no OT-specific knowledge or tools leveraged during these events.

**OT was collateral  
damaged**

STAGE 1

STAGE 2



# Trends & Considerations



## EKANS and ICS

- Ransomware with ICS-specific system processes highlighted



## Ransom = \$\$\$

- What are organizations willing to pay to unlock data?
- Whole networks?
- Entire industrial facilities?



## Ransomware vs. Wiper

- Careful distinction, but would that change your behavior?
- Regardless of paying the ransom, would you ever trust that device again?



## What's next?

- Ransomware evolution over the past few years shows trending towards bigger impacts





# Thank You!

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