# 

# **Threat Intelligence Report**

# XZ Utils Supply Chain Attack Highlights Pitfalls of Open-Source Software Dependencies

Open-source code is ubiquitous in today's applications – one study of commercial codebases across 17 industries found that 96% contained open-source code. Open-source software projects often claim to be secure, as the source code is publicly available for audit and regularly evaluated by contributors. However, in March 2024 a researcher discovered a vulnerability in XZ Utils, an open-source data compression utility present on nearly all installations of Linux and other Unix-like operating systems. The code manipulation appeared to be an intentional modification, resulting in a vulnerability that NIST assigned the highest-possible severity score of 10.0.<sup>1</sup> This vulnerability can result in unauthorized remote access under certain conditions and was likely purposefully crafted by a trusted developer over several years, highlighting the opportunity open-source software presents to threat actors committed to the long-term planning of their attacks.

### **THREAT ACTIVITY**

- Using the alias Jia Tan, the threat actor responsible for the XZ Utils backdoor began contributing to open-source software projects on GitHub in 2021, and gained "commit access," or the ability to modify the code repository, to XZ Utils in January 2023, eventually achieving release manager rights. Jia Tan became increasingly involved in the XZ Utils utility, adding modifications which laid the groundwork for eventual implementation of the backdoor. This included requesting that "oss-fuzz," a project that scans open-source software for vulnerabilities, disable a particular function during testing, preventing "oss-fuzz" from detecting the malicious changes made to XZ Utils.
- In February 2024, Jia Tan successfully implemented this backdoor in two iterations. In version 5.6.0, the threat actor added code to the XZ repository enabling injection of the backdoor on Debian and Fedora distributions.2 Version 5.6.1 introduced the ability to execute additional shell scripts during the build phase. This phased approach was likely intentional to make future updates to the backdoor less suspicious.
- Following the implementation of the backdoor, Jia Tan appealed to the developers of the Ubuntu, Red Hat, and Debian distributions to merge the updates into their operating systems. If not for a single researcher discovering the backdoor, this merge would have likely occurred, significantly expanding the reach of potential supply chain compromises.

### THREAT ASSESSMENT

- The decentralized responsibility for maintaining open-source software leaves space for abnormalities to be missed or overlooked, increasing vulnerabilities and risks.
- Threat actors are likely to target widely-used open-source libraries to reach the maximum number of potential victims. This includes infiltrating third parties and leveraging that access to gain entry to connected entities.
- While open-source software is perhaps easier for threat actors to access and manipulate, threat actors may seek to deploy similar long-term social engineering tactics against software development vendors to infect closedsource components, which are not available for public scrutiny and analysis.

### **RECOMMENDED ACTION**

- Identify open-source dependencies and those of key vendors: create and maintain a Software Bill of Materials (SBOM) that inventories opensource components.
- Plan for supply chain compromises in your Incident Response Plan (IRP).
- Ensure you are up-to-date on the latest cyber threat intelligence related to critical vulnerabilities, malicious code, or other security risks associated with open-source software.
- Maintain vigilance when using open-source software and patch as updates become available.
- Use automated security testing (e.g., scanning software for vulnerabilities with an automated tool) to identify and mitigate software security issues with open-source code.

### Footnotes:

#### CVE-2024-3094

<sup>2</sup>Linux distribution systems compile code from various open-source projects and combine it into a single operating system that can be installed and booted up. Some of these distributions are entirely communitydriven, while others are commercially backed.

#### Sources include open-source information from public and private industry reporting.

- Intel Profile Detail Microsoft Defender
- <u>GitHub About commits</u>
- The XZ Backdoor: Everything You Need to Know
- Reported Supply Chain Compromise Affecting XZ Utils Data Compression Library, CVE-2024-3094
- Why open-source software supply chain attacks have tripled in a year
- XZ Utils Backdoor | Threat Actor Planned to Inject Further Vulnerabilities
- 2024 Open Source Security and Risk Analysis Report

## Why FTI Cybersecurity



SOURCES

### **Multidisciplinary Expertise**

Intelligence-led, expert-driven, strategic approach to cybersecurity challenges

Core team from intelligence agencies, law enforcement, prosecuting offices, and global private sector institutions



### **Globally Positioned**

Ability to respond anywhere in the world

Ability to staff the largest and most complex engagements and investigations

Relationships with the top global intelligence agencies, regulatory authorities, and private agencies



### **Integrated & Comprehensive**

Comprehensive services include crisis communications, e-discovery, forensic investigations, and more

Seamless integration of FTI Consulting's expertise across service offerings

# FTI Cybersecurity Global Offices

### Americas

Atlanta Boston Chicago Dallas Houston Irvine Los Angeles Mexico City Miami New York Philadelphia Roseland San Francisco Sao Paulo Seattle Toronto Washington, DC Wayne

### **EMEA**

Berlin Brussels Cape Town Dubai Dublin Dusseldorf Frankfurt Johannesburg London Madrid Mumbai Munich Paris Zurich

Sydney Tokyo

### APAC

Brisbane Hong Kong Melbourne Perth Shanghai Singapore

CONTACT FTI CYBERSECURITY

Email: #fticybersecurity@fticonsulting.com Phone: +1-844-CYBR-FTI (+1-844-292-7384)

FTI Consulting is an independent global business advisory firm dedicated to helping organizations manage change, mitigate risk and resolve disputes: financial, legal, operational, political & regulatory, reputational and transactional. FTI Consulting professionals, located in all major business centers throughout the world, work closely with clients to anticipate, illuminate and overcome complex business challenges and opportunities. FTI Consulting, Inc., including its subsidiaries and affiliates, is a consulting firm and is not a certified public accounting firm or a law firm. ©2024 FTI Consulting, Inc. All rights reserved. **www.fticonsulting.com** 

