

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 or 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended March 31, 2020

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____
Commission File Number 001-03970

HARSCO

HARSCO CORPORATION

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

350 Poplar Church Road, Camp Hill, Pennsylvania

(Address of principal executive offices)

Registrant's telephone number, including area code 717-763-7064

23-1483991

(I.R.S. employer identification
number)

17011

(Zip Code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, par value \$1.25 per share	HSC	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes NO

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes NO

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer" "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/> (Do not check if a smaller reporting company)	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). YES NO

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date.

Class	Outstanding at April 30, 2020
Common stock, par value \$1.25 per share	78,884,749

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PART I — FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

HARSCO CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS (Unaudited)

(In thousands)	March 31 2020	December 31 2019
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 66,488	\$ 57,259
Restricted cash	2,300	2,473
Trade accounts receivable, net	320,710	309,990
Other receivables	18,685	21,265
Inventories	167,890	156,991
Current portion of contract assets	50,499	31,166
Current portion of assets held-for-sale	540	22,093
Other current assets	53,668	51,575
Total current assets	680,780	652,812
Property, plant and equipment, net	533,349	561,786
Right-of-use assets, net	50,491	52,065
Goodwill	727,882	738,369
Intangible assets, net	294,720	299,082
Deferred income tax assets	9,476	14,288
Assets held-for-sale	—	32,029
Other assets	50,472	17,036
Total assets	\$ 2,347,170	\$ 2,367,467
LIABILITIES		
Current liabilities:		
Short-term borrowings	\$ 4,820	\$ 3,647
Current maturities of long-term debt	2,758	2,666
Accounts payable	181,760	176,755
Accrued compensation	33,492	37,992
Income taxes payable	15,956	18,692
Insurance liabilities	9,844	10,140
Current portion of advances on contracts	47,822	53,906
Current portion of operating lease liabilities	12,421	12,544
Current portion of liabilities of assets held-for-sale	—	11,344
Other current liabilities	141,877	137,208
Total current liabilities	450,750	464,894
Long-term debt	789,619	775,498
Insurance liabilities	17,019	18,515
Retirement plan liabilities	164,499	189,954
Advances on contracts	53,775	6,408
Operating lease liabilities	35,561	36,974
Liabilities of assets held-for-sale	—	12,152
Other liabilities	77,077	73,413
Total liabilities	1,588,300	1,577,808
COMMITMENTS AND CONTINGENCIES		

(In thousands)	March 31 2020	December 31 2019
HARSCO CORPORATION STOCKHOLDERS' EQUITY		
Preferred stock	—	—
Common stock	144,219	143,400
Additional paid-in capital	201,856	200,595
Accumulated other comprehensive loss	(616,476)	(587,622)
Retained earnings	1,824,241	1,824,100
Treasury stock	(842,987)	(838,893)
Total Harsco Corporation stockholders' equity	710,853	741,580
Noncontrolling interests	48,017	48,079
Total equity	758,870	789,659
Total liabilities and equity	\$ 2,347,170	\$ 2,367,467

See accompanying notes to unaudited condensed consolidated financial statements.

HARSCO CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (Unaudited)

(In thousands, except per share amounts)	Three Months Ended March 31	
	2020	2019
Revenues from continuing operations:		
Service revenues	\$ 291,339	\$ 229,520
Product revenues	107,502	100,382
Total revenues	398,841	329,902
Costs and expenses from continuing operations:		
Cost of services sold	236,319	181,871
Cost of products sold	80,149	69,309
Selling, general and administrative expenses	72,499	56,406
Research and development expenses	1,260	749
Other expenses, net	5,733	1,743
Total costs and expenses	395,960	310,078
Operating income from continuing operations	2,881	19,824
Interest income	193	533
Interest expense	(12,649)	(5,507)
Unused debt commitment and amendment fees	(488)	—
Defined benefit pension income (expense)	1,589	(1,338)
Income (loss) from continuing operations before income taxes and equity income	(8,474)	13,512
Income tax benefit (expense)	682	(1,219)
Equity income of unconsolidated entities, net	96	21
Income (loss) from continuing operations	(7,696)	12,314
Discontinued operations:		
Gain on sale of discontinued business	18,462	—
Income (loss) from discontinued businesses	(225)	13,750
Income tax expense related to discontinued businesses	(9,314)	(3,527)
Income from discontinued operations	8,923	10,223
Net income	1,227	22,537
Less: Net income attributable to noncontrolling interests	(1,086)	(1,840)
Net income attributable to Harsco Corporation	\$ 141	\$ 20,697
Amounts attributable to Harsco Corporation common stockholders:		
Income (loss) from continuing operations, net of tax	\$ (8,782)	\$ 10,474
Income from discontinued operations, net of tax	8,923	10,223
Net income attributable to Harsco Corporation common stockholders	\$ 141	\$ 20,697
Weighted-average shares of common stock outstanding	78,761	79,907
Basic earnings (loss) per common share attributable to Harsco Corporation common stockholders:		
Continuing operations	\$ (0.11)	\$ 0.13
Discontinued operations	0.11	0.13
Basic earnings (loss) per share attributable to Harsco Corporation common stockholders	\$ —	\$ 0.26
Diluted weighted-average shares of common stock outstanding	78,761	81,653
Diluted earnings (loss) per common share attributable to Harsco Corporation common stockholders:		
Continuing operations	\$ (0.11)	\$ 0.13
Discontinued operations	0.11	0.13
Diluted earnings (loss) per share attributable to Harsco Corporation common stockholders	\$ —	\$ 0.25

(a) Does not total due to rounding

See accompanying notes to unaudited condensed consolidated financial statements.

HARSCO CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS) (Unaudited)

(In thousands)	Three Months Ended March 31	
	2020	2019
Net income	\$ 1,227	\$ 22,537
Other comprehensive income (loss):		
Foreign currency translation adjustments, net of deferred income taxes of \$(4,082) and \$1,131 in 2020 and 2019, respectively	(58,566)	9,454
Net loss on cash flow hedging instruments, net of deferred income taxes of \$517 and \$945 in 2020 and 2019, respectively	(1,687)	(3,147)
Pension liability adjustments, net of deferred income taxes of \$(1,710) and \$(342) in 2020 and 2019, respectively	30,269	(1,791)
Unrealized gain (loss) on marketable securities, net of deferred income taxes of \$8 and \$(5) in 2020 and 2019, respectively	(18)	15
Total other comprehensive income (loss)	(30,002)	4,531
Total comprehensive income (loss)	(28,775)	27,068
Less: Comprehensive (income) loss attributable to noncontrolling interests	61	(2,260)
Comprehensive income (loss) attributable to Harsco Corporation	\$ (28,714)	\$ 24,808

See accompanying notes to unaudited condensed consolidated financial statements.

HARSCO CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)

(In thousands)	Three Months Ended March 31	
	2020	2019
Cash flows from operating activities:		
Net income	\$ 1,227	\$ 22,537
Adjustments to reconcile net income to net cash provided (used) by operating activities:		
Depreciation	29,933	30,204
Amortization	6,557	3,045
Deferred income tax expense	4,412	595
Equity income of unconsolidated entities, net	(96)	(21)
Gain on sale from discontinued business	(18,462)	—
Other, net	(2,007)	(279)
Changes in assets and liabilities:		
Accounts receivable	(22,050)	(3,270)
Inventories	(16,412)	(14,448)
Contract assets	(20,311)	6,770
Right-of-use assets	3,429	3,895
Accounts payable	12,308	3,099
Accrued interest payable	(9,891)	89
Accrued compensation	(2,752)	(19,924)
Advances on contracts	40,464	(3,406)
Operating lease liabilities	(3,358)	(3,913)
Retirement plan liabilities, net	(15,534)	(9,403)
Income taxes payable - Gain on sale of discontinued businesses	3,843	—
Other assets and liabilities	(2,836)	(732)
Net cash provided (used) by operating activities	(11,536)	14,838
Cash flows from investing activities:		
Purchases of property, plant and equipment	(27,894)	(36,407)
Purchases of businesses, net of cash acquired	(4,157)	680
Proceeds from sale of business, net	37,219	—
Proceeds from sales of assets	2,185	1,177
Expenditures for intangible assets	(58)	—
Net proceeds (payments) from settlement of foreign currency forward exchange contracts	11,327	(4,091)
Net cash provided (used) by investing activities	18,622	(38,641)
Cash flows from financing activities:		
Short-term borrowings, net	3,697	(3,578)
Current maturities and long-term debt:		
Additions	52,875	56,998
Reductions	(38,709)	(1,700)
Sale of noncontrolling interests	—	876
Stock-based compensation - Employee taxes paid	(3,437)	(8,237)
Deferred financing costs	(1,632)	—
Net cash provided by financing activities	12,794	44,359
Effect of exchange rate changes on cash and cash equivalents, including restricted cash	(10,824)	(17)
Net increase in cash and cash equivalents, including restricted cash	9,056	20,539
Cash and cash equivalents, including restricted cash, at beginning of period	59,732	67,146
Cash and cash equivalents, including restricted cash, at end of period	\$ 68,788	\$ 87,685
Supplementary cash flow information:		
Change in accrual for purchases of property, plant and equipment included in accounts payable	\$ (281)	\$ 6,473

See accompanying notes to unaudited condensed consolidated financial statements.

HARSCO CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF EQUITY (Unaudited)

(In thousands, except share amounts)	Harsco Corporation Stockholders' Equity						
	Common Stock		Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Noncontrolling Interests	Total
	Issued	Treasury					
Balances, December 31, 2018	\$ 141,842	\$ (795,821)	\$ 190,597	\$ 1,298,752	\$ (567,107)	\$ 45,113	\$ 313,376
Adoption of new accounting standards				21,429	(21,429)		—
Net income				20,697		1,840	22,537
Total other comprehensive income, net of deferred income taxes of \$1,729					4,111	420	4,531
Sale of subsidiary shares to noncontrolling interest						876	876
Stock appreciation rights exercised, net 927 shares	2	(8)	(2)				(8)
Vesting of restricted stock units and other stock grants, net 94,229 shares	198	(1,456)	(198)				(1,456)
Vesting of performance share units, net 529,213 shares	1,136	(8,235)	(1,149)				(8,248)
Amortization of unearned portion of stock-based compensation, net of forfeitures			3,664				3,664
Balances, March 31, 2019	\$ 143,178	\$ (805,520)	\$ 192,912	\$ 1,340,878	\$ (584,425)	\$ 48,249	\$ 335,272

(In thousands)	Harsco Corporation Stockholders' Equity						
	Common Stock		Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Noncontrolling Interests	Total
	Issued	Treasury					
Balances, December 31, 2019	\$ 143,400	\$ (838,893)	\$ 200,595	\$ 1,824,100	\$ (587,622)	\$ 48,079	\$ 789,659
Net income				141		1,086	1,227
Total other comprehensive loss, net of deferred income taxes of \$(5,267)					(28,854)	(1,148)	(30,002)
Vesting of restricted stock units and other stock grants, net 104,840 shares	230	(889)	(230)				(889)
Vesting of performance share units, net 265,151 shares	589	(3,205)	(589)				(3,205)
Amortization of unearned portion of stock-based compensation, net of forfeitures			2,080				2,080
Balances, March 31, 2020	\$ 144,219	\$ (842,987)	\$ 201,856	\$ 1,824,241	\$ (616,476)	\$ 48,017	\$ 758,870

See accompanying notes to unaudited condensed consolidated financial statements.

HARSCO CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)**1. Basis of Presentation**

Harsco Corporation (the "Company") has prepared these unaudited condensed consolidated financial statements in accordance with accounting principles generally accepted in the U.S. ("U.S. GAAP") for interim financial information and with the instructions to Form 10-Q and Rule 10-01 of Regulation S-X of the Securities and Exchange Commission (the "SEC"). Accordingly, the unaudited condensed consolidated financial statements do not include all information and disclosure required by U.S. GAAP for annual financial statements. The December 31, 2019 Condensed Consolidated Balance Sheet information contained in this Quarterly Report on Form 10-Q was derived from the 2019 audited consolidated financial statements. The unaudited condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements, including the notes thereto, included in the Company's Annual Report on Form 10-K for the year ended December 31, 2019. In the opinion of management, all adjustments (all of which are of a normal recurring nature) that are necessary for a fair statement are reflected in the unaudited condensed consolidated financial statements.

Discontinued Operations

In January 2020 the Company sold Harsco Industrial IKG ("IKG") and together with the 2019 sales of Harsco Industrial Air-X-Changers ("AXC") and Harsco Industrial Patterson-Kelly ("PK"), this completes the divestiture of the former Harsco Industrial Segment originally announced in May 2019. These disposals represent a strategic shift and accelerated the transformation of the Company's portfolio of businesses into a leading provider of environmental solutions and services. As a result of these disposals (i) the carrying value of the remaining assets and liabilities of the Harsco Industrial Segment have been classified as Assets held-for-sale and Liabilities of assets held-for-sale on the Company's Condensed Consolidated Balance Sheets; (ii) the operating results of the Harsco Industrial Segment, costs directly related to the disposals, an allocation of interest expense associated with mandatory debt repayments required as a result of the disposals and the write-off of deferred financing costs resulting from the mandatory repayment have been reflected in the Company's Condensed Consolidated Statements of Operations as discontinued operations for all periods presented; and (iii) all disclosures have been updated to reflect these changes. See Note 3, Acquisitions and Dispositions, for additional information.

Reclassifications

Certain reclassifications have been made to prior year amounts to conform with current year classifications.

2. Recently Adopted and Recently Issued Accounting Standards

The following accounting standards have been adopted in 2020:

On January 1, 2020 the Company adopted changes issued by the Financial Accounting Standards Boards ("FASB") which updated the impairment model by requiring entities to use a forward-looking approach based on expected losses rather than incurred losses to estimate credit losses on certain types of financial instruments, including trade receivables. Provisions for receivables will be recorded as Allowance for expected credit losses, replacing the previously utilized Allowance for doubtful accounts. In addition, these changes required certain expanded disclosures. Other than changes in disclosure, these changes did not have a material impact on the Company's condensed consolidated financial statements as the calculation of expected credit losses did not yield results that were materially different from the methodology previously utilized by the Company. See Note 4, Accounts Receivable and Note Receivable for additional information.

On January 1, 2020 the Company adopted changes issued by FASB that removed the second step of the annual goodwill impairment test, which requires a hypothetical purchase price allocation. The changes provide that the amount of goodwill impairment will be equal to the amount by which a reporting unit's carrying value exceeds its fair value, not to exceed the carrying amount of goodwill. All other goodwill impairment guidance remains largely unchanged. The same one-step impairment test will be applied to goodwill at all reporting units, even those with zero or negative carrying amounts. Entities will be required to disclose the amount of goodwill at reporting units with zero or negative carrying amounts. These changes did not have a material impact on the Company's condensed consolidated financial statements.

On January 1, 2020 the Company adopted changes issued by FASB which modified the disclosure requirements for fair value measurements. The amendments in this update remove the requirement to disclose the amount of, and reasons for, transfers between Level 1 and Level 2 of the fair value hierarchy; the policy for timing of transfers between levels and the valuation processes for Level 3 fair value measurements. The changes require disclosure of changes in unrealized gains and losses for

the period included in other comprehensive income (loss) for recurring Level 3 fair value measurements held at the end of the reporting period and the range and weighted average of significant unobservable inputs used to develop Level 3 fair value measurements. Other than required expanded disclosures, the adoption of these changes did not have a material impact on the Company's condensed consolidated financial statements.

The following accounting standards have been issued and become effective for the Company at a future date:

In December 2019 the FASB issued changes which are intended to reduce complexity and simplify the accounting for income taxes in accordance with U.S. GAAP by removing certain exceptions related to investments, intraperiod allocations and interim calculations and clarifying existing guidance to improve consistent application. The changes become effective for the Company on January 1, 2021 with early adoption permitted. Management is currently evaluating the impact of these changes on its condensed consolidated financial statements.

In March 2020 the FASB issued changes that provides companies with optional guidance to ease the potential accounting burden associated with transitioning from reference rates that are expected to be discontinued. In response to the concerns about risks of interbank offered rates (IBORs) and, particularly, the risk of cessation of the London Interbank Offered Rate ("LIBOR"), regulators in several jurisdictions around the world have undertaken reference rate reform initiatives to identify alternative reference rates that are more observable or transaction based and less susceptible to manipulation. The changes provide optional expedients and exceptions for applying U.S. GAAP to contracts, hedging relationships, and other transactions affected by reference rate reform if certain criteria are met. The changes can be adopted no later than December 31, 2022 with early adoption permitted. Management does not believe these changes will have a material impact on its condensed consolidated financial statements.

3. Acquisitions and Dispositions

Clean Earth

On June 28, 2019 the Company acquired 100% of the outstanding stock of CEHI Acquisition Corporation and Subsidiaries ("Clean Earth"), one of the largest U.S. providers of specialty waste processing and beneficial reuse solutions for hazardous wastes, contaminated materials and dredged volumes, for an enterprise valuation of approximately \$625 million on a cash free, debt free basis, subject to normal working capital adjustments. The Company transferred approximately \$628 million of cash consideration and agreed to reimburse the sellers for any usage of assumed net operating losses in a post-closing period for up to five years, the present value of which is estimated at approximately \$8 million.

The fair value recorded for the assets acquired and liabilities assumed for Clean Earth is as follows:

(In millions)	Preliminary Valuation		
	June 28, 2019	Measurement Period Adjustments (a)	March 31 2020
Cash and cash equivalents (b)	\$ 42.8	\$ (39.2)	\$ 3.6
Trade accounts receivable, net	63.7	(1.2)	62.5
Other receivables	0.8	1.3	2.1
Other current assets	8.7	(1.4)	7.3
Property, plant and equipment	75.6	1.6	77.2
Right-of-use assets	14.4	11.4	25.8
Goodwill	313.8	16.3	330.1
Intangible assets	261.1	(18.9)	242.2
Other assets	4.0	(2.8)	1.2
Accounts payable	(23.0)	(0.1)	(23.1)
Acquisition consideration payable (b)	(39.2)	39.2	—
Other current liabilities	(18.0)	(1.7)	(19.7)
Net deferred taxes liabilities	(51.2)	5.8	(45.4)
Operating lease liabilities	(11.1)	(8.4)	(19.5)
Other liabilities	(6.5)	(2.1)	(8.6)
Total identifiable net assets of Clean Earth	\$ 635.9	\$ (0.2)	\$ 635.7

(a) The measurement period adjustments did not have a material impact on the Company's previously reported operating results.

(b) Acquisition consideration payable represents a portion of the cash consideration not paid out until July 2019.

The goodwill is attributable to strategic benefits, including enhanced operational and financial scale, as well as product and market diversification that the Company expects to realize. The Company expects \$16.3 million of goodwill to be deductible for income tax purposes through 2033.

The following table details the preliminary valuation of identifiable intangible assets and amortization periods for Clean Earth:

(Dollars in millions)	Weighted-Average Amortization Period	Preliminary Valuation		
		Preliminary Valuation June 28, 2019	Measurement Period Adjustments (c)	March 31 2020
Permits	18 years	\$ 176.1	\$ (6.0)	\$ 170.1
Customer relationships	8 years	33.4	(12.9)	20.5
Air rights	Usage based (d)	25.6	—	25.6
Trade names	12 years	26.0	—	26.0
Total identifiable intangible assets of Clean Earth		\$ 261.1	\$ (18.9)	\$ 242.2

(c) The measurement period adjustments did not have a material impact on the Company's previously reported operating results.

(d) The Company estimates that based on current usage that the expected useful life would be 27 years.

The Company valued the identifiable intangible assets using an income-based approach that utilized either the multi-period excess earnings method or the relief from royalty method. The purchase price allocation for Clean Earth is not final and the fair value of intangible assets and goodwill may vary from those reflected in the Company's condensed consolidated financial statements at March 31, 2020.

The three months ended March 31, 2020 and 2019 include Clean Earth direct acquisition costs of \$0.1 million and \$0.6 million, respectively, which are included in Selling, general and administrative expenses in the Company's Condensed Consolidated Statements of Operations.

The pro forma information below gives effect to the Clean Earth acquisition as if it had been completed on January 1, 2018. The pro forma information is not necessarily indicative of the Company's results of operations had the acquisition been completed on the above date, nor is it necessarily indicative of future results. The pro forma information does not reflect any cost savings from operating efficiencies or synergies that could result from the acquisition and does not reflect the additional revenue opportunities following the acquisition. The pro forma information below includes adjustments to reflect additional depreciation and amortization expense based on the estimated fair value and useful lives of intangible assets and fixed assets acquired; includes additional interest expense of approximately \$9.0 million three months ended March 31, 2019 on the acquisition related borrowings used to finance the Clean Earth acquisition and excludes certain directly attributable transaction costs and historic Clean Earth interest expense. These pro forma adjustments are subject to change as additional analysis is performed. The values assigned to the assets acquired and liabilities assumed are based on preliminary valuations and are subject to change as the Company obtains additional information during the measurement period.

(In millions)	Three Months Ended	
	March 31	
	2019	
Pro forma revenues	\$	393.5
Pro forma net income (including discontinued operations)		15.6

Harsco Industrial Segment

In January 2020 the Company sold IKG for \$85 million, including a note receivable with a face value of \$40.0 million (initial fair value \$34.3 million), subject to post-closing adjustments, and recognized a gain on the sale of \$18.5 million pre-tax (or approximately \$9 million after-tax). Together with the 2019 sales of AXC and PK, this completes the divestiture of the former Harsco Industrial Segment originally announced in May 2019. These disposals represent a strategic shift and accelerated the transformation of the Company's portfolio of businesses into a leading provider of environmental solutions and services. See Note 4, Accounts Receivable and Note Receivable, for additional information related to the note receivable.

The Harsco Industrial Segment has historically been a separate reportable segment with primary operations in North America and Latin America. In accordance with U.S. GAAP, the results of the former Harsco Industrial Segment are presented as discontinued operations and, as such, have been excluded from both continuing operations and segment results for the three months ended March 31, 2020 and 2019.

Certain key selected financial information included in net income from discontinued operations for the former Harsco Industrial Segment is as follows:

(In millions)	Three Months Ended	
	March 31	
	2020	2019
Amounts directly attributable to the former Harsco Industrial Segment:		
Total revenues	\$ 10,203	\$ 117,386
Cost of products sold	8,082	87,695
Income from discontinued business	218	14,192
Additional amounts allocated to the former Harsco Industrial Segment:		
Selling, general and administrative expenses (e)	\$ 1,266	\$ —
Interest expense (f)	—	4,232

(e) The Company has allocated directly attributable transaction costs to discontinued operations.

(f) The Company has allocated interest expense, including a portion of the amount reclassified into income for the Company's interest rate swaps and amortization of deferred financing costs resulting from the AXC disposal, as part of discontinued operations.

The Company has retained corporate overhead expenses previously allocated to the Harsco Industrial Segment of \$1.4 million for the three months ended March 31, 2019, as part of Selling, general and administrative expenses, on the Company's Condensed Consolidated Statements of Operations.

The following is selected financial information included on the Company's Condensed Consolidated Statements of Cash Flows attributable to the former Harsco Industrial Segment:

(In millions)	Three Months Ended	
	March 31	
	2020	2019
Non-cash operating items		
Depreciation and amortization	\$ —	\$ 2,025
Cash flows from investing activities		
Purchases of property, plant and equipment	106	2,175

4. Accounts Receivable and Note Receivable

Accounts receivable are stated at net realizable value which represents the face value of the receivable less an allowance for expected credit losses. The allowance for expected credit losses is maintained for expected lifetime losses resulting from the inability or unwillingness of customers to make required payments.

The Company's expected credit loss allowance methodology for accounts receivable is developed using historical collection experience, current and future economic and market conditions and a review of the current status of customers' trade accounts receivables. When required, the Company adjusts the loss-rate methodology to account for current conditions and reasonable and supportable expectations of future economic and market conditions. The Company generally assesses future economic conditions for a period which corresponds with the contractual life of its accounts receivables. Additionally, specific allowance amounts are established to record the appropriate provision for customers that have a higher probability of default.

Prior to the adoption of the new methodology, the Company established an allowance for doubtful accounts based upon a specific-identification method as well as historical collection experience, as appropriate.

Accounts receivable consist of the following:

(In thousands)	March 31 2020	December 31 2019
Trade accounts receivable	\$ 333,725	\$ 323,502
Less: Allowance for expected credit losses and doubtful accounts	(13,015)	(13,512)
Trade accounts receivable, net	\$ 320,710	\$ 309,990
Other receivables (a)	\$ 18,685	\$ 21,265

(a) Other receivables include employee receivables, insurance receivable, tax claims and other miscellaneous items not included in Trade accounts receivable, net.

The change in the provision for expected credit losses and doubtful accounts related to trade accounts receivable was as follows:

(In thousands)	Three Months Ended	
	March 31	
	2020	2019
Increase (decrease) in provision for expected credit losses and doubtful accounts related to trade accounts receivable	\$ 219	\$ (10)

At March 31, 2020 approximately \$3.7 million of the Company's accounts receivable balance was past due by twelve months or more, primarily in the Clean Earth Segment, of which the majority of the balance was represented by a single customer from whom payment is expected within the next twelve months, while the rest were either fully or nearly fully reserved, although collection is still ultimately expected.

In January 2020 the Company sold IKG for \$85 million including cash and a note receivable, subject to post-closing adjustments. The note receivable from the buyer has a face value of \$40 million bearing interest at 2.50%, that is paid in kind and matures on January 31, 2027. Any unpaid principal, along with any accrued but unpaid interest is payable at maturity. Prepayment is required in case of a change in control or a percentage of excess cash flow, as defined in the note receivable agreement. Because there are no scheduled payments under the terms of the note receivable, the balance is not classified as current as of March 31, 2020 and is included in the caption Other assets on the Condensed Consolidated Balance Sheet. The initial fair value of the note receivable was \$34.3 million which was calculated using an average of various discounted cash flow scenarios based on anticipated timing of repayments (Level 3) and was a non-cash transaction. The note receivable is subsequently measured as amortized costs. Key inputs into the valuation model include: projected timing and amount of cash flows, pro forma debt rating, option-adjusted spread and U.S. Treasury spot rate. At March 31, 2020 the amortized cost of the note receivable was \$34.6 million, compared with a fair value of \$31.0 million.

(In thousands)	March 31 2020	December 31 2019
Note receivable	\$ 34,569	\$ —

5. Inventories

Inventories consist of the following:

(In thousands)	March 31 2020	December 31 2019
Finished goods	\$ 13,138	\$ 14,550
Work-in-process	10,795	13,088
Raw materials and purchased parts	118,637	104,488
Stores and supplies	25,320	24,865
Total inventories	\$ 167,890	\$ 156,991

During 2016 the Company recognized an initial estimated forward loss provision related to the contracts with the federal railway system of Switzerland ("SBB") of \$45.1 million. The Company recorded an additional forward loss provision of \$1.8 million during 2018. At March 31, 2020 the entire remaining estimated forward loss provision of \$6.4 million is included as Other current liabilities on the Company's Condensed Consolidated Balance Sheets. The estimated forward loss provision represents the Company's best estimate based on currently available information. It is possible that the Company's overall estimate of costs to complete these contracts may increase, which would result in an additional estimated forward loss provision at such time.

The Company recognized \$10.1 million and \$4.7 million of revenues for the contracts with SBB at zero margin, on an over time basis, utilizing a cost-to-cost method for the three months ended March 31, 2020 and 2019, respectively. For the three months ended March 31, 2020 and 2019 consolidated product revenue gross margins were not significantly impacted by the revenue recognized under the SBB contracts. The Company has substantially completed the first contract and is approximately 50% complete on the second contract with SBB as of March 31, 2020.

6. Property, Plant and Equipment

Property, plant and equipment consists of the following:

(In thousands)	March 31 2020	December 31 2019
Land	\$ 29,811	\$ 30,409
Land improvements	17,822	19,155
Buildings and improvements	180,907	182,795
Machinery and equipment	1,418,493	1,518,652
Uncompleted construction	57,327	55,592
Gross property, plant and equipment	1,704,360	1,806,603
Less: Accumulated depreciation	(1,171,011)	(1,244,817)
Property, plant and equipment, net	\$ 533,349	\$ 561,786

7. Leases

The components of lease expense were as follows:

(In thousands)	Three Months Ended	
	March 31 2020	March 31 2019
Finance leases:		
Amortization expense	\$ 371	\$ 310
Interest on lease liabilities	52	4
Operating leases	4,284	3,693
Short-term leases	6,703	4,571
Variable lease expense	408	219
Sublease income	(50)	(49)
Total lease expense from continuing operations	\$ 11,768	\$ 8,748

Supplemental cash flow information related to leases was as follows:

(In thousands)	Three Months Ended	
	March 31 2020	March 31 2019
Cash paid for amounts included in the measurement of lease liabilities:		
Cash flows from operating activities - Operating leases	\$ 3,789	\$ 3,552
Cash flows from financing activities - Finance leases	324	363
Right-of-use assets obtained in exchange for lease obligations:		
Operating leases (a)	\$ 2,217	\$ 34,750
Finance leases	1,234	373

(a) Cash flows for Three Months Ended March 31, 2019 include ROU assets of approximately \$34 million that were recorded upon adoption at January 1, 2019.

Supplemental balance sheet information related to leases was as follows:

(In thousands)	March 31 2020	December 31, 2019
Operating Leases:		
Operating lease right-of-use assets	\$ 50,491	\$ 52,065
Current portion of operating lease liabilities	12,421	12,544
Operating lease liabilities	35,561	36,974
Finance Leases:		
Property, plant and equipment, net	\$ 4,291	\$ 3,519
Current maturities of long-term debt	1,346	1,237
Long-term debt	2,984	2,218

Supplemental additional information related to leases is as follows:

	March 31 2020	December 31 2019
Other information:		
Weighted average remaining lease term - Operating leases (in years)	11.81	11.57
Weighted average remaining lease term - Finance leases (in years)	3.89	4.01
Weighted average discount rate - Operating leases	6.3%	6.3%
Weighted average discount rate - Finance leases	4.3%	4.2%

Maturities of lease liabilities were as follows:

(In thousand)	Operating Leases	Finance Leases
Year Ending December 31st:		
2020 (excluding the three months ended March 31, 2020)	\$ 11,458	\$ 1,069
2021	11,527	1,198
2022	7,615	941
2023	5,369	748
2024	3,210	587
After 2024	32,018	43
Total lease payments	71,197	4,586
Less: Imputed interest	(23,215)	(256)
Total	\$ 47,982	\$ 4,330

The Company's leases, excluding short-term leases, have remaining terms of less than one year to 30.6 years, some of which include options to extend for up to 10 years, and some of which include options to terminate within one year. As of March 31, 2020 the Company had no material operating leases that had not yet commenced. There are no material residual value guarantees or material restrictive covenants.

8. Goodwill and Other Intangible Assets

The following table reflects the changes in carrying amounts of goodwill by segment for the three months ended March 31, 2020:

(In thousands)	Harsco Environmental Segment	Harsco Clean Earth Segment	Harsco Rail Segment	Consolidated Totals
Balance at December 31, 2019	\$ 395,113	\$ 330,230	\$ 13,026	\$ 738,369
Changes to goodwill (a)	1,785	(129)	—	1,656
Foreign currency translation	(12,143)	—	—	(12,143)
Balance at March 31, 2020	\$ 384,755	\$ 330,101	\$ 13,026	\$ 727,882

(a) The changes to goodwill relate to immaterial acquisitions in the Harsco Environmental Segment.

The Company tests for goodwill impairment annually, or more frequently if indicators of impairment exist, or if a decision is made to dispose of a business. The Company performs the annual goodwill impairment test as of October 1 and monitors for triggering events on an ongoing basis. The Company determined that, as of March 31, 2020, no interim goodwill impairment testing was necessary.

The Company has concluded that no triggering event occurred during the three months ended March 31, 2020. However, a prolonged economic downturn resulting from the COVID-19 coronavirus pandemic could impact the Company's future projected cash flows used to estimate fair value, and/or result in a sustained decrease in the Company's share price, which could indicate an impairment.

Intangible assets, net on the Company's Condensed Consolidated Balance Sheets consist of the following:

(In thousands)	March 31, 2020		December 31, 2019	
	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Customer related	\$ 143,092	\$ 99,280	\$ 143,996	\$ 99,327
Permits	170,448	7,045	170,322	4,694
Technology related	36,739	6,142	36,467	5,635
Trade names	31,558	2,801	31,719	2,182
Air rights	26,139	549	26,139	411
Patents	192	132	249	168
Other	3,677	1,176	3,765	1,158
Total	\$ 411,845	\$ 117,125	\$ 412,657	\$ 113,575

Amortization expense for intangible assets was as follows:

(In thousands)	Three Months Ended	
	March 31	
	2020	2019
Amortization expense for intangible assets	\$ 5,918	\$ 1,939

The estimated amortization expense for the next five fiscal years based on current intangible assets is as follows:

(In thousands)	2020	2021	2022	2023	2024
Estimated amortization expense (b)	\$ 24,300	\$ 23,100	\$ 22,400	\$ 22,400	\$ 22,400

(b) These estimated amortization expense amounts do not reflect the potential effect of future foreign currency exchange fluctuations.

9. Debt and Credit Agreements

In March 2020 the Company raised a new term loan facility of \$280 million ("New Term Loan") as a new tranche under the existing Senior Secured Credit Facilities. There were no borrowings outstanding under the New Term Loan at March 31, 2020. The New Term Loan was fully drawn on April 6, 2020 to partially fund the acquisition of the Stericycle Environmental Solutions business ("ESOL"). Borrowings under the New Term Loan bear interest at a rate per annum ranging from 150 to 225 basis points over adjusted LIBOR (as defined in the Credit Agreement governing the Senior Secured Credit Facilities). The New Term Loan will mature on June 28, 2024. The Company capitalized \$1.7 million of fees related to the issuance of the New Term Loan, of which \$1.6 million has been paid as of March 31, 2020.

Additionally, the Company amended the Senior Secured Credit Facilities to increase the net debt to consolidated adjusted earnings before interest, tax, depreciation and amortization ratio covenant to 5.0 through December 2020, which decreases to 4.5 through December 2021 and 4.0 for periods thereafter. During the three months ended March 31, 2020, \$0.5 million of fees and expenses were recognized related to the amended Senior Secured Credit Facilities.

10. Employee Benefit Plans

Defined Benefit Pension Plans Net Periodic Pension Cost (Benefit)	Three Months Ended			
	March 31			
	U.S. Plans		International Plans	
(In thousands)	2020	2019	2020	2019
Service costs	\$ —	\$ 10	\$ 429	\$ 356
Interest costs	1,845	2,651	4,395	5,664
Expected return on plan assets	(2,842)	(2,593)	(10,190)	(9,517)
Recognized prior service costs	—	—	107	66
Recognized loss	1,425	1,405	3,655	3,653
Defined benefit pension plans net periodic pension cost (benefit)	\$ 428	\$ 1,473	\$ (1,604)	\$ 222

Company Contributions (In thousands)	Three Months Ended	
	March 31	
	2020	2019
Defined benefit pension plans (U.S.)	\$ 2,027	\$ 1,479
Defined benefit pension plans (International)	10,060	9,270
Multiemployer pension plans	409	521
Defined contribution pension plans	3,169	3,390

The Company's estimate of expected contributions to be paid during the remainder of 2020 for the U.S. and international defined benefit pension plans are \$6.2 million and \$11.0 million, respectively. The recently enacted Coronavirus Aid, Relief, and Economic Security Act (CARES Act) allows for the deferral, until 2021, of certain expected pension contributions in the U.S. The Company is currently evaluating this alternative.

11. Income Taxes

Income tax benefit related to continuing operations for the three months ended March 31, 2020 was \$0.7 million compared with an income tax expense related to continuing operations of \$1.2 million for the three months ended March 31, 2019. The change in the income tax benefit for the three months ended March 31, 2020 compared with the income tax expense for the three months ended March 31, 2019 is the result of lower taxable income, primarily resulting from a net increase in strategic costs related to the ESOL acquisition, partially offset by a decreased income tax benefit recognized for stock-based compensation vesting during the first quarter of 2020 compared to the first quarter of 2019.

An income tax benefit from an uncertain tax position may be recognized when it is more likely than not that the position will be sustained upon examination, based on technical merits, including resolutions of any related appeals or litigation processes. The reserve for uncertain tax positions at March 31, 2020 was \$4.5 million, including interest and penalties. Within the next twelve months, it is reasonably possible that \$0.3 million unrecognized income tax benefits will be recognized upon settlement of tax examinations and the expiration of various statutes of limitations.

12. Commitments and Contingencies

Environmental

The Company is involved in a number of environmental remediation investigations and cleanups and, along with other companies, has been identified as a "potentially responsible party" for certain byproduct disposal sites. While each of these matters is subject to various uncertainties, it is probable that the Company will agree to make payments toward funding certain of these activities, and it is possible that some of these matters will be decided unfavorably to the Company. The Company has evaluated its potential liability, and its financial exposure is dependent upon such factors as the continuing evolution of environmental laws and regulatory requirements, the availability and application of technology, the allocation of cost among potentially responsible parties, the years of remedial activity required and the remediation methods selected. Other than set forth herein the Company did not have any material accruals or record any material expenses related to environmental matters during the periods presented.

The Company evaluates its liability for future environmental remediation costs on a quarterly basis. Although actual costs to be incurred at identified sites in future periods may vary from the estimates (given inherent uncertainties in evaluating environmental exposures), the Company does not expect that any costs that are reasonably possible to be incurred by the Company in connection with environmental matters in excess of the amounts accrued would have a material adverse effect on the Company's financial condition, results of operations or cash flows.

As previously disclosed, the Company has had ongoing meetings with the Supreme Council for Environment in Bahrain ("SCE") over processing a byproduct ("salt cakes") stored at the Al Hafeerah site. The Company's Bahrain operations that produced the salt cakes has ceased operations and are owned under a strategic venture for which its strategic venture partner owns a 35% minority interest. An Environmental Impact Assessment and Technical Feasibility Study were approved by the SCE during the first quarter of 2018. The Company is constructing facilities to process the salt cakes, and the Company currently expects those facilities to come online in 2020. The Company has previously established a reserve of \$7.0 million, which represents the Company's best estimate of the ultimate costs to be incurred to resolve this matter. The Company continues to evaluate this reserve and any future change in estimated costs could be material to the Company's results of operations in any one period.

On July 27, 2018 Brazil's Federal and Rio de Janeiro State Public Prosecution Offices (MPF and MPE) filed a Civil Public Action against one of the Company's customers (CSN), the Company's Brazilian subsidiary, the Municipality of Volta Redonda, Brazil, and the Instituto Estadual do Ambiente (local environmental protection agency) seeking the implementation of various measures to limit and reduce the accumulation of customer-owned slag at the site in Brazil. On August 6, 2018 the 3rd Federal Court in Volta Redonda granted the MPF and MPE an injunction against the same parties requiring, among other things, CSN and the Company's Brazilian subsidiary to limit the volume of slag sent to the site. Because the customer owns the site and the slag located on the site, the Company believes that complying with this injunction is the steel producer's responsibility. On March 18, 2019 the Court issued an order fining the Company 5,000 Brazilian reais per day (or approximately \$1,000 per day) and CSN 20,000 Brazilian reais per day (or approximately \$4,000 per day) until the requirements of the injunction are met. On November 1, 2019 the Court issued an additional order increasing the fines assessed to the Company to 25,000 Brazilian reais per day (or approximately \$5,000 per day) and raising the fines assessed to CSN to 100,000 Brazilian reais per day (or approximately \$19,000 per day). The Court also assessed an additional fine of 10,000,000 Brazilian reais (or approximately \$1.9 million) against CSN and the Company jointly. The Company is appealing the fines and the underlying injunction. Both the Company and CSN continue to have discussions with the governmental authorities on the injunction and the possible resolution of the underlying case. The Company does not believe that a loss relating to this matter is probable or estimable at this point.

On October 19, 2018 local environmental authorities issued an enforcement action against the Company concerning the Company's operations at a customer site in IJmuiden, Netherlands. The enforcement action alleges violations of the Company's environmental permit at the site, which restricts the release of any visible dust emissions. The enforcement action ordered the Company to cease all violations of the permit by October 31, 2018. The authorities have issued three additional enforcement actions since that time and have asserted fines of approximately \$0.5 million which the Company has recorded, with the possibility of additional fines for any future violations. The Company is vigorously contesting the enforcement action and fines and is also working with its customer to ensure the control of emissions. The Company has contractual indemnity rights from its customer, should it be required to pay the assessed fines.

On June 13, 2019 the Pennsylvania Department of Environmental Protection ("PA DEP") indicated to the Company and a landowner who received processed slag from the Company that it plans to require action to bring the landowner's site into compliance and to assess a civil penalty against the Company and the landowner. The Company is working with the landowner and PA DEP to determine the most effective way to address PA DEP's concerns about the site and has established a \$0.4 million reserve, which represents the Company's best estimate of the costs to bring the landowner's site into compliance.

On March 24, 2017 the Allegheny County Health Department issued a notice of violation against the Company concerning the Company's operations at a customer site in Natrona, Pennsylvania. On January 21, 2020 the Company paid \$0.1 million to settle the civil penalties accrued up to that date. In April 2020, the Company received a penalty assessment of \$4,500 for three alleged additional events. It is possible the Company could incur additional penalties for future violations. Pursuant to the settlement agreement, the Company and its customer have also agreed to construct at its customer's costs and bring certain slag processing operations into a building.

Brazilian Tax Disputes

The Company is involved in a number of tax disputes with federal, state and municipal tax authorities in Brazil. These disputes are at various stages of the legal process, including the administrative review phase and the collection action phase, and include assessments of fixed amounts of principal and penalties, plus interest charges that increase at statutorily determined amounts per month and are assessed on the aggregate amount of the principal and penalties. In addition, the losing party, at the collection action or court of appeals phase, could be subject to a charge to cover statutorily mandated legal fees, which are generally calculated as a percentage of the total assessed amounts due, inclusive of penalty and interest. Many of the claims relate to value-added ("ICMS"), services and social security tax disputes. The largest proportion of the assessed amounts relate to ICMS claims filed by the State Revenue Authorities from the State of São Paulo, Brazil (the "SPRA"), encompassing the period from January 2002 to May 2005.

In October 2009 the Company received notification of the SPRA's final administrative decision regarding the levying of ICMS in the State of São Paulo in relation to services provided to a customer in the State between January 2004 and May 2005. As of March 31, 2020 the principal amount of the tax assessment from the SPRA with regard to this case is approximately \$1.2 million, with penalty, interest and fees assessed to date increasing such amount by an additional \$16.2 million. On

June 4, 2018 the Appellate Court of the State of Sao Paulo ruled in favor of the SPRA but ruled that the assessed penalty should be reduced to approximately \$1 million. After calculating the interest accrued on the penalty, the Company estimates that this ruling reduces the current overall potential liability for this case to approximately \$7 million. The Company has appealed the ruling in favor of the SPRA to the Superior Court of Justice. Due to multiple court precedents in the Company's favor, as well as the Company's ability to appeal, the Company does not believe a loss is probable.

Another ICMS tax case involving the SPRA refers to the tax period from January 2002 to December 2003. In December 2018 the administrative tribunal hearing the case upheld the Company's liability. The Company has appealed to the judicial phase. The aggregate amount assessed by the tax authorities in August 2005 was \$4.9 million (the amounts with regard to this claim are valued as of the date of the assessment since it has not yet reached the collection phase), composed of a principal amount of \$1.2 million, with penalty and interest assessed through that date increasing such amount by an additional \$3.7 million. On December 6, 2018 the administrative tribunal reduced the applicable penalties to \$1.2 million. After calculating the interest accrued on the current penalty, the Company estimates that the current overall liability for this case to be approximately \$10 million. All such amounts include the effect of foreign currency translation. Due to multiple court precedents in the Company's favor the Company does not believe a loss is probable.

The Company continues to believe that sufficient coverage for these claims exists as a result of the indemnification obligations of the Company's customer and such customer's pledge of assets in connection with the October 2009 notice, as required by Brazilian law.

The Company intends to continue its practice of vigorously defending itself against these tax claims under various alternatives, including judicial appeal. The Company will continue to evaluate its potential liability with regard to these claims on a quarterly basis; however, it is not possible to predict the ultimate outcome of these tax-related disputes in Brazil. No loss provision has been recorded in the Company's condensed consolidated financial statements for the disputes described above because the loss contingency is not deemed probable, and the Company does not expect that any costs that are reasonably possible to be incurred by the Company in connection with Brazilian tax disputes would have a material adverse effect on the Company's financial condition, results of operations or cash flows.

Brazilian Labor Disputes

The Company is subject to ongoing collective bargaining and individual labor claims in Brazil through the Harsco Environmental Segment which allege, among other things, the Company's failure to pay required amounts for overtime and vacation at certain sites. The Company is vigorously defending itself against these claims; however, litigation is inherently unpredictable, particularly in foreign jurisdictions. While the Company does not currently expect that the ultimate resolution of these claims will have a material adverse effect on the Company's financial condition, results of operations or cash flows, it is not possible to predict the ultimate outcome of these labor-related disputes. As of March 31, 2020 and December 31, 2019 the Company has established reserves of \$5.0 million and \$6.5 million, respectively, on the Company's Condensed Consolidated Balance Sheets for amounts considered to be probable and estimable.

Customer Disputes

The Company may, in the normal course of business, become involved in commercial disputes with subcontractors or customers. Although results of operations and cash flows for a given period could be adversely affected by a negative outcome in these or other lawsuits, claims or proceedings, management believes that the ultimate outcome of any ongoing matters will not have a material adverse effect on the Company's financial condition, results of operations or cash flows.

Other

The Company is named as one of many defendants (approximately 90 or more in most cases) in legal actions in the U.S. alleging personal injury from exposure to airborne asbestos over the past several decades. In their suits, the plaintiffs have named as defendants, among others, many manufacturers, distributors and installers of numerous types of equipment or products that allegedly contained asbestos.

The Company believes that the claims against it are without merit. The Company has never been a producer, manufacturer or processor of asbestos fibers. Any asbestos-containing part of a Company product used in the past was purchased from a supplier and the asbestos encapsulated in other materials such that airborne exposure, if it occurred, was not harmful and is not associated with the types of injuries alleged in the pending actions.

At March 31, 2020 there were approximately 17,138 pending asbestos personal injury actions filed against the Company. Of those actions, approximately 16,585 were filed in the New York Supreme Court (New York County), approximately 118 were filed in other New York State Supreme Court Counties and approximately 435 were filed in courts located in other states.

The complaints in most of those actions generally follow a form that contains a standard damages demand of \$20 million or \$25 million, regardless of the individual plaintiff's alleged medical condition, and without identifying any specific Company product.

At March 31, 2020 approximately 16,550 of the actions filed in New York Supreme Court (New York County) were on the Deferred/Inactive Docket created by the court in December 2002 for all pending and future asbestos actions filed by persons who cannot demonstrate that they have a malignant condition or discernible physical impairment. The remaining approximately 35 cases in New York County are pending on the Active or In Extremis Docket created for plaintiffs who can demonstrate a malignant condition or physical impairment.

The Company has liability insurance coverage under various primary and excess policies that the Company believes will be available, if necessary, to substantially cover any liability that might ultimately be incurred in the asbestos actions referred to above. The costs and expenses of the asbestos actions are being paid by the Company's insurers.

In view of the persistence of asbestos litigation in the U.S., the Company expects to continue to receive additional claims in the future. The Company intends to continue its practice of vigorously defending these claims and cases. At March 31, 2020 the Company has obtained dismissal in approximately 28,245 cases by stipulation or summary judgment prior to trial.

It is not possible to predict the ultimate outcome of asbestos-related actions in the U.S. due to the unpredictable nature of this litigation, and no loss provision has been recorded in the Company's condensed consolidated financial statements because a loss contingency is not deemed probable or estimable. Despite this uncertainty, and although results of operations and cash flows for a given period could be adversely affected by asbestos-related actions, the Company does not expect that any costs that are reasonably possible to be incurred by the Company in connection with asbestos litigation would have a material adverse effect on the Company's financial condition, results of operations or cash flows.

The Company is subject to various other claims and legal proceedings covering a wide range of matters that arose in the ordinary course of business. In the opinion of management, all such matters are adequately covered by insurance or by established reserves, and, if not so covered, are without merit or are of such kind, or involve such amounts, as would not have a material adverse effect on the financial position, results of operations or cash flows of the Company.

Insurance liabilities are recorded when it is probable that a liability has been incurred for a particular event and the amount of loss associated with the event can be reasonably estimated. Insurance reserves have been estimated based primarily upon actuarial calculations and reflect the undiscounted estimated liabilities for ultimate losses, including claims incurred but not reported. Inherent in these estimates are assumptions that are based on the Company's history of claims and losses, a detailed analysis of existing claims with respect to potential value, and current legal and legislative trends. If actual claims differ from those projected by management, changes (either increases or decreases) to insurance reserves may be required and would be recorded through income in the period the change was determined. When a recognized liability is covered by third-party insurance, the Company records an insurance claim receivable to reflect the covered liability. Insurance claim receivables are included in Other receivables on the Company's Condensed Consolidated Balance Sheets. See Note 1, Summary of Significant Accounting Policies, to the consolidated financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2019 for additional information on Accrued insurance and loss reserves.

13. Reconciliation of Basic and Diluted Shares

	Three Months Ended	
	March 31	
(In thousands, except per share amounts)	2020	2019
Income (loss) from continuing operations attributable to Harsco Corporation common stockholders	\$ (8,782)	\$ 10,474
Weighted-average shares outstanding:		
Weighted-average shares outstanding - basic	78,761	79,907
Dilutive effect of stock-based compensation	—	1,746
Weighted-average shares outstanding - diluted	78,761	81,653
Earnings (loss) from continuing operations per common share, attributable to Harsco Corporation common stockholders:		
Basic	\$ (0.11)	\$ 0.13
Diluted	\$ (0.11)	\$ 0.13

The following average outstanding stock-based compensation units were not included in the computation of diluted earnings per share because the effect was antidilutive:

(In thousands)	Three Months Ended	
	March 31	
	2020	2019
Restricted stock units	749	—
Stock appreciation rights	2,643	608
Performance share units	940	233

14. Derivative Instruments, Hedging Activities and Fair Value

Derivative Instruments and Hedging Activities

The Company uses derivative instruments, including foreign currency exchange forward contracts, interest rate swaps and cross-currency interest rate swaps ("CCIRs"), to manage certain foreign currency and interest rate exposures. Derivative instruments are viewed as risk management tools by the Company and are not used for trading or speculative purposes. All derivative instruments are recorded on the Company's Condensed Consolidated Balance Sheets at fair value. The accounting for changes in the fair value of derivatives depends on the intended use of the derivative, whether the Company has elected to designate a derivative in a hedging relationship and apply hedge accounting and whether the hedging relationship has satisfied the criteria necessary to apply hedge accounting. Derivatives designated and qualifying as a hedge of the exposure to variability in expected future cash flows, or other types of forecasted transactions, are considered cash flow hedges. Hedge accounting generally provides for the matching of the timing of gain or loss recognition on the hedging instrument with the recognition of the earnings effect of the hedged forecasted transactions in a cash flow hedge. The Company may enter into derivative contracts that are intended to economically hedge certain of its risk, even though hedge accounting does not apply or the Company elects not to apply hedge accounting.

The Company primarily applies the market approach for recurring fair value measurements and endeavors to utilize the best available information. Accordingly, the Company utilizes valuation techniques that maximize the use of observable inputs, such as forward rates, interest rates, the Company's credit risk and counterparties' credit risks, and which minimize the use of unobservable inputs. The Company is able to classify fair value balances based on the ability to observe those inputs. Foreign currency exchange forward contracts, interest rate swaps and CCIRs are based upon pricing models using market-based inputs (Level 2). Model inputs can be verified and valuation techniques do not involve significant management judgment.

The fair value of outstanding derivative contracts recorded as assets and liabilities on the Company's Condensed Consolidated Balance Sheets was as follows:

(In thousands)	Balance Sheet Location	Fair Value of Derivatives Designated as Hedging Instruments	Fair Value of Derivatives Not Designated as Hedging Instruments	Total Fair Value
March 31, 2020				
Asset derivatives (Level 2):				
Foreign currency exchange forward contracts	Other current assets	\$ 4,113	\$ 4,898	\$ 9,011
Total		\$ 4,113	\$ 4,898	\$ 9,011
Liability derivatives (Level 2):				
Foreign currency exchange forward contracts	Other current liabilities	\$ 27	\$ 13,471	\$ 13,498
Interest rate swaps	Other current liabilities	3,543	—	3,543
Interest rate swaps	Other liabilities	6,035	—	6,035
Total		\$ 9,605	\$ 13,471	\$ 23,076
December 31, 2019				
Asset derivatives (Level 2):				
Foreign currency exchange forward contracts	Other current assets	\$ 2,039	\$ 946	\$ 2,985
Total		\$ 2,039	\$ 946	\$ 2,985
Liability derivatives (Level 2):				
Foreign currency exchange forward contracts	Other current liabilities	\$ 140	\$ 3,733	\$ 3,873
Interest rate swaps	Other current liabilities	2,098	—	2,098
Interest rate swaps	Other liabilities	4,281	—	4,281
Total		\$ 6,519	\$ 3,733	\$ 10,252

All of the Company's derivatives are recorded on the Company's Condensed Consolidated Balance Sheets at gross amounts and not offset. All of the Company's interest rate swaps, CCIRs and certain foreign currency exchange forward contracts are transacted under International Swaps and Derivatives Association ("ISDA") documentation. Each ISDA master agreement permits the net settlement of amounts owed in the event of default. The Company's derivative assets and liabilities subject to enforceable master netting arrangements did not result in a net asset or liability at March 31, 2020 or December 31, 2019.

The effect of derivative instruments on the Company's Condensed Consolidated Statements of Operations and Condensed Consolidated Statements of Comprehensive Income (Loss):

Derivatives Designated as Hedging Instruments

(In thousands)	Amount Recognized in Other Comprehensive Income ("OCI") on Derivatives		Location of Amount Reclassified from Accumulated OCI into Income	Amount Reclassified from Accumulated OCI into Income - Effective Portion or Equity	
	Three Months Ended			Three Months Ended	
	March 31			March 31	
	2020	2019		2020	2019
Foreign currency exchange forward contracts	\$ 2,037	\$ (712)	Product revenues	\$ (1,404)	\$ (32)
Interest rate swaps	(3,578)	(3,309)	Interest expense	378	(301)
Cross-currency interest rate swaps (a)	58	(52)	Interest expense	305	314
	\$ (1,483)	\$ (4,073)		\$ (721)	\$ (19)

(a) Amounts represent changes in foreign currency translation related to balances in Accumulated other comprehensive loss.

The location and amount of gain (loss) recognized on the Company's Condensed Consolidated Statements of Operations:

(in thousands)	Three Months Ended			
	March 31			
	2020		2019	
	Product Revenues	Interest Expense	Product Revenues	Interest Expense
Total amounts of line items presented in the Condensed Consolidated Statement of Operations in which the effects of cash flow hedges are recorded	\$ 107,502	\$ (12,649)	\$ 100,382	\$ (5,507)
Interest rate swaps:				
Amount of gain or (loss) reclassified from accumulated other comprehensive loss into income	—	(378)	—	301
Foreign exchange contracts:				
Amount of gain or reclassified from accumulated other comprehensive loss into income	1,404	—	32	—
Amount excluded from effectiveness testing recognized in earnings based on changes in fair value	183	—	78	—
Cross-currency interest rate swaps:				
Amount of loss reclassified from accumulated other comprehensive income into income	—	(305)	—	(314)

Derivatives Not Designated as Hedging Instruments

(In thousands)	Location of Gain Recognized in Income on Derivatives	Amount of Gain Recognized in Income on Derivatives (b)	
		Three Months Ended	
		2020	2019
Foreign currency exchange forward contracts	Cost of services and products sold	\$ 5,542	\$ 2,323

(b) These gains offset amounts recognized in cost of services and products sold principally as a result of intercompany or third party foreign currency exposures.

Foreign Currency Exchange Forward Contracts

The Company conducts business in multiple currencies and, accordingly, is subject to the inherent risks associated with foreign exchange rate movements. Foreign currency-denominated assets and liabilities are translated into U.S. dollars at the exchange rates existing at the respective balance sheet dates, and income and expense items are translated at the average exchange rates during the respective periods.

The Company uses derivative instruments to hedge cash flows related to foreign currency fluctuations. Foreign currency exchange forward contracts outstanding are part of a worldwide program to minimize foreign currency exchange operating income and balance sheet exposure by offsetting foreign currency exposures of certain future payments between the Company and various subsidiaries, suppliers or customers. The unsecured contracts are with major financial institutions. The Company may be exposed to credit loss in the event of non-performance by the contract counterparties. The Company evaluates the creditworthiness of the counterparties and does not expect default by them. Foreign currency exchange forward contracts are used to hedge commitments, such as foreign currency debt, firm purchase commitments and foreign currency cash flows for certain export sales transactions.

Changes in the fair value of derivatives used to hedge foreign currency denominated balance sheet items are reported directly in earnings, along with offsetting transaction gains and losses on the items being hedged. Derivatives used to hedge forecasted cash flows associated with foreign currency commitments may be accounted for as cash flow hedges, as deemed appropriate, if the criteria for hedge accounting are met. Gains and losses on derivatives designated as cash flow hedges are deferred in Accumulated other comprehensive loss, a separate component of equity, and reclassified to earnings in a manner that matches the timing of the earnings impact of the hedged transactions. The ineffective portion of all hedges, if any, is recognized currently in earnings.

At March 31, 2020 and December 31, 2019 the notional amounts of foreign currency exchange forward contracts were \$432.0 million and \$496.3 million, respectively. These contracts are primarily denominated in British pounds sterling and Euros and mature through October 2021.

In addition to foreign currency exchange forward contracts, the Company designates certain loans as hedges of net investments in international subsidiaries. The Company recorded pre-tax net losses of \$9.7 million and pre-tax net gains of \$4.8 million for the three months ended March 31, 2020 and 2019, respectively, in Accumulated other comprehensive loss.

Interest Rate Swaps

The Company uses interest rate swaps in conjunction with certain variable rate debt issuances in order to secure a fixed interest rate. Changes in the fair value attributed to the effect of the swaps' interest spread and changes in the credit worthiness of the counter-parties are recorded in Accumulated other comprehensive loss.

In January 2017 and February 2018 the Company entered into a series of interest rate swaps that cover the period from 2018 through 2022 and had the effect of converting \$300.0 million of the Term Loan Facility from floating-rate to fixed-rate. The fixed rates provided by the swaps replace the adjusted LIBOR rate in the interest calculation, ranging from 2.45% for 2020 to 3.12% for 2022.

During June 2019 the Company effected the early termination of interest rate swaps that covered the period from 2019 through 2022 and had the effect of converting \$100.0 million of the Term Loan Facility from floating-rate to fixed-rate. This termination was conducted as a result of the Company's new Notes offering and required repayment of a portion of the Term Loan Facility with proceeds from the AXC disposal. The total notional of the Company's interest rate swaps is \$200.0 million as of March 31, 2020.

Cross-Currency Interest Rate Swaps

The Company may use CCIRs in conjunction with certain debt issuances in order to secure a fixed local currency interest rate. Under these CCIRs, the Company receives interest based on a fixed or floating U.S. dollar rate and pays interest on a fixed local currency rate based on the contractual amounts in dollars and the local currency, respectively. At maturity, there is also the payment of principal amounts between currencies. Changes in the fair value attributed to the effect of the swaps' interest spread and changes in the credit worthiness of the counter-parties are recorded in Accumulated other comprehensive loss. Changes in value attributed to the effect of foreign currency fluctuations are recorded on the Company's Condensed Consolidated Statements of Operations and offset currency fluctuation effects on the debt principal. The Company had no outstanding CCIRs at March 31, 2020.

Fair Value of Other Financial Instruments

The carrying amounts of cash and cash equivalents, accounts receivable, accounts payable, accrued liabilities and short-term borrowings approximate fair value due to the short-term maturities of these assets and liabilities. At March 31, 2020 and December 31, 2019 the total fair value of long-term debt (excluding deferred financing costs), including current maturities, was \$739.2 million and \$827.2 million, respectively, compared with a carrying value of \$810.3 million and \$795.0 million, respectively. Fair values for debt are based on pricing models using market-based inputs (Level 2) for similar issues or on the current rates offered to the Company for debt of the same remaining maturities.

15. Review of Operations by Segment

(In thousands)	Three Months Ended	
	March 31	
	2020	2019
Revenues From Continuing Operations (a)		
Harsco Environmental	\$ 241,559	\$ 261,312
Harsco Clean Earth	78,812	—
Harsco Rail	78,470	68,590
Total Revenues From Continuing Operations	\$ 398,841	\$ 329,902
Operating Income (Loss) From Continuing Operations (a)		
Harsco Environmental	\$ 10,520	\$ 24,497
Harsco Clean Earth	4,245	—
Harsco Rail	6,472	5,389
Corporate	(18,356)	(10,062)
Total Operating Income From Continuing Operations	\$ 2,881	\$ 19,824
Depreciation and Amortization (a)		
Harsco Environmental	\$ 27,311	\$ 28,705
Harsco Clean Earth	6,519	—
Harsco Rail	1,299	1,167
Corporate	1,152	1,352
Total Depreciation and Amortization	\$ 36,281	\$ 31,224
Capital Expenditures (a)		
Harsco Environmental	\$ 24,748	\$ 29,163
Harsco Clean Earth	1,442	—
Harsco Rail	1,539	3,916
Corporate	58	1,153
Total Capital Expenditures	\$ 27,787	\$ 34,232

(a) The Company's acquisition of Clean Earth closed on June 28, 2019. The operating results of the former Harsco Industrial Segment has been reflected as discontinued operations in the Company's Condensed Consolidated Statement of Operations for all periods presented. See Note 3, Acquisitions and Dispositions, for additional details.

Reconciliation of Segment Operating Income to Income (Loss) From Continuing Operations Before Income Taxes and Equity Income

(In thousands)	Three Months Ended	
	March 31	
	2020	2019
Segment operating income	\$ 21,237	\$ 29,886
General Corporate expense	(18,356)	(10,062)
Operating income from continuing operations	2,881	19,824
Interest income	193	533
Interest expense	(12,649)	(5,507)
Unused debt commitment and amendment fees	(488)	—
Defined benefit pension income (expense)	1,589	(1,338)
Income (loss) from continuing operations before income taxes and equity income	\$ (8,474)	\$ 13,512

16. Revenue Recognition

The Company recognizes revenues to depict the transfer of promised services and products to customers in an amount that reflects the consideration the Company expects to receive in exchange for those services or products. Service revenues include the Harsco Clean Earth Segment and the service components of the Harsco Environmental and Harsco Rail Segments. Product revenues include portions of the Harsco Environmental and Harsco Rail Segments.

A summary of the Company's revenues by primary geographical markets as well as by key product and service groups is as follows:

(In thousands)	Three Months Ended				
	March 31, 2020				
	Harsco Environmental Segment	Harsco Clean Earth Segment	Harsco Rail Segment	Corporate	Consolidated Totals
Primary Geographical Markets (a) (b):					
North America	\$ 69,881	\$ 78,812	\$ 53,773	\$ —	\$ 202,466
Western Europe	96,317	—	18,164	—	114,481
Latin America (c)	33,260	—	665	—	33,925
Asia-Pacific	21,996	—	5,868	—	27,864
Middle East and Africa	15,889	—	—	—	15,889
Eastern Europe	4,216	—	—	—	4,216
Total Revenues	\$ 241,559	\$ 78,812	\$ 78,470	\$ —	\$ 398,841
Key Product and Service Groups (a):					
Environmental services related to resource recovery for metals manufacturing and related logistical services	\$ 207,346	\$ —	\$ —	\$ —	\$ 207,346
Applied products	30,262	—	—	—	30,262
Environmental systems for aluminum dross and scrap processing	3,951	—	—	—	3,951
Railway track maintenance equipment	—	—	42,615	—	42,615
After-market parts and services; safety and diagnostic technology	—	—	31,200	—	31,200
Railway contracting services	—	—	4,655	—	4,655
Waste processing and reuse solutions	—	78,812	—	—	78,812
Total Revenues	\$ 241,559	\$ 78,812	\$ 78,470	\$ —	\$ 398,841

(In thousands)	Three Months Ended				
	March 31, 2019				
	Harsco Environmental Segment	Harsco Clean Earth Segment	Harsco Rail Segment	Corporate	Consolidated Totals
Primary Geographical Markets (a) (b):					
North America	\$ 73,349	\$ —	\$ 50,365	\$ —	\$ 123,714
Western Europe	98,221	—	10,013	—	108,234
Latin America (c)	36,991	—	591	—	37,582
Asia-Pacific	34,138	—	7,621	—	41,759
Middle East and Africa	13,915	—	—	—	13,915
Eastern Europe	4,698	—	—	—	4,698
Total Revenues	\$ 261,312	\$ —	\$ 68,590	\$ —	\$ 329,902
Key Product and Service Groups (a):					
Environmental services related to resource recovery for metals manufacturing and related logistical services	\$ 224,061	\$ —	\$ —	\$ —	\$ 224,061
Applied products	30,390	—	—	—	30,390
Environmental systems for aluminum dross and scrap processing	6,861	—	—	—	6,861
Railway track maintenance equipment	—	—	33,608	—	33,608
After-market parts and services; safety and diagnostic technology	—	—	31,301	—	31,301
Railway contracting services	—	—	3,681	—	3,681
Waste processing and reuse solutions	—	—	—	—	—
Total Revenues	\$ 261,312	\$ —	\$ 68,590	\$ —	\$ 329,902

(a) The Company's acquisition of Clean Earth closed on June 28, 2019. The operating results of the former Harsco Industrial Segment have been reflected as discontinued operations in the Company's Condensed Consolidated Statement of Operations for all periods presented. See Note 3, Acquisitions and Dispositions, for additional details.

(b) Revenues are attributed to individual countries based on the location of the facility generating the revenue.

(c) Includes Mexico.

The Company may receive payments in advance of earning revenue, which are treated as Advances on contracts on the Company's Condensed Consolidated Balance Sheets. The Company may recognize revenue in advance of being able to contractually invoice the customer, which is treated as Contract assets on the Company's Condensed Consolidated Balance Sheets. Contract assets are transferred to Trade accounts receivable, net when right to payment becomes unconditional. Contract assets and Contract liabilities are reported as a net position, on a contract-by-contract basis, at the end of each reporting period. These instances are primarily related to the Harsco Rail Segment.

The Company had Contract assets totaling \$50.5 million and \$31.2 million at March 31, 2020 and December 31, 2019, respectively. The increase is due principally to recognition of additional contract assets in excess of contract assets transferred to accounts receivable during the three months ended March 31, 2020 primarily in the Harsco Rail Segment. The Company had Advances on contracts totaling \$101.6 million and \$60.3 million at March 31, 2020 and December 31, 2019, respectively. The increase is due principally to the receipt of new advances on contracts in excess of recognition of revenue for the Deutsche Bahn contract in the Harsco Rail Segment. During the three months ended March 31, 2020 and 2019 the Company recognized approximately \$18 million and approximately \$17 million, respectively, of revenue related to amounts previously included in Advances on contracts.

At March 31, 2020 the Harsco Environmental Segment had remaining, fixed, unsatisfied performance obligations where the expected contract duration exceeds one year totaling \$98.1 million. Of this amount, \$36.1 million is expected to be fulfilled by March 31, 2021, \$17.9 million by March 31, 2022, \$15.7 million by March 31, 2023, \$11.6 million by March 31, 2024 and the remainder thereafter. These amounts exclude any variable fees, fixed fees subject to indexation and any performance obligations expected to be satisfied within one year. The decrease from December 31, 2019 is primarily due to the renegotiation of a contract with a customer in the U.K. who had entered into administration.

At March 31, 2020 the Harsco Rail Segment had remaining, fixed, unsatisfied performance obligations where the expected contract duration exceeds one year totaling \$331.6 million. Of this amount, \$111.3 million is expected to be fulfilled by March 31, 2021, \$94.6 million by March 31, 2022, \$65.4 million by March 31, 2023, \$49.8 million by March 31, 2024 and the remainder thereafter. These amounts exclude any variable fees, fixed fees subject to indexation and any performance obligations expected to be satisfied within one year. The increase from December 31, 2019 is primarily attributable to new contract signings in U.S. and India.

17. Other Expenses, Net

The major components of this Condensed Consolidated Statements of Operations caption are as follows:

(In thousands)	Three Months Ended	
	March 31	
	2020	2019
Employee termination benefit costs	\$ 5,455	\$ 2,519
Other costs to exit activities	176	1,155
Impaired asset write-downs	69	214
Contingent consideration adjustments	—	369
Net gains	(19)	(2,271)
Other	52	(243)
Other expenses, net	\$ 5,733	\$ 1,743

18. Components of Accumulated Other Comprehensive Loss

Accumulated other comprehensive loss is included on the Company's Condensed Consolidated Statements of Equity. The components of Accumulated other comprehensive loss, net of the effect of income taxes, and activity for the three months ended March 31, 2019 and 2020 was as follows:

(In thousands)	Components of Accumulated Other Comprehensive Income (Loss) - Net of Tax				Total
	Cumulative Foreign Exchange Translation Adjustments	Effective Portion of Derivatives Designated as Hedging Instruments	Cumulative Unrecognized Actuarial Losses on Pension Obligations	Unrealized Gain (Loss) on Marketable Securities	
Balance at December 31, 2018	\$ (159,810)	\$ 1,389	\$ (408,655)	\$ (31)	\$ (567,107)
Adoption of new accounting standard	—	—	(21,429) ^(a)	—	(21,429)
Other comprehensive income (loss) before reclassifications	11,725 ^(b)	(3,084) ^(c)	(6,573) ^(b)	15	2,083
Amounts reclassified from accumulated other comprehensive loss, net of tax	(2,271)	(63)	4,782	—	2,448
Total other comprehensive income (loss)	9,454	(3,147)	(1,791)	15	4,531
Other comprehensive income attributable to noncontrolling interests	(420)	—	—	—	(420)
Other comprehensive income (loss) attributable to Harsco Corporation	9,034	(3,147)	(1,791)	15	4,111
Balance at March 31, 2019	\$ (150,776)	\$ (1,758)	\$ (431,875)	\$ (16)	\$ (584,425)

(In thousands)	Components of Accumulated Other Comprehensive Income (Loss) - Net of Tax				Total
	Cumulative Foreign Exchange Translation Adjustments	Effective Portion of Derivatives Designated as Hedging Instruments	Cumulative Unrecognized Actuarial Losses on Pension Obligations	Unrealized Gain (Loss) on Marketable Securities	
Balance at December 31, 2019	\$ (143,340)	\$ (3,717)	\$ (440,562)	\$ (3)	\$ (587,622)
Other comprehensive income (loss) before reclassifications	(71,472) ^(b)	(1,042) ^(c)	21,429 ^(b)	(18)	(51,103)
Amounts reclassified from accumulated other comprehensive loss, net of tax	12,906	(645)	8,840	—	21,101
Total other comprehensive income (loss)	(58,566)	(1,687)	30,269	(18)	(30,002)
Other comprehensive income attributable to noncontrolling interests	1,148	—	—	—	1,148
Other comprehensive income (loss) attributable to Harsco Corporation	(57,418)	(1,687)	30,269	(18)	(28,854)
Balance at March 31, 2020	\$ (200,758)	\$ (5,404)	\$ (410,293)	\$ (21)	\$ (616,476)

(a) Represents the adoption of the new accounting standard on January 1, 2019 related to stranded tax effects from the Tax Cuts and Jobs Act.

(b) Principally foreign currency fluctuation.

(c) Net change from periodic revaluations.

Amounts reclassified from Accumulated other comprehensive loss are as follows:

(In thousands)	Three Months Ended		Affected Caption on the Company's Condensed Consolidated Statements of Operations
	March 31 2020	March 31 2019	
Recognition of cumulative foreign currency translation adjustments:			
Gain on substantial liquidation of subsidiaries (d)	\$ —	\$ (2,271)	Other expenses, net
Loss on substantial liquidation of subsidiaries (d)	12,906	—	Gain on sale of discontinued business
Amortization of cash flow hedging instruments:			
Foreign currency exchange forward contracts	\$ (1,404)	\$ (32)	Product revenues
Cross-currency interest rate swaps	305	314	Interest expense
Interest rate swaps	378	(301)	Interest expense
Total before tax	(721)	(19)	
Tax expense	76	(44)	
Total reclassification of cash flow hedging instruments, net of tax	\$ (645)	\$ (63)	
Amortization of defined benefit pension items (e):			
Recognized losses	\$ 5,080	\$ 5,058	Defined benefit pension income (expense)
Recognized prior-service costs	107	66	Defined benefit pension income (expense)
Pension liability transfer - discontinued business	5,363	—	Gain on sale of discontinued business
Total before tax	10,550	5,124	
Tax benefit	(1,710)	(342)	
Total reclassification of defined benefit pension items, net of tax	\$ 8,840	\$ 4,782	

(d) No tax impact.

(e) These accumulated other comprehensive loss components are included in the computation of net periodic pension costs. See Note 10, Employee Benefit Plans, for additional details.

19. Subsequent Event

Acquisition of Stericycle Environmental Solutions business

On April 6, 2020 the Company completed the previously announced acquisition of ESOL from Stericycle, Inc. for \$462.5 million, subject to post-closing adjustments. ESOL is an established hazardous waste transportation and processing solutions provider with a comprehensive portfolio of disposal solutions for customers primarily across the industrial, retail and healthcare markets. Due to the timing of the completion of the acquisition, the Company is currently in the process of valuing the assets acquired and liabilities assumed. As a result, the Company is unable to provide the amounts recognized as of the acquisition date for the major classes of assets acquired and liabilities assumed and other disclosures.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion should be read in conjunction with the accompanying unaudited condensed consolidated financial statements as well as the audited consolidated financial statements of Harsco Corporation (the "Company"), including the notes thereto, included in the Company's Annual Report on Form 10-K for the year ended December 31, 2019 which includes additional information about the Company's critical accounting policies, contractual obligations, practices and the transactions that support the financial results, and provides a more comprehensive summary of the Company's outlook, trends and strategies for 2020 and beyond.

Certain amounts included in Item 2 of this Quarterly Report on Form 10-Q are rounded in millions and all percentages are calculated based on actual amounts. As a result, minor differences may exist due to rounding.

Forward-Looking Statements

The nature of the Company's business, together with the number of countries in which it operates, subject it to changing economic, competitive, regulatory and technological conditions, risks and uncertainties. In accordance with the "safe harbor" provisions of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, the Company provides the following cautionary remarks regarding important factors that, among others, could cause future results to differ materially from the results contemplated by forward-looking statements, including the expectations and assumptions expressed or implied herein. Forward-looking statements contained herein could include, among other things, statements about management's confidence in and strategies for performance; expectations for new and existing products, technologies and opportunities; and expectations regarding growth, sales, cash flows, and earnings. Forward-looking statements can be identified by the use of such terms as "may," "could," "expect," "anticipate," "intend," "believe," "likely," "estimate," "plan" or other comparable terms.

Factors that could cause actual results to differ, perhaps materially, from those implied by forward-looking statements include, but are not limited to: (1) changes in the worldwide business environment in which the Company operates, including changes in general economic conditions or changes due to the COVID-19 coronavirus pandemic and governmental and market reactions to the COVID-19 coronavirus pandemic; (2) changes in currency exchange rates, interest rates, commodity and fuel costs and capital costs; (3) changes in the performance of equity and bond markets that could affect, among other things, the valuation of the assets in the Company's pension plans and the accounting for pension assets, liabilities and expenses; (4) changes in governmental laws and regulations, including environmental, occupational health and safety, tax and import tariff standards and amounts; (5) market and competitive changes, including pricing pressures, market demand and acceptance for new products, services and technologies; (6) the Company's inability or failure to protect its intellectual property rights from infringement in one or more of the many countries in which the Company operates; (7) failure to effectively prevent, detect or recover from breaches in the Company's cybersecurity infrastructure; (8) unforeseen business disruptions in one or more of the many countries in which the Company operates due to political instability, civil disobedience, armed hostilities, public health issues or other calamities; (9) disruptions associated with labor disputes and increased operating costs associated with union organization; (10) the seasonal nature of the Company's business; (11) the Company's ability to successfully enter into new contracts and complete new acquisitions or strategic ventures in the time-frame contemplated, or at all; (12) the integration of the Company's strategic acquisitions; (13) potential severe volatility in the capital markets; (14) failure to retain key management and employees; (15) the amount and timing of repurchases of the Company's common stock, if any; (16) the outcome of any disputes with customers, contractors and subcontractors; (17) the financial condition of the Company's customers, including the ability of customers (especially those that may be highly leveraged, have inadequate liquidity or whose business is significantly impacted by the COVID-19 coronavirus pandemic) to maintain their credit availability; (18) implementation of environmental remediation matters; (19) risk and uncertainty associated with intangible assets and (20) other risk factors listed from time to time in the Company's SEC reports. A further discussion of these, along with other potential risk factors, can be found in Part I, Item 1A, "Risk Factors," of the Company's Annual Report on Form 10-K for the year ended December 31, 2019, and Part II, Item 1A, Risk Factors herein. The Company cautions that these factors may not be exhaustive and that many of these factors are beyond the Company's ability to control or predict. Accordingly, forward-looking statements should not be relied upon as a prediction of actual results. The Company undertakes no duty to update forward-looking statements except as may be required by law.

Executive Overview

The Company is a market-leading, global provider of environmental solutions for industrial and specialty waste streams, and innovative equipment and technology for the rail sector. The Company's operations consist of three reportable segments: Harsco Environmental, Harsco Clean Earth and Harsco Rail and the Company is working towards transforming Harsco into a single-thesis environmental solutions company that is a global leader in the markets we serve. The Harsco Environmental Segment operates primarily under long-term contracts, providing critical environmental services and material processing to the global steel and metals industries including zero waste solutions for manufacturing byproducts within the metals industry. The Harsco Clean Earth Segment provides specialty waste processing and beneficial reuse solutions for hazardous wastes, contaminated materials and dredged volumes. The Harsco Rail Segment is a provider of highly engineered maintenance equipment, after-market parts and safety and diagnostic systems which support railroad and transit customers worldwide. The Company has locations in approximately 30 countries, including the U.S. The Company was incorporated in 1956.

In February 2020 the Company announced that it entered into a definitive agreement to acquire the Stericycle Environmental Solutions business ("ESOL"), an established hazardous waste transportation and processing solutions provider, from Stericycle, Inc. Under the terms of the agreement, the Company will acquire ESOL for \$462.5 million, subject to customary purchase price adjustments. This transaction closed on April 6, 2020. The acquisition of ESOL furthers Harsco's transformation into a global, market-leading, single-thesis environmental solutions platform. The results of ESOL will be reflected in the Harsco Clean Earth Segment.

In March 2020 the Company raised a new term loan facility of \$280 million ("New Term Loan") as a new tranche under the existing Senior Secured Credit Facilities. There were no borrowings outstanding under the New Term Loan at March 31, 2020. The New Term Loan was fully drawn on April 6, 2020 to partially fund the ESOL acquisition. Borrowings under the New Term Loan bear interest at a rate per annum ranging from 150 to 225 basis points over adjusted LIBOR (as defined in the Credit Agreement governing the Senior Secured Credit Facilities). The New Term Loan will mature on June 28, 2024. The Company also amended the Senior Secured Credit Facilities to, among other things, increase the net debt to consolidated adjusted earnings before interest, tax, depreciation and amortization ("EBITDA") ratio covenant to 5.0 through December 2020, which decreases to 4.5 through December 2021 and 4.0 for periods thereafter.

In January 2020 the Company sold Harsco Industrial IKG ("IKG") for \$85 million, including a note receivable with a face value of \$40.0 million (initial fair value \$34.3 million), subject to post-closing adjustments, and recognized a gain on sale of \$18.5 million pre-tax (or approximately \$9 million after-tax). This disposal, along with the disposals of the former Harsco Industrial Air-X-Changers and Harsco Industrial Patterson-Kelley in 2019, represent a strategic shift and accelerate the transformation of the Company's portfolio of businesses into a global, market-leading, single-thesis environmental solutions platform.

Beginning in March 2020 overall global economic conditions have been significantly impacted by the COVID-19 coronavirus pandemic. The initial impact of the COVID-19 coronavirus pandemic on the Company varied by end market and local conditions (including applicable government mandates). The ultimate duration and impact of the COVID-19 coronavirus pandemic on the Company and its customers' operations is presently unclear, though the Company continues to operate as a provider of certain essential services in U.S. and most other countries. The Company has taken significant and proactive actions to protect all stakeholders and to minimize the operational and financial impacts of the COVID-19 coronavirus pandemic. Work safety and flexibility measures have been implemented as the Company strives to keep facilities operational. In addition, the Company is also focused on actions to adjust its cost structure, reduce capital and operating expenditures, and to preserve its financial flexibility and liquidity position. Please refer to the below discussion of business outlook and Part II, Item 1A, "Risk Factors" for additional information related to the potential impacts of the COVID-19 coronavirus pandemic on the Company.

Highlights from the first quarter ended March 31, 2020 include (refer to the discussion of segment and consolidated results included within Results of Operations below, as well as Liquidity and Capital Resources, for additional information pertaining to the key drivers impacting these highlights):

- Revenues for the first quarter ended March 31, 2020 increased approximately 21% compared with the first quarter ended March 31, 2019. The primary drivers for this increase were the acquisition of Clean Earth and increased revenue related to maintenance-of-way equipment sales in the Harsco Rail Segment, partially offset by the impact of foreign currency translation and modestly lower customer productions in the Harsco Environmental Segment inclusive of the impacts from the COVID-19 coronavirus pandemic.

- Operating income from continuing operations for the first quarter ended March 31, 2020 decreased approximately 85% compared with the first quarter ended March 31, 2019. The primary drivers for this decrease were incremental strategic costs of approximately \$11 million, primarily to support the ESOL acquisition, decreased customer production levels in the Harsco Environmental Segment inclusive of the impacts of the COVID-19 coronavirus pandemic, severance costs of approximately \$5 million in the Harsco Environmental Segment and the mix of maintenance-of-way equipment sales in the Harsco Rail Segment. These decreases were partially offset by the inclusion of Clean Earth operating results; lower selling, general and administrative expenses in the Harsco Environmental and Harsco Rail Segments and costs incurred in the Harsco Rail Segment during 2019 that did not repeat in 2020 related to the consolidation of U.S. manufacturing and distribution into a single facility.
- Diluted loss per common share from continuing operations attributable to Harsco Corporation for the first quarter ended March 31, 2020 were \$0.11, a decrease of approximately 185% compared with the Diluted earnings per common share from continuing operations during first quarter ended March 31, 2019. In addition to the factors noted above for revenue and operating income from continuing operations, the primary driver of this decrease was increased interest expense.
- Cash flows used by operating activities for the three months ended March 31, 2020 were \$11.5 million, a decrease of \$26.4 million compared with the Cash flows from operating activities for the three months ended March 31, 2019. The primary driver for this decrease was lower net income (excluding the impacts of the IKG sale), including the strategic costs principally related to the ESOL acquisition.

Looking forward, the Company expects a positive long-term outlook across all businesses, however results during the evolving COVID-19 coronavirus pandemic will be negatively impacted. The Company's view for the remainder of 2020 and beyond is supported by the below factors, which should be considered in the context of other risks, trends and strategies in the Company's Annual Report on Form 10-K for the year ended December 31, 2019 together with those described in Part II, Item 1A, "Risk Factors.":

- As a result of the evolving impact of the COVID-19 coronavirus pandemic on the global economy, the Company is anticipating a further slow-down in customer demand and increased business disruption, the extent and duration of which is not presently known. The Company continues to operate in most countries around the world in which it has a presence, including as a provider of essential services in the U.S., and the Company is continuing to work diligently and safely to provide customers with services and products.
- The Harsco Environmental Segment continues to operate in most countries around the world in which it has a presence to support critical metal production, although the Company expects an overall decline in global steel production, including a limited number of locations where mills are temporarily idled. Over the longer-term the Company expects that Harsco Environmental Segment growth will be driven by investments, innovation and economic growth that supports higher customer steel production. In addition, new site (contract) contributions are expected to outpace site exits during 2020.
- The Harsco Clean Earth Segment locations are currently operating as an essential services provider throughout the U.S., enabling the business to continue to perform critical environmental services despite mandated closures for non-essential businesses in certain states. However, in the near term it is likely that a decrease in construction related activity, resulting from the COVID-19 coronavirus pandemic, may impact the contaminated materials line of business. The immediate impact of the COVID-19 coronavirus pandemic on the hazardous waste line of business, including the recently announced ESOL acquisition, will vary by ultimate end market with certain end-markets such as medical waste and retail, as well as the dredged materials line of business, being more resilient. Over the longer-term the Company expects growth opportunities, including the recently completed ESOL transaction, positive market trends, operational synergy opportunities and the less cyclical nature of this business to provide favorable returns on the Company's recent investments.
- The Harsco Rail Segment continues to fulfill orders critical to global transportation and is on track to increase capacity during the remainder of 2020 through its Supply Chain Operation Recovery program to a level required to deliver on its backlog. In the near term, the Harsco Rail Segment may be impacted by a decrease in certain short-cycle and equipment sales as a result of the COVID-19 coronavirus pandemic, primarily in the U.S. Overall, the Harsco Rail Segment is supported by record backlog, which grew during the first quarter of 2020, and the longer-term outlook for this business remains strong.
- The Company anticipates moderately higher selling, general and administrative costs in the Harsco Rail Segment, necessary to support anticipated volume increases and growth.
- The Company anticipates lowering 2020 capital expenditures by approximately \$75 million from an originally expected range of \$170 million to \$180 million with the goal of preserving positive free cash flow (cash flows from operations; deduct capital expenditures; add back proceeds from asset sales) for the year.
- The Company anticipates additional corporate cost reductions during 2020 to offset the impact of the COVID-19 coronavirus pandemic.

- Interest expense for 2020 is expected to increase due to higher average debt balances during 2020 and the impact of a higher weighted-average interest rate resulting from the issuance of the 5.75% Notes in 2019 and the New Term Loan.
- Net periodic pension cost will decrease by approximately \$12 million during 2020 which will primarily be reflected in the caption Defined benefit pension (income) expense on the Condensed Consolidated Statement of Operations. The decrease is primarily the result of higher plan asset values at December 31, 2019.

Results of Operations

Segment Results

(In millions, except percentages)	Three Months Ended	
	March 31	
	2020	2019
Revenues:		
Harsco Environmental	\$ 241.6	\$ 261.3
Harsco Clean Earth	78.8	—
Harsco Rail	78.5	68.6
Total Revenues	\$ 398.8	\$ 329.9
Operating Income (Loss):		
Harsco Environmental	\$ 10.5	\$ 24.5
Harsco Clean Earth	4.2	—
Harsco Rail	6.5	5.4
Corporate	(18.4)	(10.1)
Total Operating Income:	\$ 2.9	\$ 19.8
Operating Margins:		
Harsco Environmental	4.4%	9.4%
Harsco Clean Earth	5.4	—
Harsco Rail	8.2	7.9
Consolidated Operating Margin	0.7%	6.0%

Harsco Environmental Segment:

Significant Effects on Revenues (In millions)	March 31, 2020
	Three Months Ended
Revenues — 2019	\$ 261.3
Impact of foreign currency translation.	(10.6)
Net impact of new and lost contracts.	(6.8)
Net effects of price/volume changes, primarily attributable to volume changes.	(2.3)
Revenues — 2020	\$ 241.6

Factors Positively Affecting Operating Income:

- Lower selling, general and administrative expenses improved operating income by \$2.8 million during the first quarter of 2020 compared to the same period in the prior year.
- Operating income was positively affected by improved pricing and lower costs for both abrasives and roofing materials during the first quarter of 2020 compared with the same period in the prior year.

Factors Negatively Impacting Operating Income:

- Overall steel production by customers under environmental services contracts, including the impact of new and exited contracts, decreased modestly for the first quarter of 2020 compared with the same period in the prior year. Additionally, estimated customer mill utilization decreased 8% compared with the same period in the prior year.
- Operating results for the first quarter of 2020 were also negatively impacted by \$5.2 million of employee termination benefit costs incurred to improve operational efficiency and support near-term financial performance.
- Foreign currency translation decreased operating income by \$1.2 million for the first quarter of 2020 compared with the same period in the prior year.
- Operating income for the first quarter of 2020 was negatively impacted by a \$2.3 million gain during the first quarter of 2019 related to the recognition of a foreign currency cumulative translation adjustment resulting from the substantial liquidation of a subsidiary that did not repeat.

Harsco Clean Earth Segment:

The Company acquired Clean Earth on June 28, 2019 and the operating results are reflected in the Harsco Clean Earth Segment, which is a new reportable segment of the Company. Revenues and operating income for first quarter of 2020 were \$78.8 million and \$4.2 million, respectively.

Harsco Rail Segment:

	March 31, 2020
Significant Effects on Revenues (In millions)	Three Months Ended
Revenues — 2019	\$ 68.6
Net effect of price/volume changes, primarily attributable to volume changes.	10.7
Impact of foreign currency translation.	(0.8)
Revenues — 2020	\$ 78.5

Factors Positively Affecting Operating Income:

- Increased railway contracting services, primarily related to a new contract start in the U.S., increased operating income during the first quarter of 2020 compared with the same period in the prior year.
- Results for the first quarter of 2019 included \$2.6 million of costs associated with the consolidation of U.S. manufacturing and distribution into one facility that did not repeat during the first quarter of 2020.

Factors Negatively Impacting Operating Income:

- The mix of maintenance-of-way equipment sales decreased operating income during the first quarter of 2020 compared with the same period in the prior year.

Consolidated Results

(In millions, except per share amounts)	March 31	
	Three Months Ended	
	2020	2019
Total revenues	\$ 398.8	\$ 329.9
Cost of services and products sold	316.5	251.2
Selling, general and administrative expenses	72.5	56.4
Research and development expenses	1.3	0.7
Other expenses, net	5.7	1.7
Operating income from continuing operations	2.9	19.8
Interest income	0.2	0.5
Interest expense	(12.6)	(5.5)
Unused debt commitment and amendment fees	(0.5)	—
Defined benefit pension income (expense)	1.6	(1.3)
Income tax benefit (expense)	0.7	(1.2)
Equity income of unconsolidated entities, net	0.1	—
Income (loss) from continuing operations	(7.7)	12.3
Gain on sale of discontinued business	18.5	—
Income (loss) from discontinued businesses	(0.2)	13.8
Income tax expense related to discontinued operations	(9.3)	(3.5)
Income from discontinued operations	8.9	10.2
Net income	1.2	22.5
Total other comprehensive income (loss)	(30.0)	4.5
Total comprehensive income (loss)	(28.8)	27.1
Diluted earnings (loss) per common share from continuing operations attributable to Harsco Corporation common stockholders	(0.11)	0.13
Effective income tax rate for continuing operations	8.0%	9.0%

Comparative Analysis of Consolidated Results

Revenues

Revenues for the first quarter of 2020 increased \$68.9 million or 20.9% from the first quarter of 2019. Foreign currency translation decreased revenues by approximately \$11 million for the first quarter of 2020 compared with the same period in the prior year. Refer to the discussion of segment results above for information pertaining to factors positively affecting and negatively impacting revenues.

Cost of Services and Products Sold

Cost of services and products sold for the first quarter of 2020 increased \$65.3 million or 26.0% from the first quarter of 2019. The changes in cost of services and products sold were attributable to the following significant items:

(In millions)	March 31, 2020	
	Three Months Ended	
Impact of Clean Earth acquisition	\$	63.4
Increased costs due to changes in revenues (exclusive of the Clean Earth acquisition and effects of foreign currency translation and including fluctuations in commodity costs included in selling prices)		12.9
Impact of foreign currency translation		(9.3)
Other		(1.7)
Total change in cost of services and products sold — 2020 vs. 2019	\$	65.3

Selling, General and Administrative Expenses

Selling, general and administrative expenses for the first quarter of 2020 increased \$16.1 million or 28.5% from the first quarter of 2019. This increase primarily relates to incremental strategic costs of approximately \$11 million related to the acquisition of ESOL and the inclusion of selling, general and administrative expenses associated with the Clean Earth acquisition which occurred in June 2019.

Other Expenses, Net

The major components of this Condensed Consolidated Statements of Operations caption are as follows:

(In thousands)	Three Months Ended	
	March 31	
	2020	2019
Employee termination benefit costs	\$ 5,455	\$ 2,519
Other costs to exit activities	176	1,155
Impaired asset write-downs	69	214
Contingent consideration adjustments	—	369
Net gains	(19)	(2,271)
Other	52	(243)
Other expenses, net	\$ 5,733	\$ 1,743

Interest Expense

Interest expense during the first quarter of 2020 increased by \$7.1 million compared with the first quarter 2019. This increase primarily relates to higher outstanding borrowings and weighted average interest rates primarily related to the June 2019 issuance of the 5.75% Notes.

Unused Debt Commitment and Amendment Fees

During the first quarter of 2020 the Company recognized \$0.5 million of fees and other costs primarily related to the amendment of the Senior Secured Credit Facilities.

Defined Benefit Pension Income (Expense)

Defined benefit pension income for the first quarter of 2020 was \$1.6 million, compared with defined benefit pension expense of \$1.3 million for the first quarter of 2019. These changes are primarily the result of higher plan asset values at December 31, 2019.

Income Tax Expense

Income tax benefit related to continuing operations for the first quarter 2020 was \$0.7 million compared with income tax expense of \$1.2 million for the first quarter of 2019. This change is the result of lower taxable income, primarily resulting from a net increase in strategic costs related to the ESOL acquisition, partially offset by a decreased income tax benefit recognized for stock-based compensation vesting during the first quarter of 2020 compared to the first quarter of 2019.

Income (Loss) from Continuing Operations

The Loss from continuing operations was \$7.7 million for the first quarter 2020 compared with Income from continuing operations of \$12.3 million in the first quarter of 2019. The primary drivers for this decrease, including segment operating results and selling, general and administrative expenses are noted above.

Gain on Sale of Discontinued Business

In January 2020 the Company sold IKG and recognized a gain on sale of \$18.5 million pre-tax (or approximately \$9 million after-tax) which has been recorded in the Company's Condensed Consolidated Statements of Operations as discontinued operations for the three months ended March 31, 2020.

Income from Discontinued Operations

The operating results of the former Harsco Industrial Segment, costs directly related to these disposals, an allocation of interest expense associated with mandatory debt repayments required as a result of the disposals and the write-off of deferred financing costs resulting from the mandatory repayment have been reflected as discontinued operations in the Company's Condensed Consolidated Statement of Operations for all periods presented. See Note 3, Acquisitions and Dispositions, in Part I, Item 1, Financial Statements.

Total Other Comprehensive Income (Loss)

Total other comprehensive loss was \$30.0 million in the first quarter of 2020 compared with total other comprehensive income of \$4.5 million in the first quarter of 2019. For the first quarter of 2020 the primary driver of this decrease is due to the strengthening of the U.S. against certain currencies including the impact of foreign currency translation of cumulative unrecognized actuarial losses on the Company's pension obligations.

Liquidity and Capital Resources

In March 2020 the Company raised a New Term Loan of \$280 million as a new tranche under the existing Senior Secured Credit Facilities. There were no borrowings outstanding under the New Term Loan at March 31, 2020. The New Term Loan was fully drawn on April 6, 2020 to partially fund the ESOL acquisition. Borrowings under the New Term Loan bear interest at a rate per annum ranging from 150 to 225 basis points over adjusted LIBOR (as defined in the Credit Agreement governing the Senior Secured Credit Facilities). The New Term Loan will mature on June 28, 2024. The Company also amended the Senior Secured Credit Facilities to, among other things, increase the net debt to consolidated adjusted EBITDA ratio covenant to 5.0 through December 2020, which decreases to 4.5 through December 2021 and 4.0 for periods thereafter.

Cash Flow Summary

The global economy has been under stress due to the impact of the COVID-19 coronavirus pandemic, the extent and duration of which is not presently known, and the Company expects its liquidity to be negatively impacted in the near term. As a result, the Company has taken significant proactive actions to minimize the operational and financial impacts. In addition, the Company is focused on actions to include adjusting its cost structure, reduce discretionary capital and operating expenditures, improve working capital, and to preserve its financial flexibility and liquidity position.

The Company currently expects to have sufficient financial liquidity and borrowing capacity to support the strategies within each of its businesses, inclusive of the impacts of the COVID-19 coronavirus pandemic and the financing of the ESOL acquisition. The Company currently expects operational and business needs to be met by cash provided by operations, supplemented with borrowings principally under the Senior Secured Credit Facility due to historic patterns of seasonal cash flow, the funding of various projects, and the impact of the COVID-19 coronavirus pandemic.

The Company's cash flows from operating, investing and financing activities, as reflected on the Company's Condensed Consolidated Statements of Cash Flows, are summarized in the following table:

(In millions)	Three Months Ended	
	March 31	
	2020	2019
Net cash provided (used) by:		
Operating activities	\$ (11.5)	\$ 14.8
Investing activities	18.6	(38.6)
Financing activities	12.8	44.4
Effect of exchange rate changes on cash and cash equivalents, including restricted cash	(10.8)	—
Net change in cash and cash equivalents, including restricted cash	<u>\$ 9.1</u>	<u>\$ 20.5</u>

Net cash provided (used) by operating activities — Net cash used by operating activities in the first three months of 2020 was \$11.5 million, a decrease of \$26.4 million from net cash provided by operating activities in the first three months of 2019. The primary drivers for this decrease were lower cash net income, including approximately \$14 million of transaction related costs principally associated with the ESOL acquisition, partially offset by the decreases in working capital due principally to customer advances received by the Harsco Rail Segment.

Net cash provided (used) by investing activities — Net cash provided by investing activities in the first three months of 2020 was \$18.6 million, an increase of \$57.3 million from the net cash used by investing activities in the first three months of 2019. The increase was primarily due to the proceeds from the sale of the IKG business, net proceeds from the settlement of foreign currency forward exchange and a decrease in the purchases of property, plant and equipment, primarily in the Harsco Environmental Segment.

Net cash provided by financing activities — Net cash provided by financing activities in the first three months of 2020 was \$12.8 million, a decrease of \$31.6 million from net cash provided by financing activities in the first three months of 2019. The change was primarily due to lower net cash borrowings of \$17.9 million in the first three months of 2020 compared with net cash borrowings of \$51.7 million in the three months of 2019; partially offset by a decrease in payment of employee taxes related to stock-based compensation vesting.

Effect of exchange rate changes on cash and cash equivalents, including restricted cash — The decrease is due to the impact of the significant strengthening of the U.S. dollar against certain currencies during the first quarter of 2020 on the global cash balances held by the Company in these currencies, including balances held in the Company's multicurrency cash pool. The most significant impacts were the Australian dollar, the Mexican peso, the Canadian dollar and the Brazilian real.

Sources and Uses of Cash

The Company's principal sources of liquidity are cash provided by operations and borrowings under the Senior Secured Credit Facility, augmented by cash proceeds from asset sales. In addition, the Company has other bank credit facilities available throughout the world. The Company expects to continue to utilize all of these sources to meet future cash requirements for operations and growth initiatives.

Summary of Senior Secured Credit Facility Borrowings(a): (In millions)	March 31 2020	December 31 2019
By type:		
Revolving Credit Facility	\$ 80.0	\$ 67.0
Term Loan Facility	218.2	218.2
5.75% Notes	500.0	500.0
Total	<u>\$ 798.2</u>	<u>\$ 785.2</u>

(a) All amounts outstanding under the Senior Secured Credit Facility are classified as long-term on the Company's Condensed Consolidated Balance Sheets at both March 31, 2020 and December 31, 2019.

(In millions)	March 31, 2020			
	Facility Limit	Outstanding Balance	Outstanding Letters of Credit	Available Credit
Multi-year revolving credit facility	<u>\$ 700.0</u>	<u>\$ 80.0</u>	<u>\$ 25.4</u>	<u>\$ 594.6</u>

Debt Covenants

The Senior Secured Credit Facility contains a consolidated net debt to consolidated adjusted EBITDA ratio covenant, which is not to exceed 5.0 through December 2020, which decreases to 4.5 through December 2021 and to 4.0 for periods thereafter; and a minimum consolidated adjusted EBITDA to consolidated interest charges ratio covenant, which is not to be less than 3.0. At March 31, 2020 the Company was in compliance with these covenants, as the total net debt to adjusted EBITDA ratio was 2.6 and total interest coverage ratio was 5.9. Based on balances and covenants in effect at March 31, 2020 the Company could increase net debt by \$675.1 million and remain in compliance with these debt covenants. Alternatively, adjusted EBITDA could decrease by \$135.0 million, and the Company would remain in compliance with these covenants. The Company has estimated the negative impact of COVID-19 on its financial position, results of operations and cash flows, and believes it will continue to maintain compliance with these covenants.

However, due to the inherent uncertainty of the COVID-19 pandemic on the Company's businesses, the Company's estimates of the achievement of these covenants could change in the future.

Cash Management

The Company has various cash management systems throughout the world that centralize cash in various bank accounts where it is economically justifiable and legally permissible to do so. These centralized cash balances are then redeployed to other operations to reduce short-term borrowings and to finance working capital needs or capital expenditures. Due to the transitory nature of cash balances, they are normally invested in bank deposits that can be withdrawn at will or in very liquid short-term bank time deposits and government obligations. The Company's policy is to use the largest banks in the various countries in which the Company operates. The Company monitors the creditworthiness of banks and when appropriate will adjust banking operations to reduce or eliminate exposure to less creditworthy banks.

At March 31, 2020 the Company's consolidated cash and cash equivalents included \$60.5 million held by non-U.S. subsidiaries. At March 31, 2020 less than 2% of the Company's consolidated cash and cash equivalents had regulatory restrictions that would preclude the transfer of funds with and among subsidiaries. Non-U.S. subsidiaries also held \$22.2 million of cash and cash equivalents in consolidated strategic ventures. The strategic venture agreements may require strategic venture partner approval to transfer funds with and among subsidiaries. While the Company's remaining non-U.S. cash and cash equivalents can be transferred with and among subsidiaries, the majority of these non-U.S. cash balances will be used to support the ongoing working capital needs and continued growth of the Company's non-U.S. operations.

Recently Adopted and Recently Issued Accounting Standards

Information on recently adopted and recently issued accounting standards is included in Note 2, Recently Adopted and Recently Issued Accounting Standards, in Part I, Item 1, Financial Statements.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market risks have not changed significantly from those disclosed in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2019.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

As of March 31, 2020 an evaluation was performed, under the supervision and with the participation of the Company's management, including the Company's Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures pursuant to Rule 13a-15 under the Securities and Exchange Act of 1934, as amended (the "Exchange Act"). Based upon that evaluation, such officers concluded that the Company's disclosure controls and procedures are effective to ensure that information required to be disclosed by the Company in the reports it files or submits under the Exchange Act (1) is recorded, processed, summarized, and reported within the time periods specified in the Securities and Exchange Commission's rules and forms and (2) is accumulated and communicated to the Company's management, including the Chief Executive Officer and Chief Financial Officer, as appropriate to allow for timely decisions regarding required disclosure.

Changes in Internal Control Over Financial Reporting

On June 28, 2019 the Company acquired CEHI Acquisition Corporation and Subsidiaries ("Clean Earth"). As a result, the Company is currently integrating Clean Earth's operations into its overall system of internal control over financial reporting. Under the guidelines established by the Securities and Exchange Commission, companies are permitted to exclude acquisitions from their assessment of internal control over financial reporting during the first year of acquisition. The Company expects to include Clean Earth in the assessment of internal control over financial reporting for 2020.

Other than the foregoing, there were no changes in the Company's internal control over financial reporting during the Company's most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II — OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

Information on legal proceedings is included in Note 12, Commitments and Contingencies, in Part I, Item 1, Financial Statements.

ITEM 1A. RISK FACTORS

The Company's risk factors as of March 31, 2020 have not changed materially from those described in Part 1, Item 1A, "Risk Factors" of the Company's Annual Report on Form 10-K for the year ended December 31, 2019, except for the risk factor below.

Outbreaks of disease and health epidemics, such as the COVID-19 coronavirus pandemic, could have a negative impact on the Company's business revenues, financial position, results of operations and/or stock price.

In late December 2019 a notice of pneumonia of unknown cause originating from Wuhan, Hubei province of China was reported to the World Health Organization. A novel coronavirus called COVID-19 was identified, with cases soon confirmed in multiple provinces in China, as well as in several other countries. On March 2, 2020, the World Health Organization declared the coronavirus outbreak a "pandemic", which is disease that is widespread around the world with an impact on society. Since that time the virus has been identified in virtually every country, travel to and from most countries has been suspended or restricted by air carriers and foreign governments, and extended shutdowns of certain businesses and other activities in many countries, including the United States and Europe, continue. This has led to disruptions in global supply chains, as well as steep downturns and price volatility in equity markets.

The COVID-19 coronavirus pandemic continues to impact worldwide economic activity and pose the risk that the Company or its employees, contractors, suppliers, customers and other business partners may be prevented from conducting certain business activities for an indefinite period of time, including due to shutdowns that may be requested or mandated by governmental authorities or otherwise elected by companies as a preventive measure. In addition, mandated government authority measures or other measures elected by companies as preventative measures may lead to the Company's customers being unable to complete purchases or other activities. For example, a limited number of Company operations in South America have currently been shut down as the result of government decrees that have been issued in those countries. Certain Company operations have also been temporarily restricted or halted in Europe, North American and South America due to customer operational decisions.

The COVID-19 coronavirus pandemic may have an adverse effect on the Company's operations and, given the uncertainty around the extent and timing of the potential future spread or mitigation and around the imposition or relaxation of protective measures, the Company cannot reasonably estimate the impact to the Company's future results of operations, cash flows, financial condition or stock price.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

On May 2, 2018 the Company announced that the Board of Directors adopted a share repurchase program, authorizing the Company to repurchase up to \$75,000,000 of outstanding shares of the Company's common stock through April 24, 2021. The Company did not purchase any shares of common stock under this program during the quarter ended March 31, 2020. The approximate dollar value of shares that may yet be purchased under the share repurchase program is \$13,151,485. When and if appropriate, repurchases are made in open market transactions, depending on market conditions. Share repurchases may not occur and may be discontinued at any time.

ITEM 6. EXHIBITS

The following exhibits are included as part of this report by reference:

Exhibit Number	Description
2.1	Sale and Purchase Agreement by and among Harsco Corporation, Harsco Mexico Holding, S.A. de C.V. and Sidero Inc., dated as of January 9, 2020 (incorporated by reference to the Company's Current Report on Form 8-K dated January 15, 2020, Commission File Number 001-03970).*
2.2	Amendment to Sale and Purchase Agreement, dated January 30, 2020, by and among Harsco Corporation, Harsco Mexico Holding, S.A. de C.V. and Sidero Inc.
2.3	Stock Purchase Agreement, dated as of February 6, 2020 by and among Stericycle, Inc., CEI Holding, LLC and solely with respect to Section 11.16 thereof, Harsco Corporation (incorporated by reference to the Company's Current Report on Form 8-K dated February 12, 2020, Commission File Number 001-03970).*
10.1	Amendment No. 5, dated March 31, 2020, among Harsco Corporation, the subsidiaries of the Company party thereto, Citibank N.A., as administrative agent and collateral agent, and the lenders party thereto (incorporated by reference to the Company's Current Report on Form 8-K dated March 31, 2020, Commission File Number 001-03970).
10.2	Form of RSU Award Agreement (for awards granted on or after March 10, 2020).
10.3	Form of PSU Award Agreement (for awards granted on or after March 10, 2020).
10.4	Form of SAR Award Agreement (for awards granted on or after March 10, 2020).
31.1	Certification Pursuant to Rule 13a-14(a) or 15d-14(a), as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (Chairman, President and Chief Executive Officer).
31.2	Certification Pursuant to Rule 13a-14(a) or 15d-14(a), as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (Chief Financial Officer).
32	Certifications Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Chairman, President and Chief Executive Officer and Chief Financial Officer).
101.Def	Definition Linkbase Document
101.Pre	Presentation Linkbase Document
101.Lab	Labels Linkbase Document
101.Cal	Calculation Linkbase Document
101.Sch	Schema Document
101.Ins	Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.

* Schedules and similar exhibits, attachments and annexes have been omitted pursuant to Item 601(b)(2) of Regulation S-K. The Company will furnish copies of any such schedules exhibits, attachments and annexes to the U.S. Securities and Exchange Commission upon request.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

HARSCO CORPORATION

(Registrant)

DATE May 8, 2020

/s/ PETER F. MINAN

Peter F. Minan

Senior Vice President and Chief Financial Officer

(On behalf of the registrant and as Principal Financial Officer)

DATE May 8, 2020

/s/ SAMUEL C. FENICE

Samuel C. Fenice

Vice President and Corporate Controller

(Principal Accounting Officer)

AMENDMENT TO SALE AND PURCHASE AGREEMENT

THIS AMENDMENT TO SALE AND PURCHASE AGREEMENT, dated as of January 30, 2020 (“Amendment”), is entered into by and among Harsco Corporation, a Delaware corporation (“Seller Parent”), Harsco México Holding, S.A. de C.V., a Mexico corporation (“Irving”), and Sidero Inc., a Delaware corporation (“Purchaser”). Capitalized terms used and not otherwise defined herein shall have the meanings assigned to such terms in that certain Sale and Purchase Agreement, dated as of January 9, 2020 (the “Agreement”), by and among Seller Parent, Irving and Purchaser.

WHEREAS, Seller Parent, Irving and Purchaser entered into the Agreement, pursuant to which in exchange for payment by Purchaser and, immediately after Closing, Harsco Mexico to the Sellers of the Purchase Price and assumption by Purchaser or Harsco Mexico, as applicable, of the Assumed Liabilities, (a) Seller Parent sell, assign, transfer, convey and deliver to Purchaser all of the Interests, (b) Seller Parent and its Affiliates sell, assign, transfer, convey and deliver to Purchaser and, immediately after Closing, Harsco Mexico, all of the Transferred Proprietary Rights, and (c) Irving and Seller Parent sell, assign, transfer, convey and deliver to Purchaser all of the Shares, in each case on the terms and subject to the conditions set forth in the Agreement.

WHEREAS, the Seller Parent, Irving and Purchaser now wish to amend the Agreement in accordance with Section 9.1 thereof as set forth below;

NOW, THEREFORE, for and in consideration of the premises hereof and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, each intending to be legally bound, do hereby agree as follows:

AGREEMENTS

ARTICLE I

AMENDMENTS TO AGREEMENT

1. The Agreement is hereby amended, effective as of the date hereof, as follows:
 - a. The definition of the term “Excluded Liabilities” set forth in Section 1.1 of the Agreement is hereby amended and restated in its entirety as follows:

“Excluded Liabilities” has the meaning set forth in that certain Contribution Agreement, dated as of August 1, 2019, as amended as of January 30, 2020, by and between Seller Parent and the Company (the “Contribution Agreement”).

2. The Agreement will not be modified in any respect, except as expressly set forth herein.

ARTICLE II

MISCELLANEOUS

1. On and after the date hereof, each reference in the Agreement to “this Agreement,” “herein,” “hereof,” “hereunder” or words of similar import shall mean and be a reference to the

Agreement as amended hereby. In the event of any inconsistency between the terms of this Amendment and the terms of the Agreement, then the terms of this Amendment shall control.

2. All issues and questions concerning the construction, validity, interpretation and enforceability of this Amendment will be governed by, and construed in accordance with, the Laws of the State of Delaware, without giving effect to any choice of law or conflict of law rules or provisions (whether of the State of Delaware or any other jurisdiction) that would cause the application of the Laws of any jurisdiction other than the State of Delaware. THE PARTIES HERETO HEREBY WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION OR CAUSE ARISING HEREUNDER.

3. If one or more provisions of this Amendment are held to be unenforceable under the laws of the State of Delaware, then (a) such provision shall be excluded from this Amendment, (b) the balance of the Amendment shall be interpreted as if such provision were so excluded, and (c) the balance of the Amendment shall be enforceable in accordance with its terms.

4. This Amendment may be executed in counterparts, each of which shall constitute an original and all of which, when taken together, shall constitute one and the same agreement. Execution and delivery of this Amendment by exchange of electronically transmitted counterparts bearing the signature of a party hereto will be equally as effective as delivery of a manually executed counterpart of such party.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment to the Sale and Purchase Agreement as of the date first written above.

PURCHASER:

SIDERO INC.

By: /s/ Ryan Harrison
Name: Ryan Harrison
Title: Co-President and Secretary

SELLER PARENT:

HARSCO CORPORATION

By: /s/ Jon S. Ploetz

Name: Jon S. Ploetz

Title: VP, Assistant General Counsel & Assistant Secretary

IRVING:

HARSCO MÉXICO HOLDING, S.A. DE C.V.

By: /s/ Samuel Fenice

Name: Samuel Fenice

Title: Director

HARSCO CORPORATION

RESTRICTED STOCK UNITS AGREEMENT (FORM)

This RESTRICTED STOCK UNITS AGREEMENT (this "**Agreement**") is made as of March 10, 2020, by and between Harsco Corporation, a Delaware corporation, and [Participant Name:First Name Last Name] (the "**Grantee**").

1. **Certain Definitions.** Capitalized terms used, but not otherwise defined, in this Agreement will have the meanings given to such terms in the Company's 2013 Equity and Incentive Compensation Plan, as amended by Amendment No. 1 to the 2013 Equity and Incentive Compensation Plan (the "**Plan**").
2. **Grant of RSUs.** Subject to and upon the terms, conditions and restrictions set forth in this Agreement, including, without limitation, **Exhibit A** attached hereto (the "**Non-Competition Agreement**"), any additional terms and conditions for the Grantee's country (Grantees outside the United States only) set forth in the attached **Exhibit B** which forms part of this Agreement, and in the Plan the Company grants to the Grantee, as of March 10, 2020 (the "**Date of Grant**"), [Granted:Shares Granted] Restricted Stock Units ("**RSUs**"). Each RSU shall represent the right of the Grantee to receive one share of Common Stock subject to and upon the terms and conditions of this Agreement. Notwithstanding anything in this **Section 2** or otherwise in this Agreement to the contrary, the Grantee acknowledges and agrees to be bound by the restrictive covenant terms, conditions and provisions in the Non-Competition Agreement as a "Grantee" as referred to therein.
3. **Restrictions on Transfer of RSUs.** Subject to **Section 15** of the Plan, neither the RSUs granted hereby nor any interest therein or in the Common Stock related thereto shall be transferable prior to payment to the Grantee pursuant to **Section 5** hereof other than by will or pursuant to the laws of descent and distribution.
4. **Vesting of RSUs.** Subject to the terms and conditions of this Agreement and the Plan, the RSUs covered by this Agreement shall vest as described in this Section.
 - (a) The RSUs covered by this Agreement shall vest and become nonforfeitable and payable to the Grantee pursuant to **Section 5** hereof as follows, provided Grantee has continuously been employed with the Company or a Subsidiary through such respective Vesting Date:

Percentage of RSU Vesting	Vesting Date
33.3%	(a) One Year from Grant Date
33.3%	(b) Two Years from Grant Date
33.3%	(c) Three Years From Grant Date

Any RSUs that do not so become nonforfeitable on a Vesting Date will be forfeited, including, except as provided in **Section 4(b)** or **Section 4(d)** below, if the Grantee ceases to be continuously employed by the Company or a Subsidiary prior to a Vesting Date. For purposes of this Agreement, "continuously employed" (or substantially similar term) means the absence of any interruption or termination of the Grantee's employment with the Company or with a Subsidiary of the Company. Continuous employment shall not be considered interrupted or terminated in the case of sick leave, military leave or any other

leave of absence approved by the Company or in the case of transfers between locations of the Company and its Subsidiaries.

- (b) Notwithstanding **Section 4(a)** above, all of the RSUs shall become nonforfeitable and payable to the Grantee pursuant to **Section 5** hereof upon the occurrence of any of the following events (each, a "**Paying Event**") at a time when the RSUs have not been forfeited (to the extent the RSUs have not previously become nonforfeitable):
 - (i) the Grantee's death or becoming Disabled while the Grantee is continuously employed by the Company or any of its Subsidiaries; or
 - (ii) the Grantee's retirement (A) at age 62 or older while continuously employed by the Company or any of its Subsidiaries; or (B) at or after such time as the Grantee's age (minimum of age 55), plus full years of continuous employment by the Company or any of its Subsidiaries, equals 75.
- (c) For purposes of this **Section 4**, the Grantee shall be considered "Disabled" if the Grantee is: (i) unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve months, or (ii) by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve months, receiving income replacement benefits for a period of not less than three months under an accident and health plan covering employees of the Company.
- (d) (i) Notwithstanding **Section 4(a)** above, if at any time before a Vesting Date or forfeiture of the RSUs, and while the Grantee is continuously employed by the Company or a Subsidiary, a Change in Control occurs, then the unvested RSUs will become nonforfeitable and payable to the Grantee in accordance with **Section 5** hereof, except to the extent that a Replacement Award is provided to the Grantee in accordance with **Section 4(d)(ii)** to continue, replace or assume the RSUs covered by this Agreement (the "**Replaced Award**").
 - (ii) For purposes of this Agreement, a "Replacement Award" means an award (A) of the same type (**e.g.**, time-based restricted stock units) as the Replaced Award, (B) that has a value at least equal to the value of the Replaced Award, (C) that relates to publicly traded equity securities of the Company or its successor in the Change in Control or another entity that is affiliated with the Company or its successor following the Change in Control or is payable solely in cash, (D) if the Grantee holding the Replaced Award is subject to U.S. federal income tax under the Code, the tax consequences of which to such Grantee under the Code are not less favorable to such Grantee than the tax consequences of the Replaced Award, and (E) the other terms and conditions of which are not less favorable to the Grantee holding the Replaced Award than the terms and conditions of the Replaced Award (including the provisions that would apply in the event of a subsequent Change in Control). A Replacement Award may be granted only to the extent it does not result in the Replaced Award or Replacement Award failing to comply with or be exempt from Section 409A of the Code. Without limiting the generality of the foregoing, the Replacement Award may take the form of a continuation of the Replaced Award if the requirements of the two preceding sentences are satisfied. The

determination of whether the conditions of this **Section 4(d)(ii)** are satisfied will be made by the Committee, as constituted immediately before the Change in Control, in its sole discretion.

- (iii) If, upon receiving a Replacement Award, the Grantee's employment with the Company or a Subsidiary (or any of their successors) (as applicable, the "**Successor**") is subsequently terminated by the Grantee for Good Reason or by the Successor without Cause within a period of two years after the Change in Control, 100% of the Replacement Award will become nonforfeitable and payable with respect to the time-based restricted stock units covered by such Replacement Award.
- (iv) A termination by the Grantee for "Good Reason" means Grantee's termination of his or her employment with the Successor as a result of the occurrence of any of the following: (A) a change in the Grantee's principal location of employment that is greater than 50 miles from such location as of the date of this Agreement without the Grantee's consent; provided, however, that the Grantee hereby acknowledges that the Grantee may be required to engage in travel in connection with the performance of the Grantee's duties and that such travel shall not constitute a change in the Grantee's principal location of employment for purposes hereof; (B) a material diminution in the Grantee's base compensation; (C) a change in the Grantee's position with the Successor without the Grantee's consent such that there is a material diminution in the Grantee's authority, duties or responsibilities; or (D) any other action or inaction that constitutes a material breach by the Successor of the agreement, if any, under which the Grantee provides services to the Successor or its subsidiaries. Notwithstanding the foregoing, the Grantee's termination of the Grantee's employment with the Successor as a result of the occurrence of any of the foregoing shall not constitute a termination for "Good Reason" unless (X) the Grantee gives the Successor written notice of such occurrence within 90 days of such occurrence and such occurrence is not cured by the Successor within 30 days of the date on which such written notice is received by the Successor and (Y) the Grantee actually terminates his or her employment with the Successor prior to the 365th day following such occurrence.
- (v) A termination by the Successor without "Cause" means the Successor's termination of the Grantee's employment with the Successor under circumstances that do not involve or relate to the occurrence of any of the following: (A) an act or acts of personal dishonesty taken by the Grantee and intended to result in substantial personal enrichment of the Grantee at the expense of the Company; (B) repeated failure by the Grantee to devote reasonable attention and time during normal business hours to the business and affairs of the Company or to use the Grantee's reasonable best efforts to perform faithfully and efficiently the responsibilities assigned to the Grantee (provided that such failure is demonstrated to be willful and deliberate on the Grantee's part and is not remedied in a reasonable period of time after receipt of written notice from the Company); or (C) the conviction of the Grantee of a felony.

5. **Form and Time of Payment of RSUs.**

(a) Payment for the RSUs, after and to the extent they have become nonforfeitable, shall be made in the form of shares of Common Stock. Except as provided in **Section 5(b)** or **5(c)**, payment shall be made within 10 days following the date that the RSUs become nonforfeitable pursuant to **Section 4** hereof.

(b) If the RSUs become nonforfeitable (i) by reason of the occurrence of a Change in Control as described in **Section 4(d)**, and if the Change in Control does not constitute a "change in control" for purposes of Section 409A(a)(2)(A)(v) of the Code, or (ii) by reason of a termination of the Grantee's employment by reason of retirement, and if such termination does not constitute a "separation from service" for purposes of Section 409A(a)(2)(A)(i) of the Code, then payment for RSUs will be made upon the earliest of (v) the Grantee's "separation from service" with the Company and its Subsidiaries (determined in accordance with Section 409A(a)(2)(A)(i) of the Code), (w) the Vesting Date for such RSUs, (x) the Grantee's death, (y) the occurrence of a Change in Control that constitutes a "change in control" for purposes of Section 409A(a)(2)(A)(v) of the Code, or (z) the Grantee's becoming Disabled.

(c) If the RSUs become payable on the Grantee's "separation from service" with the Company and its Subsidiaries within the meaning of Section 409A(a)(2)(A)(i) of the Code (including by reason of the Grantee's retirement as described in **Section 4(b)(ii)**), due to the termination of the Grantee's employment under the conditions specified in **Section 4(d)(iii)** of this Agreement or by reason of **Section 5(b)** and the Grantee is a "specified employee" as determined pursuant to procedures adopted by the Company in compliance with Section 409A of the Code, then payment for the RSUs shall be made on the earlier of the first day of the seventh month after the date of the Grantee's "separation from service" with the Company and its Subsidiaries within the meaning of Section 409A(a)(2)(A)(i) of the Code or the Grantee's death.

(d) Except to the extent provided by Section 409A of the Code and permitted by the Committee, no Common Stock may be issued to the Grantee at a time earlier than otherwise expressly provided in this Agreement.

(e) The Company's obligations to the Grantee with respect to the RSUs will be satisfied in full upon the issuance of Common Stock corresponding to such RSUs.

6. Dividend Equivalents; Voting and Other Rights.

(a) The Grantee shall have no rights of ownership in the Common Stock underlying the RSUs and no right to vote the Common Stock underlying the RSUs until the date on which the shares of Common Stock underlying the RSUs are issued or transferred to the Grantee pursuant to **Section 5** above.

(b) From and after the Date of Grant and until the earlier of (i) the time when the RSUs become nonforfeitable and are paid in accordance with **Section 5** hereof or (ii) the time when the Grantee's right to receive Common Stock in payment of the RSUs is forfeited in accordance with **Section 4** hereof, on the date that the Company pays a cash dividend (if any) to holders of Common Stock generally, the Grantee shall be entitled to a current cash payment equal to the value of the product of (x) the dollar amount of the cash dividend paid per share of Common Stock on such date and (y) the total number of RSUs covered by this Agreement. Such dividend equivalents (if any) shall be paid in cash during the vesting period for the RSUs.

(c) The obligations of the Company under this Agreement will be merely that of an unfunded and unsecured promise of the Company to deliver shares of Common Stock in the future, and the rights of the Grantee will be no greater than that of an unsecured general creditor. No assets of the Company will be held or set aside as security for the obligations of the Company under this Agreement.

7. **Adjustments.** The RSUs are subject to mandatory adjustment under the terms of **Section 11** of the Plan.
8. **Withholding Taxes.** To the extent that the Company is required to withhold federal, state, local or foreign taxes in connection with the delivery to the Grantee of Common Stock or any other payment to the Grantee or any other payment or vesting event under this Agreement, the Grantee hereby authorizes withholding from payroll and any other amounts payable to the Grantee, including amounts payable hereunder, and otherwise agrees to make adequate provision for, any sums required to satisfy such tax withholding obligations of the Company. The Company shall have no obligation to make delivery or payment hereunder until the tax withholding obligations of the Company have been satisfied by the Grantee. If all or any part of such withholding requirement be satisfied by retention by the Company of a portion of the Common Stock to be delivered to the Grantee or by delivering to the Company other shares of Common Stock held by the Grantee, the shares so retained shall be credited against such withholding requirement at the Market Value per Share of such Common Stock on the date of such delivery. In no event will the market value of the Common Stock to be withheld and/or delivered pursuant to this **Section 8** to satisfy applicable withholding taxes exceed the minimum amount of taxes required to be withheld, unless otherwise agreed to by the Grantee, provided, however, that such amount shall not exceed the statutory maximum withholding rates.
9. **Compliance With Law.** The Company shall make reasonable efforts to comply with all applicable federal and state securities laws; provided, however, notwithstanding any other provision of the Plan and this Agreement, the Company shall not be obligated to issue any Common Stock pursuant to this Agreement if the issuance thereof would result in a violation of any such law.
10. **Compliance With Section 409A of the Code.** To the extent applicable, it is intended that this Agreement and the Plan comply with the provisions of Section 409A of the Code. This Agreement and the Plan shall be administered in a manner consistent with this intent, and any provision that would cause this Agreement or the Plan to fail to satisfy Section 409A of the Code shall have no force or effect until amended to comply with Section 409A of the Code (which amendment may be retroactive to the extent permitted by Section 409A of the Code and may be made by the Company without the consent of the Grantee).
11. **Interpretation.** Any reference in this Agreement to Section 409A of the Code will also include any proposed, temporary or final regulations, or any other guidance, promulgated with respect to such Section by the U.S. Department of the Treasury or the Internal Revenue Service. Except as expressly provided in this Agreement, capitalized terms used herein will have the meaning ascribed to such terms in the Plan.
12. **No Employment Rights.** The grant of the RSUs under this Agreement to the Grantee is a voluntary, discretionary award being made on a one-time basis and it does not constitute a commitment to make any future awards. The grant of the RSUs and any payments made hereunder will not be considered salary or other compensation for purposes of any severance pay or similar allowance, except as otherwise required by law. Nothing contained in this Agreement shall confer upon the Grantee any right to be employed or remain employed by the Company or any of its Subsidiaries, nor limit or affect in any manner the right of the Company or any of its Subsidiaries to terminate the employment or adjust the compensation of the Grantee.
13. **Relation to Other Benefits.** Any economic or other benefit to the Grantee under this Agreement or the Plan shall not be taken into account in determining any benefits to which the Grantee may be entitled under any profit-sharing, retirement or other benefit or compensation plan maintained by the Company or any of its Subsidiaries and shall not affect the amount of any life insurance coverage available to any beneficiary under any life insurance plan covering employees of the Company or any of its Subsidiaries.

14. **Amendments.** Any amendment to the Plan shall be deemed to be an amendment to this Agreement to the extent that the amendment is applicable hereto; provided, however, that (a) no amendment shall adversely affect the rights of the Grantee under this Agreement without the Grantee's written consent, and (b) the Grantee's consent shall not be required to an amendment that is deemed necessary by the Company to ensure compliance with Section 409A of the Code.

15. **Severability.** In the event that one or more of the provisions of this Agreement shall be invalidated for any reason by a court of competent jurisdiction, any provision so invalidated shall be deemed to be separable from the other provisions hereof, and the remaining provisions hereof shall continue to be valid and fully enforceable.

16. **Relation to Plan.** This Agreement is subject to the terms and conditions of the Plan. In the event of any inconsistency between the provisions of this Agreement and the Plan, the Plan shall govern. The Committee acting pursuant to the Plan, as constituted from time to time, shall, except as expressly provided otherwise herein or in the Plan, have the right to determine any questions which arise in connection with this Agreement. In addition, the RSUs shall be subject to the terms and conditions of the Company's clawback policy in effect on the Date of Grant as if such RSUs were "Incentive-Based Compensation" (as such term is defined in such clawback policy).

17. **Successors and Assigns.** Without limiting **Section 3** hereof, the provisions of this Agreement shall inure to the benefit of, and be binding upon, the successors, administrators, heirs, legal representatives and assigns of the Grantee, and the successors and assigns of the Company.

18. **Governing Law.** This Agreement will be construed under the laws of the Commonwealth of Pennsylvania, without regard to its conflict of law provisions, and the parties consent and agree that the federal and state courts of the Commonwealth of Pennsylvania will have exclusive jurisdiction over any dispute relating to this Non- Competition Agreement.

19. **Acknowledgement.** The Grantee acknowledges that the Grantee (a) has received a copy of the Plan, (b) has had an opportunity to review the terms of this Agreement and the Plan, (c) understands the terms and conditions of this Agreement and the Plan and (d) agrees to such terms and conditions.

20. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same agreement.

[signature page follows]

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed on its behalf by its duly authorized officer and the Grantee has executed this Agreement, effective as of the day and year first above written.

HARSCO CORPORATION

By: /s/ F. Nicholas Grasberger III
Name: F. Nicholas Grasberger III
Title: Chairman, President and CEO

The undersigned hereby acknowledges receipt of an executed version of this Agreement and accepts the award of RSUs granted hereunder on the terms and conditions set forth herein and in the Plan (including the terms of the Non-Competition Agreement, attached hereto as **Exhibit A**).

GRANTEE

By:

Name:

EXHIBIT A

Non-Competition Agreement

1. Grant. Grantee acknowledges that Grantee has access to the confidential and proprietary trade secret information of Harsco Corporation, including its subsidiaries, joint ventures, and operating divisions (the "Company"), as further described below ("Confidential/Proprietary Trade Secret Information"). Further, Grantee acknowledges that Grantee derives significant value from the Company and from the Confidential/Proprietary Trade Secret Information provided during the term of employment with the Company, which enables Grantee to optimize the performance of the Company's performance and Grantee's own personal, professional, and financial benefit. In consideration of the grant described in the award agreement (the "Agreement") to which these terms, conditions and provisions (the "Non-Competition Agreement") are attached as an exhibit, Grantee agrees that, during Grantee's employment by the Company, and for a period of twelve (12) months after the cessation of such employment for any reason (both such periods collectively referred to as the "Restricted Period"), Grantee will not, directly or indirectly, engage in any of the following competitive activities:
 - (a) For Grantee or on behalf of any other corporation, business, partnership, individual, or other entity, directly or indirectly solicit, divert, contract with, or attempt to solicit, divert, or contract with, any customer with whom Grantee had Material Contact during the final two (2) years of Grantee's employment with the Company concerning any products or services that are similar to those that Grantee was responsible for or were otherwise involved with during Grantee's employment with the Company. For purposes of this Non-Competition Agreement, the Grantee will have had "Material Contact" with a customer if: (i) Grantee had business dealings with the customer on the Company's behalf; (ii) Grantee was responsible for supervising or coordinating the dealings between the Company and the customer; or (iii) Grantee obtained Confidential/Proprietary Trade Secret Information about the customer as a result of Grantee's association with the Company;
 - (b) Within the geographic territory where Grantee was employed by the Company, obtained knowledge of Confidential/Proprietary Trade Secret Information, or had contact with the Company's customers, become employed by or otherwise render services to (as a director, employee, contractor or consultant) or have any ownership interest in any business which is engaged in offering the same or similar products or services as, or otherwise competes with those Company, including its subsidiaries and operating unit(s) with which Grantee was employed or in any way involved during the last twelve (12) months of employment with the Company; or
 - (c) (i) induce, offer, assist, encourage or suggest that another business or enterprise offer employment to or enter into a consulting arrangement with any employee, agent or representative of the Company or (ii) induce, offer, assist, encourage or suggest that any employee, agent or representative of the Company, including its subsidiaries and joint ventures, terminate his or her employment or business affiliation with the Company or accept employment with any other business or enterprise.
 - (d) Confidential/Proprietary Trade Secret Information.
 - (i) Grantee agrees to keep secret and confidential all Confidential/Proprietary Trade Secret Information (further described below) acquired by Grantee while employed by the Company or concerning the business and affairs of the Company, its vendors, its

customers, and its affiliates (whether of a business, commercial or technological nature), and further agrees that Grantee will not disclose any such Confidential/Proprietary Trade Secret Information so acquired to any individual, partner, company, firm, corporation or other person or use the same in any manner other than in connection with the business and affairs of the Company and its affiliates. Except in the performance of services for the Company, the Grantee will not, for so long as the Confidential/Proprietary Trade Secret Information remains so designated under applicable law, use, disclose, reproduce, distribute, transmit, reverse engineer, decompile, disassemble, or transfer the Confidential/Proprietary Trade Secret Information or any portion thereof.

- (ii) For purposes of this Non-Competition Agreement, "Confidential/Proprietary Trade Secret Information" includes all information of a confidential or proprietary nature that relates to the business, products, services, research or development of the Company, and its affiliates or their respective suppliers, distributors, customers, independent contractors or other business relations. Confidential/Proprietary Trade Secret Information also includes, but is not limited to, the following: (A) internal business information (including information relating to strategic and staffing plans and practices, business, training, financial, marketing, promotional and sales plans and practices, cost, rate and pricing structures, accounting and business methods and customer and supplier lists); (B) identities of, individual requirements of, specific contractual arrangements with and information about, the Company's suppliers, distributors, customers, independent contractors or other business relations and their confidential information; (C) trade secrets, copyrightable works and other confidential information (including ideas, formulas, recipes, compositions, inventions, innovations, improvements, developments, methods, know-how, manufacturing and production processes and techniques, research and development information, compilations of data and analyses, data and databases relating thereto, techniques, systems, records, manuals, documentation, models, drawings, specifications, designs, plans, proposals, reports and all similar or related information whether patentable or unpatentable and whether or not reduced to practice); (D) other intellectual property rights of the Company, or any of its affiliates; and (E) any other information that would constitute a trade secret under the Pennsylvania Uniform Trade Secrets Act, as amended from time to time (or any successor). The term "Confidential/Proprietary Trade Secret Information" also includes any information or data described above which the Company obtains from another party and which the Company treats as proprietary or designates as trade secrets, whether or not owned or developed by the Company.

- (iii) All documents and materials supplied to Grantee or developed by Grantee in the course of, or as a result of Grantee's employment at the Company whether in hard copy, electronic format or otherwise shall be the sole property of the Company. Grantee will at any time upon the request of the Company and in any event promptly upon termination of Grantee's employment or relationship with the Company, but in any event no later than five (5) business days after such termination, deliver all such materials to the Company and will not retain any originals or copies of such materials, whether in hard copy form or as computerized and/or electronic records. Except to the extent approved by the Company or required by Grantee's bona fide job duties for the Company, the Grantee also agrees that Grantee will not copy or remove from the Company's place of business or the place of business of a customer of the Company, property or information belonging to the Company or the customer or entrusted to the Company or the customer. In addition, the Grantee agrees that Grantee will not provide any such materials to any competitor of or entity seeking to

compete with the Company unless specifically approved in writing by the Company. Notwithstanding anything in paragraph 1(d)(3) of this Non-Competition Agreement to the contrary, if the Company needs to take legal action to secure such return delivery of such materials, Grantee shall be responsible for all legal fees, costs and expenses incurred by the Company in doing so.

- (iv) Grantee understands that nothing contained in this Agreement limits Grantee's ability to file a charge or complaint with any federal, state or local governmental agency or commission ("Government Agencies"). Grantee further understands that this Agreement does not limit Grantee's ability to communicate with any Government Agencies or otherwise participate in any investigation or proceeding that may be commenced by any Government Agency including providing documents or other information without notice to the Company. This Agreement does not limit the Grantee's right to receive an award for information provided to any Government Agencies.

2. Subsequent Employment.

- (a) Advise the Company of New Employment. In the event of a cessation of Grantee's employment with the Company, and during the Restricted Period described in paragraph 1 above, Grantee agrees to disclose to the Company, the name and address of any new employer or business affiliation within ten (10) calendar days of Grantee's accepting such position. In the event that Grantee fails to notify the Company of such new employment or business affiliation as required above, the Restricted Period will be extended by a period equal to the period of nondisclosure.
- (b) Grantee's Ability to Earn Livelihood. Grantee acknowledges that, in the event of a cessation of Grantee's employment with the Company, for any reason and at any time, the provisions of paragraph 1 of this Non-Competition Agreement will not unreasonably restrict Grantee's ability to earn a living. Grantee and the Company acknowledge that Grantee's rights have been limited by this Non-Competition Agreement only to the extent reasonably necessary to protect the legitimate interests of the Company in its Confidential/Proprietary Trade Secret Information.

3. Enforcement. Grantee agrees that if Grantee violates the covenants and agreements set forth in this Non-Competition Agreement, the Company would suffer irreparable harm, and that such harm to the Company may be impossible to measure in monetary damages. Accordingly, in addition to any other remedies which the Company may have at law or in equity, the Company will have the right to have all obligations, undertakings, agreements, covenants and other provisions of this Non-Competition Agreement specifically performed by Grantee, and the Company will have the right to obtain preliminary and permanent injunctive relief to secure specific performance, and to prevent a breach or contemplated breach, of this Non-Competition Agreement. In such event, the Company will be entitled to an accounting and repayment of all profits, compensation, remunerations or benefits which Grantee or others, directly or indirectly, have realized or may realize as a result of, growing out of, or in conjunction with any violation of this Non-Competition Agreement. Such remedies will be an addition to and not in limitation of any injunctive relief or other rights or remedies to which the Company is or may be entitled at law or in equity. In the event that the Company obtains any requested relief in any action brought to enforce the terms of this Non-Competition Agreement through court proceedings, the Company will be entitled to reimbursement for all legal fees, costs and expenses incident to enforcement.

4. Severability. If any section, paragraph, term or provision of this Non-Competition Agreement, or the application thereof, is determined by a competent court or tribunal to be invalid or

unenforceable, then the other parts of such section, paragraph, term or provision will not be affected thereby and will be given full force and effect without regard to the invalid or unenforceable portions, and the section, paragraph, term or provision of this Non-Competition Agreement will be deemed modified to the extent necessary to render it valid and enforceable.

5. Miscellaneous.

(a) Employment.

- (i) This Non-Competition Agreement does not constitute a guarantee of employment and termination of employment will not affect the enforceability of this Non-Competition Agreement.
- (ii) Grantee agrees that if Grantee is transferred from the entity or division which was Grantee's employer at the time Grantee signed this Non-Competition Agreement to employment by another division or another company that is a subsidiary or affiliate of Harsco Corporation, and Grantee has not entered into a superseding agreement with the new employer covering the subject matter of this Non-Competition Agreement, then this Non-Competition Agreement will continue in effect and the Grantee's new employer will be termed "the Company" for all purposes hereunder and will have the right to enforce this Non-Competition Agreement as Grantee's employer. In the event of any subsequent transfer, Grantee's new employer will succeed to all rights under this Non-Competition Agreement so long as such employer will be Harsco Corporation or one of its subsidiaries or affiliates and so long as this Non-Competition Agreement has not been superseded.

(b) Headings. The headings contained in this Non-Competition Agreement are inserted for convenience of reference only, and will not be deemed to be a part of this Non-Competition Agreement for any purposes, and will not in any way define or affect the meaning, construction or scope of any of the provisions of this Non-Competition Agreement.

(c) Governing Law. This Non-Competition Agreement will be construed under the laws of the Commonwealth of Pennsylvania, without regard to its conflict of law provisions, and the parties consent and agree that the federal and state courts of the Commonwealth of Pennsylvania will have exclusive jurisdiction over any dispute relating to this Non-Competition Agreement.

(d) Supplemental Nature of this Non-Competition Agreement. The restrictions set forth in paragraph 1 of this Non-Competition Agreement will be in addition to any other such restrictive covenants agreed to through separate agreements, if any, between Grantee and the Company and will survive the exercise of the equity award evidenced by the Agreement.

(e) Waiver. The failure by the Company to enforce any right or remedy available to it under this Non-Competition Agreement will not be construed to be a waiver of such right or remedy with respect to any other prior, concurrent or subsequent breach or failure. No waiver of rights under this Non-Competition Agreement will be effective unless made in writing with specific reference to this Non-Competition Agreement.

(f) Notification. Grantee agreed that the Company may notify any third party about Grantee's obligations under this Non-Competition Agreement until such time as Grantee has performed all of Grantee's obligations hereunder. Upon the Company's request, Grantee agrees to provide the Company with information, including, but not limited to, supplying details of Grantee's subsequent employment, sufficient to verify that Grantee has not breached, or is not breaching, any covenant in this Non-Competition Agreement.

(g) Acknowledgments.

- (i) Grantee acknowledges and agrees that this Non-Competition Agreement is in consideration of, (A) the grant evidenced by the Agreement, (B) access to Confidential/Proprietary Trade Secret Information, as required by Grantee's job duties, and (C) access to important customer relationships and the associated customer goodwill of the Company.
- (ii) Grantee acknowledges that he or she has carefully read and considered the provisions of this Non-Competition Agreement, and that this Non-Competition Agreement is reasonable as to time and scope and activities prohibited, given the Company's need to protect its interests and given the consideration provided to Grantee in the form of the grant evidenced by the Agreement.
- (iii) Grantee acknowledges that he or she has had an opportunity to consult with an independent legal counsel of Grantee's choosing, and accept the grant contained in the Agreement and continuing employment on the terms set forth in this Non-Competition Agreement.

EXHIBIT B

Additional Terms and Conditions for International Employees

TERMS AND CONDITIONS

This Exhibit B (this "Exhibit"), which is part of the Agreement, contains additional terms and conditions that govern the RSUs granted to the Grantee under the Plan if he or she resides outside the United States. The terms and conditions in Part A apply to **all** Grantees outside the United States. The country-specific terms and conditions and/or notifications in Part B will also apply to the Grantee if he or she resides in one of the countries listed below. Unless otherwise defined, capitalized terms used but not defined in this Exhibit have the meanings set forth in the Plan and/or the Agreement.

NOTIFICATIONS

This Exhibit also includes information regarding exchange controls and certain other issues of which the Grantee should be aware with respect to participation in the Plan. The information is based on the exchange control, securities and other laws in effect in the respective countries as of November 2017. Such laws are often complex and change frequently. As a result, the Company strongly recommends that the Grantee not rely on the information in this Exhibit as the only source of information relating to the consequences of his or her participation in the Plan because the information may be out of date at the time that the Grantee vests in the RSUs or sell shares of Common Stock acquired under the Plan.

In addition, the information contained herein is general in nature and may not apply to the Grantee's particular situation, and the Company is not in a position to assure the Grantee of a particular result. Accordingly, the Grantee is advised to seek appropriate professional advice as to how the relevant laws in his or her country may apply to the Grantee's situation.

Finally, if the Grantee is a citizen or resident, or is considered a resident, of a country other than the one in which he or she is currently working, or transferred employment after the RSUs were granted to him or her, the information contained herein may not be applicable. In addition, the Company shall, in its sole discretion, determine to what extent the additional terms and conditions included herein will apply to you under these circumstances.

A. ALL NON-U.S. COUNTRIES ADDITIONAL TERMS AND CONDITIONS

The following additional terms and conditions will apply to the Grantee if he or she resides in any country outside the United States.

Responsibility for Taxes. The following section replaces Section 8 of the Agreement in its entirety:

The Grantee acknowledges that, regardless of any action taken by the Company or, if different, the Grantee's employer (the "Employer"), the ultimate liability for all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to the Grantee's participation in the Plan and legally applicable to the Grantee ("Tax-Related Items") is and remains the Grantee's responsibility and may exceed the amount actually withheld by the Company or the Employer. The Grantee further acknowledges that the Company and/or the Employer (1) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the RSU, including, but not limited to, the grant, vesting or settlement of the RSUs, the subsequent sale of shares of Common Stock acquired pursuant to such settlement and the receipt of any dividends and/or any

dividend equivalents; and (2) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the RSUs to reduce or eliminate the Grantee's liability for Tax-Related Items or achieve any particular tax result. Further, if the Grantee is subject to Tax-Related Items in more than one jurisdiction between the Date of Grant and the date of any relevant taxable or tax withholding event, as applicable, the Grantee acknowledges that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to any relevant taxable or tax withholding event, as applicable, the Grantee agrees to make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In this regard, the Grantee authorizes the Company and/or the Employer to satisfy the obligations with regard to all Tax-Related Items by one or a combination of the following methods: (i) requiring payment by the Grantee to the Company, on demand, by cash, check or other method of payment as may be determined acceptable by the Company; or (ii) withholding from the Grantee's wages or other cash compensation paid to the Grantee by the Company and/or the Employer; or (iii) withholding from proceeds of the sale of shares of Common Stock acquired at vesting of the RSUs either through a voluntary sale or through a mandatory sale arranged by the Company (on the Grantee's behalf pursuant to this authorization) without further consent; or (iv) withholding shares of Common Stock issuable at vesting of the RSUs.

Depending on the withholding method, the Company and/or the Employer may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding rates or other applicable withholding rates, including maximum applicable rates, in which case the Grantee will receive a refund of any over-withheld amount in cash and will have no entitlement to the Common Stock equivalent. If the obligation for Tax-Related Items is satisfied by withholding in shares of Common Stock, for tax purposes, the Grantee is deemed to have been issued the full number of shares of Common Stock subject to the vested RSUs, notwithstanding that a number of the shares of Common Stock are held back solely for the purpose of paying the Tax-Related Items.

Finally, the Grantee agrees to pay the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of the Grantee's participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to issue or deliver the shares or the proceeds of the sale of shares of Common Stock, if the Grantee fails to comply with the Grantee's obligations in connection with the Tax-Related Items.

Nature of Grant. In accepting the grant, the Grantee acknowledges, understands and agrees that: (1) the Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan; (2) all decisions with respect to future RSU or other grants, if any, will be at the sole discretion of the Company; (3) the Grantee is voluntarily participating in the Plan; (4) the RSU and the shares of Common Stock subject to the RSU are not intended to replace any pension rights or compensation; (5) the future value of the underlying shares of Common Stock is unknown, indeterminable and cannot be predicted with certainty; (6) no claim or entitlement to compensation or damages shall arise from forfeiture of the RSUs resulting from the termination of the Grantee's employment or other service relationship (for any reason whatsoever, whether or not later found to be invalid or in breach of employment laws in the jurisdiction where the Grantee is employed or the terms of the Grantee's employment agreement, if any), and in consideration of the grant of the RSUs to which the Grantee is otherwise not entitled, the Grantee irrevocably agrees never to institute any claim against the Company, any of its Subsidiaries or the Employer, waives the Grantee's ability, if any, to bring any such claim, and releases the Company, its Subsidiaries and the Employer from any such claim; if, notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by participating in the Plan, the Grantee shall be deemed irrevocably to have agreed not to pursue such claim and agree to execute any and all documents necessary to request dismissal or withdrawal of such claim; (7) for purposes of the RSUs, the Grantee's employment or service relationship will be considered terminated as of the date the Grantee is

no longer actively providing services to the Company or one of its Subsidiaries (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where the Grantee is employed or providing services or the terms of the Grantee's employment or service agreement, if any) and unless otherwise expressly provided in these Terms and Conditions or determined by the Company, the Grantee's right to vest in the RSUs under the Plan, if any, will terminate as of such date and will not be extended by any notice period (e.g., the Grantee's period of service would not include any contractual notice period or any period of "garden leave" or similar period mandated under employment laws in the jurisdiction where the Grantee is employed or providing services or the terms of the Grantee's employment or service agreement, if any); the Company shall have the exclusive discretion to determine when the Grantee is no longer actively providing services for purposes of the Grantee's RSU grant (including whether the Grantee may still be considered to be providing services while on an approved leave of absence); (8) unless otherwise provided in the Plan or by the Company in its discretion, the RSUs and the benefits evidenced by these Terms and Conditions do not create any entitlement to have the RSUs or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the shares of the Company; (9) the RSUs and the shares of Common Stock subject to the RSUs, and the income and value of same, are not part of normal or expected compensation for any purpose, including, without limitation, calculating severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments; and (10) the Grantee acknowledges and agrees that neither the Company, the Employer nor any subsidiary or affiliate of the Company shall be liable for any foreign exchange rate fluctuation between the Grantee's local currency and the United States Dollar that may affect the value of the RSUs or of any amounts due to the Grantee pursuant to the settlement of the RSUs or the subsequent sale of any shares of Common Stock acquired upon settlement.

No Advice Regarding Grant. The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Grantee's participation in the Plan, or the Grantee's acquisition or sale of the underlying shares of Common Stock. The Grantee is hereby advised to consult with the Grantee's own personal tax, legal and financial advisors regarding the Grantee's participation in the Plan before taking any action related to the Plan.

Data Privacy for Grantees not based in the European Economic Area or the United Kingdom.

The Grantee hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, including email, of the Grantee's personal data as described in the Agreement and any other RSU grant materials ("Data") by and among, as applicable, the Employer, the Company and its subsidiaries and affiliates for the exclusive purpose of implementing, administering and managing the Grantee's participation in the Plan.

The Grantee understands that the Company and the Employer may hold certain personal information about the Grantee, including, but not limited to, the Grantee's name, home

address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares of stock or directorships held in the Company, details of all RSUs or any other entitlement to shares of stock awarded, canceled, exercised, vested, unvested or outstanding in the Grantee's favor, for the exclusive purpose of implementing, administering and managing the Plan.

The Grantee understands that Data will be transferred to the Company's stock transfer agent and/or broker, or such other stock plan service provider as may be selected by the Company in the future, which is assisting the Company with the implementation, administration and management of the Plan. The Grantee understands that the recipients of the Data may be located in the United States or elsewhere (including outside the EEA), and that the recipients' country (e.g., the United States) may have different

data privacy laws and protections than the Grantee's country. The Grantee understands that the Grantee may request a list with the names and addresses of any potential recipients of the Data by contacting the Grantee's local human resources representative. The Grantee authorizes the Company, the Company's stock transfer agent and/or broker, and any other possible recipients which may assist the Company (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing the Grantee's participation in the Plan. The Grantee understands that Data will be held only as long as is necessary to implement, administer and manage the Grantee's participation in the Plan. The Grantee understands that the Grantee may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing the Grantee's local human resources representative. Further, the Grantee understands that the Grantee is providing the consents herein on a purely voluntary basis. If the Grantee does not consent, or if the Grantee later seeks to revoke the Grantee's consent, the Grantee's employment status or service and career with the Employer will not be adversely affected; the only adverse consequence of refusing or withdrawing the Grantee's consent is that the Company would not be able to grant the Grantee RSUs or other equity awards or administer or maintain such awards. Therefore, the Grantee understands that refusing or withdrawing the Grantee's consent may affect the Grantee's ability to participate in the Plan. For more information on the consequences of the Grantee's refusal to consent or withdrawal of consent, the Grantee understands that the Grantee may contact the Grantee's local human resources representative.

Data Privacy for Grantees based in the European Economic Area (including the United Kingdom).

The Company and its subsidiaries and affiliates will process the data of the Grantee in accordance with (i) the applicable data privacy policy or policies adopted by the Company or its subsidiaries and affiliates; and (ii) the data privacy notice(s) provided to the Grantee covering the processing of the Grantee's data in connection with the Plan.

The Grantee understands and acknowledges that the processing of their data by the Company and its subsidiaries and affiliates in relation to the operation of the Plan is necessary for (i) the performance of the Agreement; (ii) to comply with any legal obligation in relation to the operation of the Plan; and (iii) to account for any tax and duties in relation to the Plan.

Governing Law and Venue. The RSU grant and the provisions of the Agreement are governed by, and subject to, the internal substantive laws of the State of Delaware in the United States of America (with the exception of its conflict of law provisions).

For purposes of litigating any dispute that arises directly or indirectly from the relationship of the parties evidenced by this grant or the Agreement, the parties hereby submit to and consent to the exclusive jurisdiction of the Commonwealth of Pennsylvania in the United States of America and agree that such litigation shall be conducted only in the courts of Cumberland County, the Commonwealth of Pennsylvania, or the federal courts for the United States of America for the Middle District of Pennsylvania, and no other courts, where this grant is made and/or to be performed.

Compliance with Law. The following section supplements Section 9 of the Agreement: Notwithstanding any other provision of the Plan or the Agreement, unless there is an available exemption from any registration, qualification or other legal requirement applicable to the shares of Common Stock, the Company shall not be required to deliver any shares issuable upon settlement of the RSUs prior to the completion of any registration or qualification of the shares under any local, state, federal or foreign securities or exchange control law or under rulings or regulations of the U.S. Securities and Exchange Commission ("SEC") or of any other governmental regulatory body, or prior to obtaining any approval or other clearance from any local, state, federal or foreign governmental agency, which registration,

qualification or approval the Company shall, in its absolute discretion, deem necessary or advisable. The Grantee understands that the Company is under no obligation to register or qualify the shares with the SEC or any state or foreign securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of the shares. Further, the Grantee agrees that Company shall have unilateral authority to amend the Plan and the Agreement without the Grantee's consent to the extent necessary to comply with securities or other laws applicable to issuance of shares.

Language. If the Grantee has received the Agreement or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

Electronic Delivery and Acceptance. The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means, including email. The Grantee hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

Severability. The provisions of these Terms and Conditions are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

Imposition of Other Requirements. Subject to Section 14 of the Agreement, the Company reserves the right to impose other requirements on the Grantee's participation in the Plan, on the RSUs and on any shares of Common Stock acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require the Grantee to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

Waiver. The Grantee acknowledges that a waiver by the Company of breach of any provision of these Terms and Conditions shall not operate or be construed as a waiver of any other provision of these Terms and Conditions, or of any subsequent breach by the Grantee or any other Participant.

B. COUNTRY-SPECIFIC ADDITIONAL TERMS AND CONDITIONS AND NOTIFICATIONS

AUSTRALIA

TERMS AND CONDITIONS

Settlement of RSUs. Notwithstanding anything to the contrary in the Agreement, upon the vesting of the RSUs, the Grantee will receive a cash payment in an amount equal to the value of the shares of Common Stock underlying the vested RSUs on the vesting date. As long as the Grantee resides in Australia, he or she may not receive or hold shares of Common Stock in connection with the RSUs under the Plan. Accordingly, any provisions in the Agreement referring to issuance of shares of Common Stock shall not be applicable to the Grantee as long as he or she resides in Australia.

NOTIFICATIONS

Exchange Control Information. Exchange control reporting is required for cash transactions exceeding \$10,000 and international fund transfers. The Australian bank assisting with the transaction will file the report.

BELGIUM

NOTIFICATIONS

Tax Reporting Information. Grantee is required to report any bank accounts opened and maintained outside of Belgium on his or her annual Belgian tax return.

BRAZIL

TERMS AND CONDITIONS

Compliance with Law. By accepting the RSUs, the Grantee acknowledges that he or she agrees to comply with applicable Brazilian laws and pay any and all applicable taxes associated with the vesting of the RSUs, the receipt of any dividends, and the sale of shares of Common Stock acquired under the Plan.

NOTIFICATIONS

Exchange Control Information. If the Grantee is resident or domiciled in Brazil, he or she will be required to submit annually a declaration of assets and rights held outside of Brazil to the Central Bank of Brazil if the aggregate value of such assets and rights is equal to or greater than US \$100,000. Assets and rights that must be reported include shares of Common Stock.

CHINA

TERMS AND CONDITIONS

Settlement of RSUs. Notwithstanding anything to the contrary in the Agreement, due to local regulatory requirements, upon the vesting of the RSUs, the Grantee will receive a cash payment in China via the Company's local Chinese payroll in an amount equal to the value of the shares of Common Stock underlying the vested RSUs on a vesting date. As long as the Grantee resides in China, he or she may not receive or hold shares of Common Stock in connection with the RSUs under the Plan. Accordingly, any provisions in the Agreement referring to issuance of shares of Common Stock shall not be applicable to the Grantee as long as he or she resides in China.

FRANCE

TERMS AND CONDITIONS

Consent to Receive Information in English. By accepting the grant of the RSUs, the Grantee confirms having read and understood the Plan and the Agreement, which were provided in the English language. The Grantee accepts the terms of those documents accordingly.

En acceptant cette attribution gratuite d'actions, le Grantee confirme avoir lu et compris le Plan et ce Contrat, incluant tous leurs termes et conditions, qui ont été transmis en langue anglaise. Le Grantee accepte les dispositions de ces documents en connaissance de cause.

NOTIFICATIONS

Tax Notification. The RSUs are not intended to be French tax-qualified. Please be aware that the Company intends that any outstanding RSUs granted to you pursuant to the 1995 Executive Incentive Compensation Plan Sub-plan for Restricted Stock Units Granted to Participants in France will continue to meet the requirements for qualified status under French law; therefore, different terms and conditions will apply to such outstanding RSUs. Please refer to the Restricted Stock Unit Agreement for Employees in France applicable to your grant for further details.

Exchange Control Notification. The Grantee may hold shares of Common Stock acquired under the Plan outside of France provided that he or she declares all foreign accounts (including any accounts that were opened or closed during the tax year) on his or her annual French income tax return.

GERMANY

TERMS AND CONDITIONS

Parties to the Agreement. The Agreement is exclusively concluded between Harsco Corporation and the Grantee. The local Harsco entity employing the Grantee is not in any way party to the Agreement or entitled/committed hereby.

Vesting of RSUs. Notwithstanding anything to the contrary in the Agreement or in the Plan, the Grantee shall be considered "Disabled" for the purposes of this Agreement, if the Grantee's employment contract ends as a consequence of the Grantee being granted a permanent statutory pension for full occupational disability (*unbefristete Rente wegen voller Erwerbsminderung*) by the competent authorities.

Non-Competition Agreement. Notwithstanding anything to the contrary in the Non-Competition Agreement, it is exclusively concluded between Harsco Corporation and the Grantee. The employer of the Grantee is not in any way party to the Non-Competition Agreement or entitled/committed hereby. The Non-Competition Agreement does not affect in any way a separate non-competition agreement concluded between the Grantee and his/her employer.

INDIA

TERMS AND CONDITIONS

The Grantee hereby agrees that it shall hold the shares of the Common Stock pursuant to this Agreement and the Plan, at all times in accordance with the applicable laws in India, including but not limited to the (Indian) Foreign Exchange Management (Transfer or Issue of Any Foreign Security) Regulations, 2004 (and as amended or replaced), relevant master circulars, directions, notifications issued in this regard by the Reserve Bank of India from time to time and shall carry out the necessary reporting with the Reserve Bank of India at all stages of granting and vesting, if and as may be required. The Grantee agrees to indemnify the Company and/or Subsidiary of the Company with respect to any non-compliance and/or non-adherence by the Grantee of any of the applicable laws in India arising out of holding of the shares of the Common Stock by the Grantee.

The Grantee shall declare the holding of shares of the Common Stock, if and as may be necessary, in its income for taxation purposes and agrees to indemnify the Company and/or Subsidiary of the Company with respect to any and all taxes that it shall be obligated to pay with respect to the shares of the Common Stock such as including but not limited to income tax, capital gain taxes etc., under this Agreement and which may arise as a result of the sale of the shares of the Common Stock and the transactions contemplated hereunder.

LUXEMBOURG

NOTIFICATIONS

Exchange Control Information. Grantee understands that Grantee is required to report any inward remittances of funds to the Banque Centrale de Luxembourg and/or the Service Central de la Statistique et des Études Économiques within 15 working days following the month during which the transaction occurred unless such payment is reported by a Luxembourg-resident financial institution.

MALAYSIA

Tax Reporting Information. By accepting the RSUs, the Grantee acknowledges that he or she agrees to comply with applicable Malaysian laws and pay any and all applicable taxes associated with the vesting of the RSUs, The Grantee is required to ensure that the local Harsco entity employing the Grantee to reports such share benefit to the Malaysian Inland Revenue Board.

THE NETHERLANDS

TERMS AND CONDITIONS

Non-Competition Agreement. The non-competition agreement entered into between the Company and the Grantee shall be in addition to any non-compete arrangements between the Grantee and his or her employer.

SWITZERLAND

TERMS AND CONDITIONS

Vesting: With the acceptance of a Grant, the Grantee expressly acknowledges that any RSU, PSU and/or SAR shall not give the Grantee any right or entitlement until such Grant is fully vested. The Grant remains fully discretionary until full vesting.

Continuous Employment: In Switzerland, "continuously employed" (or substantially similar term) means the absence of any interruption or termination (issuance of termination notice) of the Grantee's employment with the Company or with a Subsidiary of the Company. Continuous employment shall not be considered interrupted or terminated in the case of sick leave, military leave or any other leave of absence approved by the Company for which compensation needs to be paid by the Company or salary replacement benefits are granted by any insurance or in the case of transfers between locations of the Company and its Subsidiaries. For the avoidance of any doubt, continuous employment ends in any case with the end of the employment, even if any salary replacement benefits continue to be paid by any insurance, pension scheme or social security.

Retirement: For the purpose of the Plan, only a retirement under the rules and conditions of the Swiss pension scheme of the Subsidiary employing the Grantee shall qualify as retirement for the purpose of vesting of RSU, PSU or termination of SAR, and only if such retirements is (A) at age 62 or older while employed by the Company or any of its Subsidiaries; or (B) at or after such time as the Grantee's age (minimum of age 55), plus full years of continuous employment by the Company or any of its Subsidiaries, equals 75.

Disability: For purposes of the Plan, the Grantee shall be considered "Disabled" if the Grantee is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or qualifies as permanent full disability under the applicable Swiss social security and/or pension laws.

Non-Competition Agreement: For the avoidance of any doubt, any non-competition agreement entered into between the Grantee and the Company in connection with the Plan and grants thereunder shall be in addition to any non-competition agreement agreed between the Grantee and the employing Subsidiary and shall not replace such non-competition agreement.

NOTIFICATIONS

Exchange Control Notification. The Grantee may hold shares of Common Stock acquired under the Plan outside of Switzerland provided that he or she declares all foreign accounts (including any accounts that were opened or closed during the tax year) on his or her annual Swiss tax declaration.

UNITED ARAB EMIRATES

NOTIFICATIONS

Securities Law Notice. RSUs under the Plan are granted only to select executive officers and other employees of the Company and its subsidiaries for the purpose of providing such eligible persons with incentives and rewards for performance. The Agreement, including this Exhibit, the Plan and any documents the Grantee may receive in connection with the RSUs are intended for distribution to such eligible persons and must not be delivered to, or relied on, by any other person.

The Emirates Securities and Commodities Authority, the Central Bank, the Ministry of Economy and the Dubai Department of Economic Development do not have any responsibility for reviewing or verifying any documents in connection with the Plan nor have they reviewed or approved the Plan or the Agreement. The securities to which this statement relates may be illiquid and/or subject to restrictions on their resale. The Grantee and/or prospective purchasers of the securities offered should conduct their own due diligence on the securities.

If the Grantee does not understand the contents of the Agreement, including this Exhibit, or the Plan, the Grantee should consult an authorized financial adviser.

UNITED KINGDOM

TERMS AND CONDITIONS

U.K. Sub-Plan. The terms of the U.K. Sub-plan apply to the RSUs.

HARSCO CORPORATION
PERFORMANCE SHARE UNITS AGREEMENT
(FORM)

This PERFORMANCE SHARE UNITS AGREEMENT (this "**Agreement**") is made as of March 10, 2020, by and between Harsco Corporation, a Delaware corporation, and [Participant Name:First Name Last Name] (the "**Grantee**").

- 1. Certain Definitions.** Capitalized terms used, but not otherwise defined, in this Agreement will have the meanings given to such terms in the Company's 2013 Equity and Incentive Compensation Plan, as amended by Amendment No. 1 to the 2013 Equity and Incentive Compensation Plan (the "**Plan**").
- 2. Grant of PSUs.** Subject to and upon the terms, conditions and restrictions set forth in this Agreement, including, without limitation, **Exhibit A** attached hereto (the "**Non-Competition Agreement**"), any additional terms and conditions for the Grantee's country (Grantees outside the United States only) set forth in the attached **Exhibit B** which forms part of this Agreement, and in the Plan, the Company grants to the Grantee, as of March 10, 2020 (the "**Date of Grant**"), a target number of [Granted:Target] performance-based Restricted Stock Units ("**PSUs**"). Notwithstanding anything in this **Section 2** or otherwise in this Agreement to the contrary, the Grantee acknowledges and agrees to be bound by the restrictive covenant terms, conditions and provisions in the Non-Competition Agreement as a "Grantee" as referred to therein.
- 3. Restrictions on Transfer of PSUs.** Subject to **Section 15** of the Plan, neither the PSUs granted hereby nor any interest therein or in the Common Stock related thereto shall be transferable prior to payment to the Grantee pursuant to **Section 5** hereof other than by will or pursuant to the laws of descent and distribution.
- 4. Vesting of PSUs.**
 - (a) Subject to the terms and conditions of **Section 4** and **Section 5** hereof and **Exhibit C** hereto, the Grantee's right to receive Common Stock in settlement of the PSUs shall become nonforfeitable with respect to (i) 0% to 200% of the PSUs on the basis of the RTSR achievement during the Performance Period as set forth in the Statement of Management Objectives attached hereto as **Exhibit C** (the "**Earned PSUs**"). The Earned PSUs will be determined on the date following the end of the Performance Period on which the Committee determines the level of attainment of the Management Objectives for the Performance Period, which date must occur within 60 days after the end of the Performance Period (the "**Committee Determination Date**"). Except as otherwise provided herein, the Grantee's right to receive Common Stock in settlement of the PSUs is contingent upon his or her remaining in the continuous employ of the Company or a Subsidiary through the end of the Performance Period.
 - (b) For purposes of this Agreement:
 - (i) "Continuously employed" (or substantially similar term) means the absence of any interruption or termination of the Grantee's employment with the Company or with a Subsidiary of the Company. Continuous employment shall not be considered interrupted or terminated in the case of sick leave, military leave or any other leave of absence approved by the Company or in the case of transfers between locations of the Company and its Subsidiaries;

- (ii) "Management Objectives" means the threshold, target and maximum goals established by the Committee for the Performance Period with respect to RTSR, as described in the Statement of Management Objectives. No adjustment of the Management Objectives shall be permitted in respect of any PSUs granted to the Grantee if at the Date of Grant he or she is a Covered Employee if such adjustment would result in the PSUs failing to qualify as a Qualified Performance-Based Award.
 - (iii) "Performance Period" means the three-year period commencing January 1, 2020 and ending on December 31, 2022.
 - (iv) "Relative Total Stockholder Return" or "RTSR" has the meaning as set forth in the Statement of Management Objectives.
- (c) Notwithstanding the other provisions of this **Section 4**:
- (i) If the Grantee dies or becomes Disabled during any calendar year of the Performance Period while the Grantee is continuously employed by the Company or any of its Subsidiaries (the "**Death/Disability Year**"), provided that the PSUs have not previously been forfeited or become nonforfeitable at such time, then (notwithstanding anything in the Statement of Management Objectives to the contrary): (A) the Performance Period will be deemed to end on December 31 of the Death/Disability Year (the "**Death/Disability Measurement Date**"); (B) the PSUs will continue to be eligible to become nonforfeitable (and payable in accordance with **Section 5** hereof) as if the Grantee continued to be employed until the end of the Death/Disability Measurement Date; (C) the Earned PSUs will be determined based on RTSR achievement from the start of the Performance Period through the Death/Disability Measurement Date based on the S&P600® Industrials Index as constituted on the first day of the Performance Period; (D) the ending stock price for Total Stockholder Return determination purposes will be based on the average closing stock price for the 30 calendar days immediately preceding the January 1st immediately following the Death/Disability Measurement Date on the principal stock exchange on which the stock then trades; and (E) the Earned PSUs will be determined on the date following the Death/Disability Measurement Date on which the Committee determines the level of attainment of the Management Objectives for the shortened Performance Period, which date must occur within 60 days after the Death/Disability Measurement Date.
 - (ii) If the Grantee retires from the Company prior to the end of the Performance Period (A) at age 62 or older while continuously employed by the Company or any of its Subsidiaries or (B) at or after such time as the Grantee's age (minimum of age 55), plus full years of continuous employment by the Company or any of its Subsidiaries, equals 75, provided that the PSUs have not previously been forfeited or become nonforfeitable at such time, then the PSUs will continue to be eligible to become nonforfeitable in accordance with this **Section 4** (and payable in accordance with **Section 5** hereof) as if the Grantee continued to be employed until the end of the Performance Period.
- (d) (i) Notwithstanding **Section 4(a)** or **Section 4(c)** above, if at any time before the Committee Determination Date or forfeiture of the PSUs, and while the Grantee is continuously employed by the Company or a Subsidiary, a Change in Control occurs, provided that the PSUs have not previously been forfeited or become nonforfeitable at such time, then (except to the extent that a Replacement Award is provided to the Grantee in accordance with **Section 4(d)(ii)**) to continue, replace or assume the PSUs

covered by this Agreement (the "**Replaced Award**") the PSUs will become nonforfeitable and payable to the Grantee in accordance with **Section 5** hereof as follows (notwithstanding anything in the Statement of Management Objectives to the contrary): (A) the Performance Period will be deemed to have ended on the date of the Change in Control (the "**CIC Measurement Date**"); (B) the Earned PSUs will be determined based on RTSR achievement from the start of the Performance Period through the CIC Measurement Date based on the S&P600® Industrials Index as constituted on the first day of the Performance Period; (C) the ending stock price for Total Stockholder Return determination purposes will be based on the average closing stock price for the 30 calendar days immediately preceding the CIC Measurement Date on the principal stock exchange on which the stock then trades; and (D) the Earned PSUs will be determined on the date of the Change in Control.

- (ii) For purposes of this Agreement, a "Replacement Award" means an award (A) of the same type (*e.g.*, performance-based restricted stock units) as the Replaced Award, (B) that has a value at least equal to the value of the Replaced Award, (C) that relates to publicly traded equity securities of the Company or its successor in the Change in Control or another entity that is affiliated with the Company or its successor following the Change in Control or is payable solely in cash, (D) if the Grantee holding the Replaced Award is subject to U.S. federal income tax under the Code, the tax consequences of which to such Grantee under the Code are not less favorable to such Grantee than the tax consequences of the Replaced Award, and (E) the other terms and conditions of which are not less favorable to the Grantee holding the Replaced Award than the terms and conditions of the Replaced Award (including the provisions that would apply in the event of a subsequent Change in Control). A Replacement Award may be granted only to the extent it does not result in the Replaced Award or Replacement Award failing to comply with or be exempt from Section 409A of the Code. Without limiting the generality of the foregoing, the Replacement Award may take the form of a continuation of the Replaced Award if the requirements of the two preceding sentences are satisfied. The determination of whether the conditions of this **Section 4(d)(ii)** are satisfied will be made by the Committee, as constituted immediately before the Change in Control, in its sole discretion.
- (iii) If, upon receiving a Replacement Award, the Grantee's employment with the Company or a Subsidiary (or any of their successors) (as applicable, the "**Successor**") is subsequently terminated by the Grantee for Good Reason or by the Successor without Cause within a period of two years after the Change in Control, 100% of the Replacement Award will become nonforfeitable and payable with respect to the performance-based restricted stock units covered by such Replacement Award.
- (iv) A termination by the Grantee for "Good Reason" means Grantee's termination of his or her employment with the Successor as a result of the occurrence of any of the following: (A) a change in the Grantee's principal location of employment that is greater than 50 miles from such location as of the date of this Agreement without the Grantee's consent; provided, however, that the Grantee hereby acknowledges that the Grantee may be required to engage in travel in connection with the performance of the Grantee's duties and that such travel shall not constitute a change in the Grantee's principal location of employment for purposes hereof; (B) a material diminution in the Grantee's base compensation; (C) a change in the Grantee's position with the Successor without the Grantee's consent such that there is a material diminution in the Grantee's authority, duties or responsibilities;

or (D) any other action or inaction that constitutes a material breach by the Successor of the agreement, if any, under which the Grantee provides services to the Successor or its subsidiaries. Notwithstanding the foregoing, the Grantee's termination of the Grantee's employment with the Successor as a result of the occurrence of any of the foregoing shall not constitute a termination for "Good Reason" unless (X) the Grantee gives the Successor written notice of such occurrence within 90 days of such occurrence and such occurrence is not cured by the Successor within 30 days of the date on which such written notice is received by the Successor and (Y) the Grantee actually terminates his or her employment with the Successor prior to the 365th day following such occurrence.

- (v) A termination by the Successor without "Cause" means the Successor's termination of the Grantee's employment with the Successor under circumstances that do not involve or relate to the occurrence of any of the following: (A) an act or acts of personal dishonesty taken by the Grantee and intended to result in substantial personal enrichment of the Grantee at the expense of the Company; (B) repeated failure by the Grantee to devote reasonable attention and time during normal business hours to the business and affairs of the Company or to use the Grantee's reasonable best efforts to perform faithfully and efficiently the responsibilities assigned to the Grantee (provided that such failure is demonstrated to be willful and deliberate on the Grantee's part and is not remedied in a reasonable period of time after receipt of written notice from the Company); or (C) the conviction of the Grantee of a felony.
- (e) The PSUs shall be forfeited to the extent they fail to become nonforfeitable as of the Committee Determination Date and, except as otherwise provided in this **Section 4**, if the Grantee ceases to be employed by the Company or a Subsidiary at any time prior to such PSUs becoming nonforfeitable, or to the extent they are forfeited under **Section 16** hereof.

5. Form and Time of Payment of Earned PSUs.

- (a) Payment for the PSUs, after and to the extent they have become nonforfeitable, shall be made in the form of shares of Common Stock. Payment shall be made within 70 days following the date that the PSUs become nonforfeitable pursuant to **Section 4** hereof.
- (b) Except to the extent provided by Section 409A of the Code and permitted by the Committee, no Common Stock may be issued to the Grantee at a time earlier than otherwise expressly provided in this Agreement.

6. The Company's obligations to the Grantee with respect to the PSUs will be satisfied in full upon the issuance of Common Stock corresponding to such PSUs.

7. Dividend Equivalents, Voting, and Other Rights.

- (a) The Grantee shall have no rights of ownership in the Common Stock underlying the PSUs and no right to vote the Common Stock underlying the PSUs until the date on which the shares of Common Stock underlying the PSUs are issued or transferred to the Grantee pursuant to **Section 5** above.
- (b) From and after the Date of Grant and until the earlier of (i) the time when the PSUs become nonforfeitable and are paid in accordance with **Section 5** hereof or (ii) the time when the Grantee's right to receive Common Stock in payment of the PSUs is forfeited in accordance with **Section 4** hereof, on the date that the Company pays a cash dividend (if

any) to holders of Common Stock generally, the Grantee shall become entitled to receive (subject to the following sentence) a number of additional whole PSUs determined by dividing (x) the product of (1) the dollar amount of the cash dividend paid per share of Common Stock on such date and (2) the total number of PSUs (including dividend equivalents) previously credited to the Grantee as of such date, by (y) the Market Value per Share on such date. Such dividend equivalents (if any) shall be subject to the same terms and conditions and shall be paid or forfeited in the same manner and at the same time as the PSUs to which the dividend equivalents were credited.

- (c) The obligations of the Company under this Agreement will be merely that of an unfunded and unsecured promise of the Company to deliver shares of Common Stock in the future, and the rights of the Grantee will be no greater than that of an unsecured general creditor. No assets of the Company will be held or set aside as security for the obligations of the Company under this Agreement.

8. Adjustments. The PSUs and their terms under this Agreement are subject to mandatory adjustment under the terms of Section 11 of the Plan.

9. Withholding Taxes. To the extent that the Company is required to withhold federal, state, local or foreign taxes in connection with the delivery to the Grantee of Common Stock or any other payment to the Grantee or any other payment or vesting event under this Agreement, the Grantee hereby authorizes withholding from payroll and any other amounts payable to the Grantee, including amounts payable hereunder, and otherwise agrees to make adequate provision for, any sums required to satisfy such tax withholding obligations of the Company. The Company shall have no obligation to make delivery or payment hereunder until the tax withholding obligations of the Company have been satisfied by the Grantee. If all or any part of such withholding requirement be satisfied by retention by the Company of a portion of the Common Stock to be delivered to the Grantee or by delivering to the Company other shares of Common Stock held by the Grantee, the shares so retained shall be credited against such withholding requirement at the Market Value per Share of such Common Stock on the date of such delivery. In no event will the market value of the Common Stock to be withheld and/or delivered pursuant to this Section 9 to satisfy applicable withholding taxes exceed the minimum amount of taxes required to be withheld, unless otherwise agreed to by the Grantee, provided, however, that such amount shall not exceed the statutory maximum withholding rates.

10. Compliance With Law. The Company shall make reasonable efforts to comply with all applicable federal and state securities laws; provided, however, notwithstanding any other provision of the Plan and this Agreement, the Company shall not be obligated to issue any Common Stock pursuant to this Agreement if the issuance thereof would result in a violation of any such law.

11. Compliance With Section 409A of the Code. To the extent applicable, it is intended that this Agreement and the Plan comply with the provisions of Section 409A of the Code. This Agreement and the Plan shall be administered in a manner consistent with this intent, and any provision that would cause this Agreement or the Plan to fail to satisfy Section 409A of the Code shall have no force or effect until amended to comply with Section 409A of the Code (which amendment may be retroactive to the extent permitted by Section 409A of the Code and may be made by the Company without the consent of the Grantee).

12. Interpretation. Any reference in this Agreement to Section 409A of the Code will also include any proposed, temporary or final regulations, or any other guidance, promulgated with respect to such Section by the U.S. Department of the Treasury or the Internal Revenue Service. Except as expressly provided in this Agreement, capitalized terms used herein will have the meaning ascribed to such terms in the Plan.

13. No Employment Rights. The grant of the PSUs under this Agreement to the Grantee is a voluntary, discretionary award being made on a one-time basis and it does not constitute a commitment to make any future awards. The grant of the PSUs and any payments made hereunder will not be considered salary or other compensation for purposes of any severance pay or similar allowance, except as otherwise required by law. Nothing contained in this Agreement shall confer upon the Grantee any right to be employed or remain employed by the Company or any of its Subsidiaries, nor limit or affect in any manner the right of the Company or any of its Subsidiaries to terminate the employment or adjust the compensation of the Grantee.

14. Relation to Other Benefits. Any economic or other benefit to the Grantee under this Agreement or the Plan shall not be taken into account in determining any benefits to which the Grantee may be entitled under any profit-sharing, retirement or other benefit or compensation plan maintained by the Company or any of its Subsidiaries and shall not affect the amount of any life insurance coverage available to any beneficiary under any life insurance plan covering employees of the Company or any of its Subsidiaries.

15. Amendments. Any amendment to the Plan shall be deemed to be an amendment to this Agreement to the extent that the amendment is applicable hereto; provided, however, that (a) no amendment shall adversely affect the rights of the Grantee under this Agreement without the Grantee's written consent, and (b) the Grantee's consent shall not be required to an amendment that is deemed necessary by the Company to ensure compliance with Section 409A of the Code.

16. Severability. In the event that one or more of the provisions of this Agreement shall be invalidated for any reason by a court of competent jurisdiction, any provision so invalidated shall be deemed to be separable from the other provisions hereof, and the remaining provisions hereof shall continue to be valid and fully enforceable.

17. Relation to Plan. This Agreement is subject to the terms and conditions of the Plan. In the event of any inconsistency between the provisions of this Agreement and the Plan, the Plan shall govern. The Committee acting pursuant to the Plan, as constituted from time to time, shall, except as expressly provided otherwise herein or in the Plan, have the right to determine any questions which arise in connection with this Agreement. In addition, the PSUs shall be subject to the terms and conditions of the Company's clawback policy in effect on the Date of Grant as if such PSUs were "Incentive-Based Compensation" (as such term is defined in such clawback policy).

18. Successors and Assigns. Without limiting **Section 3** hereof, the provisions of this Agreement shall inure to the benefit of, and be binding upon, the successors, administrators, heirs, legal representatives and assigns of the Grantee, and the successors and assigns of the Company.

19. Governing Law. This Agreement will be construed under the laws of the Commonwealth of Pennsylvania, without regard to its conflict of law provisions, and the parties consent and agree that the federal and state courts of the Commonwealth of Pennsylvania will have exclusive jurisdiction over any dispute relating to this Agreement.

20. Acknowledgement. The Grantee acknowledges that the Grantee (a) has received a copy of the Plan, (b) has had an opportunity to review the terms of this Agreement and the Plan, (c) understands the terms and conditions of this Agreement and the Plan and (d) agrees to such terms and conditions.

21. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same agreement.

[signature page follows]

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed on its behalf by its duly authorized officer and the Grantee has executed this Agreement, effective as of the day and year first above written.

HARSCO CORPORATION

By: /s/ F. Nicholas Grasberger III Name: F. Nicholas Grasberger III
Title: Chairman, President and CEO

The undersigned hereby acknowledges receipt of an executed version of this Agreement and accepts the award of PSUs granted hereunder on the terms and conditions set forth herein and in the Plan (including the terms of the Non-Competition Agreement, attached hereto as **Exhibit A**).

GRANTEE

By:

Name:

EXHIBIT A**Non-Competition Agreement**

1. Grant. Grantee acknowledges that Grantee has access to the confidential and proprietary trade secret information of Harsco Corporation, including its subsidiaries, joint ventures, and operating divisions (the "Company"), as further described below ("Confidential/Proprietary Trade Secret Information"). Further, Grantee acknowledges that Grantee derives significant value from the Company and from the Confidential/Proprietary Trade Secret Information provided during the term of employment with the Company, which enables Grantee to optimize the performance of the Company's performance and Grantee's own personal, professional, and financial benefit. In consideration of the grant described in the award agreement (the "Agreement") to which these terms, conditions and provisions (the "Non-Competition Agreement") are attached as an exhibit, Grantee agrees that, during Grantee's employment by the Company, and for a period of twelve (12) months after the cessation of such employment for any reason (both such periods collectively referred to as the "Restricted Period"), Grantee will not, directly or indirectly, engage in any of the following competitive activities:
 - (a) For Grantee or on behalf of any other corporation, business, partnership, individual, or other entity, directly or indirectly solicit, divert, contract with, or attempt to solicit, divert, or contract with, any customer with whom Grantee had Material Contact during the final two (2) years of Grantee's employment with the Company concerning any products or services that are similar to those that Grantee was responsible for or were otherwise involved with during Grantee's employment with the Company. For purposes of this Non-Competition Agreement, the Grantee will have had "Material Contact" with a customer if: (i) Grantee had business dealings with the customer on the Company's behalf; (ii) Grantee was responsible for supervising or coordinating the dealings between the Company and the customer; or (iii) Grantee obtained Confidential/Proprietary Trade Secret Information about the customer as a result of Grantee's association with the Company;
 - (b) Within the geographic territory where Grantee was employed by the Company, obtained knowledge of Confidential/Proprietary Trade Secret Information, or had contact with the Company's customers, become employed by or otherwise render services to (as a director, employee, contractor or consultant) or have any ownership interest in any business which is engaged in offering the same or similar products or services as, or otherwise competes with those Company, including its subsidiaries and operating unit(s) with which Grantee was employed or in any way involved during the last twelve (12) months of employment with the Company; or
 - (c) (i) induce, offer, assist, encourage or suggest that another business or enterprise offer employment to or enter into a consulting arrangement with any employee, agent or representative of the Company or (ii) induce, offer, assist, encourage or suggest that any employee, agent or representative of the Company, including its subsidiaries and joint ventures, terminate his or her employment or business affiliation with the Company or accept employment with any other business or enterprise.
 - (d) Confidential/Proprietary Trade Secret Information.
 - (i) Grantee agrees to keep secret and confidential all Confidential/Proprietary Trade Secret Information (further described below) acquired by Grantee while employed by the Company or concerning the business and affairs of the Company, its vendors, its customers, and its affiliates (whether of a business, commercial or technological

nature), and further agrees that Grantee will not disclose any such Confidential/Proprietary Trade Secret Information so acquired to any individual, partner, company, firm, corporation or other person or use the same in any manner other than in connection with the business and affairs of the Company and its affiliates. Except in the performance of services for the Company, the Grantee will not, for so long as the Confidential/Proprietary Trade Secret Information remains so designated under applicable law, use, disclose, reproduce, distribute, transmit, reverse engineer, decompile, disassemble, or transfer the Confidential/Proprietary Trade Secret Information or any portion thereof.

- (ii) For purposes of this Non-Competition Agreement, "Confidential/Proprietary Trade Secret Information" includes all information of a confidential or proprietary nature that relates to the business, products, services, research or development of the Company, and its affiliates or their respective suppliers, distributors, customers, independent contractors or other business relations. Confidential/Proprietary Trade Secret Information also includes, but is not limited to, the following: (A) internal business information (including information relating to strategic and staffing plans and practices, business, training, financial, marketing, promotional and sales plans and practices, cost, rate and pricing structures, accounting and business methods and customer and supplier lists); (B) identities of, individual requirements of, specific contractual arrangements with and information about, the Company's suppliers, distributors, customers, independent contractors or other business relations and their confidential information; (C) trade secrets, copyrightable works and other confidential information (including ideas, formulas, recipes, compositions, inventions, innovations, improvements, developments, methods, know-how, manufacturing and production processes and techniques, research and development information, compilations of data and analyses, data and databases relating thereto, techniques, systems, records, manuals, documentation, models, drawings, specifications, designs, plans, proposals, reports and all similar or related information whether patentable or unpatentable and whether or not reduced to practice); (D) other intellectual property rights of the Company, or any of its affiliates; and (E) any other information that would constitute a trade secret under the Pennsylvania Uniform Trade Secrets Act, as amended from time to time (or any successor). The term "Confidential/Proprietary Trade Secret Information" also includes any information or data described above which the Company obtains from another party and which the Company treats as proprietary or designates as trade secrets, whether or not owned or developed by the Company.
- (iii) All documents and materials supplied to Grantee or developed by Grantee in the course of, or as a result of Grantee's employment at the Company whether in hard copy, electronic format or otherwise shall be the sole property of the Company. Grantee will at any time upon the request of the Company and in any event promptly upon termination of Grantee's employment or relationship with the Company, but in any event no later than five (5) business days after such termination, deliver all such materials to the Company and will not retain any originals or copies of such materials, whether in hard copy form or as computerized and/or electronic records. Except to the extent approved by the Company or required by Grantee's bona fide job duties for the Company, the Grantee also agrees that Grantee will not copy or remove from the Company's place of business or the place of business of a customer of the Company, property or information belonging to the Company or the customer or entrusted to the Company or the customer. In addition, the Grantee agrees that Grantee will not provide any such materials to any competitor of or entity seeking to compete with the Company unless specifically approved in writing by the Company.

Notwithstanding anything in paragraph 1(d)(3) of this Non-Competition Agreement to the contrary, if the Company needs to take legal action to secure such return delivery of such materials, Grantee shall be responsible for all legal fees, costs and expenses incurred by the Company in doing so.

- (iv) Grantee understands that nothing contained in this Agreement limits Grantee's ability to file a charge or complaint with any federal, state or local governmental agency or commission ("Government Agencies"). Grantee further understands that this Agreement does not limit Grantee's ability to communicate with any Government Agencies or otherwise participate in any investigation or proceeding that may be commenced by any Government Agency including providing documents or other information without notice to the Company. This Agreement does not limit the Grantee's right to receive an award for information provided to any Government Agencies.

2. Subsequent Employment.

- (a) Advise the Company of New Employment. In the event of a cessation of Grantee's employment with the Company, and during the Restricted Period described in paragraph 1 above, Grantee agrees to disclose to the Company, the name and address of any new employer or business affiliation within ten (10) calendar days of Grantee's accepting such position. In the event that Grantee fails to notify the Company of such new employment or business affiliation as required above, the Restricted Period will be extended by a period equal to the period of nondisclosure.
- (b) Grantee's Ability to Earn Livelihood. Grantee acknowledges that, in the event of a cessation of Grantee's employment with the Company, for any reason and at any time, the provisions of paragraph 1 of this Non-Competition Agreement will not unreasonably restrict Grantee's ability to earn a living. Grantee and the Company acknowledge that Grantee's rights have been limited by this Non-Competition Agreement only to the extent reasonably necessary to protect the legitimate interests of the Company in its Confidential/Proprietary Trade Secret Information.

3. Enforcement. Grantee agrees that if Grantee violates the covenants and agreements set forth in this Non-Competition Agreement, the Company would suffer irreparable harm, and that such harm to the Company may be impossible to measure in monetary damages. Accordingly, in addition to any other remedies which the Company may have at law or in equity, the Company will have the right to have all obligations, undertakings, agreements, covenants and other provisions of this Non-Competition Agreement specifically performed by Grantee, and the Company will have the right to obtain preliminary and permanent injunctive relief to secure specific performance, and to prevent a breach or contemplated breach, of this Non-Competition Agreement. In such event, the Company will be entitled to an accounting and repayment of all profits, compensation, remunerations or benefits which Grantee or others, directly or indirectly, have realized or may realize as a result of, growing out of, or in conjunction with any violation of this Non-Competition Agreement. Such remedies will be an addition to and not in limitation of any injunctive relief or other rights or remedies to which the Company is or may be entitled at law or in equity. In the event that the Company obtains any requested relief in any action brought to enforce the terms of this Non-Competition Agreement through court proceedings, the Company will be entitled to reimbursement for all legal fees, costs and expenses incident to enforcement.

4. Severability. If any section, paragraph, term or provision of this Non-Competition Agreement, or the application thereof, is determined by a competent court or tribunal to be invalid or unenforceable, then the other parts of such section, paragraph, term or provision will not be affected thereby and will be given full force and effect without regard to the invalid or unenforceable portions, and the

section, paragraph, term or provision of this Non-Competition Agreement will be deemed modified to the extent necessary to render it valid and enforceable.

5. Miscellaneous.

(a) Employment.

- (i) This Non-Competition Agreement does not constitute a guarantee of employment and termination of employment will not affect the enforceability of this Non-Competition Agreement.
- (ii) Grantee agrees that if Grantee is transferred from the entity or division which was Grantee's employer at the time Grantee signed this Non-Competition Agreement to employment by another division or another company that is a subsidiary or affiliate of Harsco Corporation, and Grantee has not entered into a superseding agreement with the new employer covering the subject matter of this Non-Competition Agreement, then this Non-Competition Agreement will continue in effect and the Grantee's new employer will be termed "the Company" for all purposes hereunder and will have the right to enforce this Non-Competition Agreement as Grantee's employer. In the event of any subsequent transfer, Grantee's new employer will succeed to all rights under this Non-Competition Agreement so long as such employer will be Harsco Corporation or one of its subsidiaries or affiliates and so long as this Non-Competition Agreement has not been superseded.

(b) Headings. The headings contained in this Non-Competition Agreement are inserted for convenience of reference only, and will not be deemed to be a part of this Non-Competition Agreement for any purposes, and will not in any way define or affect the meaning, construction or scope of any of the provisions of this Non-Competition Agreement.

(c) Governing Law. This Non-Competition Agreement will be construed under the laws of the Commonwealth of Pennsylvania, without regard to its conflict of law provisions, and the parties consent and agree that the federal and state courts of the Commonwealth of Pennsylvania will have exclusive jurisdiction over any dispute relating to this Non-Competition Agreement.

(d) Supplemental Nature of this Non-Competition Agreement. The restrictions set forth in paragraph 1 of this Non-Competition Agreement will be in addition to any other such restrictive covenants agreed to through separate agreements, if any, between Grantee and the Company and will survive the exercise of the equity award evidenced by the Agreement.

(e) Waiver. The failure by the Company to enforce any right or remedy available to it under this Non-Competition Agreement will not be construed to be a waiver of such right or remedy with respect to any other prior, concurrent or subsequent breach or failure. No waiver of rights under this Non-Competition Agreement will be effective unless made in writing with specific reference to this Non-Competition Agreement.

(f) Notification. Grantee agreed that the Company may notify any third party about Grantee's obligations under this Non-Competition Agreement until such time as Grantee has performed all of Grantee's obligations hereunder. Upon the Company's request, Grantee agrees to provide the Company with information, including, but not limited to, supplying details of Grantee's subsequent employment, sufficient to verify that Grantee has not breached, or is not breaching, any covenant in this Non-Competition Agreement.

(g) Acknowledgments.

- (i) Grantee acknowledges and agrees that this Non-Competition Agreement is in consideration of, (A) the grant evidenced by the Agreement, (B) access to Confidential/Proprietary Trade Secret Information, as required by Grantee's job duties, and (C) access to important customer relationships and the associated customer goodwill of the Company.
- (ii) Grantee acknowledges that he or she has carefully read and considered the provisions of this Non-Competition Agreement, and that this Non-Competition Agreement is reasonable as to time and scope and activities prohibited, given the Company's need to protect its interests and given the consideration provided to Grantee in the form of the grant evidenced by the Agreement.
- (iii) Grantee acknowledges that he or she has had an opportunity to consult with an independent legal counsel of Grantee's choosing, and accept the grant contained in the Agreement and continuing employment on the terms set forth in this Non-Competition Agreement.

EXHIBIT B**Additional Terms and Conditions for International Employees****TERMS AND CONDITIONS**

This Exhibit B (this "Exhibit"), which is part of the Agreement, contains additional terms and conditions that govern the PSUs granted to the Grantee under the Plan if he or she resides outside the United States. The terms and conditions in Part A apply to **all** Grantees outside the United States. The country-specific terms and conditions and/or notifications in Part B will also apply to the Grantee if he or she resides in one of the countries listed below. Unless otherwise defined, capitalized terms used but not defined in this Exhibit have the meanings set forth in the Plan and/or the Agreement.

NOTIFICATIONS

This Exhibit also includes information regarding exchange controls and certain other issues of which the Grantee should be aware with respect to participation in the Plan. The information is based on the exchange control, securities and other laws in effect in the respective countries as of November 2017. Such laws are often complex and change frequently. As a result, the Company strongly recommends that the Grantee not rely on the information in this Exhibit as the only source of information relating to the consequences of his or her participation in the Plan because the information may be out of date at the time that the Grantee vests in the PSUs or sell shares of Common Stock acquired under the Plan.

In addition, the information contained herein is general in nature and may not apply to the Grantee's particular situation, and the Company is not in a position to assure the Grantee of a particular result. Accordingly, the Grantee is advised to seek appropriate professional advice as to how the relevant laws in his or her country may apply to the Grantee's situation.

Finally, if the Grantee is a citizen or resident, or is considered a resident, of a country other than the one in which he or she is currently working, or transferred employment after the PSUs were granted to him or her, the information contained herein may not be applicable. In addition, the Company shall, in its sole discretion, determine to what extent the additional terms and conditions included herein will apply to you under these circumstances.

A. ALL NON-U.S. COUNTRIES ADDITIONAL TERMS AND CONDITIONS

The following additional terms and conditions will apply to the Grantee if he or she resides in any country outside the United States.

Responsibility for Taxes. The following section replaces Section 9 of the Agreement in its entirety:

The Grantee acknowledges that, regardless of any action taken by the Company or, if different, the Grantee's employer (the "Employer"), the ultimate liability for all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to the Grantee's participation in the Plan and legally applicable to the Grantee ("Tax-Related Items") is and remains the Grantee's responsibility and may exceed the amount actually withheld by the Company or the Employer. The Grantee further acknowledges that the Company and/or the Employer (1) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the PSU, including, but not limited to, the grant, vesting or settlement of the PSUs, the subsequent sale of shares of Common Stock acquired pursuant to such settlement and the receipt of any dividends and/or any dividend equivalents; and (2) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the PSUs to reduce or eliminate the Grantee's liability for Tax-Related Items or achieve any particular tax result. Further, if the Grantee is subject to Tax-Related Items in more than one

jurisdiction between the Date of Grant and the date of any relevant taxable or tax withholding event, as applicable, the Grantee acknowledges that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to any relevant taxable or tax withholding event, as applicable, the Grantee agrees to make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In this regard, the Grantee authorizes the Company and/or the Employer to satisfy the obligations with regard to all Tax-Related Items by one or a combination of the following methods: (i) requiring payment by the Grantee to the Company, on demand, by cash, check or other method of payment as may be determined acceptable by the Company; or (ii) withholding from the Grantee's wages or other cash compensation paid to the Grantee by the Company and/or the Employer; or (iii) withholding from proceeds of the sale of shares of Common Stock acquired at vesting of the PSUs either through a voluntary sale or through a mandatory sale arranged by the Company (on the Grantee's behalf pursuant to this authorization) without further consent; or (iv) withholding shares of Common Stock issuable at vesting of the PSUs.

Depending on the withholding method, the Company and/or the Employer may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding rates or other applicable withholding rates, including maximum applicable rates, in which case the Grantee will receive a refund of any over-withheld amount in cash and will have no entitlement to the Common Stock equivalent. If the obligation for Tax-Related Items is satisfied by withholding in shares of Common Stock, for tax purposes, the Grantee is deemed to have been issued the full number of shares of Common Stock subject to the vested PSUs, notwithstanding that a number of the shares of Common Stock are held back solely for the purpose of paying the Tax-Related Items.

Finally, the Grantee agrees to pay the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of the Grantee's participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to issue or deliver the shares or the proceeds of the sale of shares of Common Stock, if the Grantee fails to comply with the Grantee's obligations in connection with the Tax-Related Items.

Nature of Grant. In accepting the grant, the Grantee acknowledges, understands and agrees that: (1) the Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan; (2) all decisions with respect to future PSU or other grants, if any, will be at the sole discretion of the Company; (3) the Grantee is voluntarily participating in the Plan; (4) the PSU and the shares of Common Stock subject to the PSU are not intended to replace any pension rights or compensation; (5) the future value of the underlying shares of Common Stock is unknown, indeterminable and cannot be predicted with certainty; (6) no claim or entitlement to compensation or damages shall arise from forfeiture of the PSUs resulting from the termination of the Grantee's employment or other service relationship (for any reason whatsoever, whether or not later found to be invalid or in breach of employment laws in the jurisdiction where the Grantee is employed or the terms of the Grantee's employment agreement, if any), and in consideration of the grant of the PSUs to which the Grantee is otherwise not entitled, the Grantee irrevocably agrees never to institute any claim against the Company, any of its Subsidiaries or the Employer, waives the Grantee's ability, if any, to bring any such claim, and releases the Company, its Subsidiaries and the Employer from any such claim; if, notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by participating in the Plan, the Grantee shall be deemed irrevocably to have agreed not to pursue such claim and agree to execute any and all documents necessary to request dismissal or withdrawal of such claim; (7) for purposes of the PSUs, the Grantee's employment or service relationship will be considered terminated as of the date the Grantee is no longer actively providing services to the Company or one of its Subsidiaries (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where the Grantee is employed or providing services or the terms of the Grantee's

employment or service agreement, if any) and unless otherwise expressly provided in these Terms and Conditions or determined by the Company, the Grantee's right to vest in the PSUs under the Plan, if any, will terminate as of such date and will not be extended by any notice period (**e.g.**, the Grantee's period of service would not include any contractual notice period or any period of "garden leave" or similar period mandated under employment laws in the jurisdiction where the Grantee is employed or providing services or the terms of the Grantee's employment or service agreement, if any); the Company shall have the exclusive discretion to determine when the Grantee is no longer actively providing services for purposes of the Grantee's PSU grant (including whether the Grantee may still be considered to be providing services while on an approved leave of absence); (8) unless otherwise provided in the Plan or by the Company in its discretion, the PSUs and the benefits evidenced by these Terms and Conditions do not create any entitlement to have the PSUs or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the shares of the Company; (9) the PSUs and the shares of Common Stock subject to the PSUs, and the income and value of same, are not part of normal or expected compensation for any purpose, including, without limitation, calculating severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments; and (10) the Grantee acknowledges and agrees that neither the Company, the Employer nor any subsidiary or affiliate of the Company shall be liable for any foreign exchange rate fluctuation between the Grantee's local currency and the United States Dollar that may affect the value of the PSUs or of any amounts due to the Grantee pursuant to the settlement of the PSUs or the subsequent sale of any shares of Common Stock acquired upon settlement.

No Advice Regarding Grant. The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Grantee's participation in the Plan, or the Grantee's acquisition or sale of the underlying shares of Common Stock. The Grantee is hereby advised to consult with the Grantee's own personal tax, legal and financial advisors regarding the Grantee's participation in the Plan before taking any action related to the Plan.

Data Privacy for Grantees not based in the European Economic Area or the United Kingdom

The Grantee hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, including email, of the Grantee's personal data as described in the Agreement and any other PSU grant materials ("Data") by and among, as applicable, the Employer, the Company and its subsidiaries and affiliates for the exclusive purpose of implementing, administering and managing the Grantee's participation in the Plan.

The Grantee understands that the Company and the Employer may hold certain personal information about the Grantee, including, but not limited to, the Grantee's name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares of stock or directorships held in the Company, details of all PSUs or any other entitlement to shares of stock awarded, canceled, exercised, vested, unvested or outstanding in the Grantee's favor, for the exclusive purpose of implementing, administering and managing the Plan.

The Grantee understands that Data will be transferred to the Company's stock transfer agent and/or broker, or such other stock plan service provider as may be selected by the Company in the future, which is assisting the Company with the implementation, administration and management of the Plan. The Grantee understands that the recipients of the Data may be located in the United States or elsewhere (including outside the EEA), and that the recipients' country (e.g., the United States) may have different data privacy laws and protections than the Grantee's country. The Grantee understands that the Grantee may request a list with the names and addresses of any potential recipients of the Data by contacting the Grantee's local human resources representative. The Grantee authorizes the Company, the Company's stock transfer agent and/or broker, and any other possible recipients which may assist the Company (presently or in the future) with implementing, administering and managing the Plan to receive, possess,

use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing the Grantee's participation in the Plan. The Grantee understands that Data will be held only as long as is necessary to implement, administer and manage the Grantee's participation in the Plan. The Grantee understands that the Grantee may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing the Grantee's local human resources representative. Further, the Grantee understands that the Grantee is providing the consents herein on a purely voluntary basis. If the Grantee does not consent, or if the Grantee later seeks to revoke the Grantee's consent, the Grantee's employment status or service and career with the Employer will not be adversely affected; the only adverse consequence of refusing or withdrawing the Grantee's consent is that the Company would not be able to grant the Grantee PSUs or other equity awards or administer or maintain such awards. Therefore, the Grantee understands that refusing or withdrawing the Grantee's consent may affect the Grantee's ability to participate in the Plan. For more information on the consequences of the Grantee's refusal to consent or withdrawal of consent, the Grantee understands that the Grantee may contact the Grantee's local human resources representative.

Data Privacy for Grantees based in the European Economic Area (including the United Kingdom)

The Company and its subsidiaries and affiliates will process the data of the Grantee in accordance with (i) the applicable data privacy policy or policies adopted by the Company or its subsidiaries and affiliates; and (ii) the data privacy notice(s) provided to the Grantee covering the processing of the Grantee's data in connection with the Plan.

The Grantee understands and acknowledges that the processing of their data by the Company and its subsidiaries and affiliates in relation to the operation of the Plan is necessary for (i) the performance of the Agreement; (ii) to comply with any legal obligation in relation to the operation of the Plan; and (iii) to account for any tax and duties in relation to the Plan.

Governing Law and Venue. The PSU grant and the provisions of the Agreement are governed by, and subject to, the internal substantive laws of the State of Delaware, United States of America (with the exception of its conflict of law provisions).

For purposes of litigating any dispute that arises directly or indirectly from the relationship of the parties evidenced by this grant or the Agreement, the parties hereby submit to and consent to the exclusive jurisdiction of the Commonwealth of Pennsylvania in the United States of America and agree that such litigation shall be conducted only in the courts of Cumberland County, the Commonwealth of Pennsylvania, or the federal courts for the United States of America for the Middle District of Pennsylvania, and no other courts, where this grant is made and/or to be performed.

Compliance with Law. The following section supplements Section 10 of the Agreement: Notwithstanding any other provision of the Plan or the Agreement, unless there is an available exemption from any registration, qualification or other legal requirement applicable to the shares of Common Stock, the Company shall not be required to deliver any shares issuable upon settlement of the PSUs prior to the completion of any registration or qualification of the shares under any local, state, federal or foreign securities or exchange control law or under rulings or regulations of the U.S. Securities and Exchange Commission ("SEC") or of any other governmental regulatory body, or prior to obtaining any approval or other clearance from any local, state, federal or foreign governmental agency, which registration, qualification or approval the Company shall, in its absolute discretion, deem necessary or advisable. The Grantee understands that the Company is under no obligation to register or qualify the shares with the SEC or any state or foreign securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of the shares. Further, the Grantee agrees that Company

shall have unilateral authority to amend the Plan and the Agreement without the Grantee's consent to the extent necessary to comply with securities or other laws applicable to issuance of shares.

Language. If the Grantee has received the Agreement or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

Electronic Delivery and Acceptance. The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means, including email. The Grantee hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

Severability. The provisions of these Terms and Conditions are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

Imposition of Other Requirements. Subject to Section 15 of the Agreement, the Company reserves the right to impose other requirements on the Grantee's participation in the Plan, on the PSUs and on any shares of Common Stock acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require the Grantee to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

Waiver. The Grantee acknowledges that a waiver by the Company of breach of any provision of these Terms and Conditions shall not operate or be construed as a waiver of any other provision of these Terms and Conditions, or of any subsequent breach by the Grantee or any other Participant.

B. COUNTRY-SPECIFIC ADDITIONAL TERMS AND CONDITIONS AND NOTIFICATIONS

AUSTRALIA

TERMS AND CONDITIONS

Settlement of PSUs. Notwithstanding anything to the contrary in the Agreement, upon the vesting of the PSUs, the Grantee will receive a cash payment in an amount equal to the value of the shares of Common Stock underlying the vested PSUs on the vesting date. As long as the Grantee resides in Australia, he or she may not receive or hold shares of Common Stock in connection with the PSUs under the Plan. Accordingly, any provisions in the Agreement referring to issuance of shares of Common Stock shall not be applicable to the Grantee as long as he or she resides in Australia.

NOTIFICATIONS

Exchange Control Information. Exchange control reporting is required for cash transactions exceeding \$10,000 and international fund transfers. The Australian bank assisting with the transaction will file the report.

BELGIUM

NOTIFICATIONS

Tax Reporting Information. Grantee is required to report any bank accounts opened and maintained outside of Belgium on his or her annual Belgian tax return.

BRAZIL**TERMS AND CONDITIONS**

Compliance with Law. By accepting the PSUs, the Grantee acknowledges that he or she agrees to comply with applicable Brazilian laws and pay any and all applicable taxes associated with the vesting of the PSUs, the receipt of any dividends, and the sale of shares of Common Stock acquired under the Plan.

NOTIFICATIONS

Exchange Control Information. If the Grantee is resident or domiciled in Brazil, he or she will be required to submit annually a declaration of assets and rights held outside of Brazil to the Central Bank of Brazil if the aggregate value of such assets and rights is equal to or greater than US \$100,000. Assets and rights that must be reported include shares of Common Stock.

CHINA**TERMS AND CONDITIONS**

Settlement of PSUs. Notwithstanding anything to the contrary in the Agreement, due to local regulatory requirements, upon the vesting of the PSUs, the Grantee will receive a cash payment in China via the Company's local Chinese payroll in an amount equal to the value of the shares of Common Stock underlying the vested PSUs on the vesting date. As long as the Grantee resides in China, he or she may not receive or hold shares of Common Stock in connection with the PSUs under the Plan. Accordingly, any provisions in the Agreement referring to issuance of shares of Common Stock shall not be applicable to the Grantee as long as he or she resides in China.

FRANCE**TERMS AND CONDITIONS**

Consent to Receive Information in English. By accepting the grant of the PSUs, the Grantee confirms having read and understood the Plan and the Agreement, which were provided in the English language. The Grantee accepts the terms of those documents accordingly.

En acceptant cette attribution gratuite d'actions, le Grantee confirme avoir lu et compris le Plan et ce Contrat, incluant tous leurs termes et conditions, qui ont été transmis en langue anglaise. Le Grantee accepte les dispositions de ces documents en connaissance de cause.

NOTIFICATIONS

Tax Notification. The PSUs are not intended to be French tax-qualified. Please be aware that the Company intends that any outstanding PSUs granted to you pursuant to the 1995 Executive Incentive Compensation Plan Sub-plan for Restricted Stock Units Granted to Participants in France will continue to meet the requirements for qualified status under French law; therefore, different terms and conditions will apply to such outstanding PSUs. Please refer to the Restricted Stock Unit Agreement for Employees in France applicable to your grant for further details.

Exchange Control Notification. The Grantee may hold shares of Common Stock acquired under the Plan outside of France provided that he or she declares all foreign accounts (including any accounts that were opened or closed during the tax year) on his or her annual French income tax return.

GERMANY**TERMS AND CONDITIONS**

Parties to the Agreement. The Agreement is exclusively concluded between Harsco Corporation and the Grantee. The local Harsco entity employing the Grantee is not in any way party to the Agreement or entitled/committed hereby.

Vesting of PSUs. Notwithstanding anything to the contrary in the Agreement or in the Plan, the Grantee shall be considered "Disabled" for the purposes of this Agreement, if the Grantee's employment contract ends as a consequence of the Grantee being granted a permanent statutory pension for full occupational disability (*unbefristete Rente wegen voller Erwerbsminderung*) by the competent authorities.

Non-Competition Agreement. Notwithstanding anything to the contrary in the Non-Competition Agreement, it is exclusively concluded between Harsco Corporation and the Grantee. The employer of the Grantee is not in any way party to the Non-Competition Agreement or entitled/committed hereby. The Non-Competition Agreement does not affect in any way a separate non-competition agreement concluded between the Grantee and his/her employer.

INDIA

TERMS AND CONDITIONS

The Grantee hereby agrees that it shall hold the shares of the Common Stock pursuant to this Agreement and the Plan, at all times in accordance with the applicable laws in India, including but not limited to the (Indian) Foreign Exchange Management (Transfer or Issue of Any Foreign Security) Regulations, 2004 (and as amended or replaced), relevant master circulars, directions, notifications issued in this regard by the Reserve Bank of India from time to time and shall carry out the necessary reporting with the Reserve Bank of India at all stages of granting and vesting, if and as may be required. The Grantee agrees to indemnify the Company and/or Subsidiary of the Company with respect to any non-compliance and/or non-adherence by the Grantee of any of the applicable laws in India arising out of holding of the shares of the Common Stock by the Grantee.

The Grantee shall declare the holding of shares of the Common Stock, if and as may be necessary, in its income for taxation purposes and agrees to indemnify the Company and/or Subsidiary of the Company with respect to any and all taxes that it shall be obligated to pay with respect to the shares of the Common Stock such as including but not limited to income tax, capital gain taxes etc., under this Agreement and which may arise as a result of the sale of the shares of the Common Stock and the transactions contemplated hereunder.

LUXEMBOURG

NOTIFICATIONS

Exchange Control Information. Grantee understands that Grantee is required to report any inward remittances of funds to the Banque Centrale de Luxembourg and/or the Service Central de la Statistique et des Études Économiques within 15 working days following the month during which the transaction occurred unless such payment is reported by a Luxembourg-resident financial institution.

THE NETHERLANDS

TERMS AND CONDITIONS

Non-Competition Agreement. The non-competition agreement entered into between the Company and the Grantee shall be in addition to any non-compete arrangements between the Grantee and his or her employer.

MALAYSIA

Tax Reporting Information. By accepting the PSUs, the Grantee acknowledges that he or she agrees to comply with applicable Malaysian laws and pay any and all applicable taxes associated with the vesting of the PSUs, The Grantee is required to ensure that the local Harsco entity employing the Grantee reports such share benefit to the Malaysian Inland Revenue Board.

SWITZERLAND**TERMS AND CONDITIONS**

Vesting: With the acceptance of a Grant, the Grantee expressly acknowledges that any RSU, PSU and/or SAR shall not give the Grantee any right or entitlement until such Grant is fully vested. The Grant remains fully discretionary until full vesting.

Continuous Employment: In Switzerland, "continuously employed" (or substantially similar term) means the absence of any interruption or termination (issuance of termination notice) of the Grantee's employment with the Company or with a Subsidiary of the Company. Continuous employment shall not be considered interrupted or terminated in the case of sick leave, military leave or any other leave of absence approved by the Company for which compensation needs to be paid by the Company or salary replacement benefits are granted by any insurance or in the case of transfers between locations of the Company and its Subsidiaries. For the avoidance of any doubt, continuous employment ends in any case with the end of the employment, even if any salary replacement benefits continue to be paid by any insurance, pension scheme or social security.

Retirement: For the purpose of the Plan, only a retirement under the rules and conditions of the Swiss pension scheme of the Subsidiary employing the Grantee shall qualify as retirement for the purpose of vesting of RSU, PSU or termination of SAR, and only if such retirements is (A) at age 62 or older while employed by the Company or any of its Subsidiaries; or (B) at or after such time as the Grantee's age (minimum of age 55), plus full years of continuous employment by the Company or any of its Subsidiaries, equals 75.

Disability: For purposes of the Plan, the Grantee shall be considered "Disabled" if the Grantee is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or qualifies as permanent full disability under the applicable Swiss social security and/or pension laws.

Non-Competition Agreement: For the avoidance of any doubt, any non-competition agreement entered into between the Grantee and the Company in connection with the Plan and grants thereunder shall be in addition to any non-competition agreement agreed between the Grantee and the employing Subsidiary and shall not replace such non-competition agreement.

NOTIFICATIONS

Exchange Control Notification. The Grantee may hold shares of Common Stock acquired under the Plan outside of Switzerland provided that he or she declares all foreign accounts (including any accounts that were opened or closed during the tax year) on his or her annual Swiss tax declaration.

UNITED ARAB EMIRATES**NOTIFICATIONS**

Securities Law Notice. PSUs under the Plan are granted only to select executive officers and other employees of the Company and its subsidiaries for the purpose of providing such eligible persons with incentives and rewards for performance. The Agreement, including this Exhibit, the Plan and any

documents the Grantee may receive in connection with the PSUs are intended for distribution to such eligible persons and must not be delivered to, or relied on, by any other person.

The Emirates Securities and Commodities Authority, the Central Bank, the Ministry of Economy and the Dubai Department of Economic Development do not have any responsibility for reviewing or verifying any documents in connection with the Plan nor have they reviewed or approved the Plan or the Agreement. The securities to which this statement relates may be illiquid and/or subject to restrictions on their resale. The Grantee and/or prospective purchasers of the securities offered should conduct their own due diligence on the securities.

If the Grantee does not understand the contents of the Agreement, including this Exhibit, or the Plan, the Grantee should consult an authorized financial adviser.

UNITED KINGDOM

TERMS AND CONDITIONS

- **Sub-Plan.** The terms of the U.K. Sub-plan apply to the PSUs.

EXHIBIT C**Statement of Management Objectives**

This Statement of Management Objectives applies to the performance-based Restricted Stock Units granted to the Grantee on the Date of Grant and applies with respect to the Performance Share Units Agreement between the Company and the Grantee (the "**Agreement**"). Capitalized terms used in the Agreement that are not specifically defined in this Statement of Management Objectives have the meanings assigned to them in the Agreement or in the Plan, as applicable.

Section 1. Definitions. For purposes hereof:

- "**Peer Group**" means S&P600® Industrials Index as constituted on the first day of the Performance Period.
- "**Relative Total Stockholder Return**" or "**RTSR**" means the percentile rank of the Company's Total Stockholder Return among the Total Stockholder Returns of all members of the Peer Group, ranked in descending order, at the end of the Performance Period.
- "**Total Stockholder Return**" means, with respect to the Common Stock and the common stock of each of the members of the Peer Group, a rate of return reflecting stock price appreciation, plus the reinvestment of dividends in additional shares of stock on the ex-dividend date, from the beginning of the Performance Period through the end of the Performance Period. For purposes of calculating Total Stockholder Return for each of the Company and the members of the Peer Group, the beginning stock price will be based on the average closing stock price for the 30 calendar days immediately preceding January 1, 2020 on the principal stock exchange on which the stock then traded and the ending stock price will be based on the average closing stock price for the 30 calendar days immediately preceding January 1, 2023 on the principal stock exchange on which the stock then trades.

Section 2. Performance Matrix.

From 0% to 200% of the PSUs will be earned based on achievement of the Management Objectives measured by RTSR during the Performance Period as follows:

Performance Level	Relative Total Stockholder Return	PSUs Earned
Below Threshold	Ranked below 25th percentile	0%
Threshold	Ranked at 25th percentile	25%
Target	Ranked at 50th percentile	100%
Maximum	Ranked at or above 75th percentile	200%

Notwithstanding anything in this Statement of Management Objectives or the Agreement to the contrary, if Total Stockholder Return for the Company for the Performance Period is negative the maximum amount of PSUs earned shall be 100% of the PSUs.

Section 3. Number of PSUs Earned. Following the Performance Period, on the Committee Determination Date, the Committee shall determine whether and to what extent the goals relating to the Management Objectives have been satisfied for the Performance Period and shall determine the number of PSUs that shall become nonforfeitable hereunder and under the Agreement on the basis of the following:

- Below Threshold. If, upon the conclusion of the Performance Period, RTSR for the Performance Period falls below the threshold level, as set forth in the Performance Matrix, no PSUs shall become nonforfeitable.
- Threshold. If, upon the conclusion of the Performance Period, RTSR for the Performance Period equals the threshold level, as set forth in the Performance Matrix, 25% of the PSUs (rounded down to the nearest whole number of PSUs) shall become nonforfeitable.
- Between Threshold and Target. If, upon the conclusion of the Performance Period, RTSR for the Performance Period exceeds the threshold level, but is less than the target level, as set forth in the Performance Matrix, a percentage between 25% and 100% (determined on the basis of straight-line mathematical interpolation) of the PSUs (rounded down to the nearest whole number of PSUs) shall become nonforfeitable.
- Target. If, upon the conclusion of the Performance Period, RTSR for the Performance Period equals the target level, as set forth in the Performance Matrix, 100% of the PSUs shall become nonforfeitable.
- Between Target and Maximum. If, upon the conclusion of the Performance Period, RTSR for the Performance Period exceeds the target level, but is less than the maximum level, as set forth in the Performance Matrix, a percentage between 100% and 200% (determined on the basis of straight-line mathematical interpolation) of the PSUs (rounded down to the nearest whole number of PSUs) shall become nonforfeitable.
- Equals or Exceeds Maximum. If, upon the conclusion of the Performance Period, RTSR for the Performance Period equals or exceeds the maximum level, as set forth in the Performance Matrix, 200% of the PSUs shall become nonforfeitable.

Before all or any portion of any Qualified Performance-Based Award of PSUs shall become nonforfeitable or paid in accordance with this Statement of Management Objectives or the Agreement, the Committee shall determine in writing that the Management Objectives have been satisfied.

HARSCO CORPORATION

STOCK APPRECIATION RIGHTS AGREEMENT (FORM)

This STOCK APPRECIATION RIGHTS AGREEMENT (this "**Agreement**") is made as of March 10, 2020, by and between Harsco Corporation, a Delaware corporation and [Participant Name:First Name Last Name] (the "**Grantee**").

1. Certain Definitions. Capitalized terms used, but not otherwise defined, in this Agreement will have the meanings given to such terms in the Company's 2013 Equity and Incentive Compensation Plan, as amended by Amendment No. 1 to the 2013 Equity and Incentive Compensation Plan (the "**Plan**"). In addition, for purposes of this Agreement, "Base Price" means [Price:Option Price] , and "Date of Grant" means March 10, 2020.

2. Grant of SARs. Subject to and upon the terms, conditions and restrictions set forth in this Agreement, including, without limitation, **Exhibit A** attached hereto (the "**Non-Competition Agreement**"), any additional terms and conditions for the Grantee's country (Grantees outside the United States only) set forth in the attached **Exhibit B** which forms part of this Agreement, and in the Plan the Company grants to the Grantee, as of the Date of Grant, [Granted:Options Granted] Free-Standing Appreciation Rights ("**SARs**"). The SARs represent the right of the Grantee to receive shares of Common Stock in an amount equal to 100% of the Spread on the date on which the SARs are exercised. Notwithstanding anything in this **Section 2** or otherwise in this Agreement to the contrary, the Grantee acknowledges and agrees to be bound by the restrictive covenant terms, conditions and provisions in the Non-Competition Agreement as a "Grantee" as referred to therein.

3. Vesting of SARs.

(a) Subject to the terms and conditions of this Agreement and the Plan, the SARs covered by this Agreement shall become exercisable as described in this Section. One-third of the SARs shall become exercisable on the first anniversary of the Date of Grant if the Grantee remains in the continuous employ of the Company or one of its Subsidiaries from the Date of Grant through such first anniversary. An additional one-third of the SARs shall become exercisable on each subsequent anniversary of the Date of Grant, through the third anniversary of the Date of Grant, when the remaining SARs shall have become exercisable, if the Grantee remains in the continuous employ of the Company or one of its Subsidiaries from the Date of Grant through each such anniversary. For purposes of this Agreement, "continuous employ" (or substantially similar term) means the absence of any interruption or termination of the Grantee's employment with the Company or with a Subsidiary of the Company. Continuous employment shall not be considered interrupted or terminated in the case of sick leave, military leave or any other leave of absence approved by the Company or in the case of transfers between locations of the Company and its Subsidiaries.

(b) Notwithstanding **Section 3(a)** above, the SARs granted hereby shall become immediately exercisable in full if at any time during the continuous employment of the Grantee with the Company or a Subsidiary of the Company and prior to the termination of the SARs any of the following events occur:

- (i) the Grantee's death or becoming Disabled while the Grantee is continuously employed by the Company or any of its Subsidiaries; or
- (ii) the Grantee's retirement (A) at age 62 or older while continuously employed by the Company or any of its Subsidiaries; or (B) at or after such time as the Grantee's age (minimum of age 55), plus full years of continuous employment by the Company or any of its Subsidiaries, equals 75.

(c) For purposes of this **Section 3**, the Grantee shall be considered "Disabled" if the Grantee is: (i) unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve months, or (ii) by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve months, receiving income replacement benefits for a period of not less than three months under an accident and health plan covering employees of the Company.

(d) (i) Notwithstanding **Section 3(a)** above, if at any time before the third anniversary of the Date of Grant or the termination of the SARs, and while the Grantee is continuously employed by the Company or a Subsidiary, a Change in Control occurs, then the SARs will become fully exercisable, except to the extent that a Replacement Award is provided to the Grantee in accordance with **Section 3(d)(ii)** to continue, replace or assume the SARs covered by this Agreement (the "**Replaced Award**").

- (ii) For purposes of this Agreement, a "Replacement Award" means an award (A) of the same type (**e.g.**, time-based stock appreciation rights) as the Replaced Award, (B) that has a value at least equal to the value of the Replaced Award, (C) that relates to publicly traded equity securities of the Company or its successor in the Change in Control or another entity that is affiliated with the Company or its successor following the Change in Control or is payable solely in cash, (D) if the Grantee holding the Replaced Award is subject to U.S. federal income tax under the Code, the tax consequences of which to such Grantee under the Code are not less favorable to such Grantee than the tax consequences of the Replaced Award, and (E) the other terms and conditions of which are not less favorable to the Grantee holding the Replaced Award than the terms and conditions of the Replaced Award (including the provisions that would apply in the event of a subsequent Change in Control). A Replacement Award may be granted only to the extent it does not result in the Replaced Award or Replacement Award failing to comply with or be exempt from Section 409A of the Code. Without limiting the generality of the foregoing, the Replacement Award may take the form of a continuation of the Replaced Award if the requirements of the two preceding sentences are satisfied. The determination of whether the conditions of this **Section 3(d)(ii)** are satisfied will be made by the Committee, as constituted immediately before the Change in Control, in its sole discretion.
- (iii) If, upon receiving a Replacement Award, the Grantee's employment with the Company or a Subsidiary (or any of their successors) (as applicable, the "**Successor**") is subsequently terminated by the Grantee for Good Reason or by the Successor without Cause within a period of two years after the Change in Control, 100% of the Replacement Award will become exercisable with respect to the time-based stock appreciation rights covered by such Replacement Award.
- (iv) A termination by the Grantee for "Good Reason" means Grantee's termination of his or her employment with the Successor as a result of the occurrence of any of the following: (A) a change in the Grantee's principal location of employment that is greater than 50 miles from such location as of the date of this Agreement without the Grantee's consent; provided, however, that the Grantee hereby acknowledges that the Grantee may be required to engage in travel in connection with the performance of the Grantee's duties and that such travel shall not constitute a change in the

Grantee's principal location of employment for purposes hereof; (B) a material diminution in the Grantee's base compensation; (C) a change in the Grantee's position with the Successor without the Grantee's consent such that there is a material diminution in the Grantee's authority, duties or responsibilities; or (D) any other action or inaction that constitutes a material breach by the Successor of the agreement, if any, under which the Grantee provides services to the Successor or its subsidiaries. Notwithstanding the foregoing, the Grantee's termination of the Grantee's employment with the Successor as a result of the occurrence of any of the foregoing shall not constitute a termination for "Good Reason" unless (X) the Grantee gives the Successor written notice of such occurrence within 90 days of such occurrence and such occurrence is not cured by the Successor within 30 days of the date on which such written notice is received by the Successor and (Y) the Grantee actually terminates his or her employment with the Successor prior to the 365th day following such occurrence.

- (v) A termination by the Successor without "Cause" means the Successor's termination of the Grantee's employment with the Successor under circumstances that do not involve or relate to the occurrence of any of the following:
- (A) an act or acts of personal dishonesty taken by the Grantee and intended to result in substantial personal enrichment of the Grantee at the expense of the Company;
 - (B) repeated failure by the Grantee to devote reasonable attention and time during normal business hours to the business and affairs of the Company or to use the Grantee's reasonable best efforts to perform faithfully and efficiently the responsibilities assigned to the Grantee (provided that such failure is demonstrated to be willful and deliberate on the Grantee's part and is not remedied in a reasonable period of time after receipt of written notice from the Company); or
 - (C) the conviction of the Grantee of a felony.

4. Exercise of SARs.

(a) To the extent exercisable as provided in **Section 3** of this Agreement, the SARs may be exercised in whole or in part by delivery to the Company of a notice in form and substance satisfactory to the Company specifying the number of SARs to be exercised and the date of exercise.

(b) Upon exercise, the Company will issue to the Grantee, with respect to the number of SARs that are exercised, the number of shares of Common Stock that equals the Market Value per Share of Common Stock on the date of exercise divided into the Spread, rounded down to the nearest whole share.

5. Termination of SARs. Both exercisable and nonexercisable SARs shall terminate, as provided below, after the end of the earliest to occur of the following periods:

- (a) 90 days after the Grantee ceases to be an employee of the Company or a Subsidiary, unless the Grantee ceases to be such employee in a manner described in clause (b), (c), (d) or (e) of this Section;

- (b) One year after the Grantee's becoming Disabled, if the Grantee becomes Disabled while continuously employed by the Company or a Subsidiary;
- (c) One year after the death of the Grantee, if the Grantee dies while continuously employed by the Company or a Subsidiary or within the period specified in clause above or clause (d) below if applicable to the Grantee;
- (d) One year after the Grantee retires from continuous employment with the Company or a Subsidiary if (i) the Grantee is at the time of such retirement at least age 62, or (ii) when the Grantee retires, the Grantee's age, plus full years of continuous employment by the Company or any of its Subsidiaries, equals 75;
- (e) One year after the Grantee ceases to be an employee of the Successor under the conditions specified in **Section 3(d)** of this Agreement; and
- (f) Ten years from the Date of Grant.

6. Transferability. Subject to **Section 15** of the Plan, no SAR or any interest therein shall be transferable prior to exercise pursuant to **Section 4** hereof other than by will or pursuant to the laws of descent and distribution and may be exercised during the Grantee's lifetime only by the Grantee or, in the event of the Grantee's legal incapacity to do so, by the Grantee's guardian or legal representative acting on behalf of the Grantee in a fiduciary capacity under state law or court supervision.

7. Compliance with Law. The SARs shall not be exercisable if such exercise would involve a violation of any applicable federal or state securities law, and the Company hereby agrees to make reasonable efforts to comply with any applicable federal and state securities laws.

8. Adjustments. The SARs are subject to mandatory adjustment under the terms of **Section 11** of the Plan.

9. Withholding Taxes. To the extent that the Company is required to withhold federal, state, local or foreign taxes in connection with the delivery to the Grantee of Common Stock or any other payment to the Grantee or any other payment or vesting event under this Agreement, the Grantee hereby authorizes withholding from payroll and any other amounts payable to the Grantee, including amounts payable hereunder, and otherwise agrees to make adequate provision for, any sums required to satisfy such tax withholding obligations of the Company. The Company shall have no obligation to make delivery or payment hereunder until the tax withholding obligations of the Company have been satisfied by the Grantee. If all or any part of such withholding requirement be satisfied by retention by the Company of a portion of the Common Stock to be delivered to the Grantee or by delivering to the Company other shares of Common Stock held by the Grantee, the shares so retained shall be credited against such withholding requirement at the Market Value per Share of such Common Stock on the date of such delivery. In no event will the market value of the Common Stock to be withheld and/or delivered pursuant to this **Section 9** to satisfy applicable withholding taxes exceed the minimum amount of taxes required to be withheld, unless otherwise agreed to by the Grantee, provided, however, that such amount shall not exceed the statutory maximum withholding rates.

10. No Employment Rights. The grant of the SARs under this Agreement to the Grantee is a voluntary, discretionary award being made on a one-time basis and it does not constitute a commitment to make any future awards. The grant of the SARs and any payments made hereunder will not be considered salary or other compensation for purposes of any severance pay or similar allowance, except as otherwise required by law. Nothing in this Agreement will give the Grantee any right to continue employment with the Company or any Subsidiary, as the case may be, or interfere in any way with the right of the Company or a Subsidiary to terminate the employment of the Grantee at any time.

11. Relation to Other Benefits. Any economic or other benefit to the Grantee under this Agreement or the Plan shall not be taken into account in determining any benefits to which the Grantee may be entitled under any profitsharing, retirement or other benefit or compensation plan maintained by the Company or a Subsidiary and shall not affect the amount of any life insurance coverage available to any beneficiary under any life insurance plan covering employees of the Company or a Subsidiary.

12. Amendments. Any amendment to the Plan shall be deemed to be an amendment to this Agreement to the extent that the amendment is applicable hereto; provided, however, that (a) no amendment shall adversely affect the rights of the Grantee under this Agreement without the Grantee's written consent, and (b) the Grantee's consent shall not be required to an amendment that is deemed necessary by the Company to ensure compliance with Section 409A of the Code.

13. Severability. In the event that one or more of the provisions of this Agreement shall be invalidated for any reason by a court of competent jurisdiction, any provision so invalidated shall be deemed to be separable from the other provisions hereof, and the remaining provisions hereof shall continue to be valid and fully enforceable.

14. Relation to Plan. This Agreement is subject to the terms and conditions of the Plan. In the event of any inconsistency between the provisions of this Agreement and the Plan, the Plan shall govern. The Committee acting pursuant to the Plan, as constituted from time to time, shall, except as expressly provided otherwise herein or in the Plan, have the right to determine any questions which arise in connection with this Agreement. In addition, the SARs shall be subject to the terms and conditions of the Company's clawback policy in effect on the Date of Grant as if such SARs were "Incentive-Based Compensation" (as such term is defined in such clawback policy).

15. Successors and Assigns. Without limiting **Section 6** hereof, the provisions of this Agreement shall inure to the benefit of, and be binding upon, the successors, administrators, heirs, legal representatives and assigns of the Grantee, and the successors and assigns of the Company.

16. Governing Law. This Agreement will be construed under the laws of the Commonwealth of Pennsylvania, without regard to its conflict of law provisions, and the parties consent and agree that the federal and state courts of the Commonwealth of Pennsylvania will have exclusive jurisdiction over any dispute relating to this Agreement.

17. Acknowledgement. The Grantee acknowledges that the Grantee (a) has received a copy of the Plan, (b) has had an opportunity to review the terms of this Agreement and the Plan, (c) understands the terms and conditions of this Agreement and the Plan and (d) agrees to such terms and conditions.

18. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same Agreement.

[signature page follows]

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed on its behalf by its duly authorized officer and the Grantee has executed this Agreement, effective as of the day and year first above written.

HARSCO CORPORATION

By: /s/ F. Nicholas Grasberger III
Name: F. Nicholas Grasberger III
Title: Chairman, President and CEO

The undersigned hereby acknowledges receipt of an executed version of this Agreement and accepts the award of SARs granted hereunder on the terms and conditions set forth herein and in the Plan (including the terms of the Non-Competition Agreement, attached hereto as **Exhibit A**).

GRANTEE

By:

Name:

EXHIBIT A**Non-Competition Agreement**

1. Grant. Grantee acknowledges that Grantee has access to the confidential and proprietary trade secret information of Harsco Corporation, including its subsidiaries, joint ventures, and operating divisions (the "Company"), as further described below ("Confidential/Proprietary Trade Secret Information"). Further, Grantee acknowledges that Grantee derives significant value from the Company and from the Confidential/Proprietary Trade Secret Information provided during the term of employment with the Company, which enables Grantee to optimize the performance of the Company's performance and Grantee's own personal, professional, and financial benefit. In consideration of the grant described in the award agreement (the "Agreement") to which these terms, conditions and provisions (the "Non-Competition Agreement") are attached as an exhibit, Grantee agrees that, during Grantee's employment by the Company, and for a period of twelve (12) months after the cessation of such employment for any reason (both such periods collectively referred to as the "Restricted Period"), Grantee will not, directly or indirectly, engage in any of the following competitive activities:
 - (a) For Grantee or on behalf of any other corporation, business, partnership, individual, or other entity, directly or indirectly solicit, divert, contract with, or attempt to solicit, divert, or contract with, any customer with whom Grantee had Material Contact during the final two (2) years of Grantee's employment with the Company concerning any products or services that are similar to those that Grantee was responsible for or were otherwise involved with during Grantee's employment with the Company. For purposes of this Non-Competition Agreement, the Grantee will have had "Material Contact" with a customer if: (i) Grantee had business dealings with the customer on the Company's behalf; (ii) Grantee was responsible for supervising or coordinating the dealings between the Company and the customer; or (iii) Grantee obtained Confidential/Proprietary Trade Secret Information about the customer as a result of Grantee's association with the Company;
 - (b) Within the geographic territory where Grantee was employed by the Company, obtained knowledge of Confidential/Proprietary Trade Secret Information, or had contact with the Company's customers, become employed by or otherwise render services to (as a director, employee, contractor or consultant) or have any ownership interest in any business which is engaged in offering the same or similar products or services as, or otherwise competes with those Company, including its subsidiaries and operating unit(s) with which Grantee was employed or in any way involved during the last twelve (12) months of employment with the Company; or
 - (c) (i) induce, offer, assist, encourage or suggest that another business or enterprise offer employment to or enter into a consulting arrangement with any employee, agent or representative of the Company or (ii) induce, offer, assist, encourage or suggest that any employee, agent or representative of the Company, including its subsidiaries and joint ventures, terminate his or her employment or business affiliation with the Company or accept employment with any other business or enterprise.
 - (d) Confidential/Proprietary Trade Secret Information.
 - (i) Grantee agrees to keep secret and confidential all Confidential/Proprietary Trade Secret Information (further described below) acquired by Grantee while employed by the Company or concerning the business and affairs of the Company, its vendors, its customers, and its affiliates (whether of a business, commercial or technological

nature), and further agrees that Grantee will not disclose any such Confidential/Proprietary Trade Secret Information so acquired to any individual, partner, company, firm, corporation or other person or use the same in any manner other than in connection with the business and affairs of the Company and its affiliates. Except in the performance of services for the Company, the Grantee will not, for so long as the Confidential/Proprietary Trade Secret Information remains so designated under applicable law, use, disclose, reproduce, distribute, transmit, reverse engineer, decompile, disassemble, or transfer the Confidential/Proprietary Trade Secret Information or any portion thereof.

- (ii) For purposes of this Non-Competition Agreement, "Confidential/Proprietary Trade Secret Information" includes all information of a confidential or proprietary nature that relates to the business, products, services, research or development of the Company, and its affiliates or their respective suppliers, distributors, customers, independent contractors or other business relations. Confidential/Proprietary Trade Secret Information also includes, but is not limited to, the following: (A) internal business information (including information relating to strategic and staffing plans and practices, business, training, financial, marketing, promotional and sales plans and practices, cost, rate and pricing structures, accounting and business methods and customer and supplier lists); (B) identities of, individual requirements of, specific contractual arrangements with and information about, the Company's suppliers, distributors, customers, independent contractors or other business relations and their confidential information; (C) trade secrets, copyrightable works and other confidential information (including ideas, formulas, recipes, compositions, inventions, innovations, improvements, developments, methods, know-how, manufacturing and production processes and techniques, research and development information, compilations of data and analyses, data and databases relating thereto, techniques, systems, records, manuals, documentation, models, drawings, specifications, designs, plans, proposals, reports and all similar or related information whether patentable or unpatentable and whether or not reduced to practice); (D) other intellectual property rights of the Company, or any of its affiliates; and (E) any other information that would constitute a trade secret under the Pennsylvania Uniform Trade Secrets Act, as amended from time to time (or any successor). The term "Confidential/Proprietary Trade Secret Information" also includes any information or data described above which the Company obtains from another party and which the Company treats as proprietary or designates as trade secrets, whether or not owned or developed by the Company.
- (iii) All documents and materials supplied to Grantee or developed by Grantee in the course of, or as a result of Grantee's employment at the Company whether in hard copy, electronic format or otherwise shall be the sole property of the Company. Grantee will at any time upon the request of the Company and in any event promptly upon termination of Grantee's employment or relationship with the Company, but in any event no later than five (5) business days after such termination, deliver all such materials to the Company and will not retain any originals or copies of such materials, whether in hard copy form or as computerized and/or electronic records. Except to the extent approved by the Company or required by Grantee's bona fide job duties for the Company, the Grantee also agrees that Grantee will not copy or remove from the Company's place of business or the place of business of a customer of the Company, property or information belonging to the Company or the customer or entrusted to the Company or the customer. In addition, the Grantee agrees that Grantee will not provide any such materials to any competitor of or entity seeking to compete with the Company unless specifically approved in writing by the Company.

Notwithstanding anything in paragraph 1(d)(3) of this Non-Competition Agreement to the contrary, if the Company needs to take legal action to secure such return delivery of such materials, Grantee shall be responsible for all legal fees, costs and expenses incurred by the Company in doing so.

- (iv) Grantee understands that nothing contained in this Agreement limits Grantee's ability to file a charge or complaint with any federal, state or local governmental agency or commission ("Government Agencies"). Grantee further understands that this Agreement does not limit Grantee's ability to communicate with any Government Agencies or otherwise participate in any investigation or proceeding that may be commenced by any Government Agency including providing documents or other information without notice to the Company. This Agreement does not limit the Grantee's right to receive an award for information provided to any Government Agencies.

2. Subsequent Employment.

- (a) Advise the Company of New Employment. In the event of a cessation of Grantee's employment with the Company, and during the Restricted Period described in paragraph 1 above, Grantee agrees to disclose to the Company, the name and address of any new employer or business affiliation within ten (10) calendar days of Grantee's accepting such position. In the event that Grantee fails to notify the Company of such new employment or business affiliation as required above, the Restricted Period will be extended by a period equal to the period of nondisclosure.
 - (b) Grantee's Ability to Earn Livelihood. Grantee acknowledges that, in the event of a cessation of Grantee's employment with the Company, for any reason and at any time, the provisions of paragraph 1 of this Non-Competition Agreement will not unreasonably restrict Grantee's ability to earn a living. Grantee and the Company acknowledge that Grantee's rights have been limited by this Non-Competition Agreement only to the extent reasonably necessary to protect the legitimate interests of the Company in its Confidential/Proprietary Trade Secret Information.
 - (c) Enforcement. Grantee agrees that if Grantee violates the covenants and agreements set forth in this Non-Competition Agreement, the Company would suffer irreparable harm, and that such harm to the Company may be impossible to measure in monetary damages. Accordingly, in addition to any other remedies which the Company may have at law or in equity, the Company will have the right to have all obligations, undertakings, agreements, covenants and other provisions of this Non-Competition Agreement specifically performed by Grantee, and the Company will have the right to obtain preliminary and permanent injunctive relief to secure specific performance, and to prevent a breach or contemplated breach, of this Non-Competition Agreement. In such event, the Company will be entitled to an accounting and repayment of all profits, compensation, remunerations or benefits which Grantee or others, directly or indirectly, have realized or may realize as a result of, growing out of, or in conjunction with any violation of this Non-Competition Agreement. Such remedies will be in addition to and not in limitation of any injunctive relief or other rights or remedies to which the Company is or may be entitled at law or in equity. In the event that the Company obtains any requested relief in any action brought to enforce the terms of this Non-Competition Agreement through court proceedings, the Company will be entitled to reimbursement for all legal fees, costs and expenses incident to enforcement.
3. Severability. If any section, paragraph, term or provision of this Non-Competition Agreement, or the application thereof, is determined by a competent court or tribunal to be invalid or unenforceable,

then the other parts of such section, paragraph, term or provision will not be affected thereby and will be given full force and effect without regard to the invalid or unenforceable portions, and the section, paragraph, term or provision of this Non-Competition Agreement will be deemed modified to the extent necessary to render it valid and enforceable.

4. Miscellaneous.

(a) Employment.

- (i) This Non-Competition Agreement does not constitute a guarantee of employment and termination of employment will not affect the enforceability of this Non-Competition Agreement.
- (ii) Grantee agrees that if Grantee is transferred from the entity or division which was Grantee's employer at the time Grantee signed this Non-Competition Agreement to employment by another division or another company that is a subsidiary or affiliate of Harsco Corporation, and Grantee has not entered into a superseding agreement with the new employer covering the subject matter of this Non-Competition Agreement, then this Non-Competition Agreement will continue in effect and the Grantee's new employer will be termed "the Company" for all purposes hereunder and will have the right to enforce this Non-Competition Agreement as Grantee's employer. In the event of any subsequent transfer, Grantee's new employer will succeed to all rights under this Non-Competition Agreement so long as such employer will be Harsco Corporation or one of its subsidiaries or affiliates and so long as this Non-Competition Agreement has not been superseded.

(b) Headings. The headings contained in this Non-Competition Agreement are inserted for convenience of reference only, and will not be deemed to be a part of this Non-Competition Agreement for any purposes, and will not in any way define or affect the meaning, construction or scope of any of the provisions of this Non-Competition Agreement.

(c) Governing Law. This Non-Competition Agreement will be construed under the laws of the Commonwealth of Pennsylvania, without regard to its conflict of law provisions, and the parties consent and agree that the federal and state courts of the Commonwealth of Pennsylvania will have exclusive jurisdiction over any dispute relating to this Non-Competition Agreement.

(d) Supplemental Nature of this Non-Competition Agreement. The restrictions set forth in paragraph 1 of this Non-Competition Agreement will be in addition to any other such restrictive covenants agreed to through separate Non-Competition Agreements, if any, between Grantee and the Company and will survive the vesting or exercise of the equity award evidenced by the Agreement.

(e) Waiver. The failure by the Company to enforce any right or remedy available to it under this Non-Competition Agreement will not be construed to be a waiver of such right or remedy with respect to any other prior, concurrent or subsequent breach or failure. No waiver of rights under this Non-Competition Agreement will be effective unless made in writing with specific reference to this Non-Competition Agreement.

(f) Notification. Grantee agreed that the Company may notify any third party about Grantee's obligations under this Non-Competition Agreement until such time as Grantee has performed all of Grantee's obligations hereunder. Upon the Company's request, Grantee

agrees to provide the Company with information, including, but not limited to, supplying details of Grantee's subsequent employment, sufficient to verify that Grantee has not breached, or is not breaching, any covenant in this Non-Competition Agreement.

5. Acknowledgments.

- (i) Grantee acknowledges and agrees that this Non-Competition Agreement is in consideration of, (A) the grant evidenced by the Agreement, (B) access to Confidential/Proprietary Trade Secret Information, as required by Grantee's job duties, and (C) access to important customer relationships and the associated customer goodwill of the Company.
- (ii) Grantee acknowledges that he or she has carefully read and considered the provisions of this Non-Competition Agreement, and that this Non-Competition Agreement is reasonable as to time and scope and activities prohibited, given the Company's need to protect its interests and given the consideration provided to Grantee in the form of the grant evidenced by the Agreement.
- (iii) Grantee acknowledges that he or she has had an opportunity to consult with an independent legal counsel of Grantee's choosing, and accept the grant contained in the Agreement and continuing employment on the terms set forth in this Non-Competition Agreement.

EXHIBIT B**Additional Terms and Conditions for International Employees****TERMS AND CONDITIONS**

This Exhibit B (this "Exhibit"), which is part of the Agreement, contains additional terms and conditions that govern the SARs granted to the Grantee under the Plan if he or she resides outside the United States. The terms and conditions in Part A apply to **all** Grantees outside the United States. The country-specific terms and conditions and/or notifications in Part B will also apply to the Grantee if he or she resides in one of the countries listed below. Unless otherwise defined, capitalized terms used but not defined in this Exhibit have the meanings set forth in the Plan and/or the Agreement.

NOTIFICATIONS

This Exhibit also includes information regarding exchange controls and certain other issues of which the Grantee should be aware with respect to participation in the Plan. The information is based on the exchange control, securities and other laws in effect in the respective countries as of November 2017. Such laws are often complex and change frequently. As a result, the Company strongly recommends that the Grantee not rely on the information in this Exhibit as the only source of information relating to the consequences of his or her participation in the Plan because the information may be out of date at the time that the Grantee exercises the SARs or sell shares of Common Stock acquired under the Plan.

In addition, the information contained herein is general in nature and may not apply to the Grantee's particular situation, and the Company is not in a position to assure the Grantee of a particular result. Accordingly, the Grantee is advised to seek appropriate professional advice as to how the relevant laws in his or her country may apply to the Grantee's situation.

Finally, if the Grantee is a citizen or resident, or is considered a resident, of a country other than the one in which he or she is currently working, or transferred employment after the SARs were granted to him or her, the information contained herein may not be applicable. In addition, the Company shall, in its sole discretion, determine to what extent the additional terms and conditions included herein will apply to you under these circumstances.

A. ALL NON-U.S. COUNTRIES ADDITIONAL TERMS AND CONDITIONS

The following additional terms and conditions will apply to the Grantee if he or she resides in any country outside the United States.

Responsibility for Taxes. The following section replaces Section 9 of the Agreement in its entirety:

The Grantee acknowledges that, regardless of any action taken by the Company or, if different, the Grantee's employer (the "Employer"), the ultimate liability for all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to the Grantee's participation in the Plan and legally applicable to the Grantee ("Tax-Related Items") is and remains the Grantee's responsibility and may exceed the amount actually withheld by the Company or the Employer. The Grantee further acknowledges that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the SARs, including, but not limited to, the grant, vesting or exercise of the SARs, the subsequent sale of shares of Common Stock acquired pursuant to such exercise and the receipt of any dividends; and (ii) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the SARs to reduce or eliminate the Grantee's liability for Tax-Related Items or achieve any particular tax result. Further, if the Grantee is subject to Tax-Related Items in more than one jurisdiction between the Date of

Grant and the date of any relevant taxable or tax withholding event, as applicable, the Grantee acknowledges that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to the relevant taxable or tax withholding event, as applicable, the Grantee agrees to make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In this regard, the Grantee authorizes the Company and/or the Employer, or their respective agents, at their discretion, to satisfy the obligations with regard to all Tax-Related Items by any one or a combination of the following methods: (i) requiring payment by the Grantee to the Company, on demand, by cash, check or other method of payment as may be determined acceptable by the Company; or (ii) withholding from the Grantee's wages or other cash compensation paid to the Grantee by the Company and/or the Employer; or (iii) withholding from proceeds of the sale of shares of Common Stock acquired at exercise of the SARs either through a voluntary sale or through a mandatory sale arranged by the Company (on the Grantee's behalf pursuant to this authorization) without further consent; or (iv) withholding shares of Common Stock issuable at exercise of the SARs.

Depending on the withholding method, the Company may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding amounts or other applicable withholding rates, including maximum applicable rates, in which case the Grantee will receive a refund of any over-withheld amount in cash and will have no entitlement to the Common Stock equivalent. If the obligation for Tax-Related Items is satisfied by withholding in shares of Common Stock, for tax purposes, the Grantee is deemed to have been issued the full number of shares of Common Stock subject to the exercised SARs, notwithstanding that a number of the shares of Common Stock are held back solely for the purpose of paying the Tax-Related Items.

Finally, the Grantee agrees to pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of the Grantee's participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to issue or deliver the shares or the proceeds of the sale of shares of Common Stock, if the Grantee fails to comply with his or her obligations in connection with the Tax-Related Items.

Nature of Grant. In accepting the SARs, the Grantee acknowledges, understands and agrees that: (1) the Plan is established voluntarily by the Company, it is discretionary in nature, and may be amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan; (2) all decisions with respect to future SARs or other grants, if any, will be at the sole discretion of the Company; (3) the Grantee is voluntarily participating in the Plan; (4) the SARs and any shares of Common Stock acquired under the Plan are not intended to replace any pension rights or compensation; (5) the future value of the shares of Common Stock underlying the SARs is unknown, indeterminable and cannot be predicted with certainty; (6) if the underlying shares of Common Stock do not increase in value, the SARs will have no value; (7) if the Grantee exercises the SARs and acquires shares of Common Stock, the value of such shares of Common Stock may increase or decrease in value, even below the Base Price; (8) no claim or entitlement to compensation or damages shall arise from forfeiture of the SARs resulting from the termination of the Grantee's employment or other service relationship (for any reason whatsoever, whether or not later found to be invalid or in breach of employment laws in the jurisdiction where the Grantee is employed or providing services or the terms of the Grantee's employment or service agreement, if any), and in consideration of the grant of the SARs to which the Grantee is otherwise not entitled, the Grantee irrevocably agrees never to institute any claim against the Company, any of its subsidiaries or affiliates or the Employer, waives his or her ability, if any, to bring any such claim, and releases the Company, its subsidiaries and affiliates and the Employer from any such claim; if, notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by participating in the Plan, the Grantee shall be deemed irrevocably to have agreed not to pursue such claim and agrees to execute any and all documents necessary to request dismissal or withdrawal of such claim; (9) for purposes of the SARs, the Grantee's employment or service relationship will be

considered terminated as of the date the Grantee is no longer actively providing services to the Company or one of its subsidiaries and affiliates (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where the Grantee is employed or providing services or the terms of the Grantee's employment or service agreement, if any), and unless otherwise expressly provided in the Agreement or determined by the Company, (i) the Grantee's right to vest in the SARs under the Plan, if any, will terminate as of such date and will not be extended by any notice period (*e.g.*, the Grantee's period of service would not include any contractual notice period or any period of "garden leave" or similar period mandated under employment laws in the jurisdiction where the Grantee is employed or providing services or the terms of the Grantee's employment or service agreement, if any); and (ii) the period (if any) during which the Grantee may exercise the SARs after such termination of the Grantee's employment or service relationship will commence on the date the Grantee ceases to actively provide services and will not be extended by any notice period mandated under employment laws in the jurisdiction where the Grantee is employed or providing services or terms of the Grantee's employment or service agreement, if any; and (iii) the Company shall have the exclusive discretion to determine when the Grantee is no longer actively providing services for purposes of his or her SARs grant (including whether the Grantee may still be considered to be providing services while on a leave of absence); unless otherwise provided in the Plan or by the Company in its discretion, the SARs and the benefits evidenced by the Agreement do not create any entitlement to have the SARs or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the shares of the Company; the SARs and any shares of Common Stock acquired under the Plan and the income and value of same, are not part of normal or expected compensation for any purpose, including, without limitation, calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, long-service awards, pension, or retirement or welfare benefits or similar payments; and (12) the Grantee acknowledges and agrees that neither the Company, the Employer nor any Subsidiary of the Company shall be liable for any foreign exchange rate fluctuation between the Grantee's local currency and the United States Dollar that may affect the value of the SARs or of any amounts due to the Grantee pursuant to the exercise of the SARs or the subsequent sale of any shares of Common Stock acquired upon exercise of the SARs.

No Advice Regarding Grant. The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Grantee's participation in the Plan, or the Grantee's acquisition or sale of the underlying shares of Common Stock. The Grantee is hereby advised to consult with his or her own personal tax, legal and financial advisors regarding his or her participation in the Plan before taking any action related to the Plan.

Data Privacy for Grantees not based in the European Economic Area or the United Kingdom.

The Grantee hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, including email, of the Grantee's personal data as described in the Agreement and any other SARs grant materials ("Data") by and among, as applicable, the Employer, the Company and its subsidiaries and affiliates for the exclusive purpose of implementing, administering and managing the Grantee's participation in the Plan.

The Grantee understands that the Company and the Employer may hold certain personal information about the Grantee, including, but not limited to, the Grantee's name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares of stock or directorships held in the Company, details of all SARs or any other entitlement to shares of stock awarded, canceled, exercised, vested, unvested or outstanding in the Grantee's favor, for the exclusive purpose of implementing, administering and managing the Plan.

The Grantee understands that Data will be transferred to the Company's stock transfer agent and/or broker, or such other stock plan service provider as may be selected by the Company in the future, which

is assisting the Company with the implementation, administration and management of the Plan. The Grantee understands that the recipients of the Data may be located in the United States or elsewhere (including outside the EEA), and that the recipient's country (e.g., the United States) may have different data privacy laws and protections than the Grantee's country. The Grantee understands that he or she may request a list with the names and addresses of any potential recipients of the Data by contacting his or her local human resources representative. The Grantee authorizes the Company, the Company's stock transfer agent and /or broker, and any other possible recipients which may assist the Company (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purposes of implementing, administering and managing the Grantee's participation in the Plan. The Grantee understands that Data will be held only as long as is necessary to implement, administer and manage the Grantee's participation in the Plan. The Grantee understands that he or she may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing his or her local human resources representative.

Further, the Grantee understands that he or she is providing the consents herein on a purely voluntary basis. If the Grantee does not consent, or if the Grantee later seeks to revoke his or her consent, his or her employment status or service and career with the Employer will not be adversely affected; the only adverse consequence of refusing or withdrawing the Grantee's consent is that the Company would not be able to grant the Grantee SARs or other equity awards or administer or maintain such awards. Therefore, the Grantee understands that refusing or withdrawing his or her consent may affect the Grantee's ability to participate in the Plan. For more information on the consequences of the Grantee's refusal to consent or withdrawal of consent, the Grantee understands that he or she may contact his or her local human resources representative.

Data Privacy for Grantees based in the European Economic Area (including the United Kingdom).

The Company and its subsidiaries and affiliates will process the data of the Grantee in accordance with (i) the applicable data privacy policy or policies adopted by the Company or its subsidiaries and affiliates; and (ii) the data privacy notice(s) provided to the Grantee covering the processing of the Grantee's data in connection with the Plan.

The Grantee understands and acknowledges that the processing of their data by the Company and its subsidiaries and affiliates in relation to the operation of the Plan is necessary for (i) the performance of the Agreement; (ii) to comply with any legal obligation in relation to the operation of the Plan; and (iii) to account for any tax and duties in relation to the Plan.

Governing Law and Venue. The SARs grant and the provisions of the Agreement are governed by, and subject to, the internal substantive laws of the State of Delaware in the United States of America (with the exception of its conflict of law provisions).

For purposes of litigating any dispute that arises directly or indirectly from the relationship of the parties evidenced by this grant or the Agreement, the parties hereby submit to and consent to the exclusive jurisdiction of the Commonwealth of Pennsylvania in the United States of America and agree that such litigation shall be conducted only in the courts of Cumberland County, the Commonwealth of Pennsylvania, or the federal courts for the United States of America for the Middle District of Pennsylvania, and no other courts, where this grant is made and/or to be performed.

Compliance with Law. The following provision supplements Section 7 of the Agreement: Notwithstanding any other provision of the Plan or the Agreement, unless there is an available exemption from any registration, qualification or other legal requirement applicable to the shares of Common Stock, the Company shall not be required to deliver any shares of Common Stock issuable upon exercise of the

SARs prior to the completion of any registration or qualification of the shares under any local, state, federal or foreign securities or exchange control law or under rulings or regulations of the U.S. Securities and Exchange Commission ("SEC") or of any other governmental regulatory body, or prior to obtaining any approval or other clearance from any local, state, federal or foreign governmental agency, which registration, qualification or approval the Company shall, in its absolute discretion, deem necessary or advisable. The Grantee understands that the Company is under no obligation to register or qualify the shares with the SEC or any state or foreign securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of the shares. Further, the Grantee agrees that the Company shall have unilateral authority to amend the Plan and the Agreement without the Grantee's consent to the extent necessary to comply with securities or other laws applicable to issuance of shares.

Electronic Delivery and Acceptance. The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means, including email. The Grantee hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

Language. If the Grantee has received the Agreement or any other document related to the SARs and/or the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

Severability. The provisions of the Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

Imposition of Other Requirements. The Company reserves the right to impose other requirements on the Grantee's participation in the Plan, on the SARs and on any shares of Common Stock purchased upon exercise of the SARs, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require the Grantee to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

Waiver. The Grantee acknowledges that a waiver by the Company of breach of any provision of the Agreement shall not operate or be construed as a waiver of any other provision of the Agreement, or of any subsequent breach by the Grantee or any other Participant.

B. COUNTRY-SPECIFIC ADDITIONAL TERMS AND CONDITIONS AND NOTIFICATIONS

AUSTRALIA

TERMS AND CONDITIONS

Settlement of SARs. Notwithstanding anything to the contrary in the Agreement, upon the vesting of the SARs, the Grantee will receive a cash payment in an amount equal to the value of the shares of Common Stock underlying the vested SARs on a vesting date. As long as the Grantee resides in Australia, he or she may not receive or hold shares of Common Stock in connection with the SARs under the Plan. Accordingly, any provisions in the Agreement referring to issuance of shares of Common Stock shall not be applicable to the Grantee as long as he or she resides in Australia.

NOTIFICATIONS

Exchange Control Information. Exchange control reporting is required for cash transactions exceeding \$10,000 and international fund transfers. The Australian bank assisting with the transaction will file the report.

BELGIUM**NOTIFICATIONS**

Tax Reporting Information. Grantee is required to report any bank accounts opened and maintained outside of Belgium on his or her annual Belgian tax return.

BRAZIL**TERMS AND CONDITIONS**

Compliance with Law. By accepting the SARs, the Grantee acknowledges that he or she agrees to comply with applicable Brazilian laws and pay any and all applicable taxes associated with the exercise of the SARs, the receipt of any dividends, and the sale of shares of Common Stock acquired under the Plan.

NOTIFICATIONS

Exchange Control Information. If the Grantee is resident or domiciled in Brazil, he or she will be required to submit annually a declaration of assets and rights held outside of Brazil to the Central Bank of Brazil if the aggregate value of such assets and rights is equal to or greater than US \$100,000. Assets and rights that must be reported include shares of Common Stock.

CHINA**TERMS AND CONDITIONS**

Settlement of SARs. Notwithstanding anything to the contrary in the SARs Agreement, due to local regulatory requirements, upon the vesting of the SARs the Grantee will receive a cash payment in China via the Company local Chinese payroll in an amount equal to the value of the shares of Common Stock underlying the vested SARs on the vesting date. As long as the Grantee resides in China, he or she may not receive or hold shares of Common Stock in connection with the SARs under the Plan. Accordingly, any provisions in the Agreement referring to issuance of shares of Common Stock shall not be applicable to the Grantee as long as he or she resides in China.

GERMANY**TERMS AND CONDITIONS**

Parties to the Agreement. The Agreement is exclusively concluded between Harsco Corporation and the Grantee. The local Harsco entity employing the Grantee is not in any way party to the Agreement or entitled/committed hereby.

Vesting of SARs. Notwithstanding anything to the contrary in the Agreement or in the Plan, the Grantee shall be considered "Disabled" for the purposes of this Agreement, if the Grantee's employment contract ends as a consequence of the Grantee being granted a permanent statutory pension for full occupational disability (unbefristete Rente wegen voller Erwerbsminderung) by the competent authorities.

Non-Competition Agreement. Notwithstanding anything to the contrary in the Non-Competition Agreement, it is exclusively concluded between Harsco Corporation and the Grantee. The employer of the Grantee is not in any way party to the Non-Competition Agreement or entitled/committed hereby. The Non-Competition Agreement does not affect in any way a separate non-competition agreement concluded between the Grantee and his/her employer.

FRANCE**TERMS AND CONDITIONS**

Consent to Receive Information in English. By accepting the grant of the SARs, the Grantee confirms having read and understood the Plan and the Agreement, which were provided in the English language. The Grantee accepts the terms of those documents accordingly.

En acceptant cette attribution gratuite d'actions, le Grantee confirme avoir lu et compris le Plan et ce Contrat, incluant tous leurs termes et conditions, qui ont été transmis en langue anglaise. Le Grantee accepte les dispositions de ces documents en connaissance de cause.

NOTIFICATIONS

Tax Notification. The SARs are not intended to be French tax-qualified.

Exchange Control Notification. The Grantee may hold shares of Common Stock acquired under the Plan outside of France provided that he or she declares all foreign accounts (including any accounts that were opened or closed during the tax year) on his or her annual French income tax return.

INDIA**TERMS AND CONDITIONS**

The Grantee hereby agrees that it shall hold the shares of the Common Stock pursuant to this Agreement and the Plan, at all times in accordance with the applicable laws in India, including but not limited to the (Indian) Foreign Exchange Management (Transfer or Issue of Any Foreign Security) Regulations, 2004 (and as amended or replaced), relevant master circulars, directions, notifications issued in this regard by the Reserve Bank of India from time to time and shall carry out the necessary reporting with the Reserve Bank of India at all stages of granting and vesting, if and as may be required. The Grantee agrees to indemnify the Company and/or Subsidiary of the Company with respect to any non-compliance and/or non-adherence by the Grantee of any of the applicable laws in India arising out of holding of the shares of the Common Stock by the Grantee.

The Grantee shall declare the holding of shares of the Common Stock, if and as may be necessary, in its income for taxation purposes and agrees to indemnify the Company and/or Subsidiary of the Company with respect to any and all taxes that it shall be obligated to pay with respect to the shares of the Common Stock such as including but not limited to income tax, capital gain taxes etc., under this Agreement and which may arise as a result of the sale of the shares of the Common Stock and the transactions contemplated hereunder.

LUXEMBOURG**NOTIFICATIONS**

Exchange Control Information. Grantee understands that Grantee is required to report any inward remittances of funds to the Banque Centrale de Luxembourg and/or the Service Central de la Statistique et des Études Économiques within 15 working days following the month during which the transaction occurred unless such payment is reported by a Luxembourg-resident financial institution.

THE NETHERLANDS**TERMS AND CONDITIONS**

Non-Competition Agreement. The non-competition agreement entered into between the Company and the Grantee shall be in addition to any non-compete arrangements between the Grantee and his or her employer.

SWITZERLAND

TERMS AND CONDITIONS

Vesting: With the acceptance of a Grant, the Grantee expressly acknowledges that any RSU, PSU and/or SAR shall not give the Grantee any right or entitlement until such Grant is fully vested. The Grant remains fully discretionary until full vesting.

Continuous Employment: In Switzerland, "continuously employed" (or substantially similar term) means the absence of any interruption or termination (issuance of termination notice) of the Grantee's employment with the Company or with a Subsidiary of the Company. Continuous employment shall not be considered interrupted or terminated in the case of sick leave, military leave or any other leave of absence approved by the Company for which compensation needs to be paid by the Company or salary replacement benefits are granted by any insurance or in the case of transfers between locations of the Company and its Subsidiaries. For the avoidance of any doubt, continuous employment ends in any case with the end of the employment, even if any salary replacement benefits continue to be paid by any insurance, pension scheme or social security.

Retirement: For the purpose of the Plan, only a retirement under the rules and conditions of the Swiss pension scheme of the Subsidiary employing the Grantee shall qualify as retirement for the purpose of vesting of RSU, PSU or termination of SAR, and only if such retirement is (A) at age 62 or older while employed by the Company or any of its Subsidiaries; or (B) at or after such time as the Grantee's age (minimum of age 55), plus full years of continuous employment by the Company or any of its Subsidiaries, equals 75.

Disability: For purposes of the Plan, the Grantee shall be considered "Disabled" if the Grantee is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or qualifies as permanent full disability under the applicable Swiss social security and/or pension laws.

Non-Competition Agreement: For the avoidance of any doubt, any non-competition agreement entered into between the Grantee and the Company in connection with the Plan and grants thereunder shall be in addition to any non-competition agreement agreed between the Grantee and the employing Subsidiary and shall not replace such non-competition agreement.

NOTIFICATIONS

Exchange Control Notification. The Grantee may hold shares of Common Stock acquired under the Plan outside of Switzerland provided that he or she declares all foreign accounts (including any accounts that were opened or closed during the tax year) on his or her annual Swiss tax declaration.

UNITED ARAB EMIRATES

NOTIFICATIONS

Securities Law Notice. SARs under the Plan are granted only to select executive officers and other employees of the Company and its subsidiaries for the purpose of providing such eligible persons with incentives and rewards for performance. The Agreement, including this Exhibit, the Plan and any documents the Grantee may receive in connection with the SARs are intended for distribution to such eligible persons and must not be delivered to, or relied on, by any other person.

The Emirates Securities and Commodities Authority, the Central Bank, the Ministry of Economy and the Dubai Department of Economic Development do not have any responsibility for reviewing or verifying any documents in connection with the Plan nor have they reviewed or approved the Plan or the Agreement. The securities to which this statement relates may be illiquid and/or subject to

restrictions on their resale. The Grantee and/or prospective purchasers of the securities offered should conduct their own due diligence on the securities.

If the Grantee does not understand the contents of the Agreement, including this Exhibit, or the Plan, the Grantee should consult an authorized financial adviser.

UNITED KINGDOM

TERMS AND CONDITIONS

U.K. Sub-Plan. The terms of the U.K. Sub-plan apply to the SARs.

HARSCO CORPORATION
CERTIFICATION PURSUANT TO RULE 13a-14(a) OR 15d-14(a)
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, F. Nicholas Grasberger, III, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Harsco Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

May 8, 2020

/s/ F. NICHOLAS GRASBERGER III

F. Nicholas Grasberger III

Chairman, President and Chief Executive Officer

HARSCO CORPORATION
CERTIFICATION PURSUANT TO RULE 13a-14(a) OR 15d-14(a)
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Peter F. Minan, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Harsco Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

May 8, 2020

/s/ PETER F. MINAN

Peter F. Minan

Senior Vice President and Chief Financial Officer

**HARSCO CORPORATION
CERTIFICATIONS PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Harsco Corporation (the "Company") on Form 10-Q for the period ending March 31, 2020, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), we certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of our knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

May 8, 2020

/s/ F. NICHOLAS GRASBERGER III

F. Nicholas Grasberger III

Chairman, President and Chief Executive Officer

/s/ PETER F. MINAN

Peter F. Minan

Senior Vice President and Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to Harsco Corporation and will be retained by Harsco Corporation and furnished to the Securities and Exchange Commission or its staff upon request.