



# **Investor Presentation**

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August - September 2022

# SAFE HARBOR STATEMENT

This presentation does not constitute an offer to sell, or a solicitation of an offer to buy, any security and shall not constitute an offer, solicitation or sale in any jurisdiction in which such offer, solicitation or sale would be unlawful.

## Forward-Looking Statements

The Company's presentation contains forward-looking statements based on management's current expectations, estimates and projections. The nature of the Company's business and the many 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," "outlook," "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 COVID-19 and governmental and market reactions to COVID-19; (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 Company's ability to negotiate, complete, and integrate strategic transactions; (13) failure to complete a divestiture of the Rail division, as announced on November 2, 2021 on satisfactory terms, or at all; (14) potential severe volatility in the capital or commodity markets; (15) failure to retain key management and employees; (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 COVID-19) to maintain their credit availability; (18) implementation of environmental remediation matters; (19) risk and uncertainty associated with intangible assets; (20) the risk that the Company may be unable to implement fully and successfully the expected incremental actions at Clean Earth due to market conditions or otherwise and may fail to deliver the expected resulting benefits; and (21) 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 II, Item 1A "Risk Factors," of the Company's Quarterly Report on Form 10-Q for the period ended June 30, 2022, and Part I, Item 1A, "Risk Factors," of the Company's Annual Report on Form 10-K for the year ended December 31, 2021. 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.

## Explanatory Note Regarding Estimates

This presentation includes certain estimates. These estimates reflect management's best estimates based upon currently available information and certain assumptions we believe to be reasonable. These estimates are inherently uncertain, subject to risks and uncertainties, many of which are not within our control, have not been reviewed by our independent auditors and may be revised as a result of management's further review. In addition, these estimates are not a comprehensive statement of our financial results, and our actual results may differ materially from these estimates due to developments that may arise between now and the time the results are final. There can be no assurance that the estimates will be realized, and our results may vary significantly from the estimates, including as a result of unexpected issues in our business and operations. Accordingly, you should not place undue reliance on such information. See "Forward-Looking Statements".

## Non-GAAP Measures

Throughout this presentation, the Company refers to certain non-GAAP measures, including without limitation, adjusted EBITDA (Earnings Before Interest Taxes Depreciation and Amortization), adjusted EBITDA margin, adjusted diluted earnings per share from continuing operations and free cash flow. For a reconciliation of non-GAAP measures to GAAP results and the Company's rationale for its usage of non-GAAP measures, see the Appendix in this presentation.



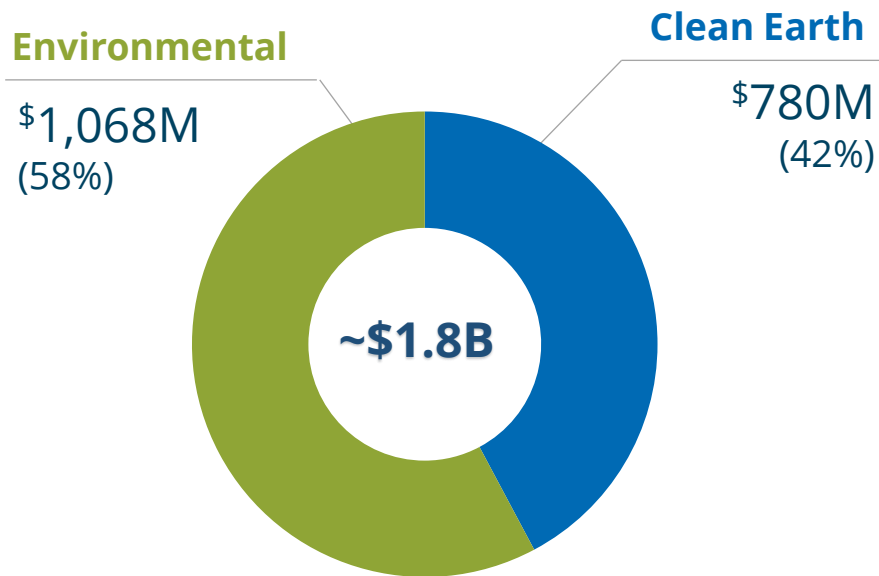
## Harsco Overview

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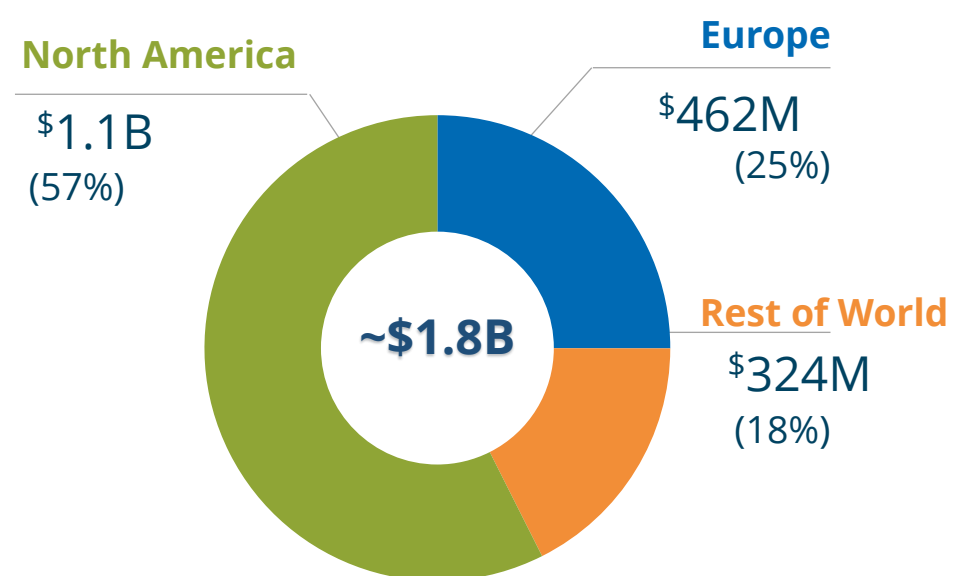
# HARSCO TODAY

- ▶ Market leading provider of environmental solutions for industrial and specialty waste streams and innovative technologies, serving industries that are fundamental to global growth
- ▶ Strategic shift towards higher-growth and less-cyclical businesses with attractive margins

## FY 2021 Revenue



## FY 2021 Revenue by Geography



# HISTORICAL PERSPECTIVE

## Harsco transformation:



Simplify the portfolio



Increase scale and capabilities in environmental solutions



Shift to less cyclical, capital-light businesses with attractive growth potential



Unlock value and drive potential re-rating over time

**May 2018**

Acquired ALTEK

**May 2019**

Harsco M&M Becomes Harsco Environmental

**June 2019**

Acquired Clean Earth

**July 2019**

Sold Air-X

**November 2019**

Sold Patterson-Kelley

**January 2020**

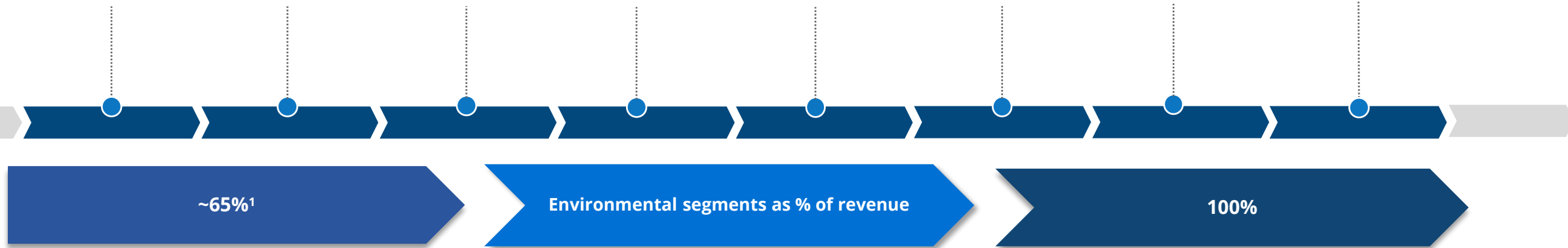
Sold IKG

**April 2020**

Acquired ESOL

**November 2021**

Announced Intent to Divest Rail



(1) 65% according to 2017-2018 data.



# HARSCO ENVIRONMENTAL

## MAKING A WORLD OF DIFFERENCE™

To our customers, our sites, our communities,  
our environment, and our people

**\$1.1B**

2021 Revenue

**~70**

Customers

**30+**

Countries

**150+**

Sites

Serving  
**~25%**  
of global LST<sup>1</sup>

(1) Excludes China, CIS, Iran, Japan, South Korea, Taiwan and Vietnam steel output.

# HARSCO ENVIRONMENTAL – A GLOBAL MARKET LEADER



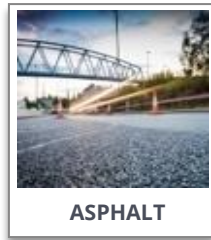
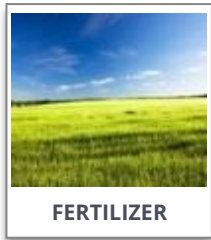
## VALUE DRIVERS

- ▶ Critical services for metal production and environmental solutions that create value from waste
- ▶ Differentiated operational expertise and technology
- ▶ Cost savings benefits to customers
- ▶ Long-term contracts and multi-decade relationships
- ▶ High renewal rates with fixed / variable pricing
- ▶ Diversity of customers, geographies and end markets



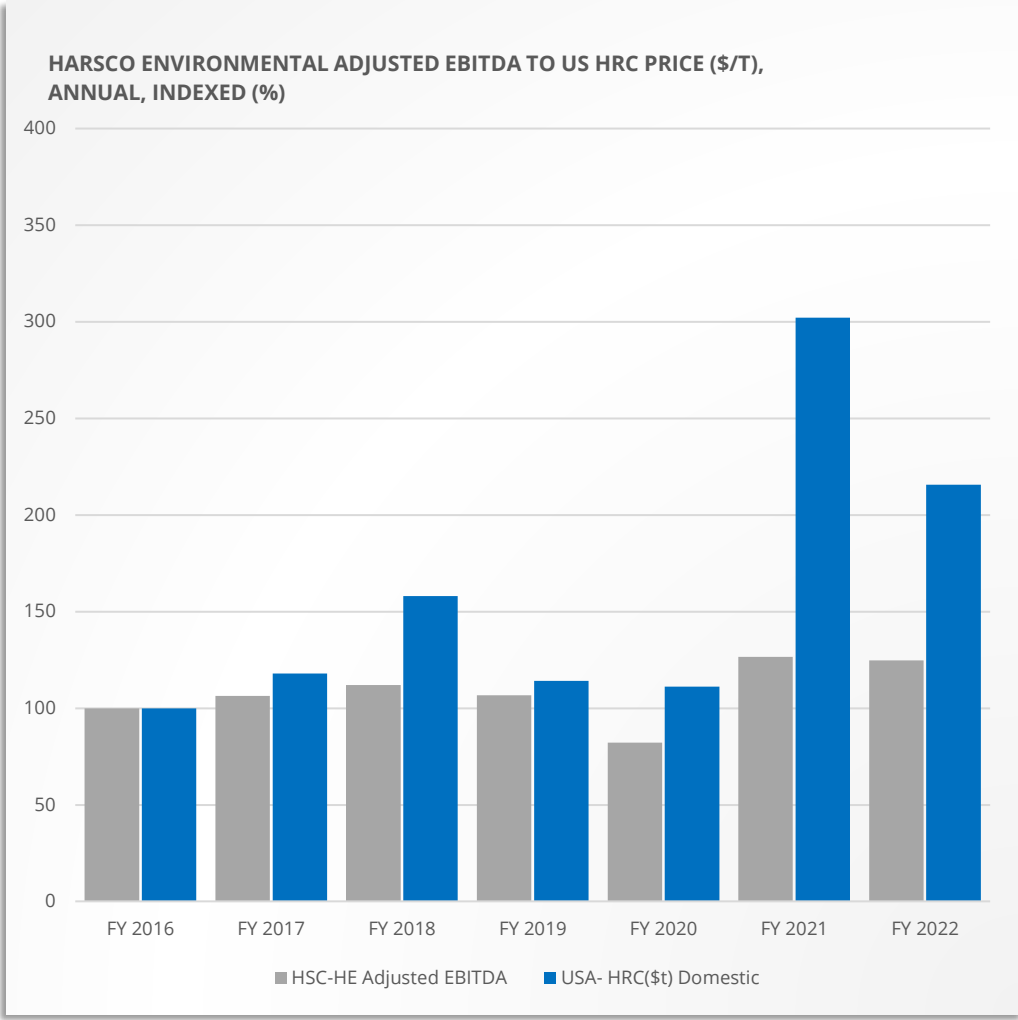
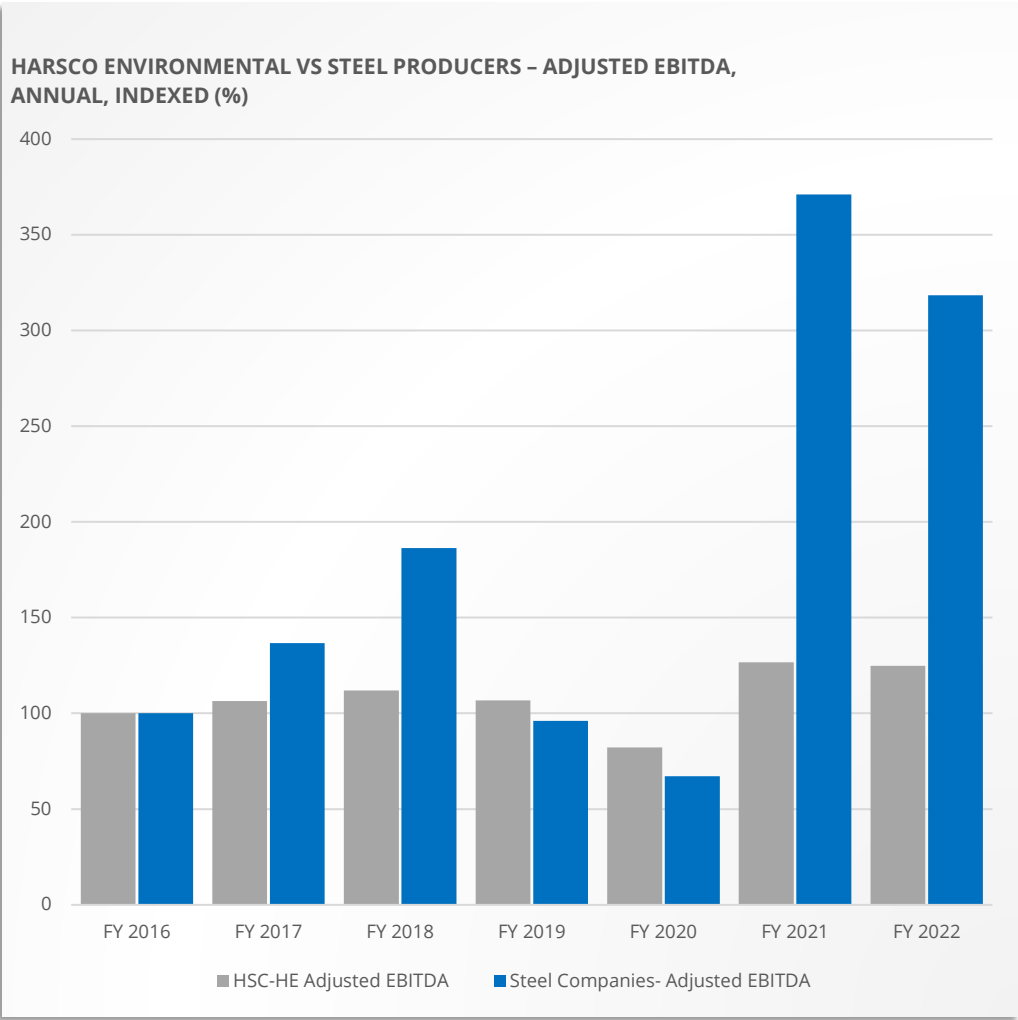
# HARSCO ENVIRONMENTAL – ECOPRODUCTS™

## ▶ ADVANCED MATERIAL TECHNOLOGIES DELIVERING ZERO WASTE SOLUTIONS





# ENVIRONMENTAL SEGMENT – LIMITED VOLATILITY AND STRONG CASH FLOW



\* Steel producers considered are Steel Dynamics, Ternium, US Steel Corp, ArcelorMittal and Allegheny Technologies; and presented information represents Consensus data. Also, note that there is no uniform definition of Adjusted EBITDA. Each company defines Adjusted EBITDA differently and, as a result, Adjusted EBITDA of one company may include, or exclude, specific items that are classified differently by other companies





# CLEAN EARTH

## MAKING OUR EARTH CLEANER AND GREENER™

Leading providers of environmental and regulated waste solutions in the United States

**\$780M**

2021 Revenue

**~90**

Permitted  
Facilities

**19**

TSDf RCRA  
Part B sites

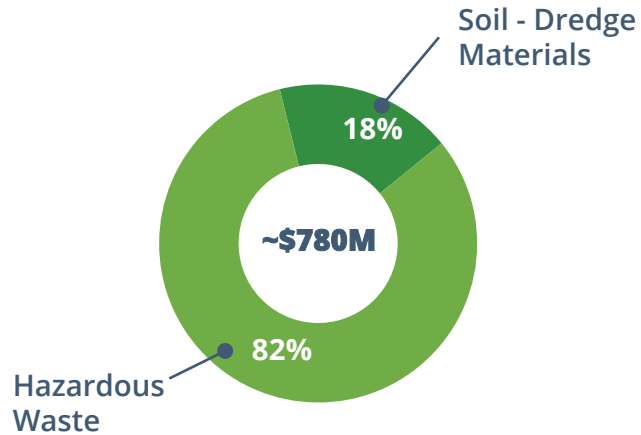
**500+**

# of Total  
Permits

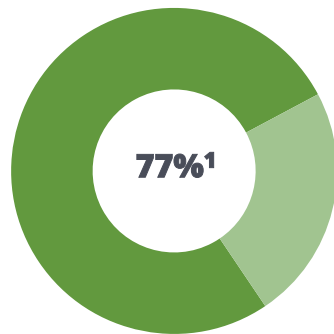


# CLEAN EARTH – LESS CYCLICAL WITH ATTRACTIVE GROWTH POTENTIAL

## REVENUE MIX BY LINE OF BUSINESS



## HIGH CASH CONVERSION AND CAPITAL-LIGHT BUSINESS



(1) Cash conversion ratio calculated based on 2021 = Free Cash Flow divided by Adjusted EBITDA

## KEY POINTS

- Environmental services with portfolio of valuable permits
- Diverse customers, across Industrial, Retail and Medical markets, with recurring and long-term customer relationships
- Growth platform and resilient business model

## WASTE STREAMS



Industrial



Retail



Healthcare



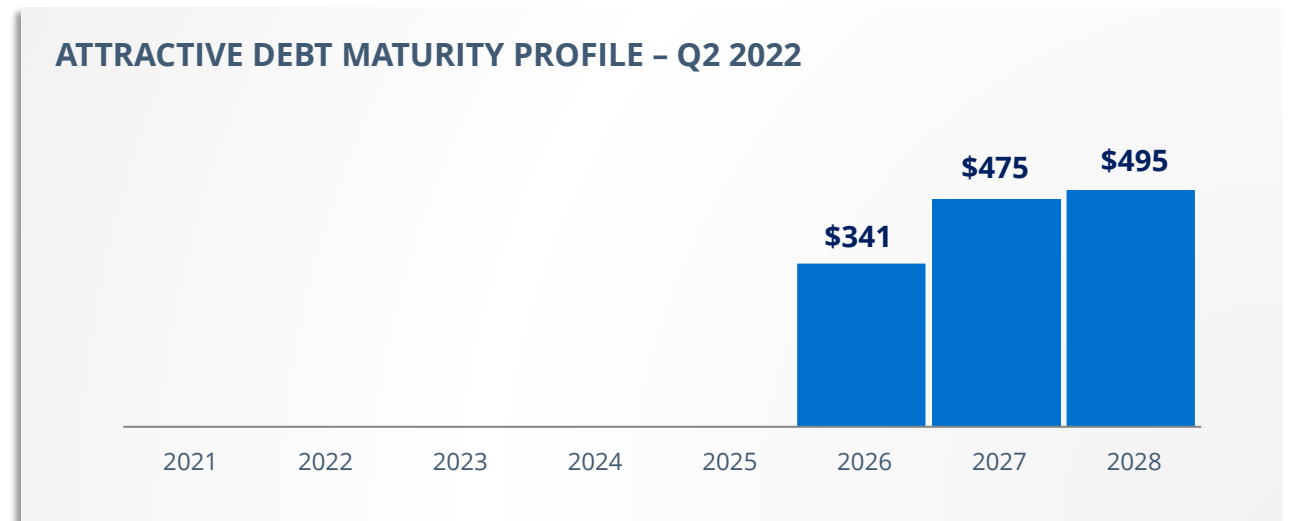
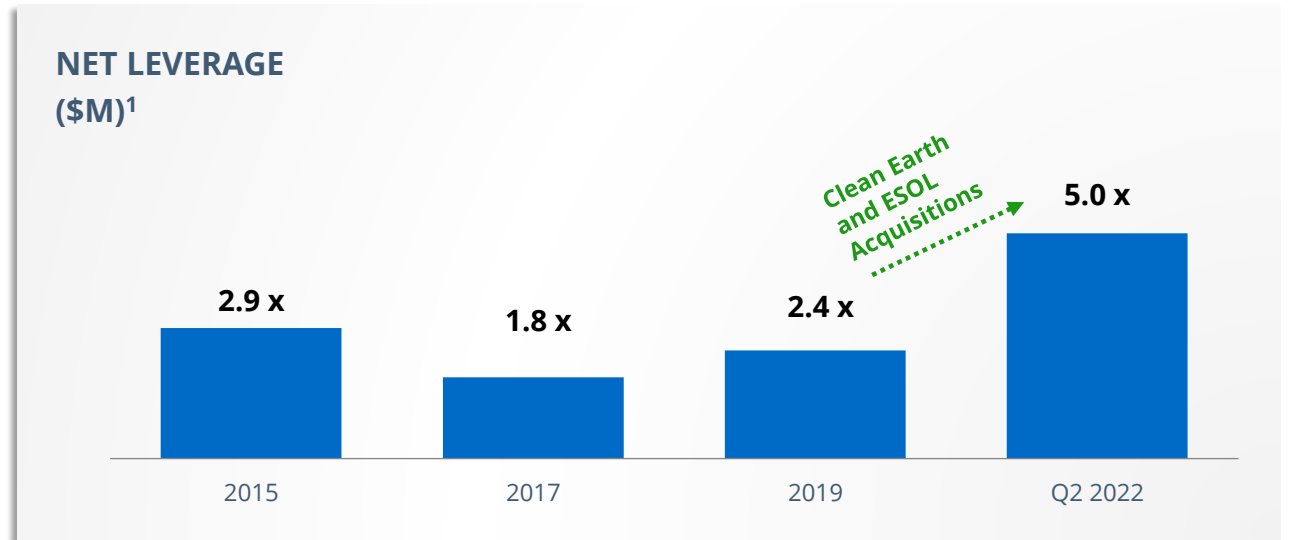
Infrastructure



# FINANCIAL STRATEGY – FOCUSED ON STRENGTHENING FREE CASH FLOW AND REDUCING LEVERAGE

## Financial Strategy

- Long term leverage ratio target of 3.0x or lower
- Discipline capital allocation strategy
- M&A on hold
- Growth investments limited to highest return projects



(1) Net debt equals long term debt + short term borrowing + current maturities of long term debt - cash and cash equivalents. Net leverage ratio calculation in accordance with credit agreement

# INNOVATION DRIVEN GROWTH

A CULTURE GROUNDED IN SOLVING CUSTOMER NEED SUPPORTED BY BUSINESS DEVELOPMENT AND HOME-GROWN TECHNOLOGIES



## SOME OF OUR INNOVATIVE SOLUTIONS



SteelPhalt ROAD SURFACING  
AluSalt SALT SLAG PROCESSING TECHNOLOGY  
FALCON METAL RECOVERY



PFAS TREATMENT  
AEROSOL RECYCLING  
ELECTRONIC WASTE RECYCLING



# GROWTH OPPORTUNITIES – ENVIRONMENTAL



White Space at Existing Sites



Targeted Pursuit of New Sites



New and Expanded Environmental Product Solutions



(1) Contract wins since 2018

# GROWTH OPPORTUNITIES – CLEAN EARTH



Growing list of materials designated as Hazardous and Contaminated



Market penetration through new permits and treatments



Geographic expansion



Permit modifications and expansions

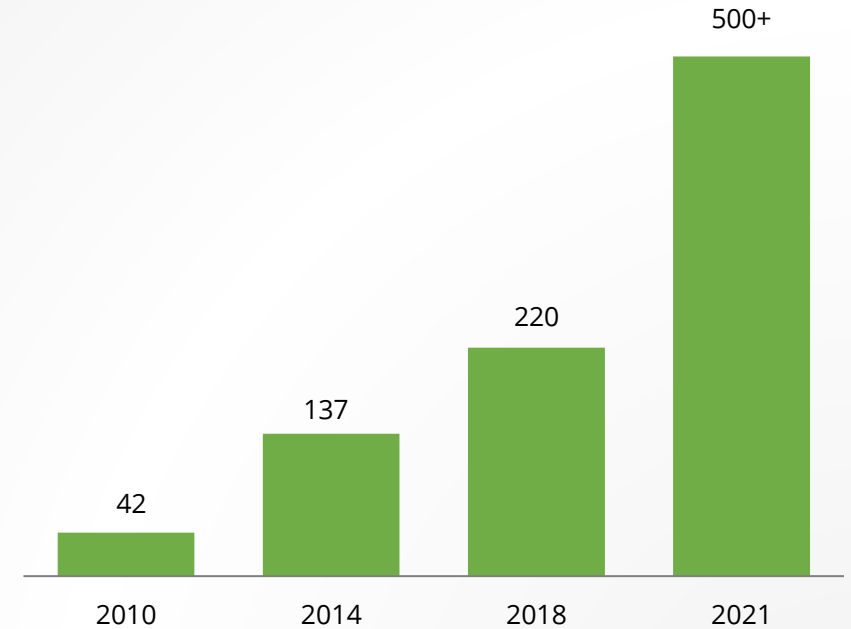


Increased maintenance and environment dredging activity



Fragmented industry provides growth potential

CE Active Permits<sup>1</sup>



(1) Data provided is inclusive of acquired permits, including the acquisition of ESOL.

# OUR ESG VISION & STRATEGY

- ▶ Our **ambition** is to be an environmental, social and governance (**ESG**) **leader** in our industry
- ▶ We believe our **long-term success** depends not only on our financial performance, but also on our **contributions to society** and the value we deliver to our customers, employees, shareholders and the communities where we live and work
- ▶ We are **committed** to continuing our **ESG journey** and building on the progress we have made to date



See our [2020 ESG Report](#)

# 2021 ESG HIGHLIGHTS

## E



### 38

New environmental solutions launched in 2021



### 93%

of material processed by Clean Earth recycled or repurposed in 2021



Named to the 2022 **Carbon Clean 200** list, recognizing Harsco's recycling and carbon emissions reduction services

## S



### 0.97

Total Recordable Incident Rate (TRIR), achieving our 2021 goal of < 1.0



Launched Harsco's global **Diversity, Equity, Engagement & Inclusion Council**



Named to Newsweek's **America's Most Loved Workplaces 2022** list

## G



New **Director** with waste management expertise added to board



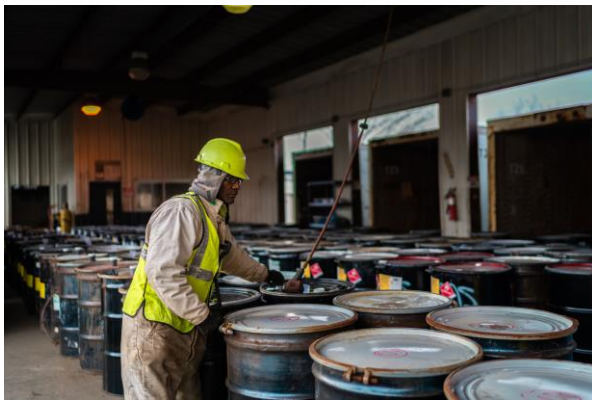
Linked Executive pay to **ESG performance**



Completed implementation of our **Compliance Ambassador Program**



# POSITIONED TO DELIVER VALUE CREATION



Capable management team with proven ability to optimize businesses



FCF and value levers to strengthen capital structure



ROIC-focused approach



Well-positioned businesses to deliver earnings growth



**HARSCO**

## **Q2 2022 Results**

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# CEO PERSPECTIVE

- Second quarter impacted by extraordinary inflation at Clean Earth
- Taking aggressive action to mitigate challenges, with more than \$30M of price-cost actions implemented for 2H2022 in Clean Earth; engagement throughout organization is positive and CE expects to be neutral on inflation in early 2023
- CE's long term margin and value-creation potential is unchanged
- Rail sales process ongoing; committed to selling on disciplined basis to create value for shareholders
- Expect to maintain financial flexibility while remaining focused on reducing leverage and strengthening cash flow

# Q2 2022 FINANCIAL SUMMARY

## KEY PERFORMANCE INDICATORS

- Revenues up 3%: HE +4%; CE +2%
- Q2 2022 performance impacted by extraordinary inflation and FX translation
- CE price increases implemented and further cost reduction actions underway to offset inflation
- Adjusted EPS of \$0.01; unusual items include non-cash goodwill impairment (\$105M), restructuring costs and gain on bond repurchase
- Free cash flow benefited from proceeds of securitization transaction

\$ in millions except EPS; Continuing Operations	Q2 2022	Q2 2021	Change
<b>Revenues, as reported</b>	481	469	3%
<b>Operating Income - GAAP</b>	(97)	26	nmf
<b>Adjusted EBITDA<sup>1</sup></b>	49	67	(26)%
<i>% of Sales<sup>1</sup></i>	10.2%	14.3%	(405)bps
<b>GAAP Diluted Earnings (Loss) Per Share</b>	(1.34)	0.11	nmf
<b>Adjusted Diluted Earnings Per Share<sup>1</sup></b>	0.01	0.20	nmf
<b>Free Cash Flow<sup>2</sup></b>	132	20	544%

nmf= not meaningful.

(1) Excludes unusual items. Adjusted diluted earnings per share also excludes acquisition amortization. See tables at end of presentation for GAAP to non-GAAP reconciliations.

(2) See tables at end of presentation for GAAP to non-GAAP reconciliations. Free Cash Flow excludes Rail.

# Q2 2022 ENVIRONMENTAL

## SUMMARY RESULTS

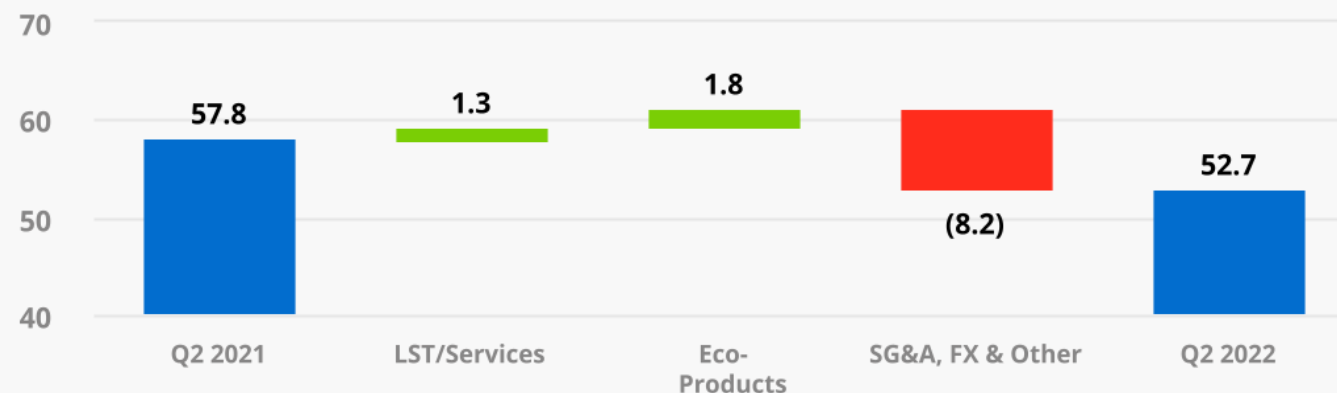
\$ in millions

	Q2 2022	Q2 2021	%
Revenues, as reported	278	273	2%
Operating Income - GAAP	24	30	(22)%
Adjusted EBITDA <sup>1</sup>	53	58	(9)%
Adjusted EBITDA Margin <sup>1</sup>	19.0%	21.2%	

(1) Excludes unusual items; see tables at end of presentation for GAAP to non-GAAP reconciliations.

## ADJUSTED EBITDA BRIDGE<sup>1</sup>

\$ in millions



- Revenues increase compared with prior-year quarter due to higher demand for mill services and ecoproducts™, partially offset by FX translation
- Adjusted EBITDA change YoY attributable to FX translation, inflation and fewer asset sales

# Q2 2022 CLEAN EARTH

## SUMMARY RESULTS

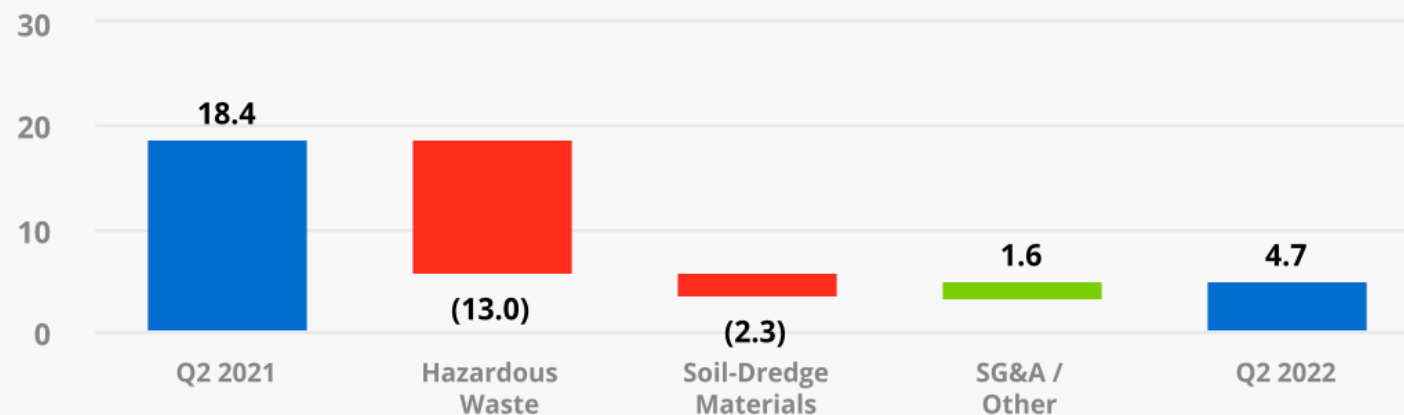
\$ in millions

	Q2 2022	Q2 2021	%
Revenues, as reported	203	196	4%
Operating Income - GAAP	(112)	7	nmf
Adjusted EBITDA <sup>1</sup>	5	18	(74)%
Adjusted EBITDA Margin <sup>1</sup>	2.3%	9.4%	

(1) Excludes unusual items; see tables at end of presentation for GAAP to non-GAAP reconciliations.  
nmf = not meaningful

## ADJUSTED EBITDA BRIDGE<sup>1</sup>

\$ in millions



- Revenues increase compared with prior-year quarter due to price and industrial volumes
- Adjusted EBITDA decrease YoY due to significant cost inflation above price
- GAAP operating income includes \$105M non-cash goodwill impairment charge



# 2022 OUTLOOK - CONSOLIDATED<sup>3</sup>

	2022 Outlook	Prior 2022 Outlook	2021 Actuals
GAAP OPERATING INCOME	<b>\$(53)- (63)M</b>	\$81 - 96M	\$88M
ADJUSTED EBITDA <sup>1</sup>	<b>\$210 - 220M</b>	\$250 - 265M	\$252M
GAAP DILUTED EARNINGS PER SHARE	<b>\$(1.58) - \$(1.72)</b>	\$0.02 - \$0.10	\$0.28
ADJUSTED DILUTED EARNINGS PER SHARE <sup>1</sup>	<b>\$0.00 - \$(0.13)</b>	\$0.35 - \$0.44	\$0.69
FREE CASH FLOW <sup>2</sup>	<b>\$115M - 125M</b>	\$25M - 40M	\$(2)M

(1) Excludes unusual items. Adjusted diluted earnings per share exclude acquisition amortization expense. See tables at end of presentation for GAAP to non-GAAP reconciliations

(2) See tables at end of presentation for GAAP to non-GAAP reconciliations.

(3) Figures exclude Rail which is reported as Discontinued Operations

# Q3 2022 OUTLOOK<sup>2</sup>

- ▶ Adjusted EBITDA<sup>1</sup> is expected to be between  
**\$54M - \$59M**
- ▶ Adjusted diluted earnings per share<sup>1</sup> is expected to be between  
**\$(0.02) - \$(0.08)**
- ▶ Corporate costs of approximately  
**\$10 million**

(1) Adjusted operating income and adjusted diluted earnings per share are non-GAAP numbers. Adjusted diluted earnings per share exclude acquisition amortization. See tables at end of presentation for GAAP to non-GAAP reconciliations.

(2) Figures exclude Rail which is reported as Discontinued Operations

## YEAR-OVER-YEAR CONSIDERATIONS INCLUDE:

**HARSCO**  
ENVIRONMENTAL

Adjusted EBITDA modestly below prior-year quarter: FX and inflationary impacts partially offset by higher volumes and new contracts

CleanEarth™

Adjusted EBITDA below prior year quarter due to inflation pressures, net of price

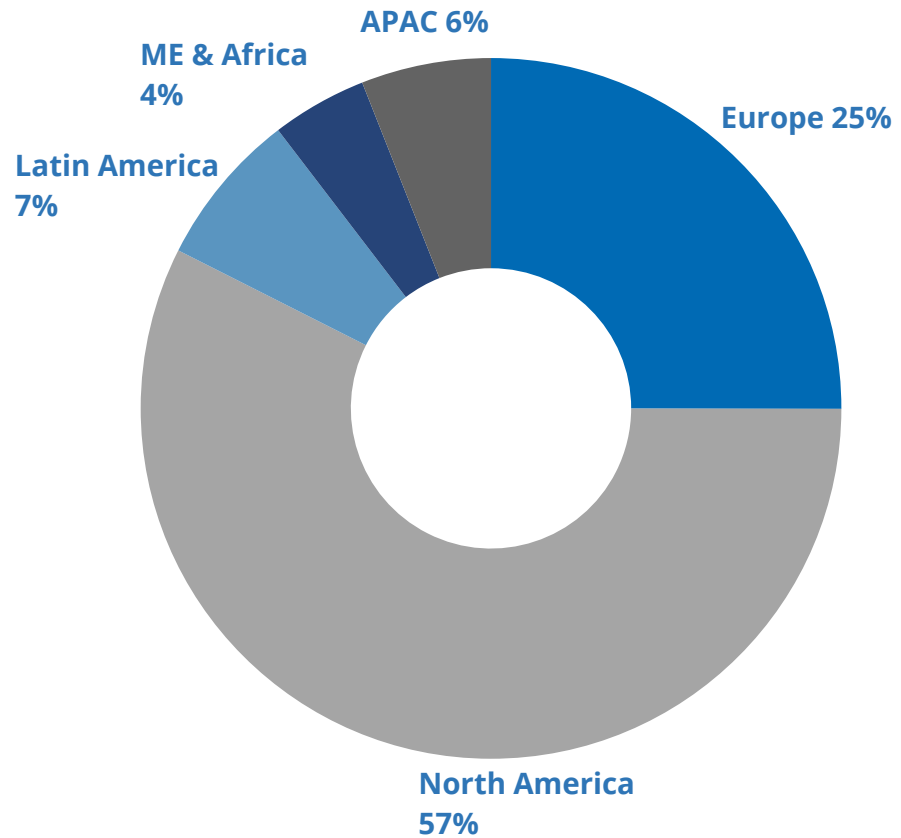


## Appendix

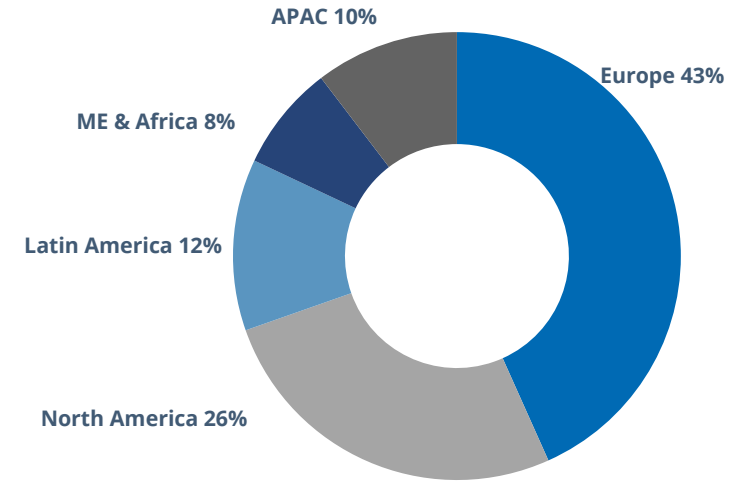
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# REVENUE MIX BY GEOGRAPHY<sup>1</sup>

## COMPANY

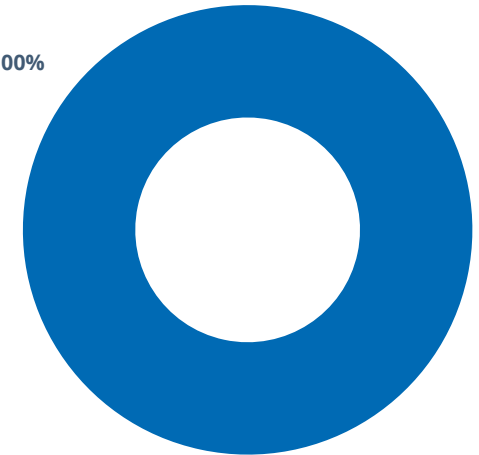


**HARSCO**  
ENVIRONMENTAL



CleanEarth●

United States 100%



(1) FY21 Revenue

# 2022 SEGMENT OUTLOOK

Excluding unusual items

2022 VERSUS 2021



**REVENUES**

Low single-digit YoY growth, excluding FX translation impacts

**ADJUSTED EBITDA<sup>1</sup>**

\$208M - \$214M (margins stable YoY)

**DRIVERS**

+

Services and ecoproduct™ demand growth, new contracts / sites

-

Exited contracts / sites, FX translation



**REVENUES**

Low to mid single-digits YoY growth

**ADJUSTED EBITDA<sup>1</sup>**

\$40M - \$44M

**DRIVERS**

+

Price initiatives, cost-out program

-

Inflation (transportation-containers-disposal) above price, labor tightness

**CORPORATE COSTS**

Approximately \$38 million for the full-year

(1) Excludes unusual items.



## Non-GAAP Reconciliations



# NON-GAAP MEASURES

Measurements of financial performance not calculated in accordance with GAAP should be considered as supplements to, and not substitutes for, performance measurements calculated or derived in accordance with GAAP. Any such measures are not necessarily comparable to other similarly-titled measurements employed by other companies.

**Adjusted diluted earnings per share:** Adjusted diluted earnings per share is a non-GAAP financial measure and consists of diluted earnings (loss) per share from continuing operations adjusted for unusual items and acquisition-related intangible asset amortization expense. It is important to note that such intangible assets contribute to revenue generation and that intangible asset amortization related to past acquisitions will recur in future periods until such intangible assets have been fully amortized. The Company's management believes Adjusted diluted earnings per share from continuing operations is useful to investors because it provides an overall understanding of the Company's historical and future prospects. Exclusion of unusual items permits evaluation and comparison of results for the Company's core business operations, and it is on this basis that management internally assesses the Company's performance. Exclusion of acquisition-related intangible asset amortization expense, the amount of which can vary by the timing, size and nature of the Company's acquisitions, facilitates more consistent internal comparisons of operating results over time between the Company's newly acquired and long-held businesses, and comparisons with both acquisitive and non-acquisitive peer companies.

**Adjusted EBITDA:** Adjusted EBITDA is a non-GAAP financial measure and consists of income from continuing operations adjusted to add back income tax expense; equity income of unconsolidated entities, net; net interest expense; defined benefit pension income (expense); facility fees and debt-related income (expense); and depreciation and amortization (excluding amortization of deferred financing costs); and excludes unusual items. Segment Adjusted EBITDA consists of operating income from continuing operations adjusted to exclude unusual items and add back depreciation and amortization (excluding amortization of deferred financing costs). The sum of the Segments' Adjusted EBITDA and Corporate Adjusted EBITDA equals Consolidated Adjusted EBITDA. The Company's management believes Adjusted EBITDA is meaningful to investors because management reviews Adjusted EBITDA in assessing and evaluating performance.

**Free cash flow:** Free cash flow is a non-GAAP financial measure and consists of net cash provided (used) by operating activities less capital expenditures and expenditures for intangible assets; and plus capital expenditures for strategic ventures, total proceeds from sales of assets and transaction-related expenditures. The Company's management believes that Free cash flow is meaningful to investors because management reviews Free cash flow for planning and performance evaluation purposes. It is important to note that Free cash flow does not represent the total residual cash flow available for discretionary expenditures since other non-discretionary expenditures, such as mandatory debt service requirements and settlements of foreign currency forward exchange contracts, are not deducted from this measure. Free cash flow excludes the former Harsco Rail Segment since the segment is reported as discontinued operations. This presentation provides a basis for comparison of ongoing operations and prospects.

# RECONCILIATION OF NON-GAAP MEASURES

## HARSCO CORPORATION

### RECONCILIATION OF ADJUSTED DILUTED EARNINGS PER SHARE TO DILUTED EARNINGS (LOSS) PER SHARE FROM CONTINUING OPERATIONS AS REPORTED (Unaudited)

	Three Months Ended		Six Months Ended	
	June 30		June 30	
	2022	2021	2022	2021
Diluted earnings (loss) per share from continuing operations as reported	\$ (1.34)	\$ 0.11	\$ (1.44)	\$ 0.09
Facility fees and debt-related expense (income) (a)	(0.03)	—	(0.02)	0.07
Corporate strategic costs (b)	—	0.02	—	0.02
Harsco Clean Earth segment goodwill impairment charge (c)	1.32	—	1.32	—
Harsco Clean Earth Segment severance costs (d)	0.01	—	0.02	—
Taxes on above unusual items (e)	(0.04)	(0.01)	(0.04)	(0.02)
<b>Adjusted diluted earnings (loss) per share, including acquisition amortization expense</b>	<b>(0.07) (g)</b>	<b>0.12</b>	<b>(0.16)</b>	<b>0.15 (g)</b>
Acquisition amortization expense, net of tax (f)	0.08	0.08	0.16	0.16
<b>Adjusted diluted earnings per share</b>	<b>\$ 0.01</b>	<b>\$ 0.20</b>	<b>\$ —</b>	<b>\$ 0.31</b>

# RECONCILIATION OF NON-GAAP MEASURES

## HARSCO CORPORATION

### RECONCILIATION OF ADJUSTED DILUTED EARNINGS PER SHARE TO DILUTED EARNINGS (LOSS) PER SHARE FROM CONTINUING OPERATIONS AS REPORTED (Unaudited)

(Continued from Previous Slide)

- a. Income recognized related to a gain on the repurchase of \$25.0 million of Senior Notes, partially offset by costs incurred at Corporate to amend the Company's Senior Secured Credit Facilities (Q2 2022 \$2.1 million pre-tax; six months 2022 \$1.6 million pre-tax) and costs associated with amending the Company's existing Senior Secured Credit Facilities to establish a New Term Loan; the proceeds of which were used to repay in full the outstanding Term Loan A and Term Loan B, to extend the maturity date of the Revolving Credit Facility and to increase certain levels set forth in the total net leverage ratio covenant (Q2 2021 \$0.1 million pre-tax; six months 2021 \$5.3 million pre-tax).
- b. Certain strategic costs incurred at Corporate associated with supporting and executing the Company's long-term strategies. The six months ended 2022 includes the relocation of the Company's headquarters (Q2 2022 \$0.2 million pre-tax; six months 2022 \$(0.2) million pre-tax and Q2 and six months 2021 \$1.7 million pre-tax).
- c. Non-cash goodwill impairment charge (Q2 2022 and the six months 2022 \$104.6 million pre-tax).
- d. Severance and related costs incurred in the Harsco Clean Earth Segment (Q2 2022 \$1.1 million pre-tax; six months 2022 \$1.4 million pre-tax).
- e. Unusual items are tax-effected at the global effective tax rate, before discrete items, in effect at the time the unusual item is recorded, except for unusual items from countries where no tax benefit can be realized, in which case a zero percent tax rate is used.
- f. Acquisition amortization expense was \$7.8 million pre-tax and \$15.7 million pre-tax for Q2 2022 and the six months 2022, respectively, and after-tax was \$6.2 million and \$12.4 million for Q2 2022 and the six months 2022, respectively. Acquisition amortization expense was \$8.1 million pre-tax and \$16.2 million pre-tax for Q2 2021 and the six months 2021, respectively, and after-tax was \$6.5 million and \$13.0 million for Q2 2021 and the six months 2021, respectively.
- g. Does not total due to rounding.

# RECONCILIATION OF NON-GAAP MEASURES

## HARSCO CORPORATION

### RECONCILIATION OF ADJUSTED DILUTED EARNINGS PER SHARE TO DILUTED LOSS PER SHARE FROM CONTINUING OPERATIONS AS REPORTED (Unaudited)

	Twelve Months Ended
	December 31
	2021
Diluted earnings per share from continuing operations as reported	\$ 0.28
Corporate unused debt commitment and amendment fees (a)	0.07
Corporate strategic costs (b)	0.06
Harsco Environmental Segment severance costs (c)	(0.01)
Taxes on above unusual items (d)	(0.02)
<b>Adjusted diluted earnings per share from continuing operations, including acquisition amortization expense</b>	<b>0.37 (f)</b>
Acquisition amortization expense, net of tax (e)	0.32
<b>Adjusted diluted earnings per share from continuing operations</b>	<b>\$ 0.69</b>

- a. Costs at Corporate associated with amending the Company's existing Senior Secured Credit Facilities to establish a New Term Loan the proceeds of which were used to repay in full the outstanding Term Loan A and Term Loan B, to extend the maturity date of the Revolving Credit Facility and to increase certain levels set forth in the total net leverage ratio covenant (Full year 2021 \$5.5 million pre-tax) and costs associated with amending the Company's existing Senior secured Credit Facilities, to increase the net debt to consolidated adjusted EBITDA covenant ratio).
- b. Certain strategic costs incurred at Corporate associated with supporting and executing the Company's long-term strategies including the divestiture of the Harsco Rail Segment ( Full year 2021 \$4.5 million pre-tax).
- c. Adjustment to Harsco Environmental Segment severance costs (Full year 2021 \$0.9 million pre-tax).
- d. Unusual items are tax-effected at the global effective tax rate, before discrete items, in effect at the time the unusual item is recorded, except for unusual items from countries where no tax benefit can be realized, in which case a zero percent tax rate is used.
- e. Acquisition amortization expense was \$32.3 million pre-tax for Full year 2021.
- f. Does not total due to rounding.



# RECONCILIATION OF NON-GAAP MEASURES

## HARSCO CORPORATION

### RECONCILIATION OF PROJECTED ADJUSTED DILUTED EARNINGS (LOSS) PER SHARE TO DILUTED EARNINGS PER SHARE FROM CONTINUING OPERATIONS (a)

(Unaudited)

	Projected Three Months Ending September 30		Projected Twelve Months Ending December 31	
	2022		2022	
	Low	High	Low	High
Diluted earnings (loss) per share from continuing operations	\$ (0.16)	\$ (0.10)	\$ (1.72)	\$ (1.58)
Corporate strategic costs	0.01	0.01	—	—
Harsco Clean Earth segment goodwill impairment charge	—	—	1.32	1.32
Harsco Clean Earth Segment severance costs	—	—	0.02	0.02
Corporate facility fees and debt-related expense (income)	—	—	(0.02)	(0.02)
Taxes on above unusual items	—	—	(0.04)	(0.04)
<b>Adjusted diluted earnings (loss) per share, including acquisition amortization expense</b>	(0.15)	(0.09)	(0.44)	(0.30) (b)
Estimated acquisition amortization expense, net of tax	0.08	0.08	0.31	0.31
Adjusted diluted earnings (loss) per share	\$ (0.08) (b)	\$ (0.02) (b)	\$ (0.13)	\$ —

(a) Excludes Harsco Rail Segment.

(b) Does not total due to rounding

# RECONCILIATION OF NON-GAAP MEASURES

## HARSCO CORPORATION

### RECONCILIATION OF ADJUSTED EBITDA BY SEGMENT TO OPERATING INCOME (LOSS) AS REPORTED BY SEGMENT

(Unaudited)

(In thousands)	Harsco Environmental	Harsco Clean Earth	Corporate	Consolidated Totals
<b>Three Months Ended June 30, 2022:</b>				
Operating income (loss) as reported	\$ 23,547	\$ (111,668)	\$ (8,882)	\$ (97,003)
Corporate strategic costs	—	—	229	229
Harsco Clean Earth Segment goodwill impairment charge	—	104,580	—	104,580
Harsco Clean Earth Segment severance costs	—	1,148	—	1,148
Operating income (loss) excluding unusual items	23,547	(5,940)	(8,653)	8,954
Depreciation	27,467	4,536	460	32,463
Amortization	1,714	6,131	—	7,845
Adjusted EBITDA	\$ 52,728	\$ 4,727	\$ (8,193)	\$ 49,262
Revenues as reported	\$ 277,599	\$ 203,453		\$ 481,052
Adjusted EBITDA margin (%)	19.0 %	2.3 %		10.2 %

# RECONCILIATION OF NON-GAAP MEASURES

## HARSCO CORPORATION

### RECONCILIATION OF ADJUSTED EBITDA BY SEGMENT TO OPERATING INCOME (LOSS) AS REPORTED BY SEGMENT

(Unaudited)

(In thousands)	Harsco Environmental	Harsco Clean Earth	Corporate	Consolidated Totals
<b>Three Months Ended June 30, 2021:</b>				
Operating income (loss) as reported	\$ 30,223	\$ 7,386	\$ (11,344)	\$ 26,265
Corporate acquisition and integration costs	—	—	1,681	1,681
Operating income (loss) excluding unusual items	30,223	7,386	(9,663)	27,946
Depreciation	25,550	4,905	494	30,949
Amortization	2,035	6,063	—	8,098
Adjusted EBITDA	\$ 57,808	\$ 18,354	\$ (9,169)	\$ 66,993
Revenues as reported	\$ 272,546	\$ 196,128		\$ 468,674
Adjusted EBITDA margin (%)	21.2 %	9.4 %		14.3 %

# RECONCILIATION OF NON-GAAP MEASURES

## HARSCO CORPORATION

### RECONCILIATION OF CONSOLIDATED ADJUSTED EBITDA TO CONSOLIDATED INCOME (LOSS) FROM CONTINUING OPERATIONS AS REPORTED

(Unaudited)

(In thousands)	Three Months Ended June 30	
	2022	2021
Consolidated income (loss) from continuing operations	\$ (105,605)	\$ 10,232
<b>Add back (deduct):</b>		
Equity in (income) loss of unconsolidated entities, net	114	76
Income tax (benefit) expense	(3,115)	4,797
Defined benefit pension income	(2,247)	(3,956)
Facility fees and debt-related expense (income)	(2,149)	50
Interest expense	16,692	15,643
Interest income	(693)	(577)
Depreciation	32,463	30,949
Amortization	7,845	8,098
<b>Unusual items:</b>		
Harsco Clean Earth goodwill impairment charge	104,580	—
Corporate strategic costs	229	1,681
Harsco Clean Earth Segment severance costs	1,148	—
<b>Consolidated Adjusted EBITDA</b>	<b>\$ 49,262</b>	<b>\$ 66,993</b>

# RECONCILIATION OF NON-GAAP MEASURES

## HARSCO CORPORATION

### RECONCILIATION OF ADJUSTED EBITDA TO CONSOLIDATED LOSS FROM CONTINUING OPERATIONS AS REPORTED (Unaudited)

	Twelve Months Ended December 31	
(In thousands)	2021	
Consolidated loss from continuing operations	\$	28,115
<b>Add back (deduct):</b>		
Equity in income of unconsolidated entities, net		302
Income tax expense		9,089
Defined benefit pension income		(15,640)
Facilities fees and debt-related expense / (income)		5,506
Interest expense		63,235
Interest income		(2,231)
Depreciation		127,402
Amortization		32,232
<b>Unusual items:</b>		
Corporate strategic costs		4,450
Harsco Environmental Segment severance costs		(900)
Harsco Clean Earth Segment severance costs		390
<b>Adjusted EBITDA</b>	<b>\$</b>	<b>251,950</b>



# RECONCILIATION OF NON-GAAP MEASURES

## HARSCO CORPORATION

### RECONCILIATION OF PROJECTED CONSOLIDATED ADJUSTED EBITDA TO PROJECTED CONSOLIDATED INCOME FROM CONTINUING OPERATIONS (a)

(Unaudited)

(In millions)	Projected Three Months Ending September 30		Projected Twelve Months Ending December 31	
	2022		2022	
	Low	High	Low	High
<b>Consolidated loss from continuing operations</b>	\$ (12)	\$ (7)	\$ (132)	\$ (121)
<b>Add back (deduct):</b>				
Income tax (income) expense	5	6	8	9
Facility fees and debt-related (income) expense	1	1	—	—
Net interest	20	19	70	68
Defined benefit pension income	(2)	(2)	(9)	(9)
Depreciation and amortization	42	42	166	166
Unusual items:				
Corporate strategic costs	1	1	—	—
Harsco Clean Earth goodwill impairment	—	—	105	105
Harsco Clean Earth Segment severance costs	—	—	1	1
<b>Consolidated Adjusted EBITDA</b>	\$ 54 (b)	\$ 59 (b)	\$ 210 (b)	\$ 220 (b)

(a) Excludes Harsco Rail Segment

(b) Does not total due to rounding

# RECONCILIATION OF NON-GAAP MEASURES

## HARSCO CORPORATION

### RECONCILIATION OF HARSCO CLEAN EARTH PROJECTED ADJUSTED EBITDA TO HARSCO CLEAN EARTH PROJECTED OPERATING INCOME (LOSS) (Unaudited)

(In millions)	Harsco Clean Earth	
	Projected Twelve Months Ending December 31	
	2022	
	Low	High
Operating loss	\$ (110)	\$ (106)
Depreciation and amortization	44	44
Unusual Items:		
Goodwill impairment	105	105
Severance costs	1	1
Adjusted EBITDA	\$ 40	\$ 44

# RECONCILIATION OF NON-GAAP MEASURES

## HARSCO CORPORATION RECONCILIATION OF HARSCO ENVIRONMENTAL PROJECTED ADJUSTED EBITDA TO HARSCO ENVIRONMENTAL PROJECTED OPERATING INCOME (Unaudited)

(In millions)	Harsco Environmental	
	Projected Twelve Months Ending December 31	
	2022	
	Low	High
Operating income	\$ 88	\$ 94
Depreciation and amortization	120	120
Adjusted EBITDA	\$ 208	\$ 214

# RECONCILIATION OF NON-GAAP MEASURES

## HARSCO CORPORATION

### RECONCILIATION OF FREE CASH FLOW TO NET CASH PROVIDED BY OPERATING ACTIVITIES (Unaudited)

(In thousands)	Three Months Ended June 30		Six Months Ended June 30	
	2022	2021	2022	2021
Net cash provided by operating activities	\$ 152,054	\$ 36,703	\$ 117,739	\$ 13,530
Less capital expenditures	(28,833)	(41,264)	(61,791)	(68,646)
Less expenditures for intangible assets	(46)	(64)	(100)	(132)
Plus capital expenditures for strategic ventures (a)	180	926	508	1,798
Plus total proceeds from sales of assets (b)	615	6,180	6,591	10,042
Plus transaction-related expenditures (c)	218	3,920	1,096	18,004
Harsco Rail free cash flow deficit	7,667	14,064	38,988	29,748
Free cash flow	\$ 131,855	\$ 20,465	\$ 103,031	\$ 4,344

- Capital expenditures for strategic ventures represent the partner's share of capital expenditures in certain ventures consolidated in the Company's condensed consolidated financial statements.
- Asset sales are a normal part of the business model, primarily for the Harsco Environmental Segment.
- Expenditures directly related to the Company's acquisition and divestiture transactions and costs at Corporate associated with amending the Company's existing Senior Secured Credit Facilities.

# RECONCILIATION OF NON-GAAP MEASURES

## HARSCO CORPORATION

### RECONCILIATION OF FREE CASH FLOW TO NET CASH PROVIDED BY OPERATING ACTIVITIES (Unaudited)

Twelve Months  
Ended

December 31

2021

(In thousands)	
Net cash provided by operating activities	\$ 72,197
Less capital expenditures	(158,326)
Less expenditures for intangible assets	(358)
Plus capital expenditures for strategic ventures (a)	3,660
Plus total proceeds from sales of assets (b)	16,724
Plus transaction-related expenditures (c)	18,938
Harsco Rail free cash flow deficit	45,611
Free cash flow	(1,554)

- Capital expenditures for strategic ventures represent the partner's share of capital expenditures in certain ventures consolidated in the Company's consolidated financial statements.
- Asset sales are a normal part of the business model, primarily for the Harsco Environmental Segment.
- Expenditures directly related to the Company's acquisition and divestiture transactions.



# RECONCILIATION OF NON-GAAP MEASURES

## HARSCO CORPORATION

### RECONCILIATION OF PROJECTED FREE CASH FLOW TO PROJECTED NET CASH PROVIDED BY OPERATING ACTIVITIES (Unaudited) (a)

(In millions)	Projected Twelve Months Ending December 31	
	2022	
	Low	High
Net cash provided by operating activities	\$ 240	\$ 255
Less net capital expenditures	(125)	(130)
Free cash flow from continuing operations	115	125

(a) Excludes former Harsco Rail Segment

# HARSCO