

HARSCO CORP
Form DEF 14A
March 14, 2019
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A
(RULE 14a-101)
INFORMATION REQUIRED IN
PROXY STATEMENT
SCHEDULE 14A INFORMATION
Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934
(Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

HARSCO CORPORATION

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

- (1) Title of each class of securities to which transaction applies:

- (2) Aggregate number of securities to which transaction applies:

- (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

- (4) Proposed maximum aggregate value of transaction:

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- (1) Amount Previously Paid:

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(3) Filing Party:

(4) Date Filed:

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Notice of 2019

Annual Meeting of Stockholders

and Proxy Statement

Harsco Corporation

350 Poplar Church Road

Camp Hill, PA 17011 USA

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350 Poplar Church Road
Camp Hill, PA 17011 USA

Invitation to Attend 2019 Annual Meeting of Stockholders

Tuesday, April 23, 2019

9:00 a.m., Eastern Time

The Wagner at the Battery, New York, New York

Dear Fellow Stockholders:

You are cordially invited to attend the 2019 Annual Meeting of Stockholders (the Annual Meeting) of Harsco Corporation (the Company), which will be held on Tuesday, April 23, 2019, beginning at 9:00 a.m., Eastern Time, at The Wagner at the Battery, Two West Street, New York, New York 10004.

Information about the business to be conducted at the Annual Meeting, including a listing and discussion of the various matters on which you will be asked to act, can be found in the attached Notice of 2019 Annual Meeting of Stockholders and Proxy Statement.

Your vote is very important to us, and I encourage you to vote your shares whether or not you plan to attend the Annual Meeting. There are several ways in which you can vote your shares, including via the Internet, by telephone, or by signing, dating and returning your Proxy Card. Specific information about each of these voting methods can be found in the Proxy Statement under the heading Questions and Answers About the Company s Annual Meeting.

I hope you will be able to attend this year s Annual Meeting, and I look forward to greeting as many of you as possible. On behalf of my fellow members of the Board of Directors, I want to thank you in advance for voting and for your continued support of the Company.

Sincerely,

F. Nicholas Grasberger III

Chairman, President & Chief Executive Officer

March 14, 2019

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Notice of 2019 Annual Meeting of Stockholders

Tuesday, April 23, 2019

9:00 a.m., Eastern Time

The Wagner at the Battery, New York, New York

The 2019 Annual Meeting of Stockholders (the Annual Meeting) of Harsco Corporation (the Company) will be held on Tuesday, April 23, 2019, beginning at 9:00 a.m., Eastern Time, at The Wagner at the Battery, Two West Street, New York, New York 10004.

The purposes of the meeting are as follows:

1. To elect the eight nominees named in the Proxy Statement to serve as Directors until the 2020 Annual Meeting of Stockholders;
2. To ratify the appointment of PricewaterhouseCoopers LLP as independent auditors for the fiscal year ending December 31, 2019;
3. To vote, on an advisory basis, to approve the compensation of the Company's named executive officers; and
4. To conduct such other business as may properly come before the Annual Meeting or any adjournment or postponement thereof.

The Proxy Statement accompanying this Notice of 2019 Annual Meeting of Stockholders describes each of these items in detail. In addition, the Proxy Statement contains other important information that you should read and consider before you vote.

The Board of Directors of the Company has fixed the close of business on February 26, 2019 as the record date for the determination of stockholders who are entitled to notice of, and to vote at, the Annual Meeting and any adjournment or postponement thereof.

The Company is furnishing proxy materials over the Internet as permitted under the rules of the Securities and Exchange Commission. Under these rules, many of the Company's stockholders will receive a Notice of Internet Availability of Proxy Materials instead of a paper copy of the Notice of 2019 Annual Meeting of Stockholders and Proxy Statement, our Proxy Card, our Annual Report on Form 10-K and the Letter from our Chairman & CEO. We believe this process allows us to provide our stockholders with the information they need while lowering the costs of printing and distributing proxy materials. Stockholders who do not receive a Notice of Internet Availability of Proxy Materials will receive a paper copy of the proxy materials by mail.

Your vote is very important to us and we encourage you to vote your shares as soon as possible even if you plan to attend the Annual Meeting in person. Information about how to vote your shares via the Internet, by telephone, or by signing, dating and returning your Proxy Card can be found in the enclosed Proxy Statement.

By order of the Board of Directors,

Russell C. Hochman

Senior Vice President and General Counsel, Chief Compliance Officer & Corporate Secretary

March 14, 2019

Important Notice Regarding the Availability of Proxy Materials for the Stockholder Meeting to be Held on April 23, 2019. The Notice of 2019 Annual Meeting of Stockholders and Proxy Statement, our Proxy Card, our Annual Report on Form 10-K and the Letter from our Chairman & CEO are available free of charge at www.envisionreports.com/hsc (for registered stockholders) or www.edocumentview.com/hsc (for all other stockholders), or by calling toll-free (866) 641-4276.

Table of Contents**Proxy Summary****2019 ANNUAL MEETING OF STOCKHOLDERS**

Date and Time: Tuesday, April 23, 2019
9:00 a.m., Eastern Time

Place: The Wagner at the Battery
Two West Street
New York, New York 10004

Record Date: February 26, 2019

VOTING MATTERS AND BOARD RECOMMENDATIONS

Voting Matter	Board Vote Recommendation	Page Number with More Information
Proposal No. 1: <u>Election of Directors</u>	FOR each nominee	13
Proposal No. 2: <u>Ratification of Appointment of Independent Auditors</u>	FOR	30
Proposal No. 3: <u>Vote, on an Advisory Basis, to Approve Named Executive Officer Compensation</u>	FOR	71

This Proxy Summary contains highlights of certain information in this Proxy Statement. Because it is only a summary, it does not contain all the information that you may wish to consider prior to voting. Please review the complete Proxy Statement and the Company's Annual Report on Form 10-K for additional information.

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You have the opportunity to vote on the election of the following eight nominees for Director. Additional information regarding each Director nominee's experience, skills and qualifications to serve as a member of the Company's Board of Directors can be found in the section entitled "Nominees for Director."

Name	Age	Years on Board	Position	Independent	Committee Memberships*#
James F. Earl	62	7	Retired Executive Vice President of GATX Corporation	Yes	MD&C+ Nominating
Kathy G. Eddy	68	15	Founding Partner of McDonough, Eddy, Parsons & Baylous, AC	Yes	Audit Nominating+
David C. Everitt	66	9	Lead Director of the Company	Yes	None
F. Nicholas Grasberger III	55	5	Chairman, President & CEO of the Company	No	None
Carolann I. Haznedar	59	++	Retired Senior Vice President Americas, DuPont Performance Materials	Yes	Audit Nominating
Mario Longhi	64	1	Retired President & Chief Executive Officer of United States Steel Corporation	Yes	Audit MD&C
Edgar (Ed) M. Purvis, Jr.	61	1	Retired Executive Vice President and Chief Operating Officer of Emerson Electric Co.	Yes	MD&C Nominating
Phillip C. Widman	64	5	Retired Senior Vice President and Chief Financial Officer of	Yes	Audit+ MD&C

- * *MD&C = Management Development and Compensation Committee*
Nominating = Nominating and Corporate Governance Committee
- # *Reflects Committee Memberships as of March 1, 2019*
- + *Indicates Committee Chair as of March 1, 2019*
- ++ *Currently in first year of service on the Company's Board of Directors. Was appointed as a Director on October 22, 2018.*

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GOVERNANCE HIGHLIGHTS

Board Composition

3 new Directors in the last two years; **5 new Directors** in last 5 years

Highly qualified Directors reflect broad mix of business backgrounds, skills and experiences

Corporate Governance

3 fully independent Board committees

Executive session of independent Directors held at each regularly-scheduled Board meeting

Declassified Board all Directors elected annually

By-laws provide a resignation requirement if a Director does not receive majority approval in uncontested election (subject to acceptance by Board)

Restated Certificate of Incorporation provides for majority voting in uncontested elections of Directors

Formal policy on Board diversity

Mandatory retirement age of 72

Annual Board and committee self-assessments

Bi-Annual evaluation of individual Director performance

Corporate Governance Principles limit Director membership on other public company boards

Strong clawback and anti-hedging policies

Significant share ownership requirements for Directors and senior executives

Active role in risk oversight

Annual advisory vote to approve named executive officer compensation

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EXECUTIVE COMPENSATION HIGHLIGHTS

Our executive compensation program is designed to provide competitive pay based on Company performance, attract, retain and motivate our senior leaders, align the interests of executives with those of our stockholders, and drive long-term stockholder value. To achieve these objectives, our program includes the following key features:

We Pay for Performance

by aligning our total compensation with business strategies to reward executives who achieve or exceed applicable Company and business unit goals.

At target performance levels, 2018 variable compensation represented approximately 82% of our Chairman, President & Chief Executive Officer's (CEO) total compensation and, on average, approximately 67% of total compensation for our other named executive officers (NEOs).

Payouts under our 2018 annual incentive plan were 100% performance based – all NEOs had at least 50% of their annual incentive tied to Harsco Consolidated results – and payouts varied based upon performance achievement. Forty percent of the equity awards granted to our CEO and one third of the equity awards granted to our other NEOs in 2018 were in the form of performance share units, which may be earned based on achievement of pre-determined performance goals.

We Pay Competitively

by setting total target compensation at the median of our defined market for talent.

We regularly review and, as appropriate, make changes to our compensation peer group to ensure it is representative of our market for talent, our business portfolio and our global footprint.

We provide competitive benefits to attract and retain our NEOs.

We Align Our Compensation Programs with Stockholder Interests

by providing a significant amount of each NEO's compensation opportunity in the form of equity and requiring NEO stock ownership.

Our 2018 long-term incentive plan was comprised entirely of equity-based vehicles (restricted stock units, stock appreciation rights and performance share units).

Stock ownership requirements for our current NEOs ranged from three times salary for NEOs other than our CEO to six times salary for our CEO.

We Employ Sound Compensation Governance

by including practices and policies that are consistent with market practices, supportive of our business structure and aligned with stockholders' expectations.

We follow a number of compensation guidelines and policies implemented to manage our programs in a prudent and risk averse manner.

NEO Total Target Compensation for 2018					
Compensation Element	% of Total (CEO)	% of Total (Avg. for All Other NEOs)	Description	Cash	Equity
Base Salary	18	33	Annual stable source of income	Yes	
Annual Incentive (AIP Award)	20	23	Variable, performance-based annual cash payment	Yes	
Long-Term Incentive (LTIP Awards)	62	44	Variable, time and performance-based annual equity award grants with three-year vesting		Yes

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Proxy Statement

This Proxy Statement and the accompanying form of proxy are first being sent to the stockholders on or about March 14, 2019, and are being furnished in connection with the solicitation of proxies on behalf of the Board of Directors (the Board) of Harsco Corporation (the Company, Harsco, we or us) for use at the Annual Meeting of Stockholders of the Company (the Annual Meeting) to be held at The Wagner at the Battery, Two West Street, New York, New York 10004, on Tuesday, April 23, 2019, beginning at 9:00 a.m., Eastern Time.

Should you wish to obtain directions to The Wagner at the Battery in order to attend the Annual Meeting and vote in person, contact our Corporate Communications Department by calling (717) 763-7064.

The Notice of 2019 Annual Meeting of Stockholders and Proxy Statement, our Proxy Card, our Annual Report on Form 10-K and the Letter from our Chairman & CEO are available free of charge at www.envisionreports.com/hsc (for registered stockholders) or www.edocumentview.com/hsc (for all other stockholders), or by calling toll-free (866) 641-4276.

Questions and Answers about the Company's Annual Meeting

Q: Who is entitled to vote at the Annual Meeting?

A: You can vote if, as of the close of business on February 26, 2019 (the Record Date), you were a stockholder of record of the Company's common stock (Common Stock). As of the Record Date, there were 80,075,361 shares of our Common Stock outstanding. Stockholders are entitled to cast one vote for each share of Common Stock held as of the Record Date on each matter presented for voting at the Annual Meeting. There are no cumulative voting rights.

Q: How do I vote my shares by proxy?

A: Most stockholders can vote their shares by proxy in three ways:

By Internet You can vote via the Internet by going to www.envisionreports.com/hsc and following the instructions outlined on that website;

By Telephone In the United States and Canada, you can vote telephonically by calling (800) 652-8683 (toll free) and following the instructions provided by the recorded message; or

By Mail If you received a paper copy of the proxy materials, you can vote by mail by filling out the enclosed proxy card and returning it pursuant to the instructions set forth on the card. If you wish to vote by mail but received a Notice of Internet Availability of Proxy Materials in lieu of a paper copy of the proxy materials, you may contact our Corporate Communications Department

by calling (717) 763-7064 to request that a full packet of proxy materials be sent to your home address. To facilitate timely delivery, all requests for a paper copy of the proxy materials must be received by April 12, 2019.

Please see the Notice of Internet Availability of Proxy Materials or the information your bank, broker or other holder of record provided you for more information on these voting options.

Q: Can I vote in person at the Annual Meeting instead of voting by proxy?

A: Yes, please bring the 2019 Annual Meeting Admission Ticket and photo identification to the registration desk when you arrive at the Annual Meeting. While we encourage all stockholders to attend the Annual Meeting, we encourage you to vote your shares via the Internet, by telephone or by mail prior to the Annual Meeting, even if you plan to attend.

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Q: Can I change or revoke my proxy?

A: Yes. You may change or revoke your proxy by Internet, telephone or mail prior to 11:59 p.m. Eastern Time on Monday, April 22, 2019. You may also change or revoke your proxy by attending the Annual Meeting and voting in person. If you hold your shares through a bank, broker or other nominee, only that bank, broker or nominee can revoke your proxy on your behalf.

Q: What if I am a beneficial owner and do not give instructions to my broker?

A: As a beneficial owner, in order to ensure your shares are voted in the way you would like, you must provide voting instructions to your broker by the deadline provided in the proxy materials you received from your broker. If you do not provide voting instructions to your broker, whether your shares can be voted by your broker depends on the proposal being considered. Under the rules of the New York Stock Exchange (NYSE), if your broker does not receive voting instructions from you, the broker is entitled to vote your shares on all routine proposals being considered, including the ratification of our auditors (Proposal No. 2). Brokers are not entitled to vote your shares with respect to the election of Directors or the advisory vote on the compensation of the Company's named executive officers (Proposal Nos. 1 and 3) without your instructions. This is referred to as a broker non-vote.

Q: What if I hold my shares through the Harsco Corporation Savings Plan or the Harsco Retirement Savings & Investment Plan?

A: If you are a participant in the Harsco Corporation Savings Plan and/or the Harsco Retirement Savings & Investment Plan, you can instruct the Trustee of those plans how to vote the shares of Common Stock that are allocated to your account, if any, by going to www.proxyvote.com and following the instructions outlined in that website or by calling (800) 690-6903 (toll free) and following the instructions provided by the recorded message. You may also fill out the enclosed voting instruction card and return it pursuant to the instructions set forth on the card.

If you do not instruct the Trustee how to vote your shares, the Trustee will vote them in the same proportion as those shares for which the Trustee did receive voting instructions.

Q: How many shares must be present to conduct the Annual Meeting?

A: To carry on the business of the Annual Meeting, a minimum number of shares, constituting a quorum, must be present at the meeting, either in person or by proxy. A quorum consists of a majority of the issued and outstanding shares of our Common Stock as of the Record Date.

Q: What vote is required to pass each of the proposals at the Annual Meeting?

A: Assuming that a quorum is present:

Proposal No. 1: Election of Directors nominees for the Board of Directors will be elected if more votes are cast in favor of a nominee than are cast against such nominee by the holders of shares present in person or represented by proxy and entitled to vote at the Annual Meeting.

Proposal No. 2: Ratification of the Appointment of PricewaterhouseCoopers LLP as Independent Auditors the affirmative vote of the holders of at least a majority of the shares cast at the Annual Meeting, in person or by proxy, is required.

Proposal No. 3: Vote, on an Advisory Basis, to Approve the Compensation of the Company's Named Executive Officers the affirmative vote of the holders of at least a majority of the shares present at the Annual Meeting, in person or by proxy, and entitled to vote is required.

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In certain circumstances, a stockholder will be considered to be present at the Annual Meeting for quorum purposes but will not be deemed to have cast a vote on each particular proposal. This occurs when a stockholder withholds a vote or abstains from voting on a proposal, or in the event of a broker non-vote. In accordance with Delaware law and our Restated Certificate of Incorporation and by-laws, broker non-votes will not be treated as votes cast with respect to the election of Directors (Proposal No. 1) and therefore will not affect the outcome of Director elections. With respect to the advisory vote to approve the compensation of our named executive officers (Proposal No. 3), abstentions will have the effect of negative votes, but broker non-votes will not have any effect. With respect to the ratification of our auditors (Proposal No. 2), abstentions will have the effect of negative votes.

Q: What happens if a nominee for Director does not receive majority approval?

A: Our Restated Certificate of Incorporation provides that, in an uncontested election (that is, an election where the number of Director nominees does not exceed the number of Directors to be elected), each Director nominee must receive the affirmative vote of a majority of the votes cast with respect to his or her election in order to be elected. In addition, our by-laws provide that if a nominee does not receive more for votes than votes withheld for his or her election, the Director must tender his or her resignation to the Board for consideration. The Nominating and Corporate Governance Committee will then review the resignation and recommend to the Board whether to accept or reject it. The Board will act on the Nominating and Corporate Governance Committee's recommendation and publicly disclose its decision within 90 days following certification of the election results.

If a Director's resignation is not accepted by the Board, then the Director who tendered that resignation will continue to serve on the Board until the 2020 Annual Meeting of Stockholders and until his or her successor is elected and qualified, or until his or her earlier death, unconditional resignation or removal.

Q: Who counts the votes and how will my shares be voted if I return a proxy but do not submit instructions regarding how to vote on a particular matter?

A: Stockholder votes will be tabulated by an independent inspector of election for the Annual Meeting. The individuals appointed by the Board to serve as proxies for the Annual Meeting will vote your shares in accordance with the instructions you provide on your proxy card or through your Internet or telephonic vote. If you submit a proxy but do not indicate how your shares should be voted on a particular matter, your shares will be voted as follows:

FOR the election as Directors of each of the eight nominees of the Board;

FOR the ratification of the appointment of PricewaterhouseCoopers LLP as independent auditors for the fiscal year ending December 31, 2019; and

FOR the approval, on an advisory basis, of our named executive officer compensation.

Q: How are proxies solicited and what is the cost?

A: We pay the cost of soliciting proxies for the meeting. In addition to solicitation by mail, our employees may solicit proxies personally or by telephone or facsimile, but they will not receive additional compensation for these services. Arrangements may be made with brokerage houses, custodians, nominees and fiduciaries to send proxy materials to their principals and we may reimburse them for their expenses. We have retained D.F. King & Co., Inc. to assist in the solicitation of proxies at a cost that is not expected to exceed \$15,000 plus reasonable out-of-pocket expenses.

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The Board of Directors

General Oversight

The Board has general oversight responsibility for the Company's affairs. Although the Board does not have responsibility for day-to-day management of the Company, Board members stay informed about the Company's business through regular meetings, site visits and other periodic interactions with management. The Board is deeply involved in the strategic planning process for the Company and each of its business divisions. The Board also plays an important oversight role in the Company's leadership development and succession planning processes.

Composition

The Board is currently comprised of eight Directors, seven of whom qualify as independent. In accordance with the Board's Corporate Governance Principles and applicable sections of the NYSE Listed Company Manual (the "NYSE Rules"), the independent Directors regularly meet in executive session. These meetings allow the independent Directors to discuss important issues, including the business and affairs of the Company as well as matters concerning management, without any member of management present. During the 2018 fiscal year, the independent Directors held five meetings. On average, the group of independent Directors attended 98% of the independent Directors meetings held in 2018.

Leadership Structure

The Company's governance documents provide the Board with flexibility to select the leadership structure that is most appropriate for the Company and its stockholders. The Board regularly evaluates the Company's leadership structure and has concluded that the Company and its stockholders are best served by not having a formal policy regarding whether the same individual should serve as both Chairman of the Board and CEO. This approach allows the Board to elect the most qualified Director as Chairman of the Board while also maintaining the ability to separate the Chairman of the Board and CEO roles when necessary or appropriate.

In 2018 the Board elected F. Nicholas Grasberger III, our President & CEO, as Chairman of the Board. In addition, the Board elected David C. Everitt as independent Lead Director of the Board. When the Board appointed Mr. Everitt as the Lead Director, the Board reviewed the Lead Director's role and responsibilities to ensure responsible oversight, including taking into account feedback received from existing investors (see "Engagement Regarding Leadership Structure" below).

As Lead Director, Mr. Everitt has the following responsibilities, which are set forth in the Company's Corporate Governance Principles:

- Establishing the agenda for the executive sessions of the independent directors;
- Calling meetings of the independent directors, in addition to the executive sessions of independent directors held after each Board meeting;
- Chairing the executive sessions and other meetings of the independent directors;
- Communicating the result of meetings of the independent directors to the Chairman and other members of management, as appropriate;
- Regularly consulting with the Chairman;
- Discussing the schedule and agenda for the Board meetings with the Chairman;

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Approving the meeting schedules to assure that there is sufficient time for discussion of all agenda items;
Presiding at Board meetings in the absence of the Chairman;
Reviewing information that is sent to the Board and all critical communications to the Board; and
Being available for consultation and direct communication at the request of major stockholders.

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Finally, the Board has established three standing committees to assist with its oversight responsibilities: (1) the Audit Committee; (2) the Management Development and Compensation Committee (the MD&C Committee); and (3) the Nominating and Corporate Governance Committee (the Nominating Committee). Each of the Audit Committee, MD&C Committee and Nominating Committee is comprised entirely of independent Directors.

Engagement Regarding Leadership Structure

In order to continuously evaluate the Company’s governance and compensation policies and processes, we continually engage our stockholders on various issues through an extensive and thoughtful investor relations program. In addition to the Company’s outreach via investor conferences, roadshows, and other means, an engagement team specifically reached out to holders of over 60% of our outstanding shares regarding governance matters and the potential recombination of our Chairman and CEO roles before the Board elected Mr. Grasberger as Chairman. During those engagements, Harsco received valuable feedback on considerations for, and responsibilities of, a Lead Director. In addition, during those engagements Harsco also gained valuable insight on several topics, including:

- Governance trends;
- Environmental risk management;
- Board composition and Director skills/expertise; and
- Executive compensation and alignment with performance.

This feedback was shared with the Board and its relevant committees.

Board Role in Risk Oversight

Management is responsible for identifying, evaluating, managing and mitigating the Company’s exposure to risk. It is the Board’s responsibility to oversee the Company’s risk management process and to ensure that management is taking appropriate action to identify, manage and mitigate key risks. The Board administers its risk oversight responsibilities both through active review and discussion of key risks facing the Company and by delegating certain risk oversight responsibilities to committees for further consideration and evaluation. The following table summarizes the role of the Board and each of its committees in overseeing risk:

Governing Body	Role of Risk Oversight
Board	<p>Regularly reviews the strategic plans of the Company and each of its business divisions, including risks associated therewith</p> <p>Reviews enterprise-level and other key risks identified through the Company’s enterprise risk management (ERM) process as well as management’s plans to mitigate those risks</p> <p>Conducts annual succession plan reviews to ensure the Company maintains appropriate succession plans for its senior officers</p>

Audit Committee

Oversees compliance with legal and regulatory requirements and the Company's Code of Conduct

Oversees financial risks, including risks relating to key accounting policies

Oversees the Company's ERM framework and the process for identifying, assessing and monitoring key business risks

Reviews internal controls with the Principal Financial Officer, Principal Accounting Officer and internal auditors

Meets regularly, including executive sessions, with representatives of the independent auditors

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Governing Body	Role of Risk Oversight
	Oversees risks relating to the Company's compensation programs*
	Oversees risks relating to the Company's equity programs*
	Oversees the process for conducting annual risk assessments of the Company's compensation policies and practices*
MD&C Committee	<p>Employs an independent compensation consultant to assist in reviewing compensation programs, including the potential risks created by the programs*</p> <p>Oversees the Company's executive management succession planning program</p>
Nominating Committee	<p>Oversees risks relating to the Company's governance structure and other corporate governance matters and processes</p> <p>Evaluates related person transactions</p> <p>Oversees compliance with key corporate governance documents, including the Corporate Governance Principles and the Insider Trading Policy</p> <p>Oversees the delegation of risks identified in the ERM framework to the Board and its committees</p>

* Further detail regarding the MD&C Committee's review of compensation-related risks can be found under the heading "Compensation Policies and Practices as They Relate to Risk Management" of this Proxy Statement.

The decision to administer the Board's oversight responsibilities in this manner has a key effect on the Board's leadership and committee structure, described in more detail above.

Experience, Skills and Qualifications

The Nominating Committee works with the full Board to determine the appropriate characteristics, skills and experiences for the Board as a whole as well as its individual members. While the Nominating Committee has not established minimum criteria for Director candidates, it has established important factors that it considers when evaluating potential candidates. These factors are set forth in the Board's Corporate Governance Principles and include integrity and strength of character, mature judgment, strategic thinking, demonstrated leadership skills, relevant business experience, experience with international business issues and risk, public company experience, innovation, technology or information technology expertise, brand marketing experience, availability, career specialization, relevant technical skills, time and willingness to perform duties as a Director, absence of conflicts of interest, diversity and the extent to which the candidate would fill a present need on the Board. In addition, as explained in more detail below in the section entitled "Diversity," the Board is committed to a policy of inclusiveness that requires all new Board nominees to be drawn from a pool that includes diverse candidates, with a commitment to seeking out highly qualified

women and minority candidates.

In addition to evaluating new Director candidates, the Nominating Committee regularly assesses the composition of the Board in order to ensure it reflects an appropriate balance of knowledge, skills, expertise, diversity and independence. As part of this assessment, each Director is asked to identify and assess the particular experiences, skills and other attributes that qualify him or her to serve as a member of the Board. Based on the most recent assessment of the Board's composition completed in February 2019, the Nominating Committee and the Board have determined that, in light of the Company's current business structure and strategies, the Board has an appropriate mix of Director experiences, skills, qualifications and backgrounds.

Set forth below is a general description of the types of experiences and skills the Nominating Committee and the Board believe to be particularly relevant to the Company at this time:

Leadership Experience

Directors who have demonstrated significant leadership experience over an extended period of time, especially current and former executive officers, provide the Company with valuable insights that can only be gained through years of

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managing complex organizations. These individuals understand both the day-to-day operational responsibilities facing senior management and the role Directors play in overseeing the affairs of large organizations. Seven of the eight nominees are current or former executive officers.

International Experience

Given the Company's global footprint and current focus on growing its presence in emerging markets, Directors with experience in markets outside the United States are critical to the Company's long-term success.

Innovation and Technology Experience

In light of the important role of innovation and technology to the Company's businesses, Directors with innovation and technology experience add significant value to the Board.

General Industrial Experience

Directors that have direct experience with industrial businesses bring key insights to the strategic planning process and provide important practical experience to the Board and management.

Brand Marketing Experience

Directors with a proven track record for marketing and growing global brands bring valuable skills that can have a positive impact on the Company's operational results, especially as it looks to leverage its brand to expand into new markets and territories.

Financial Experience

Directors with an understanding of accounting, finance and financial reporting processes, particularly as they relate to large, multi-national businesses, are critical to the Company. Accurate financial reporting is a cornerstone of the Company's success, and Directors with financial expertise help to provide effective oversight of the Company's financial measures and processes.

A description of the most relevant experiences, skills, attributes and qualifications that qualify each Director candidate to serve as a member of the Board is included in his or her biography.

Diversity

The Board believes that diversity is one of many important considerations in board composition. To ensure the Board is comprised of members with an appropriate mix of characteristics, skills, experiences and backgrounds, the Board has adopted a Board diversity policy, which is set forth in the Board's Corporate Governance Principles as well as the Nominating Committee's written charter. Pursuant to the diversity policy, the Board is committed to seeking out highly qualified women and minority candidates as well as candidates with diverse backgrounds, experiences and skills as part of each Board search the Company undertakes, and ensuring that Board nominees are drawn from a pool that includes diverse candidates, including women and minority candidates.

As noted above, the Nominating Committee evaluates the current composition of the Board from time-to-time to ensure that the Directors reflect a diverse mix of skills, experiences, backgrounds and opinions. Depending on the current composition of the Board, the Nominating Committee may weigh certain factors, including those relating to

diversity, more or less heavily when evaluating potential Director candidates.

The Board and the Nominating Committee believe that the Company's current Directors, as a group, reflect the diverse mix of skills, experiences, backgrounds and opinions necessary to foster an effective decision-making environment and promote the Company's culture across the globe. Each of the Company's current Directors has significant experience working in international environments (including Directors who have lived and worked outside the United States for significant portions of their careers), and Board member experiences cover a wide range of industries.

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Proposal 1: Election of Directors

The first proposal to be voted on at the Annual Meeting is the election of eight Directors, each of whom has been recommended for election by the Board. If elected, the Directors will hold office until the next annual meeting of stockholders or until their successors are elected and qualified, subject to the Board's resignation requirement (as described in more detail below).

The Board recommends that stockholders vote FOR the election of each of the following nominees:

J. F. Earl,
K. G. Eddy,
D. C. Everitt,
F. N. Grasberger III,
C. I. Haznedar,
M. Longhi,
E. M. Purvis, Jr., and
P. C. Widman.

As discussed above, under the Company's Restated Certificate of Incorporation, in any uncontested election, each Director nominee must receive the affirmative vote of a majority of the votes cast with respect to his or her election in order to be elected. This is known as a majority voting standard. If any Director nominee fails to receive more for votes than votes against for his or her election, then such Director will be required by the Company's by-laws to tender his or her resignation to the Board for consideration. The Nominating Committee will then review the resignation and recommend to the Board whether to accept or reject it. The Board will act on the Nominating Committee's recommendation and publicly disclose its decision within 90 days following certification of the election results. In the event the Board determines not to accept the Director's resignation, the Board will also disclose the reasons such resignation was rejected. The Director who tendered his or her resignation will not participate in the Nominating Committee's recommendation or the Board's decision. If a Director's resignation is not accepted by the Board, then the Director who tendered that resignation will continue to serve on the Board until the 2020 Annual Meeting of Stockholders and until his or her successor is elected and qualified, or until his or her earlier death, unconditional resignation or removal.

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Nominees for Director

All of the following Directors have been recommended for election by the Nominating Committee, and the Board has approved all such recommendations. Each of the following nominees for Director has accepted the nomination and has agreed to serve as a Director if elected by the Company's stockholders.

The information set forth below states the name of each nominee for Director standing for re-election, his or her age (as of March 1, 2019), a listing of present and recent employment positions, the year in which he or she first became a Director of the Company, other directorships held, the nominee's specific experience, qualifications, attributes or skills that qualify him or her to serve as a Director and the committees of the Board on which the individual serves.

Nominees for Election as Directors with Terms Expiring in 2020

James F. Earl

Director since 2012, Age 62

Retired Executive Vice President of GATX Corporation (GATX) (one of the world's leading railcar and locomotive leasing companies). Mr. Earl served as an executive with GATX since 1988 and was most recently Executive Vice President of GATX from 2006 until his retirement on March 1, 2018 and President of the GATX Rail International business segment and CEO of American Steamship Company (a division of GATX) from 2012 until his retirement on March 1, 2018. Prior to GATX, Mr. Earl held management positions with two railroad companies, Soo Line Railroad and Southern Pacific Transportation Company. He is a past recipient of the Norman W. Seip Award for Industry Excellence in the rail finance industry.

With several decades of senior management experience in the rail industry, Mr. Earl contributes to the Board a sophisticated and informed perspective on one of the Company's major business units. Furthermore, as the retired President of the GATX Rail International business segment, Mr. Earl has gained substantial international business experience, which enhances his contributions to the Board.

Committee Memberships: MD&C (Chair), Nominating

Kathy G. Eddy

Director since 2004, Age 68

Founding partner of McDonough, Eddy, Parsons & Baylous, AC (a public accounting firm) since 1981. Chairman of the Board of Directors of the American Institute of Certified Public Accountants (AICPA) between 2000 and 2001. Current member of the AICPA Governing Council. Member of the Board of Directors, Executive Committee and Chairman of the Audit Committee of West Virginia United Health System, Inc. since 2011.

Ms. Eddy brings substantial financial accounting and consulting experience to our Board, having served as a certified public accountant for over 30 years. She is a past recipient of the AICPA gold medal for distinguished service, and she continues to serve the AICPA as a member of the Governing Council. Ms. Eddy also gained significant leadership

experience while serving as Chairman of the West Virginia Jobs Investment Trust Board from 1993 to 1997. In addition, Ms. Eddy served as Chairman of the Board of Directors of Camden Clark Memorial Hospital in Parkersburg, West Virginia from 1997 to 2000, and she continues to serve on Camden Clark's Board of Directors and on its Executive Committee. Ms. Eddy's extensive accounting career, her long tenure as a member of the Company's Board and Audit Committee (where she served as Chairman from 2007 to 2010), her service as Chair of the Nominating Committee and her previous service as Lead Director, as well as her demonstrated leadership skills, make her an integral part of our Board.

Committee Memberships: Audit, Nominating (Chair)

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[Nominees for Election as Directors with Terms Expiring in 2020 - Contd...](#)

[David C. Everitt](#)

Director since 2010, Age 66

Independent Lead Director of the Company since October 22, 2018. Former Non-Executive Chairman of the Company from August 1, 2014 to October 22, 2018. Interim President & CEO of the Company from February 28, 2014 to July 30, 2014. Former Co-Leader of the Agriculture and Turf division of Deere & Company (the world's largest manufacturer of agricultural equipment and a major U.S. producer of construction, forestry, and lawn and grounds care equipment), the company's largest operating group. Mr. Everitt served as President - North America, Asia, Australia, Sub-Saharan and South Africa and Global Tractor and Turf Products from 2009 until his retirement from Deere & Company in September 2012. Prior to that, he had served as President, Agricultural Division - North America, Australia, Asia and Global Tractor and Implement Sourcing since January 2006. Mr. Everitt is a member of the Board of Directors of Allison Transmission, where he serves on the Nominating and Corporate Governance Committee, Brunswick Corporation, where he serves on the Nominating and Corporate Governance Committee and the Human Resources and Compensation Committee, and Nutrien Ltd., where he serves on the Audit Committee and the Human Resources and Compensation Committee. Mr. Everitt previously served on the Board of Directors of Agrium, Inc. until its merger with Potash Corporation, which formed Nutrien Ltd. He is also a member of the Board of Directors of the National Business Aviation Association.

Mr. Everitt's service both as former Non-Executive Chairman and as former Interim President & CEO of the Company provides him with comprehensive knowledge of the various segments of our business and of the critical internal and external challenges facing the Company and the industries in which it operates. His leadership within the Company, as well as his senior leadership roles across various Deere & Company entities, combined with his engineering experience and global expertise, make him a valuable Board contributor.

Committee Memberships: None

[F. Nicholas Grasberger III](#)

Director since 2014, Age 55

Chairman, President and Chief Executive Officer since October 22, 2018. President and Chief Executive Officer from August 1, 2014 to October 22, 2018. Mr. Grasberger served as Senior Vice President and Chief Financial Officer from April 2013 to November 2014, and as President and Chief Operating Officer from April 2014 to August 2014. Prior to joining Harsco in 2013, Mr. Grasberger served as the Managing Director of the multinational Precision Polymers division of Fenner Plc from March 2011 to April 2013. From April 2009 to November 2009 he served as Executive Vice President and Chief Executive Officer of Armstrong Building Products. From January 2005 to March 2009 he served as Senior Vice President and Chief Financial Officer of Armstrong World Industries, Inc. Prior to his employment with Armstrong, Mr. Grasberger served as Vice President and Chief Financial Officer of Kennametal Inc. and before that as Corporate Treasurer and Director of the corporate planning process at H.J. Heinz Company.

Mr. Grasberger's day-to-day leadership of Harsco Corporation provides an invaluable contribution to the Company's Board of Directors. From his previous executive positions with other large public companies serving in accounting, financial and operational roles, Mr. Grasberger brings leadership, vision and extensive business operating, financing and global experience to the Company.

Committee Memberships: None

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[Nominees for Election as Directors with Terms Expiring in 2020 - Contd...](#)

[Carolann I. Haznedar](#)

Director since 2018, Age 59

Retired Senior Vice President Americas, DuPont Performance Materials. Ms. Haznedar held various positions with E.I. du Pont de Nemours and Company from August 1981 until June 2016. Most recently, she served as Senior Vice President Americas, DuPont Performance Materials from September 2015 until June 2016, Senior Vice President Americas, Packaging & Industrial Polymers from October 2011 until September 2015, and Senior Vice President Global, Packaging & Industrial Polymers from July 2008 until October 2011. Prior to E.I. du Pont de Nemours and Company, Ms. Haznedar worked for Edo Aire Corporation. Ms. Haznedar is currently a director of Allison Transmission, where she serves on the Audit Committee.

Ms. Haznedar's career at E.I. du Pont de Nemours included responsibility for their multi-billion dollar global packaging and industrial polymers business. Other global businesses she led include Engineering Polymers focused in the automotive industry, Kevlar® Life Protection, and Elastomers serving industrial markets. She started at DuPont in manufacturing at one of their largest plants. Ms. Haznedar brings strong operational excellence and business leadership to our Board. In addition, her experience in driving growth and innovation, and her deep global experience with lean organizations, identifying and developing talent, combined with her outstanding record of achieving significant profitable growth is a benefit to our Board.

Committee Memberships: Audit, Nominating

[Mario Longhi](#)

Director since 2017, Age 64

Retired President & Chief Executive Officer and former Director of United States Steel Corporation (US Steel). Mr. Longhi served as Chief Executive Officer of US Steel from September 2013 until his retirement in June 2017. From July 2012 until September 2013 Mr. Longhi served in various other senior management positions within US Steel. Prior to joining US Steel, Mr. Longhi spent six years at Gerdau Ameristeel Corporation, serving first as President from 2005 through 2006 and then additionally in the role of Chief Executive Officer from 2006 until 2011. Before Gerdau Ameristeel, Mr. Longhi spent 23 years at Alcoa, Inc., which he joined in 1982 as a construction superintendent for the company's Alumar Refinery in his native Brazil. Mr. Longhi received a Bachelor's degree in metallurgical engineering from the Institute Mauá de Tecnológica in São Paulo, Brazil in 1977. Mr. Longhi was named 2015 Steelmaker of the Year by the Association for Iron and Steel Technology and CEO of the Year at the 2015 Platts Global Metals Awards. He was also honored by American Metal Market in 2011 with an Award for Steel Excellence as Industry Ambassador/Advocate of the Year. In January 2017, Mr. Longhi was invited to participate in U.S. President Donald Trump's Manufacturing Jobs Initiative. Mr. Longhi is currently a director of ITT Corp., where he serves on the Compensation and Personnel Committee.

Mr. Longhi's career as one of the leading global steel industry executives brings a valuable addition to the Board. His experience serving as a CEO of multinational steel manufacturers not only adds considerable knowledge of our largest

customer base to our Board, it also adds significant operational knowledge and in-depth understanding of our global business needs. Mr. Longhi also contributes operational leadership knowledge to the Board. His membership on other public company boards also enhances his contribution to the Board.

Committee Memberships: Audit, MD&C

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[Nominees for Election as Directors with Terms Expiring in 2020 - Contd...](#)

[Edgar \(Ed\) M. Purvis, Jr.](#)

Director since 2018, Age 61

Retired Executive Vice President and Chief Operating Officer of Emerson Electric Co. (Emerson). Mr. Purvis served as Executive Vice President and Chief Operating Officer at Emerson from January 2015 until his retirement in November 2017. From 2008 until January 2015, Mr. Purvis served as Executive Vice President responsible for Climate Technologies at Emerson. Prior to working for Emerson, Mr. Purvis served in a number of senior management positions with Copeland Corporation from 1983 until it was acquired by Emerson in 2008. Mr. Purvis is a former member of the executive board of the Air-Conditioning, Heating and Refrigeration Institute, holds a bachelor's degree in mechanical engineering from the University of Tennessee, a master's degree in mechanical engineering from the University of Michigan - Dearborn, and a master's degree in business administration from Capital University in Columbus, Ohio.

During Mr. Purvis' career at Emerson he was responsible for Emerson's day-to-day business activities, which included financial reviews, global procurement, logistics, information technology, product development and strategic planning. His experience brings to the Board valuable insight into the operational challenges for a global organization. In addition, Mr. Purvis brings strong business acumen and leadership skills to the Board.

Committee Memberships: MD&C, Nominating

[Phillip C. Widman](#)

Director since 2014, Age 64

Retired Senior Vice President and CFO of Terex Corporation (a global manufacturer delivering customer-driven solutions for a wide range of commercial applications, including the construction, infrastructure, quarrying, mining, manufacturing, transportation, energy and utility industries). Mr. Widman held this position from 2002 until his retirement in March 2013. Prior to that, he served as Executive Vice President and CFO of Philip Services Corporation (an integrated environmental and industrial service corporation) from 1998 to 2001. Mr. Widman currently serves as a director of Sturm, Ruger & Company, Inc., where he also serves as Chairman of the Audit Committee, as a member of the Risk Oversight Committee and as a member of the Ruger Capital Policy Committee; and Vectrus, Inc. where he serves on the Audit Committee and Compensation and Personnel Committee. He served as a member of the Board of Directors and Nominating and Governance Committee, and as Chairman of the Audit Committee, of Lubrizol Corporation from November 2008 until its acquisition by Berkshire Hathaway in September 2011.

Having served as a CFO for multiple businesses operating in the industrial services and manufacturing markets for more than 15 years, Mr. Widman adds considerable financial expertise, business management skills and operational knowledge to the Board. His membership on other public company boards further enhances his contribution to the Board.

Committee Memberships: Audit (Chair), MD&C

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Meetings and Committees of the Board

Meetings of the Board and Director Attendance at Annual Meeting

The Board held five meetings during the fiscal year ended December 31, 2018. Each Director attended at least 75% of the aggregate number of Board and applicable committee meetings held during the period of 2019 for which he or she served as a Director.

It is our policy to request that all Board members attend annual stockholder meetings. However, we also recognize that personal attendance by all Directors is not always possible. All Directors that served on the Board at the time of the Annual Meeting of Stockholders in 2018 attended the Annual Meeting of Stockholders in 2018.

Committees of the Board

The Board has established standing Audit, Management Development and Compensation, and Nominating and Corporate Governance committees. Membership in each of these committees, as of March 1, 2019, is shown in the following chart:

Audit	Management Development and Compensation	Nominating and Corporate Governance
Phillip C. Widman (Chair)	James F. Earl (Chair)	Kathy G. Eddy (Chair)
Kathy G. Eddy	Mario Longhi	James F. Earl
Carolann I. Haznedar	Edgar M. Purvis, Jr.	Carolann I. Haznedar
Mario Longhi	Phillip C. Widman	Edgar M. Purvis, Jr.

All Directors listed above, including committee chairs, served on the respective committees listed above for the entire 2018 fiscal year, except as follows:

Audit Committee Ms. Haznedar was added on October 22, 2018.

Nominating and Corporate Governance Committee Ms. Haznedar was added on October 22, 2018.

The table below identifies the number of meetings held by each committee in 2018, provides a brief description of the duties and responsibilities of each committee, and provides general information regarding the location of each committee's charter:

Committee	Meetings	Duties & Responsibilities	General Information
Audit	5	Oversee financial reporting processes, including meeting with members of management, the external auditors and the internal auditors; Review and approve audit and non-audit services; Review results of the annual audit; Review adequacy of internal controls;	Established in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934, as amended (the Exchange Act).

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Committee	Meetings	Duties & Responsibilities	General Information
		<p>Discuss (with management and the independent auditors) the Company's guidelines, policies and controls with respect to risk assessments and risk management;</p> <p>Oversee the Company's ERM framework and the process for identifying, assessing and monitoring key business risks;</p> <p>Oversee (in conjunction with the Nominating Committee) the Company's compliance program;</p> <p>Review and discuss Quarterly Reports on Form 10-Q and Annual Report on Form 10-K prior to filing with the Securities and Exchange Commission (the SEC); and</p> <p>Review and discuss Quarterly Earnings Releases prior to their release.</p>	<p>Copy of the Audit Committee charter can be viewed at the Corporate Governance section of our website at www.harsco.com/about-us</p> <p>See Report of the Audit Committee</p>
<p>MD&C</p>	<p>6</p>	<p>Establish and review the Company's overall executive compensation philosophy, structure and operation to ensure they do not encourage excessive risk taking;</p> <p>Review and approve goals and objectives relevant to executive officer compensation and evaluate performance relative to established goals and objectives;</p> <p>Evaluate and approve (or recommend that the Board approve) compensation grants to executive officers under annual and incentive compensation plans, including equity-based compensation, and other executive benefits of executive officers;</p>	<p>Copy of the MD&C Committee charter can be viewed at the Corporate Governance section of our website at www.harsco.com/about-us</p> <p>See Compensation Committee Report</p>

Review incentive compensation plans and equity-based compensation plans; and

Oversee the executive officer assessment, development and succession planning process.

Establish criteria for the selection of new Directors to serve on the Board;

Identify individuals qualified as candidates to serve on the Board and recommend Director candidates for election to the Board;

5

Nominating

Consider matters relating to the retirement of Board members, including term limits or age caps;

Review matters relating to Director and Director nominee independence;

Copy of the Nominating Committee charter can be viewed at the Corporate Governance section of our website at www.harsco.com/about-us

Additional details regarding the role of the Nominating Committee can be found in the section entitled Nominations of Directors

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Committee	Meetings	Duties & Responsibilities	General Information
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Review and make recommendations to the Board regarding Board and committee size and composition;

Oversee the evaluation of the Board and each of its committees;

Make recommendations to the Board regarding non-employee Director compensation, including equity compensation;

Oversee the Company's corporate governance program and Corporate Governance Principles;

Oversee (in conjunction with Audit Committee) the Company's compliance program; and

Oversee the delegation of risks identified in the ERM framework to the Board and its committees.

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Corporate Governance

We have a long-standing commitment to good corporate governance practices. These practices come in many different forms and apply at all levels of our organization. They provide the Board and our senior management with a framework that defines responsibilities, sets high standards of professional and personal conduct and promotes compliance with our various financial, ethical, legal and other obligations and responsibilities.

Corporate Governance Principles

The Board has adopted Corporate Governance Principles that, along with the charters of the Board committees, provide the framework for our Board's operation and governance. The Nominating Committee is responsible for overseeing and reviewing our Corporate Governance Principles at least annually and recommending any proposed changes to the Board for approval. The Corporate Governance Principles are available on our website at www.harsco.com/about-us in the Corporate Governance section.

Code of Conduct

We have adopted a Code of Conduct applicable to our Directors, officers and employees worldwide. The Code of Conduct is issued in booklet form and an online training program facilitates new employee orientation and individual refresher training. Our Code of Conduct is produced in over 20 languages. The Code of Conduct, including amendments thereto or waivers thereof granted to a Director or executive officer, if any, can be viewed on our website at www.harsco.com/about-us in the Corporate Governance section.

Stockholder and Interested Party Communications with Directors

The Board has established a formal process for stockholders and interested parties to communicate directly with the Lead Director, the non-management Directors or with any individual member of the Board. Stockholders and interested parties may contact any member of the Board by writing to the specific Board member in care of our Corporate Secretary at our Corporate Headquarters (350 Poplar Church Road, Camp Hill, PA 17011). Our Corporate Secretary will forward any such correspondence to the applicable Board member; provided, however, that any such correspondence that is considered by our Corporate Secretary to be improper for submission to the intended recipients will not be provided to such Directors. In addition, Board members, including the Lead Director, can be contacted by e-mail at BoardofDirectors@harsco.com.

Director Independence

The Board has affirmatively determined that the following seven Directors are independent pursuant to the applicable independence requirements set forth in the NYSE Rules and by the SEC because they either have no relationship with the Company (other than as a Director and stockholder) or because any relationship they have with the Company is immaterial: Messrs. Earl, Everitt, Longhi, Purvis and Widman and Ms. Eddy and Ms. Haznedar. In making these independence determinations, the Board, in consultation with the Nominating Committee, reviewed the direct and indirect relationships between each Director and the Company and its subsidiaries, as well as the compensation and other payments each Director received from or made to the Company and its subsidiaries.

Nominations of Directors

The Nominating Committee is responsible for overseeing the selection of qualified nominees to serve as members of the Board. Consistent with the Board diversity policy, in administering its oversight responsibilities, the Nominating

Committee is committed to seeking out highly qualified women and minority candidates as well as candidates with diverse backgrounds, experiences and skills as part of each Board search the Company undertakes, and to ensuring that Board nominees are drawn from a pool that includes diverse candidates, including women and minority candidates. Beyond those specific parameters, the Nominating Committee has not adopted formal selection procedures, but instead utilizes general guidelines that allow it to adjust the selection process to best satisfy the objectives established for any Director search. The Nominating Committee considers Director candidates recommended by any reasonable source, including current Directors, management and stockholders. In the case of Ms. Haznedar, the Nominating Committee

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considered the recommendations of a third-party search firm. Pursuant to its charter, the Nominating Committee has the authority to retain search firms to assist it in identifying candidates to serve as Directors and to approve the fees and other retention terms of any such firms. The Nominating Committee evaluates all Director candidates in the same manner, regardless of the source of the recommendation of such Director candidate. The Nominating Committee will consider recommendations for Director candidates from stockholders if such recommendations are submitted in writing to:

Corporate Secretary

Harsco Corporation

350 Poplar Church Road, Camp Hill, PA 17011

Any such written recommendation from stockholders must set forth the following information:

The full legal name, address and telephone number of the stockholder recommending the Director candidate for consideration and whether that stockholder is acting on behalf of or in concert with other beneficial owners, and, if so, the same information with respect to them;

The number of shares held by the recommending stockholder as of a recent date and how long such shares have been held, or, if such shares are held in street name, reasonable evidence satisfactory to the Nominating Committee of such stockholder's ownership of such shares as of a recent date;

The full legal name, address and telephone number of the proposed nominee for Director;

A reasonably detailed description of the proposed nominee's background, experience and qualifications, financial literacy and expertise, as well as any other information required to be disclosed in the solicitation of proxies for election of directors pursuant to the rules of the SEC, and the reasons why, in the opinion of the recommending stockholder, the proposed nominee is qualified and suited to be one of our Directors;

Disclosure of any direct or indirect relationship (or arrangements or understandings) between the recommending stockholder and the proposed nominee (or any of their respective affiliates);

Disclosure of any direct or indirect relationship between the proposed nominee and the Company, any of our employees or Directors, any beneficial owner of more than 5% of our common stock, or any of their respective affiliates;

Disclosure of any direct or indirect interest that the recommending stockholder or proposed nominee may have with respect to any pending or potential proposal or other matter to be considered at this Annual Meeting or any subsequent meeting of our stockholders; and

A written, signed and notarized acknowledgement from the proposed nominee consenting to such recommendation by the recommending stockholder, confirming that he or she will serve as a Director, if so elected, and consenting to our undertaking of an investigation into his or her background, experience and qualifications, any direct or indirect relationship with the recommending stockholder, the Company, our Directors or management or 5% stockholders, or interests in proposals or matters, and any other matter reasonably deemed relevant by the Nominating Committee to its considerations of such person as a potential Director candidate.

This information must be submitted as provided under the heading **STOCKHOLDER PROPOSALS AND NOMINATIONS FOR PRESENTATION AT 2020 ANNUAL MEETING OF STOCKHOLDERS.**

There were no material changes to the procedures relating to stockholder nominations during 2018, and there have been no changes to date in 2019. The Nominating Committee believes that these procedural requirements are intended solely to ensure that it has a sufficient basis on which to assess potential Director candidates and are not intended to discourage or interfere with appropriate stockholder nominations. The Nominating Committee does not believe that any such requirements subject any stockholder or proposed nominee to any unreasonable burden. The Nominating Committee and the Board reserve the right to change the above procedural requirements from time to time and/or to waive some or all of the foregoing requirements with respect to certain nominees, but any such waiver shall not preclude the Nominating Committee from insisting upon compliance with any and all of the above requirements by any other recommending stockholder or proposed nominees.

Table of Contents**Non-Employee Director Compensation**

The general policy of our Board is that compensation for non-employee Directors should be competitive with similarly situated companies and should be comprised of a mix of cash and equity. Our Nominating Committee annually reviews market data regarding comparable director compensation programs. This data is prepared by management and the independent compensation consultant utilizing several broad board compensation studies completed within one year of the Nominating Committee's review.

The compensation structure for non-employee Directors for 2018 was as follows:

Compensation Element	Current Program Value
Annual Retainer	\$70,000
Non-Executive Chairman Premium (Annual):(1)	\$100,000
Audit Committee Chair Retainer (Annual):(2)	\$15,000
Audit Committee Member Retainer (Annual):	\$7,500
MD&C Committee Chair Retainer (Annual):(2)	\$15,000
MD&C Committee Member Retainer (Annual):	\$5,000
Nominating Committee Chair Retainer (Annual):(2)	\$10,000
Nominating Committee Member Retainer (Annual):	\$5,000
Board and Committee Meeting Fee (Per Meeting)	(3)

Other Meetings (Per Meeting)	(3)
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Telephonic Board Meeting Fee (Per Meeting)	(3)
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Telephonic Committee Meeting Fee (Per Meeting)	(3)
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Restricted Stock Unit Grant Value (Annual):	\$120,000
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Plan Participation

Deferred Compensation Plan

- (1) The Non-Executive Chairman premium is paid in addition to the annual retainer. The Lead Director retained the Non-Executive Chairman premium upon election as Lead Director.
- (2) Committee chair retainers are paid in lieu of, not in addition to, committee member retainers.
- (3) For each Board or applicable committee meeting held in a given year in excess of twice the number of regularly scheduled meetings established at the beginning of such year, the non-employee Directors will receive a per meeting fee equal to \$1,500 (for in-person/telephonic Board meetings and in-person committee meetings) or \$750 (for telephonic committee meetings).

In addition to the above listed compensation, Directors are reimbursed for reasonable travel expenses related to attendance at Board or committee meetings.

Our Board has instituted a stockholding requirement for Board members equal to five times the annual retainer. Board members have five years from the date they join the Board to comply with this requirement. Vested and unvested Restricted Stock Units (RSUs), as well as phantom shares acquired through deferral of Director fees (as described below), are included for purposes of determining compliance with Director stockholding requirements. At December 31, 2018, all of our non-employee Directors who had served for at least five years were in compliance with Director stockholding requirements.

Beginning in 2016, RSUs are granted under the new 2016 Non-Employee Directors Long-Term Equity Compensation Plan (the Director Plan). Each RSU under the Director Plan vests at the close of business on the earlier of (i) the first anniversary of the grant date or (ii) the annual meeting of stockholders in the year immediately following the year of grant, subject to accelerated vesting in full if service as a Director terminates due to death, disability or under a

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mandatory retirement policy, and subject to pro rata vesting in the event of termination of service in other circumstances. Each RSU will be settled by issuance of a share of our common stock. Dividend equivalents on the RSUs are not paid prior to vesting, but are settled thereafter.

The Deferred Compensation Plan for Non-Employee Directors allows each non-employee Director to defer all or a portion of his or her Director compensation, including RSU grant, until some future date selected by the Director. Pursuant to the Director's election, the accumulated deferred compensation is held in either an interest-bearing account or a Company phantom share account. The interest-bearing deferred account accumulates notional interest on the account balance at a rate equal to the five-year United States Treasury Note yield rate in effect from time to time. Contributions to the phantom share account are recorded as notional shares of the Company's Common Stock. Deferred amounts are credited to the Director's account quarterly on the 15th of February, May, August and November. The number of phantom shares recorded is equal to the number of shares of Common Stock that the deferred compensation would have purchased at the market price of the stock on the day the account is credited. Dividend equivalents are earned on the phantom shares and are credited to the account as additional phantom shares. All phantom shares are non-voting and payments out of the account are made solely in cash, based upon the market price of the Common Stock on the date of payment selected by the Director. Under certain circumstances, the accounts may be paid out early upon termination of directorship following a change in control.

Directors who are actively employed by us receive no additional compensation for serving as Directors, and we do not pay consulting or professional service fees to Directors.

2018 Director Compensation

The table below details the compensation earned by our non-employee Directors for 2018:

Name	Fees Earned or Paid in Cash (\$ (1))	Stock Awards (\$ (2))	Total (\$)
James F. Earl	\$88,125	\$119,993	\$208,118
Kathy G. Eddy	\$ 85,312	\$119,993	\$205,305
David C. Everitt	\$165,750	\$119,993	\$285,743
Carolann I. Haznedar*	\$ 20,625	\$60,171	\$80,796

Stuart E. Graham+	\$23,042	-0-	\$23,042
Terry D. Growcock+	\$ 23,762	-0-	\$23,762
Elaine La Roche#	\$46,053	\$119,993	\$166,046
Mario Longhi	\$ 80,438	\$119,993	\$200,431
Ed Purvis, Jr.	\$72,000	\$119,993	\$191,993
Phillip C. Widman	\$ 88,125	\$119,993	\$208,118

* Ms. Haznedar was appointed to the Board on October 22, 2018.

+ Mr. Graham and Mr. Growcock retired from the Board immediately prior to the 2018 annual meeting of stockholders.

Ms. La Roche resigned from the Board as of July 31, 2018.

(1) Includes fees associated with chairing or sitting on a Board committee as well as fees relating to Board and committee meetings.

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(2) The amounts shown in this column represent the aggregate grant date fair value of the RSUs granted to each non-employee Director in 2018, computed in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification Topic 718. Each non-employee Director, other than Ms. Haznedar, were granted 5,911 RSUs on May 1, 2018, and the RSUs are expected to vested on April 23, 2019. Ms. Haznedar was granted 2,444 RSUs on October 22, 2018, and the RSUs are expected to vest on April 23, 2019. The information in this column does not reflect an estimate for forfeitures, and none of these awards has been forfeited as of February 26, 2019. See Note 14, Stock-Based Compensation to Notes to Consolidated Financial Statements in our Annual Report on Form 10-K for the year ended December 31, 2018 for a discussion of the assumptions used to calculate share-based compensation expense under FASB ASC Topic 718.

As of December 31, 2018, non-employee Directors held the following RSUs: Mr. Earl, 22,786; Ms. Eddy, 45,276; Mr. Everitt, 28,450; Ms. Haznedar 2,444; Mr. Longhi, 5,911; Mr. Purvis 7,036; and Mr. Widman, 17,122.

Table of Contents**Share Ownership of Directors, Management and Certain Beneficial Owners**

The following table sets forth information with respect to the beneficial ownership of our outstanding voting securities, stock options and other stock equivalents by: (1) our Chairman, President & CEO, our CFO, and the other three current executive officers named in the 2018 Summary Compensation Table, whom we refer to collectively as our NEOs; (2) each Director and Director candidate; (3) all current Directors and executive officers as a group; and (4) certain beneficial owners of more than 5% of our Common Stock. All of our outstanding voting securities are Common Stock.

Beneficial ownership information in the table is as of February 26, 2019, except the number of shares beneficially owned by beneficial owners of more than 5% of the Common Stock which is as of the dates stated in footnotes (3) and (4) to the table (percentages are calculated assuming continued beneficial ownership at February 26, 2019).

	Number of Shares Beneficially Owned (1)	Percent of Class	Number of Other Stock Equivalents (2)
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Named Executive Officers

F. N. Grasberger III	691,402	*	406,716
P. F. Minan	185,241	*	116,316
T. L. McKenzie	61,472	*	61,824
		*	62,681
R. C. Hochman	64,782		

J. S. Gill	32,659	*	49,162
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Directors and Director Candidates who are not Named Executive Officers

J. F. Earl	46,529	*	-
K. G. Eddy	64,260	*	8,029

D. C. Everitt	79,865	*	-
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C. I. Haznedar	2,444	*	-
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M. Longhi	8,369	*	-
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E. M. Purvis, Jr.	7,036	*	-
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P. C. Widman	40,865	*	-
		1.64%	768,666

All current Directors and executive officers as a group (14 persons in total,	1,314,373		
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including those listed above)

More than 5% Beneficial Owners

BlackRock, Inc. (3)

East 52nd Street	11,465,982	14.32%	-
New York, NY 10055			

The Vanguard Group (4)

100 Vanguard Blvd.	11,213,154	14.00%	-
Malvern, PA 19355			

*Less than one percent.

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- (1) Includes securities that are exercisable, or vest, within 60 days. For each Director, includes RSUs which have vested and RSUs that will vest within 60 days. Includes the following number of vested SARs calculated on a net basis, i.e. the number of shares each SAR may be exercised for based on the market value of Common Stock as of February 26, 2019: N. Grasberger, 224,315; P. Minan, 66,611; T. McKenzie, 32,735; R. Hochman, 28,957; and J. Gill, 11,608.
- (2) Includes, for executive officers, unvested RSUs, PSUs (stated at target), and SARs (stated on a gross basis). In addition, Ms. Eddy elected to defer a portion of her Director fees in the forms of credits for non-voting phantom shares under the terms of our Deferred Compensation Plan for Non-Employee Directors. These phantom shares are included as stock equivalents. They will ultimately be paid out in cash based upon the value of the shares at the time of payout. While unvested awards and phantom shares included in this column may not be voted or transferred, we have included them in the table as they represent an economic interest in our common stock that is subject to the same market risk as ownership of actual shares of our common stock.
- (3) The information for BlackRock, Inc. is derived from a Schedule 13G/A filing by such entity with the SEC on January 28, 2019. Based on its filings with the SEC, BlackRock, Inc. has the sole voting power over 11,282,903 shares of our common stock and sole dispositive power over 11,465,982 shares of our common stock.
- (4) The information for The Vanguard Group is derived from a Schedule 13G/A filing by such entity with the SEC on February 11, 2019. Based on its filings with the SEC, The Vanguard Group has the sole voting power over 167,554 shares of our common stock and sole dispositive power over 11,041,350 shares of our common stock. Except as otherwise stated, each individual or entity has sole voting and investment power over the shares set forth opposite his, her or its name. None of the Directors, Director candidates or executive officers individually beneficially owned 1% or more of our Common Stock, and our current Directors and executive officers as a group beneficially owned less than 1% of our outstanding common stock.

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Report of the Audit Committee

The Audit Committee is currently composed of four Directors, each of whom is considered independent under the rules of the NYSE and the SEC. The Board has determined that each of Ms. Eddy and Mr. Widman qualifies as an audit committee financial expert as that term is defined under the rules promulgated by the SEC.

The Audit Committee operates pursuant to a written charter that complies with the guidelines established by the NYSE.

The Audit Committee is responsible for monitoring our financial reporting processes and system of internal controls, supervising our internal auditors and overseeing the independence and performance of the independent auditors. In carrying out these responsibilities, the Audit Committee meets with our internal auditors and our independent auditors to review the overall scope and plans for their respective audits of our financial statements. The Audit Committee also meets privately (and in separate meetings) with members of management, our independent auditors and our internal auditors following each Audit Committee meeting and as may otherwise be needed. The Audit Committee meets with management and with the independent auditors each quarter to review and discuss our Annual Report on Form 10-K and quarterly reports on Form 10-Q prior to their being filed with the SEC, and meets with management and our independent auditors to review and discuss our quarterly earnings prior to their release.

The Audit Committee's responsibility is to monitor and oversee the audit and financial reporting processes. However, the members of the Audit Committee rely, without independent verification, on the information provided to them and on the representations made by management, and the report issued by the independent registered public accounting firm. While the Audit Committee and the Board monitor our financial record keeping and controls, management is ultimately responsible for our financial reporting process, including our system of internal controls, disclosure control procedures and the preparation of the financial statements. The independent auditors support the financial reporting process by performing an audit of our financial statements and issuing a report thereon.

The Audit Committee has reviewed and discussed with management and the independent auditors the audited consolidated financial statements for the year ended December 31, 2018 and related periods. These discussions focused on the quality, not just the acceptability, of the accounting principles used by us, key accounting policies followed in the preparation of the financial statements and the reasonableness of significant judgments made by management in the preparation of the financial statements and alternatives that may be available.

In addition, the Audit Committee has discussed with the independent auditors the matters required to be discussed pursuant to Statement on Auditing Standards No. 1301, Communications with Audit Committees, as adopted by the Public Company Accounting Oversight Board, including the quality of our accounting principles, the reasonableness of significant judgments and the clarity of disclosures in the financial statements. The Audit Committee has also received the written disclosures and the letter from the independent auditors required by applicable requirements of the Public Company Accounting Oversight Board regarding the independent auditors' communications with the Audit Committee concerning independence and has discussed with the independent auditors the independent auditors' independence.

Based on the review and discussions referred to above, the Audit Committee's review of the representations of management and the report of the independent auditors, the Audit Committee recommended to the Board that the audited financial statements be included (and the Board approved such inclusion) in our Annual Report on Form 10-K for the fiscal year ended December 31, 2018 for filing with the SEC.

SUBMITTED BY THE AUDIT COMMITTEE:

P. C. Widman, Chairman

K. G. Eddy

C. I. Haznedar

M. Longhi

Table of Contents**Fees Billed By the Independent Auditors for Audit and Non-Audit Services**

The following table sets forth the amount of audit fees, audit-related fees, tax fees and all other fees billed or expected to be billed by PricewaterhouseCoopers LLP, our principal auditor for the years ended December 31, 2018 and December 31, 2017.

	2018	2017
Audit Fees (1)	\$5,536,075	\$4,157,600
Audit-Related Fees (2)	\$120,765	\$545,100
Tax Fees (3)	\$298,247	\$133,586
All Other Fees (4)	\$9,208	\$23,524
Total Fees	\$5,964,295	\$4,859,810

(1) The 2018 figure includes fees related to the integrated audit of the consolidated financial statements and internal controls over financial reporting as well as statutory audits and quarterly reviews.

(2) The 2018 figure includes fees primarily related to accounting consultations with respect to the adoption of the new leasing standard.

(3) The 2018 figure includes fees related to income tax services other than those directly related to the audit of the income tax accrual, such as tax compliance and tax planning initiatives, including Treasury planning.

(4) The 2018 figure includes fees related to primarily to licensing fees for software products.

The Audit Committee has considered the possible effect of non-audit services on the auditors' independence and pre-approved the type of non-audit services that were rendered. The Audit Committee has adopted a policy authorizing the pre-approval of certain audit, non-audit and tax services (and related fees) to be provided by the independent auditors. The services to be provided are to be reviewed with the Audit Committee and approval is given for a specific dollar amount and for a period of not greater than 12 months. Services that are not pre-approved in this manner must be pre-approved on a case-by-case basis throughout the year. Additionally, if the pre-approved fee is exceeded, the Audit Committee must be advised of such overruns. In making its decision regarding the approval of services, the Audit Committee will consider whether such services are consistent with the SEC's rules on auditor independence, whether the independent auditor is best positioned to provide such services and whether the services might enhance the Company's ability to manage or control risk or improve audit quality. No services were provided during the last two fiscal years pursuant to the de minimis safe harbor exception from the pre-approval requirements.

All of the fees included in the table above were pre-approved by the Audit Committee.

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Proposal 2: Ratification of Appointment of Independent Auditors

The Audit Committee has appointed PricewaterhouseCoopers LLP as independent auditors to audit our financial statements for the fiscal year ending December 31, 2019. Although not required to do so, the Board has determined to submit the Audit Committee's appointment of PricewaterhouseCoopers LLP as our independent auditors to stockholders for ratification as a matter of good corporate governance. In the absence of contrary direction from stockholders, all proxies that are submitted will be voted in favor of the ratification of the Audit Committee's appointment of PricewaterhouseCoopers LLP as our independent auditors.

If this proposal is not ratified by at least a majority of the shares of our outstanding common stock present in person or by proxy and entitled to vote on matters at the Annual Meeting, the appointment of the independent auditors will be reevaluated by the Audit Committee. Due to the difficulty and expense of making any substitution of auditors, it is unlikely that their appointment for the audit of the financial statements for the fiscal year ending December 31, 2019 would be changed. However, the Audit Committee may review whether to seek new independent auditors for the fiscal year ending December 31, 2020.

A representative of PricewaterhouseCoopers LLP will attend the Annual Meeting, with the opportunity to make a statement and answer questions of stockholders.

Required Vote: The ratification of the appointment of PricewaterhouseCoopers LLP as independent auditors will be approved if it receives the approval of at least a majority of the shares represented at the Annual Meeting.

The Board recommends that stockholders vote FOR the ratification of the Audit Committee's appointment of PricewaterhouseCoopers LLP as the Company's independent auditors for the fiscal year ending December 31, 2019.

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Compensation Discussion & Analysis

Introduction

In this Compensation Discussion & Analysis (CD&A), we review the objectives and elements of Harsco s executive compensation program and discuss the 2018 compensation earned by our named executive officers (NEOs).

Our NEOs for fiscal 2018 were as follows:

F. Nicholas Grasberger III

Chairman, President & Chief
Executive Officer (CEO) (1)

Peter F. Minan

Senior Vice President & Chief
Financial Officer (CFO)

Russell C. Hochman

Senior Vice President and General
Counsel, Chief Compliance Officer &
Corporate Secretary

Tracey L. McKenzie

Senior Vice President & Chief
Human Resources Officer (CHRO)

Jeswant S. Gill

Senior Vice President & Group
President, Harsco Rail

(1) On October 22, 2018, the Board of Directors elected Mr. Grasberger to Chairman of the Board of Directors of the Company.

Executive Summary

Business Highlights

During 2018, the Company continued to deliver on its long-term strategy of generating financial returns in excess of the cost of capital and maintaining a strong financial profile. Harsco management successfully executed several initiatives to further strengthen and grow its existing businesses by exceeding its 2018 Annual Operating Plan goals and achieving other key business objectives.

In particular, the Company also accelerated its growth-focused investments in 2018 with Metal & Minerals (M&M) acquisition of the Altek Group, a high-growth company that provides global innovative environmental solutions to the aluminum industry. This acquisition expands the breadth our service capabilities into aluminum dross and scrap processing as well as providing breakthrough technology solutions aimed at providing value to our customers waste

streams. Success in delivering against our strategic initiatives, along with a more favorable economic climate, resulted in strong 2018 financial performance and notable year-over-year improvements of key performance indicators (KPIs).

A summary of Harsco s key 2018 accomplishments is highlighted below:

Harsco Consolidated

Exceeded our Annual Operating Plan and the financial goals and guidance provided to investors at the beginning of the year for 2018 KPIs, including operating income, free cash flow and return on invested capital (ROIC).

Realized revenue growth of 7% and operating income improvement of 31%, with each business segment contributing to these increases and realizing double-digit margins for the second consecutive year.

Generated \$192 million of Cash from Operating Activities.

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Increased growth capital spending by 86% in 2018 compared with 2017.

Repriced \$545 million term loan B facility, realizing a 75-basis point or \$4 million improvement in annual interest costs on top of the 200-basis point or \$11 million improvement realized in 2017. Also increased the amount of revolving credit commitments by \$100 million to \$500 million and reduced leverage ratio from 1.9x to 1.7x.

Harsco's Board of Directors authorized a stock repurchase program under which the Company may repurchase up to \$75 million of its common stock, which indicates business confidence and financial flexibility. Under this program, Harsco repurchased approximately 1.3 million shares (\$30 million) during 2018.

Each of our business segments executed successfully against their stated strategy, which contributed positively to the improvements realized by Harsco, including:

Metals & Minerals Continued its third year of strong financial performance and executed its growth strategies as a global environmental solutions provider in particular, the acquisition of the Altek Group provides a significant environmental growth platform within the aluminum industry.

Industrial Realized improvement in various performance indicators (described in the table below), while launching new product innovations and further penetrating target markets as capital spending by U.S. customers increased.

Rail Generated strong financial results by growing revenue in short-cycle products and obtaining operating efficiencies. Invested in both research and development on new product technologies and commercial resources to enhance business growth in the coming years.

Financial and operational successes for each business unit are summarized in the table below:

Metals & Minerals	Industrial	Rail
Revenues increased 6% compared with 2017.	Revenues increased 25%, with topline growth realized in each of the three major business segments.	Increased revenues compared with 2017 (excluding SBB, the Swiss railway system).
Operating income increased 18% and operating margin increased by 120 basis points.	Operating income increased 54% and operating margin increased 270	Operating income increased 13% and operating margin increased

basis points.

230 basis points.

Finalized approximately 41 renewals and new growth contracts during the year with estimated revenues of nearly \$1 billion over the terms of these contracts.

Backlogs increased 145% compared with year-end 2017.

Realized meaningful increase in aftermarket parts and Protran technology sales.

Completed personnel investments to support growth ambitions, which supported the Company winning new contracts throughout the world.

Gained market share in downstream market for air-cooled heat exchangers.

Equipment sales within the North American market increased for the first time in several years.

Continued to improve our customer environmental performance.

Launched first instantaneous water heater product for the commercial market.

Awarded several major supply contracts during the year; these wins included Metropolitan Transportation Authority (MTA) of New York and the Land Transport Authority of Singapore (LTA).

Further penetrated the stainless-steel commercial boiler market, with product sales growth of 8 percent.

Through prod