

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 <div style="text-align: center; font-size: 1.5em; font-weight: bold;">2014</div> This Form is Open to Public Inspection
---	---	--

Part I	Annual Report Identification Information
For calendar plan year 2014 or fiscal plan year beginning <u>01/01/2014</u> and ending <u>12/31/2014</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions); or ☒ a single-employer plan; ☐ a DFE (specify) _____
B This return/report is:	☐ the first return/report; ☐ the final return/report; ☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	☒
D Check box if filing under:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information		
1a Name of plan <u>IKG HOURLY EMPLOYEES PENSION PLAN</u>	1b Three-digit plan number (PN) ▶	<u>019</u>	
	1c Effective date of plan	<u>01/01/1971</u>	
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) <u>HARSCO CORPORATION</u> <u>350 POPLAR CHURCH ROAD</u> <u>CAMP HILL, PA 17011</u>	2b Employer Identification Number (EIN) <u>23-1483991</u>	2c Plan Sponsor's telephone number <u>717-763-7064</u>	2d Business code (see instructions) <u>339900</u>

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.		
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address (include room or suite number) (optional) <u>MARK R. HEATH</u> <u>MCKONLY & ASBURY, LLP</u> <u>415 FALLOWFIELD ROAD</u> <u>CAMP HILL, PA 17011</u>			Preparer's telephone number (optional) <u>717-761-7910</u>

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number <div style="background-color: #cccccc; height: 40px; width: 100%;"></div>
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
5 Total number of participants at the beginning of the plan year	5 425
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d).	
a(1) Total number of active participants at the beginning of the plan year	6a(1) 57
a(2) Total number of active participants at the end of the plan year	6a(2) 52
b Retired or separated participants receiving benefits	6b 149
c Other retired or separated participants entitled to future benefits.....	6c 184
d Subtotal. Add lines 6a(2) , 6b , and 6c	6d 385
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	6e 35
f Total. Add lines 6d and 6e	6f 420
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	6g
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....	7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 1B 1I 3H	
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	
9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)	
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☒ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

Part III**Form M-1 Compliance Information (to be completed by welfare benefit plans)**

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2014 Form M-1 annual report. If the plan was not required to file the 2014 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

<div>SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>	<div>Single-Employer Defined Benefit Plan Actuarial Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).</div> <div>File as an attachment to Form 5500 or 5500-SF.</div>	<div>OMB No. 1210-0110</div> <div>2014</div> <div>This Form is Open to Public Inspection</div>
--	---	--

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

Round off amounts to nearest dollar.

Caution: A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan IKG HOURLY EMPLOYEES PENSION PLAN		B Three-digit plan number (PN) ▶	019
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF HARSCO CORPORATION		D Employer Identification Number (EIN) 23-1483991	
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B		F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500	

Part I Basic Information			
1 Enter the valuation date: Month 01 Day 01 Year 2014			
2 Assets:			
a Market value	2a	10847892	
b Actuarial value	2b	10001692	
3 Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment.....	171	6248656	6248656
b For terminated vested participants.....	197	3036509	3036509
c For active participants.....	57	844807	888125
d Total.....	425	10129972	10173290
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)..... ☐			
a Funding target disregarding prescribed at-risk assumptions	4a		
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor.....	4b		
5 Effective interest rate	5	6.45%	
6 Target normal cost	6	114890	

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

<div>SIGN HERE</div>	<div>Signature of actuary</div> <div>DAVID WEBBER, FSA, EA</div> <div>Type or print name of actuary</div> <div>TOWERS WATSON DELAWARE, INC.</div> <div>Firm name</div> <div>901 NORTH GLEBE ROAD ARLINGTON, VA 22203</div> <div>Address of the firm</div>	<div>Date</div> <div>14-06137</div> <div>Most recent enrollment number</div> <div>703-258-8000</div> <div>Telephone number (including area code)</div>
----------------------	---	--

Part II Beginning of Year Carryover and Prefunding Balances		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)		
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)		
9	Amount remaining (line 7 minus line 8)		
10	Interest on line 9 using prior year's actual return of <u>15.35</u> %		
11	Prior year's excess contributions to be added to prefunding balance:		
a	Present value of excess contributions (line 38a from prior year)		5947
b(1)	Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>6.29</u> %		374
b(2)	Interest on line 38b from prior year Schedule SB, using prior year's actual return		
c	Total available at beginning of current plan year to add to prefunding balance		6321
d	Portion of (c) to be added to prefunding balance		
12	Other reductions in balances due to elections or deemed elections		
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	0

Part III Funding Percentages			
14	Funding target attainment percentage	14	98.31 %
15	Adjusted funding target attainment percentage	15	98.31 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	93.25 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls					
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/10/2014	100000				
07/10/2014	100000				
10/08/2014	25000				
01/05/2015	75000				
04/09/2015	85000				
07/13/2015	85000				
Totals ►			18(b)	470000	18(c)

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:	
a Contributions allocated toward unpaid minimum required contributions from prior years	19a
b Contributions made to avoid restrictions adjusted to valuation date	19b
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c 445036
20 Quarterly contributions and liquidity shortfalls:	
a Did the plan have a "funding shortfall" for the prior year?	☒ Yes ☐ No
b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	☒ Yes ☐ No
c If line 20a is "Yes," see instructions and complete the following table as applicable:	
Liquidity shortfall as of end of quarter of this plan year	
(1) 1st	(2) 2nd
(3) 3rd	(4) 4th

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:				
a Segment rates:	1st segment: 4.99 %	2nd segment: 6.32 %	3rd segment: 6.99 %	☐ N/A, full yield curve used
b Applicable month (enter code).....				21b 4
22 Weighted average retirement age				22 63
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.....	27

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	28	
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....	29	
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6).....	31a	114890	
b Excess assets, if applicable, but not greater than line 31a	31b		
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment.....	171598	213265	
b Waiver amortization installment			
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33) ..	34	328155	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	0	0	0
36 Additional cash requirement (line 34 minus line 35).....	36	328155	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	37	445036	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	116881	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b		
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40		

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:			
a Schedule elected	☐ 2 plus 7 years ☐ 15 years		
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011		
42 Amount of acceleration adjustment	42		
43 Excess installment acceleration amount to be carried over to future plan years	43		

<div>SCHEDULE C</div> <div>(Form 5500)</div> <div>Department of the Treasury Internal Revenue Service</div> <div>Department of Labor Employee Benefits Security Administration</div> <div>Pension Benefit Guaranty Corporation</div>	<div>Service Provider Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div>	OMB No. 1210-0110
		2014
		This Form is Open to Public Inspection.

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014		
A Name of plan IKG HOURLY EMPLOYEES PENSION PLAN	B Three-digit plan number (PN) ▶	019
C Plan sponsor's name as shown on line 2a of Form 5500 HARSCO CORPORATION	D Employer Identification Number (EIN) 23-1483991	

Part I	Service Provider Information (see instructions)
--------	---

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

- a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☐ Yes ☒ No
- b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
--

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
--

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
--

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

TOWERS WATSON PENNSYLVANIA, INC.

23-1159360

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
11 50	NONE	39834	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☒

(a) Enter name and EIN or address (see instructions)

MCKONLY & ASBURY LLP

23-1909723

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10 50	NONE	13900	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☒

(a) Enter name and EIN or address (see instructions)

MANUFACTURERS AND TRADERS TRUST CO.

16-0538020

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
21 50	NONE	10369	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☒

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III **Termination Information on Accountants and Enrolled Actuaries (see instructions)**
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

► **File as an attachment to Form 5500.**

OMB No. 1210-0110

2014

This Form is Open to Public Inspection.

For calendar plan year 2014 or fiscal plan year beginning	01/01/2014	and ending	12/31/2014
---	------------	------------	------------

A Name of plan
IKG HOURLY EMPLOYEES PENSION PLAN

B Three-digit plan number (PN)	►	019
--	---	-----

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
HARSCO CORPORATION

D Employer Identification Number (EIN)
23-1483991

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
---------------	--

a Name of MTIA, CCT, PSA, or 103-12 IE: [HARSCO PENSION & PROFIT SHARING CIF](#)

b Name of sponsor of entity listed in (a): HARSCO CORPORATION

c EIN-PN 23-1483991-257	d Entity code M	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 10898151
--	--	--

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
-----------------	----------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
-----------------	----------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
-----------------	----------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
-----------------	----------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
-----------------	----------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
-----------------	----------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2014 This Form is Open to Public Inspection
For calendar plan year 2014 or fiscal plan year beginning <u>01/01/2014</u> and ending <u>12/31/2014</u>		
A Name of plan <u>IKG HOURLY EMPLOYEES PENSION PLAN</u>		B Three-digit plan number (PN) ► <u>019</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>HARSCO CORPORATION</u>		D Employer Identification Number (EIN) <u>23-1483991</u>

Part I	Asset and Liability Statement		
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)	160000	245000
(2) Participant contributions.....	1b(2)		
(3) Other.....	1b(3)	45142	60315
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	82253	83012
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common.....	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property).....	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans.....	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)	10592650	10898151
(12) Value of interest in 103-12 investment entities.....	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	10880045	11286478

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h	28900	17843
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	28900	17843

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	10851145	11268635
---	-----------	----------	----------

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	470000	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		470000
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	6	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		6
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		740968
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		1210974

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	685555	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		685555
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)	53324	
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)	10369	
(4) Other	2i(4)	38663	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		102356
j Total expenses. Add all expense amounts in column (b) and enter total	2j		787911

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		423063
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		5573

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)?

☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: MCKONLY & ASBURY, LLP

(2) EIN: 23-1909723

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

- a** Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)
- b** Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)

	Yes	No	Amount
4a		X	
4b		X	

	Yes	No	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
e Was this plan covered by a fidelity bond?	X		25000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?.....		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?.....		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	X		
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X	
l Has the plan failed to provide any benefit when due under the plan?.....		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.		X	

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
 If "Yes," enter the amount of any plan assets that reverted to the employer this year..... ☐ Yes ☒ No Amount:

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)
HARSCO EMPLOYEES PENSION PLAN	23-1483991	219

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? ☐ Yes ☐ No ☐ Not determined

Part V Trust Information (optional)

6a Name of trust	6b Trust's EIN

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2014 This Form is Open to Public Inspection.
---	--	--

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

A Name of plan <u>IKG HOURLY EMPLOYEES PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>019</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>HARSCO CORPORATION</u>	D Employer Identification Number (EIN) <u>23-1483991</u>

Part I	Distributions
---------------	----------------------

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>16-0538020</u>	
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.	
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3 <u>2</u>

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)
----------------	--

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....	☐ Yes	☒ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____			
If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived).....	6a		
b Enter the amount contributed by the employer to the plan for this plan year.....	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?.....	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?.....	☐ Yes	☐ No	☒ N/A

Part III	Amendments
-----------------	-------------------

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☒ No
--	-----------------------------------	-----------------------------------	-------------------------------	--

Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
----------------	---

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.).....	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?.....	☐ Yes	☐ No

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	14a	
b The plan year immediately preceding the current plan year	14b	
c The second preceding plan year	14c	

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

- 19** If the total number of participants is 1,000 or more, complete lines (a) through (c)

- a** Enter the percentage of plan assets held as:
 Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%
- b** Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more
- c** What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

IKG HOURLY EMPLOYEES PENSION PLAN

FINANCIAL STATEMENTS
WITH SUPPLEMENTARY INFORMATION

DECEMBER 31, 2014 AND 2013



McKONLY & ASBURY

IKG HOURLY EMPLOYEES PENSION PLAN

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditor's Report	1
Financial Statements	
Statements of Net Assets Available for Benefits	3
Statements of Changes in Net Assets Available for Benefits	4
Notes to Financial Statements	5
Supplementary Information	
Schedule H, Line 4(i) - Schedule of Assets (Held at End of Year)	19
Schedule H, Line 4(j) - Schedule of Reportable Transactions	20

MEMBERS

AMERICAN AND PENNSYLVANIA
INSTITUTES OF CERTIFIED PUBLIC
ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Administrative Committee
IKG Hourly Employees Pension Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of IKG Hourly Employees Pension Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2014 and 2013, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the *Basis for Disclaimer of Opinion* paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's ("DOL") Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Notes 5 and 7, which was certified by Manufacturers and Traders Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the Plan Administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan Administrator has obtained a certification from the trustee as of and for the years ended December 31, 2014 and 2013, that the information provided to the Plan Administrator by the trustee is complete and accurate.

HARRISBURG • LANCASTER

1.800.569.5199 • www.macpas.com • Fax: 717.761.7944

MAILING ADDRESS

McKonly & Asbury LLP • 415 Fallowfield Road • Camp Hill, PA 17011

Disclaimer of Opinion

Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we have not been able to obtain sufficient, appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Other Matter – Supplemental Schedules

The supplemental schedules (1) Schedule H, line 4(i) - Schedule of Assets (Held at End of Year) and (2) Schedule H, Line 4(j) - Schedule of Reportable Transactions, as of and for the year ended December 31, 2014, are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on these supplemental schedules.

Report on Form and Content in Compliance with DOL Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

A handwritten signature in black ink that reads "McKonley & Asbury, LLC". The signature is written in a cursive, flowing style.

Camp Hill, Pennsylvania
October 7, 2015

IKG HOURLY EMPLOYEES PENSION PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

DECEMBER 31, 2014 AND 2013

(in thousands except units and unit values)

			<u>2014</u>	<u>2013</u>
Investments, at fair value				
Plan interest in the Harsco Pension and Profit Sharing				
Collective Investment Fund (cost \$4,842 and				
\$4,781, respectively)				
	<u>2014</u>	<u>2013</u>		
Units	21,710	21,956		
Unit value (rounded)	\$501.99	\$482.44	\$ 10,898	\$ 10,593
Money market fund			<u>83</u>	<u>82</u>
			10,981	10,675
Receivables				
Employer's contributions			245	160
Accrued investment income			<u>60</u>	<u>45</u>
			305	205
Total assets			11,286	10,880
Accrued administrative expenses			<u>(17)</u>	<u>(29)</u>
Net assets available for benefits			<u>\$ 11,269</u>	<u>\$ 10,851</u>

The accompanying notes are an integral part of these financial statements.

IKG HOURLY EMPLOYEES PENSION PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

YEARS ENDED DECEMBER 31, 2014 AND 2013

(in thousands except units and unit values)

	<u>2014</u>	<u>2013</u>
Additions in net assets attributable to		
Investment income		
Net increase in plan interest in the Harsco Pension and Profit Sharing Collective Investment Fund	\$ 426	1,248
Dividend income	315	207
Employer's contributions	<u>470</u>	<u>415</u>
Total additions	<u>1,211</u>	<u>1,870</u>
Deductions from net assets attributable to		
Benefits paid to participants	686	639
Administrative expenses	102	105
Transfers to other plans	<u>5</u>	<u>-</u>
Total deductions	<u>793</u>	<u>744</u>
Net increase in net assets available for benefits	418	1,126
Net assets available for benefits, beginning of year	<u>10,851</u>	<u>9,725</u>
Net assets available for benefits, end of year	<u><u>\$ 11,269</u></u>	<u><u>\$ 10,851</u></u>

The accompanying notes are an integral part of these financial statements.

IKG HOURLY EMPLOYEES PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

1. DESCRIPTION OF THE PLAN

The following brief description of the IKG Hourly Employees Pension Plan (the “Plan”) is provided for general information purposes only. Participants should refer to the Plan document for a more complete description of the Plan’s provisions.

General

The Plan is a noncontributory defined benefit plan providing retirement, death and disability benefits to all eligible union employees of the IKG Industries division (Nashville, Leeds, Carlisle, Long Island, and Channel View locations) of Harsco Corporation (the “Company”). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”).

As of December 31, 2006, all accrued benefits and credit for continuous service are frozen for all participants except those in the Channel View location.

In September 2010, the Plan was amended to freeze participation and the accrued pension benefit of collectively bargained employees who are members of the Cement, Lime, Gypsum and Allied Workers, Division of the International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmith Forgers and Helpers, AFL-CIO-CFL, Local Lodge D546 at the Company’s Channel View, Texas facility. The freeze is effective as of the close of business December 31, 2010, and no employee who is hired or rehired by the Company after then shall become a participant in the Plan.

Effective January 1, 2011, credit for past continuous service is frozen as of the close of business on December 31, 2010, and no continuous service earned after that date is taken into account in determining a participant’s pension benefit. A basic monthly pension benefit per year of service with a maximum of thirty-five years will be provided and early retirement at age fifty-five with actuarial reduction of benefits is allowed. The accrued pension of any participant who is an employee as of the close of business December 31, 2010, shall be 100% vested and nonforfeitable, regardless of number of years of continuous service.

Although the Company received Board approval as of December 31, 2003, to merge all defined benefit plans maintained by the Company or its subsidiaries in its ERISA controlled group, the Plan has not yet been merged. The merger is planned in order to reduce administrative and funding costs that otherwise will be incurred if these plans continue as separate plans. The merger will be subject to union approval where required.

The Plan evaluated subsequent events for recognition or disclosure through October 7, 2015, the date the financial statements were available to be issued.

(continued)

IKG HOURLY EMPLOYEES PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

Pension Benefits

Employees with five or more years of continuous service are entitled to annual pension benefits beginning at normal retirement age (65) amounting to monthly benefits equal to the benefit unit in effect at the time of termination of employment multiplied by benefit accrual service up to a maximum of 35 to 40 years, depending on the plant. The Plan permits early retirement at ages 55-64 and the completion of 5-10 years of service, depending on the location. Employees may receive their pension benefits in the form of a life annuity for unmarried participants, or, for married participants, the actuarial equivalent of the life annuity is paid in the form of a 50% joint and survivor annuity. If the present value of the pension does not exceed \$1,000, a lump-sum payment is automatic.

The amount of the monthly benefit, as defined in the Plan document, depends upon, among other things, the years of service of the employee and in which division of the Company the employee worked.

Death and Disability Benefits

The Plan provides for death and disability benefits. In the event of death, the amount of benefit the beneficiary will receive will depend upon, among other things, the employee's status as of the date of death and whether the participant was already receiving normal retirement benefits. In the event a participant becomes totally and permanently disabled, the benefit to be received will depend upon, among other things, the employee's status at the time of disability. Depending on the location, disability retirement is available upon permanent incapacitation with no service requirement or after 15 years of continuous service.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows:

Basis of Accounting

The financial statements of the Plan are prepared on the accrual basis of accounting.

Investment Valuation and Income Recognition

The Plan's investments are reported at fair value. See Note 6 for a discussion of fair value measurements. Purchases and sales of investments are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividend income is recorded on the ex-dividend date.

(continued)

IKG HOURLY EMPLOYEES PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

Funding Policy

The Plan is funded annually by the Company with actuarially determined contributions. The contributions are determined using an actuarial cost method which takes into consideration the present value of benefits expected to accrue during the plan year. The Plan has complied with the minimum funding requirements established by ERISA for 2014 and 2013.

Investment Fees

Net investment returns reflect certain fees paid by the investment funds, as well as the underlying investment funds of the Harsco Pension and Profit Sharing Collective Investment Fund ("CIF"), to their affiliated investment advisors, transfer agents, and others as further described in each fund prospectus or other published documents. These fees are deducted prior to allocation of the Plan's investment earnings activity and thus are not separately identifiable as an expense.

Payment of Benefits

Benefit payments to participants are recorded when paid.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") requires the plan administrator to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, disclosure of contingent assets and liabilities, and the actuarial present value of accumulated plan benefits at the date of the financial statements. Actual results could differ from those estimates.

Administrative Expenses

Administrative costs, such as legal, accounting, actuarial, and trustee fees, as well as the Pension Benefit Guaranty Corporation ("PBGC") premium, are paid by the Plan.

Reclassification

Certain items in the 2013 financial statements have been reclassified to conform with the presentation of the 2014 financial statements.

3. ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS

Accumulated plan benefits are those future periodic payments, including lump-sum distributions that are attributable under the Plan's provisions to the service employees have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. Benefits under the Plan are based on employees' credited service and the benefit rate in effect at the time of retirement. The accumulated plan benefits for active employees are based on their credited service and the benefit rates in effect at the time the plan was frozen.

(continued)

IKG HOURLY EMPLOYEES PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

The actuarial present value of accumulated plan benefits is determined by the Plan's actuary as of January 1, 2014 and 2013, and is that amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal or retirement) between the valuation date and the expected date of payment.

The significant actuarial assumptions used in the valuation and the determination of the present value of accumulated plan benefits as of January 1, 2014 and 2013, are as follows:

Discount rate *	7.00% compounded annually for 2014 and 2013.
Mortality basis	For 2014: Separate rates for non-annuitants based on RP2014 "Employee" table (male and female) with blue collar adjustment, with Scale MP2014 generational improvement projection; and annuitants based on RP2014 "Healthy Annuitants" table (male and female) with blue collar adjustment, with MP2014 generational improvement projection. For 2013: RP2000 Combined Healthy Generational Mortality, sex distinct with blue collar adjustment, projected with scale AA.
Retirement	30% at age 62 increasing to 100% at age 67 for 2014 and 2013.

* Net of 0.25% for assumed expenses.

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated Plan benefits.

The actuarial present value of accumulated plan benefits is as follows as of January 1, 2014 and 2013 (in thousands):

	<u>2014</u>	<u>2013</u>
Vested benefits		
Participants currently receiving payments	\$ 6,098	\$ 5,488
Other participants	<u>3,755</u>	<u>3,681</u>
	9,853	9,169
Nonvested benefits	<u>35</u>	<u>30</u>
Total actuarial present value of accumulated plan benefits	<u><u>\$ 9,888</u></u>	<u><u>\$ 9,199</u></u>

(continued)

IKG HOURLY EMPLOYEES PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

The changes in the actuarial present value of accumulated plan benefits for the years ended January 1, 2014 and 2013, are presented below (in thousands):

	2014	2013
Actuarial present value of accumulated plan benefits at beginning of year	\$ 9,199	\$ 9,029
Increase during the year attributable to		
Interest due to the decrease in the discount period	622	631
Benefits paid	(639)	(680)
Actuarial losses	195	2
Assumption changes	511	217
Net increase	689	170
Actuarial present value of accumulated plan benefits at end of year	<u>\$ 9,888</u>	<u>\$ 9,199</u>

The increase in actuarial present value of accumulated plan benefits from changes in actuarial assumptions is a result of changing the mortality table used to determine the life expectancy of participants.

The computations of the actuarial present value of accumulated plan benefits were made as of January 1, 2014 and 2013. Had the valuations been performed as of December 31, there would be no material differences.

4. PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event the Plan terminates, the net assets of the Plan will be allocated in accordance with the Plan document and as prescribed by ERISA and its related regulations, generally to provide the following benefits in the order indicated.

- a) Annuity benefits that former employees or their beneficiaries have been receiving for at least three years, or that employees eligible to retire for that three-year period would have been receiving if they had retired with benefits in the normal form of annuity under the Plan. The priority amount is limited to the lowest benefit that was payable (or would have been payable) during those three years. The amount is further limited to the lowest benefit that would be payable under plan provisions in effect at any time during the five years preceding plan termination.
- b) Other vested benefits insured by the Pension Benefit Guaranty Corporation ("PBGC") (a U.S. government agency) up to the applicable limitations (discussed subsequently).

(continued)

IKG HOURLY EMPLOYEES PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

c) All other vested benefits (that is, vested benefits not insured by PBGC).

d) All nonvested benefits.

Certain benefits under the Plan are insured by the PBGC if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination. However, there is a ceiling, which is adjusted periodically, on the amount of monthly benefit that the PBGC guarantees.

Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide for accumulated benefit obligations and may also depend on the financial condition of the Company and the level of benefits guaranteed by the PBGC.

5. PLAN INTEREST IN THE HARSCO PENSION AND PROFIT SHARING COLLECTIVE INVESTMENT FUND (UNAUDITED)

The Plan invests primarily in the Harsco Pension and Profit Sharing Collective Investment Fund (CIF). The CIF is a unitized pool. Each participant holds units of the pool that represent their pro-rata share of the underlying investments. On a monthly basis, the investment pool is valued and a new pool net asset value (NAV) is calculated to represent this value. All income allocations are processed on a per unit basis.

All income, realized and unrealized gains/losses, are included in/rolled into the monthly NAV.

The following investment information disclosed in the accompanying financial statements and supplemental schedules was obtained or derived from information that has been prepared and certified to as complete and accurate by Manufacturers and Traders Trust Company ("M&T"), the trustee of the Plan, and has not been audited by independent auditors.

The fair value of the net assets held by the CIF and the Plan's allocable portion as of December 31 are summarized as follows (dollars in thousands):

	2014	2013
Assets		
Investments in securities at fair value		
Bonds, debentures and notes		
U.S. Treasury notes and collateralized securities	\$ 18,687	\$ 18,741
Corporate bonds, notes and convertible debentures	11,196	8,250
Common stocks *	44,027	48,869
Mutual funds - equity	111,459	116,790
Mutual funds - bonds	40,568	33,326
Cash and money market accounts	4,644	3,038

(continued)

IKG HOURLY EMPLOYEES PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

	2014	2013
	230,581	229,014
Accrued interest and dividends receivable	260	214
Due from broker for securities sold	9	1,375
Total assets	230,850	230,603
Liabilities		
Due to broker for securities purchased	2	1
Income due participants	1,270	978
Accrued administrative expenses	92	116
Total liabilities	1,364	1,095
Net assets	\$ 229,486	\$ 229,508
Plan's allocable portion	4.75%	4.62%

* Includes approximately \$8,501 and \$12,614 of Harsco Corporation common stock, which represents approximately 3.70% and 5.53% of net assets for 2014 and 2013, respectively.

The following table presents the investments that represent 5% or more of the CIF's net assets as of December 31 (in thousands):

	2014	2013
Harsco Corporation common stock*	\$ 8,501	\$ 12,614
Pier Capital Commingle Small Cap Growth Fund*	\$ 10,353	\$ 12,353
Vanguard Fixed Income Short-Term Investment Grade Fund**	\$ 11,936	\$ -
IR&M Long Government/Credit Fund LLC**	\$ 28,632	\$ -
JP Morgan Large Cap Growth Fund	\$ 13,321	\$ 13,186
Winslow Large Cap Growth Fund	\$ 13,131	\$ 13,079
Artisan International Investor Fund	\$ 13,157	\$ 14,048
Dodge and Cox International Stock Fund	\$ 12,936	\$ 14,038

* Represents 5% or more at December 31, 2013, only.

** Represents 5% or more at December 31, 2014, only.

The CIF's investment income (including gains and losses on investments bought and sold, as well as held during the year) for each significant class of investments consists of the following for the years ended December 31 (in thousands):

(continued)

IKG HOURLY EMPLOYEES PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

	<u>2014</u>	<u>2013</u>
Investment income		
Net realized and unrealized appreciation (depreciation) in fair value of investments		
U.S. Treasury notes and collateralized securities	\$ 1,286	\$ (3,028)
Corporate bonds, notes and convertible debentures	1,073	(968)
Common stocks	(1,398)	12,679
Mutual funds - equity	3,711	23,670
Mutual funds - bonds	<u>4,838</u>	<u>(4,459)</u>
	<u>9,510</u>	<u>27,894</u>
Interest	2,823	1,024
Dividends	<u>3,680</u>	<u>3,507</u>
	<u>6,503</u>	<u>4,531</u>
Less investment advisory fees	<u>(540)</u>	<u>(612)</u>
Net investment income	<u><u>\$ 15,473</u></u>	<u><u>\$ 31,813</u></u>

Net appreciation (depreciation) includes the gains and losses on investments bought and sold as well as held during the year.

Financial instruments, which potentially subject the CIF to a concentration of credit risk, consist principally of investments. The CIF limits this risk by diversifying the CIF's investment portfolio. The degree and concentration of credit risk varies depending upon the type and diversity of investments within the portfolio.

The following are the changes in net assets for the CIF for the years ended December 31 (in thousands):

	<u>2014</u>	<u>2013</u>
Net investment income	\$ 15,473	\$ 31,813
Net transfers	<u>(15,495)</u>	<u>(16,442)</u>
Increase (decrease) in net assets	(22)	15,371
Net assets, beginning of year	<u>229,508</u>	<u>14,137</u>
Net assets, end of year	<u><u>\$ 229,486</u></u>	<u><u>\$ 229,508</u></u>

(continued)

IKG HOURLY EMPLOYEES PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

6. FAIR VALUE MEASUREMENTS

The Plan measures its investments at fair value on a recurring basis in accordance with accounting principles generally accepted in the United States of America. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The framework that the authoritative guidance establishes for measuring fair value includes a hierarchy used to classify the inputs used in measuring fair value. The hierarchy prioritizes the inputs used in determining valuations into three levels. The level in the fair value hierarchy within which the fair value measurement falls is determined based on the lowest level input that is significant to the fair value measurement. The levels of the fair value hierarchy are as follows:

Level 1 – Fair value is based on unadjusted quoted prices in active markets that are accessible to the Plan for identical assets. These generally provide the most reliable evidence and are used to measure fair value whenever available.

Level 2 – Fair value is based on significant inputs, other than Level 1 inputs, that are observable either directly or indirectly for substantially the full term of the asset through corroboration with observable market data. Level 2 inputs include quoted market prices in active markets for similar assets or liabilities, quoted market prices in inactive markets for identical or similar assets, and other observable inputs.

Level 3 – Fair value would be based on significant unobservable inputs. Examples of valuation methodologies that would result in Level 3 classification include option pricing models, discounted cash flows, and similar techniques.

The following tables set forth by level, within the fair value hierarchy, the Plan's investments at fair value as of December 31 (in thousands):

	2014			
	Fair Value Measurements Using			
	Fair Value	Level 1	Level 2	Level 3
M&T money market fund	\$ 83	\$ 83	\$ -	\$ -
	2013			
	Fair Value Measurements Using			
	Fair Value	Level 1	Level 2	Level 3
M&T money market fund	\$ 82	\$ 82	\$ -	\$ -

The M&T money market fund is stated at cost, which approximates fair value.

(continued)

IKG HOURLY EMPLOYEES PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

Fair Value Measurements for the CIF

The following tables set forth by level, within the fair value hierarchy, CIF investments at fair value as of December 31 (in thousands):

	Assets at Fair Value as of December 31, 2014			
	Fair Value	Level 1	Level 2	Level 3
Mutual funds				
Index funds	\$ 20,847	\$ -	\$ 20,847	\$ -
Balance funds	21,700	21,700	-	-
Growth funds	68,912	55,781	13,131	-
Fixed income funds	40,568	11,936	28,632	-
Total mutual funds	152,027	89,417	62,610	-
Common stocks				
Materials	1,002	1,002	-	-
Industrials	13,095	13,095	-	-
Telecommunications	525	525	-	-
Consumer discretionary	4,284	4,284	-	-
Consumer staples	1,810	1,810	-	-
Energy	3,342	3,342	-	-
Financial	9,810	9,810	-	-
Healthcare	4,152	4,152	-	-
Information technology	5,137	5,137	-	-
Utilities	870	870	-	-
Total common stocks	44,027	44,027	-	-
Corporate bonds, notes and convertible debentures	11,196	11,196	-	-
U.S. Treasury notes and collateralized securities	18,687	-	18,687	-
Money market funds	4,644	4,644	-	-
Total investments at fair value	\$230,581	\$149,284	\$ 81,297	\$ -

(continued)

IKG HOURLY EMPLOYEES PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

	Assets at Fair Value as of December 31, 2013			
	Fair Value	Level 1	Level 2	Level 3
Mutual funds				
Index funds	\$ 22,524	\$ -	\$ 22,524	\$ -
Balance funds	22,508	22,508	-	-
Growth funds	71,758	58,679	13,079	-
Fixed income funds	33,326	33,326	-	-
Total mutual funds	150,116	114,513	35,603	-
Common stocks				
Materials	892	892	-	-
Industrials	17,920	17,920	-	-
Consumer discretionary	4,728	4,728	-	-
Consumer staples	1,884	1,884	-	-
Energy	4,472	4,472	-	-
Financial	9,350	9,350	-	-
Healthcare	4,804	4,804	-	-
Information technology	4,141	4,141	-	-
Utilities	678	678	-	-
Total common stocks	48,869	48,869	-	-
Corporate bonds, notes and convertible debentures	8,250	8,250	-	-
U.S. Treasury notes and collateralized securities	18,741	-	18,741	-
Money market funds	3,038	3,038	-	-
Total investments at fair value	\$229,014	\$174,670	\$ 54,344	\$ -

Following is a description of the valuation methodologies used for CIF investments measured at fair value.

Level 1 Fair Value Measurements

Investments in interest-bearing cash are stated at cost, which approximates fair value. The fair values of money market accounts and certain mutual funds are based on quoted net asset values of the shares held by the Plan at year-end. The fair values of common stocks and corporate bonds, notes, and convertible debentures are valued at the closing price reported in the active market on which the individual securities are traded.

(continued)

IKG HOURLY EMPLOYEES PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

Level 2 Fair Value Measurements

The fair values of investments in mutual funds for which quoted net asset values in an active market are not available are valued by the investment advisor based on the current market values of the underlying assets of the mutual fund based on information reported by the investment consistent with audited financial statements of the mutual fund. Further information concerning these mutual funds may be obtained from their separate audited financial statements. Investments in U.S. Treasury notes and collateralized securities are valued based on yields currently available on comparable securities of issuers with similar credit ratings.

Plan assets are allocated among various categories of equities, fixed income, cash and cash equivalents with professional investment managers whose performance is actively monitored. The primary investment objective is long-term growth of assets in order to meet present and future benefit obligations. The Company periodically conducts an asset/liability modeling study and accordingly adjusts investments among and within asset categories to ensure the long-term investment strategy is aligned with the profile of benefit obligations.

There are no unfunded commitments or redemption restrictions on units of the CIF.

For both Plan and CIF investments, there have been no significant changes in the methodologies used during the years ended December 31, 2014 and 2013.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan's management believes the valuation methodologies are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain investments could result in a different fair value measurement at the reporting date.

7. INFORMATION CERTIFIED BY TRUSTEE (UNAUDITED)

The Plan administrator has elected the method of compliance as permitted by 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA for 2014 and 2013. Accordingly, M&T, the trustee of the Plan, has certified to the completeness and accuracy of all investments reported in the accompanying Statement of Net Assets Available for Benefits as of December 31, 2014 and 2013, the supplemental Schedule H, Line 4(i) - Schedule of Assets (Held at End of Year) as of December 31, 2014, the related investment activity reported in the Statement of Changes in Net Assets Available for Benefits for the years ended December 31, 2014 and 2013, and the supplemental Schedule H, Line 4(j) - Schedule of Reportable Transactions for the year ended December 31, 2014.

Investments that represent five percent or more of the Plan's net assets available for benefits consist of the following as of December 31 (in thousands):

	<u>2014</u>	<u>2013</u>
Plan interest in the CIF	<u>\$ 10,898</u>	<u>\$ 10,593</u>

(continued)

IKG HOURLY EMPLOYEES PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

8. TAX STATUS

The Plan obtained its latest determination letter on March 4, 2013, in which the Internal Revenue Service (“IRS”) stated that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code (“IRC”). The Plan administrator and the Plan’s tax counsel believe that the Plan is currently designed and being operated in compliance with the applicable regulations of the IRC and believes that the Plan is qualified and the related trust is tax-exempt.

U.S. GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the organization has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan administrator has analyzed the tax positions taken by the Plan and has concluded that as of December 31, 2014, there are no uncertain positions taken, or expected to be taken, that would require recognition of a liability or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to 2011.

9. RELATED PARTY TRANSACTIONS

The Plan’s investments are managed by M&T Investment Group, an affiliate of M&T. The Plan invests in certain funds (directly and within the CIF) owned by M&T. M&T is the trustee as defined by the Plan, and therefore, transactions in these funds qualify as party-in-interest transactions. Fees charged to the Plan for the trustee fees amounted to \$10,369 and \$9,914 and for the years ended December 31, 2014 and 2013, respectively. CIF transactions in Harsco Corporation common stock also qualify as party-in-interest transactions. There were no purchases or sales of Harsco Corporation common stock in the CIF during 2014 and 2013. All other transactions which may be considered parties-in-interest transactions relate to normal plan management and administrative services, and the related payment of fees.

Certain administrative functions of the Plan are performed by officers or employees of the Company. No such officer or employee receives compensation from the Plan.

10. RISKS AND UNCERTAINTIES

Investments of the Plan are exposed to various risks, such as interest rate, market, and credit risk. Due to the level of risk associated with certain investments and the level of uncertainty related to changes in the value of investments, it is at least reasonably possible that changes in values of investment securities will occur in the near term and that such changes could materially affect amounts reported in the Statement of Net Assets Available for Benefits.

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics, all of which are subject to change. Due to the uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

SUPPLEMENTARY INFORMATION

Schedule H, Line 4(i) - Schedule of Assets (Held at End of Year)

Name of Plan: IKG Hourly Employees Pension Plan

Employer Identification Number: 23-1483991

Three-digit Plan Number: 019

December 31, 2014

(a)	(b) Identity of issue	(c) Description of Investment	(d) Cost	(e) Current Value
*	M&T Bank	Wilmington Prime Money Market CL Select	\$ 83,012	\$ 83,012
*	Plan interest in Harsco Pension & Profit Sharing Collective Investment Fund	Collective Investment Fund	\$ 4,841,937	\$ 10,898,151

* Represents party-in-interest.

Schedule H, Line 4(j) - Schedule of Reportable Transactions

Name of Plan: IKG Hourly Employees Pension Plan

Employer Identification Number: 23-1483991

Three-digit Plan Number: 019

Year Ended December 31, 2014

Identity of Party Involved (a)	Description of Asset (b)	Number of Transactions	Purchase Price (c)	Selling Price (d)	Lease Rental (e)	Expense Incurred with Transactions (f)	Cost of Asset (g)	Current Value of Asset on Transaction Date (h)	Net Gain (i)
Category (iii) Series of Transactions									
* M&T Bank	Wilmington Prime								
	Money Market	39	975,171	-	-	-	975,171	975,171	-
	Fund	48	-	974,416	-	-	974,416	974,416	-
* M&T Bank	Harsco Pension &								
	Profit Sharing Collective	5	203,536	-	-	-	203,536	203,536	-
	Investment Fund	7	-	331,220	-	-	325,159	331,220	6,061

*Represents party-in-interest

BEST PLACES
to work in **PA**
10 Time Award Winner

Celebrating 10 years as a **Best Place to Work in PA**
and nationally as a **Best Accounting Firm to Work for**
by *Accounting Today* for 4 years!

Member of:



PrimeGlobal

An Association of
Independent Accounting Firms

MEMBERS

AMERICAN AND PENNSYLVANIA
INSTITUTES OF CERTIFIED PUBLIC
ACCOUNTANTS

www.macpas.com

Summary of plan provisions

Plan Provisions

Covered employees Employees in a bargaining unit covered by any Labor Agreement referenced in the plan document, who have attained age 21 and completed 1,000 hours of service during 12 consecutive months.

Definitions

Vesting service One year of service for 1,000 hours in a plan year, beginning at the later of date of hire or age 18

Benefit service One year of service for 1,000 hours in a plan year, beginning at the later of date of hire or age 21. Benefit service was frozen for Leeds participants effective December 31, 2006 and for Channelview participants effective December 31, 2010.

Maximum benefit service	<u>Division</u>	<u>Maximum Service</u>
	Carlisle (closed)	35
	Channelview	35
	Leeds	35
	Long Island (closed)	40
	Nashville (closed)	40

Benefits

Monthly pension benefit Monthly benefit unit times benefit service, limited to maximum benefit service.

Monthly benefit unit See table of monthly benefit amounts

Benefit	Age	Vesting Service	Benefit Service	Description
Normal retirement	65	5		Accrued benefit payable immediately
Early retirement				
Carlisle	62		5	Benefit actuarially reduced for commencement prior to 65
Channelview	55		5	Benefit actuarially reduced for commencement prior to 65
Leeds	55		5	Benefit actuarially reduced for commencement prior to 65

Long Island	60	10	Benefit reduced 0.6% for each month prior to 65
	62	30	Unreduced accrued benefit payable immediately
Nashville	55	10	Benefit reduced 0.6% for each month prior to 65
Postponed retirement	> 65	5	Accrued benefit payable immediately
Vested termination			5 Accrued benefit payable unreduced at normal retirement, or reduced as detailed above for early retirement.
Disability benefit			
Carlisle		15	\$180 per month, payable after 6 consecutive months of disability.
Channelview	< 65		Temporary benefit payable until age 65 equal to the greater of the participant's monthly accrued benefit calculated with a dollar per month multiplier of \$15, or \$200 per month (\$255 per month effective July 1, 2006, and \$270 per month effective July 1, 2008). For this purpose, benefit service is computed as of the end of the six month period following the onset of disability, subject to the benefit service freeze date.
Leeds	< 65		Temporary benefit payable until age 65 equal to the greater of the participant's monthly accrued benefit (effective July 1, 2006 calculated with a dollar per month multiplier \$1 higher than the current amount), or \$300 per month. For this purpose, the participant's monthly accrued benefit is determined based on benefit service as of the end of the six month period following the onset of disability, subject to the benefit freeze date.
Long Island		15	Accrued benefit payable immediately, determined based on benefit service as of the end of the six month period following the onset of disability.
Nashville		15	Prior to normal retirement, \$250 per month, payable after 6 consecutive months of disability. Upon reaching normal retirement, the benefit payable is the normal retirement benefit based on benefit service as of the end of the six month period following the onset of disability.

Pre-retirement survivor's annuity

- 5 If married, the pre-retirement survivor annuity is payable for the life of the spouse. The amount of the death benefit is 50% of the amount that would have been payable to the participant at his earliest retirement date if he elected a 50% joint and survivor annuity, reduced for early commencement, prior to his death.

Maximum pension benefits

All benefits for any calendar year may not exceed the maximum limitation for that year as defined in the Internal Revenue Code.

Forms of Payment**Normal forms**

Single participant: Life annuity
Married participant: 50% joint and survivor annuity

Optional forms

Annuities

Optional forms of payment available under the plan include a single life annuity, and 50% and 75% joint and survivor annuities.

Lump Sums

Automatic cashouts are made in the event the present value of benefits is less than \$5,000.

Optional form conversion basis

1983 Group Annuity Mortality Table for Males, with an age setback of one year for the Participant and five years for the co-pensioner or spouse, and an annual interest rate of 6%.

Future Plan Changes

No future plan changes were recognized. Towers Watson is not aware of any future plan changes which are required to be valued.

Changes in Benefits Valued Since Prior Year

There have been no changes in benefits valued since the prior year.

IKG Hourly Employees Pension PlanClosed and Inactive Locations

Employer/ Location	Code	Effective Date	Benefit Level	Employer/ Location	Effective Date	Benefit Level
Channelview	CHN	July 1, 1998	\$17.50	Nashville	January 1, 2002	\$24.50
		July 1, 2002	\$21.00	Leeds	January 1, 2000	\$20.00
		July 1, 2004	\$22.00		July 1, 2002	\$21.50
		July 1, 2005	\$24.00		July 1, 2003	\$22.00
		July 1, 2006	\$25.00		July 1, 2004	\$23.00
		July 1, 2007	\$26.00		July 1, 2005	\$24.00
		July 1, 2008	\$27.00	Carlisle	January 1, 2002	\$15.50
		July 1, 2009	\$28.00	Long Island	January 1, 2002	\$17.00

Schedule H, Line 4(i) - Schedule of Assets (Held at End of Year)

Name of Plan: IKG Hourly Employees Pension Plan

Employer Identification Number: 23-1483991

Three-digit Plan Number: 019

December 31, 2014

(a)	(b) Identity of issue	(c) Description of Investment	(d) Cost	(e) Current Value
*	M&T Bank	Wilmington Prime Money Market CL Select	\$ 83,012	\$ 83,012
*	Plan interest in Harsco Pension & Profit Sharing Collective Investment Fund	Collective Investment Fund	\$ 4,841,937	\$ 10,898,151

* Represents party-in-interest.

SCHEDULE SB, LINE 26 – Schedule of Active Participant Data
Harsco Corporation
IKG Hourly Employees Pension Plan
EIN 23-1483991 / PN 019

[illegible]

Statement of actuarial assumptions and methods

Economic Assumptions

Interest rate basis:

Applicable month	September	
Interest rate basis	3-Segment Rates	
Interest rates:	Reflecting MAP-21/HATFA Corridors	Not Reflecting MAP-21/HATFA Corridors
First segment rate	4.99%	1.37%
Second segment rate	6.32%	4.05%
Third segment rate	6.99%	5.06%
Effective interest rate	6.45%	4.31%

Demographic Assumptions

Inclusion date The valuation date coincident with or next following the date on which the employee becomes a participant.

Mortality

Healthy and Disabled Separate tables of rates for non-annuitants (based on RP-2000 "Employees" table without collar or amount adjustments, projected to 2029 using Scale AA) and annuitants (based on RP-2000 "Healthy Annuitants" table without collar or amount adjustments, projected to 2021 using Scale AA).

Termination

Rates varying by age and group
Representative termination rates follow:

Termination per 1,000 participants	
Age	Rate
20	300
25	271
30	241
35	212
40	182
45	153
50	123
55	94
60+	50

Participants commence annuity benefits at age 63.

Disability

Representative rates at which participants become disabled by age and gender are shown below:

Disabilities per 1,000 participants		
Age	Males	Females
30	0.71	0.85
35	0.99	1.75
40	1.62	3.15
45	2.70	4.65
50	4.93	6.26
55	9.14	8.05
60	14.70	11.25

Retirement

For purposes of determining the Funding Target and Target Normal Cost (both disregarding at-risk assumptions), the rates at which participants retire by age and group are shown below:

Retirements per 1,000 participants	
Age	Rate
60	50
61	100
62	300
63	250
64	300
65	500
66	500
67+	1,000

Form of payment	Life annuity for single participants and 31.25% of married participants, 50% J&S for 68.75% of married participants.
Percent married	80%.
Spouse age	Wife two years younger than husband.
Administrative expenses	Estimated based on actual expenses during the prior year (adjusted for expected changes in current year expenses). The assumption for 2014 is \$114,890.
Timing of benefit payments	Annuity payments are payable monthly at the beginning of the month and lump sum payments are payable on date of decrement.

Methods

Valuation date	First day of plan year
Funding target	Present value of accrued benefits
Target normal cost	Present value of benefits expected to accrue during the plan year plus plan-related expenses expected to be paid from plan assets during the plan year.
Actuarial value of assets	<p>Average of the fair market value of assets on the valuation date and the four immediately preceding semi-annual periods, adjusted for contributions, benefits, administrative expenses and expected earnings of 6.66% during calendar 2013 and 6.75% during calendar 2012 (with such expected earnings limited as described in IRS Notice 2009-22). The average asset value must be within 10% of market value, including discounted contributions receivable (discounted using the effective interest rate for the 2013 plan year.)</p> <p>The method of computing the actuarial value of assets complies with rules governing the calculation of such values under the Pension Protection Act of 2006 (PPA). These rules produce smoothed values that reflect the underlying market value of plan assets but fluctuate less than the market value. As a result, the actuarial value of assets will be lower than the market value in some years and greater in other years. However, over the long term under PPA's smoothing rules, the method has a significant bias to produce an actuarial value of assets that is below the market value of assets.</p>
Benefits not valued	All benefits described in the Plan Provisions were valued. Towers Watson has reviewed the plan provisions and, based on that review, is not aware of any significant benefits required to be valued that were not.

Other

The segment interest rates used to calculate the funding target and target normal cost were updated from an applicable month of September 2012 to September 2013 (with applicable MAP-21/HATFA corridors).

The required mortality table used to calculate the funding target and target normal cost was updated to include one additional year of projected mortality improvements.

The assumed plan-related expenses added to the target normal cost was updated to reflect recent plan experience.

SCHEDULE SB, LINE 32 -- Schedule of Amortization Bases**Harsco Corporation****IKG Hourly Employees Pension Plan****EIN 23-1483991 / PN 019****Amortization Record for 2014**

	Date of First Charge or Credit	Initial Amount	Amortization Charge or Credit	Remaining Period	Outstanding Balance Beginning of Year
1. Shortfall Amortization Bases					
2009 Shortfall	1/1/2009	1,391,141	246,856	2	481,979
2010 Shortfall	1/1/2010	258,959	43,279	3	123,764
2011 Shortfall	1/1/2011	493,626	81,216	4	302,429
2012 Shortfall	1/1/2012	(1,039,073)	(176,356)	5	(801,850)
2013 Shortfall	1/1/2013	379,844	63,393	6	334,896
2014 Shortfall	1/1/2014	(269,620)	(45,123)	7	(269,620)
Total Shortfall Amortization Installments			213,265		171,598
2. Waiver Amortization Bases					
Total Waiver Amortization Installments			0		
3. Total Amortization Installments			213,265		
4. Total Amortization Installments reflecting minimum of 0 on Total Shortfall Installments			213,265		

SCHEDULE SB, LINE 25 – Change in Method

Harsco Corporation

IKG Hourly Employees Pension Plan

EIN 23-1483991 / PN 019

The valuation software used to produce the actuarial information submitted on this schedule has been changed and such modification may be considered to be a method change. The percentage changes in funding target, target normal cost and plan assets due to the refinements in the software are each less than 2% (disregarding the effects of any changes that are automatically approved under final IRC §430 regulations), and the modifications to the software were designed to produce results no less accurate than the results produced by the software prior to the change. Therefore the change in funding method due to a change in valuation software receives automatic approval under IRS Announcement 2010-3.

SCHEDULE SB, LINE 22 -- Description of Weighted Average Retirement Age
Harsco Corporation
IKG Hourly Employees Pension Plan
EIN 23-1483991 / PN 019

Retirement rates varying by age are listed below:

Retirements per 1,000 participants:

<u>Age</u>	<u>Number of Retirements</u>
60	50
61	100
62	300
63	250
64	300
65	500
66	500
67+	1,000

For 1,000 hypothetical participants, an expected retirement age was calculated, weighted in proportion to the probability that the individual would remain an active participant to each age and then retire at that age. The Plan's weighted average retirement age is 63.

Form 5500Department of the Treasury
Internal Revenue ServiceDepartment of Labor
Employee Benefits Security
Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).

► **Complete all entries in accordance with the instructions to the Form 5500.**OMB Nos. 1210 - 0110
1210 - 0089**2014****This Form is Open to Public Inspection****Part I Annual Report Identification Information**For calendar plan year 2014 or fiscal plan year beginning **01/01/2014** and ending **12/31/2014**

- A** This return/report is for: ☐ a multiemployer plan; ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the forms instr.); or ☒ a single-employer plan;
- B** This return/report is: ☐ the first return/report; ☐ the final return/report; ☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).
- C** If the plan is a collectively-bargained plan, check here ☒
- D** Check box if filing under: ☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II Basic Plan Information - enter all requested information

1a Name of plan IKG HOURLY EMPLOYEES PENSION PLAN	1b Three-digit plan number (PN) ► 019
	1c Effective date of plan 01/01/1971
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) HARSCO CORPORATION 350 POPLAR CHURCH ROAD CAMP HILL PA 17011	2b Employer Identification Number (EIN) 23-1483991
	2c Plan Sponsor's telephone number 717-763-7064
	2d Business code (see instructions) 339900

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE 	10/13/15	VPHR Global Services
Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE		
Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE		
Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address (include room or suite number) (optional) MARK R. HEATH MCKONLY & ASBURY, LLP 415 FALLOWFIELD ROAD CAMP HILL PA 17011		Preparer's telephone number (optional) 7177617910

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Form 5500 (2014)
v. 140124

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number
--	---

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
---	-----------------------------------

5 Total number of participants at the beginning of the plan year	5	425
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1), 6a(2), 6b, 6c, and 6d).		
a(1) Total number of active participants at the beginning of the plan year	6a(1)	57
a(2) Total number of active participants at the end of the plan year	6a(2)	52
b Retired or separated participants receiving benefits	6b	149
c Other retired or separated participants entitled to future benefits	6c	184
d Subtotal. Add lines 6a(2), 6b, and 6c	6d	385
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	6e	35
f Total. Add lines 6d and 6e	6f	420
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	6g	
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	6h	
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:

1B 1I 3H

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
---	---

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☒ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information - Small Plan) (3) ☐ A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)
---	--

Schedule H, Line 4(j) - Schedule of Reportable Transactions

Name of Plan: IKG Hourly Employees Pension Plan

Employer Identification Number: 23-1483991

Three-digit Plan Number: 019

Year Ended December 31, 2014

Identity of Party Involved (a)	Description of Asset (b)	Number of Transactions	Purchase Price (c)	Selling Price (d)	Lease Rental (e)	Expense Incurred with Transactions (f)	Cost of Asset (g)	Current Value of Asset on Transaction Date (h)	Net Gain (i)
Category (iii) Series of Transactions									
* M&T Bank	Wilmington Prime								
	Money Market	39	975,171	-	-	-	975,171	975,171	-
	Fund	48	-	974,416	-	-	974,416	974,416	-
* M&T Bank	Harsco Pension &								
	Profit Sharing Collective	5	203,536	-	-	-	203,536	203,536	-
	Investment Fund	7	-	331,220	-	-	325,159	331,220	6,061

*Represents party-in-interest

**SCHEDULE SB
(Form 5500)**Department of the Treasury
Internal Revenue Service

Department of Labor

Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

**Single-Employer Defined Benefit Plan
Actuarial Information**

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

► **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2014**This Form is Open to Public
Inspection**For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014► **Round off amounts to nearest dollar.**► **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan IKG Hourly Employees Pension Plan		B Three-digit plan number (PN) ► 019
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF Harsco Corporation		D Employer Identification Number (EIN) 23-1483991
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B		F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I Basic Information

1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2014</u>			
2 Assets:			
a Market value		2a	10847892
b Actuarial value		2b	10001692
3 Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	171	6248656	6248656
b For terminated vested participants	197	3036509	3036509
c For active participants	57	844807	888125
d Total	425	10129972	10173290
4 If the plan is in at-risk status, check the box and complete lines (a) and (b) ☐			
a Funding target disregarding prescribed at-risk assumptions		4a	
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor		4b	
5 Effective interest rate		5	6.45%
6 Target normal cost		6	114890

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

**SIGN
HERE**

David Webber

Signature of actuary

David Webber, FSA, EA

Type or print name of actuary

Towers Watson Delaware, Inc.

Firm name

901 North Glebe Road

Arlington VA 22203

Address of the firm

09/22/2015

Date

1406137

Most recent enrollment number

703-258-8000

Telephone number (including area code)

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2014
v. 140124

Part II		Beginning of Year Carryover and Prefunding Balances	
		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year).....	0	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8)	0	0
10	Interest on line 9 using prior year's actual return of <u>15.35%</u>	0	0
11	Prior year's excess contributions to be added to prefunding balance:		
a	Present value of excess contributions (line 38a from prior year)		5947
b(1)	Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>6.29%</u>		374
b(2)	Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c	Total available at beginning of current plan year to add to prefunding balance		6321
d	Portion of (c) to be added to prefunding balance		0
12	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	

14	Funding target attainment percentage	14	98.31 %
15	Adjusted funding target attainment percentage	15	98.31 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement.....	16	93.25%
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	%

[illegible]

a Contributions allocated toward unpaid minimum required contributions from prior years.....	19a	
b Contributions made to avoid restrictions adjusted to valuation date	19b	
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	445036

a Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No

b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☒ Yes ☐ No

C If line 20a is "Yes," see instructions and complete the following table as applicable:

Quarterly breakdown of end of quarter of this plan year				
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th	
0	0	0	0	

Part V Assumptions Used to Determine Funding Target and Target Normal Cost**21 Discount rate:****a Segment rates:**1st segment:
4.99%2nd segment:
6.32%3rd segment:
6.99%☐ N/A, full yield curve used**b Applicable month (enter code)****21b**

4

22 Weighted average retirement age**22**

63

23 Mortality table(s) (see instructions)☐

Prescribed - combined

☒

Prescribed - separate

☐

Substitute

Part VI Miscellaneous Items**24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.**☐

Yes

☒

No

25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.☒

Yes

☐

No

26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.☒

Yes

☐

No

27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment**27****Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years****28 Unpaid minimum required contributions for all prior years****28****29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)****29****30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)****30**

0

Part VIII Minimum Required Contribution For Current Year**31 Target normal cost and excess assets (see instructions):****a Target normal cost (line 6)****31a**

114890

b Excess assets, if applicable, but not greater than line 31a**31b**

0

32 Amortization installments:

Outstanding Balance

Installment

a Net shortfall amortization installment

171598

213265

b Waiver amortization installment

0

0

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount**33**

0

34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)**34**

328155

Carryover balance

Prefunding balance

Total balance

35 Balances elected for use to offset funding requirement

0

0

0

36 Additional cash requirement (line 34 minus line 35)**36**

328155

37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)**37**

445036

38 Present value of excess contributions for current year (see instructions)**a Total (excess, if any, of line 37 over line 36)****38a**

116881

b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances**38b**

0

39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)**39**

0

40 Unpaid minimum required contributions for all years**40**

0

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)**41 If an election was made to use PRA 2010 funding relief for this plan:****a Schedule elected**☐

2 plus 7 years

☐

15 years

b Eligible plan year(s) for which the election in line 41a was made☐

2008

☐

2009

☐

2010

☐

2011

42 Amount of acceleration adjustment**42**

0

43 Excess installment acceleration amount to be carried over to future plan years**43**

0