

FOR IMMEDIATE RELEASE

Watco Expands Alabama-Based Training Center

Driven by the company's growth, the \$3 million expansion more than doubles the center's previous space and boosts economic impact to the Birmingham area

FAIRFIELD, Ala. (May 19, 2022) — Watco's Safe Performance Center in Fairfield, Alabama, a training space for Watco railroads and transportation workers, has undergone a \$3 million expansion designed to meet the company's training needs for the next decade. A new 11,0000-square-foot building, which includes classrooms, a conference room and a large space designated for a locomotive simulation lab, more than doubles the Center's previous space.

Alabama state Rep. Rod Scott helped push for legislation supporting the state's short line railroads. "In 2019, it was my honor to sponsor HB457 in the House," Scott said. "HB457 was the short line railroad tax credit bill that has resulted in a significant increase in capital spending in our state. I am proud to support our state short line railroad and the investment Watco is making, especially in this state-of-the-art training center."

The project was driven by growth at Watco, a leading transportation and supply chain services company, which created a need for more safety training space than the original building – built in 2017 – could accommodate. The capacity expansion boosts the number of team members who can receive on-site instruction from 40 per day to about 150 per day. It also is expected to deliver more than \$1.3 million in annual economic development benefits to the Birmingham area.

Sen. Dan Roberts was the senate bill's lead sponsor during the 2019 session. "That bill is paying incredible dividends to our state short line railroad infrastructure," he said. "I wish to personally thank and congratulate Watco on their previous investment in our state, but especially for this new, incredible training center. We wish you success for years to come.

The expanded Safe Performance Center will provide training for all Watco operations. It is expected to meet the company's training needs for years to come, ensuring team members receive consistent, high-quality training that adheres to Watco's standards.

"This expansion is more than just a building; it is an investment in the future of Watco and the Fairfield community," said Watco CEO Dan Smith. "It represents Watco's commitment to our customers, to our

own people, to the communities we serve and, most importantly, to our never-ending mission to be the safest company in our industry."

As part of the expansion, a confined-space simulator – a tanker car modified for training – was added to a piece of railroad track outside the new building. Its addition allows hands-on confined-space rescue training for Watco team members. First responders also will be able to use the simulator for live exercises in a safe environment.

"The Safe Performance Center's team of nine instructors demonstrate a level of professionalism and competency that is unmatched in the industry," said Travis Herod, Watco's senior vice president of environmental health and safety. "These dedicated training professionals, along with the Safe Performance Center's recent expansion, underscore Watco's commitment to team members' safety and job growth opportunities."

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About Watco

Watco is a leading transportation service and logistics company. Meeting customer needs on a day-to-day basis has enabled Watco to continually grow throughout our nearly 40-year history. Today, Watco provides transportation, material handling and warehousing, logistics, railcar repair, and design and development for customers throughout North America and Australia. For more information, visit www.watco.com.

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