

WIND FARM STIP

Clean Energy for a sustainable
future in North Macedonia

**LIVELIHOOD RESTORATION
PLAN (LRP)**



**CLEAN AND GREEN ENERGY,
A BETTER FUTURE.**

ABOUT THE PROJECT



The Stip Wind Farm Project is a new clean energy project that will mostly take place in the Municipality of Stip, with smaller parts in Karbinci and Radovich.

The wind farm will include up to 54 wind turbines and is expected to produce clean electricity equivalent to power over 150,000 homes each year. It will help support North Macedonia's energy transition.

The Project is planned to be developed in three phases (Stip1-3):

- Stip 1 Wind Farm (WF) is comprised of Wind Turbine Generators (WTGs) 1–21, Overhead Transmission Line, substation, and the internal roads and buried cables that will connect the Stip 1 WTGs.
- Stip 2 WF is comprised of WTGs 22–38 and the internal roads and buried cables that will connect the Stip 2 WTGs.
- Stip 3 WF is comprised of WTG 39–54 and the internal roads and buried cables that will connect the Stip 3 WTGs.

An Environmental and Social Impact Assessment (ESIA) has been carried out to help make sure the Project is safe for people and the environment, and it will be completed before the main works start. A Livelihood Restoration Plan (LRP) has also been prepared as part of the ESIA and in line with the Project phases. This means that land-related planning and support activities will be carried out in phases, in line with how the Project is developed. The ESIA and LRP were prepared by independent local and international consultants.

Livelihood Restoration Plan (LRP)

The project will require the use of some private and public land, which may be used or owned by local families or communities. Alcazar Energy is committed to offering fair compensation and support to maintain and, where possible improve, living conditions.

The aim of the LALRP is to understand how the project might affect people's land, engage with those owning and using land, understand livelihood impacts and restore livelihoods to at least pre-project levels.

As part of this work, a survey team visited and owners' homes and communities to gather relevant information. Data collection includes household interviews, 7-days site walk-throughs, group discussions, and conversations with local institutions and community leaders.

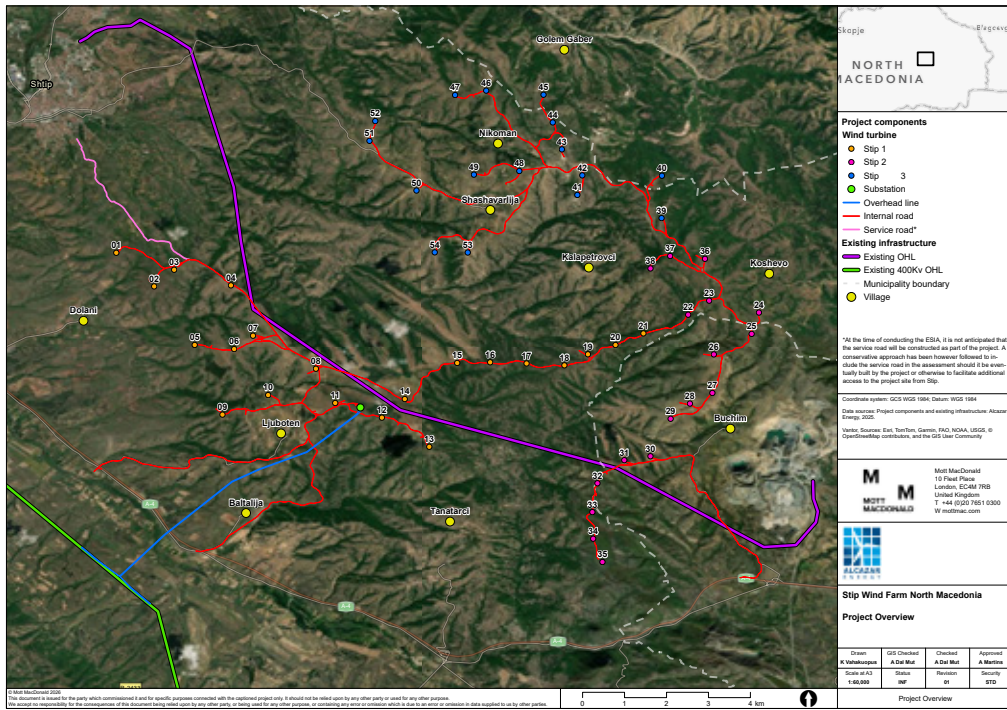
The LRP is available for consultation and feedback.

Suggestions and queries from interested and affected parties will continue to be considered. In addition to the views and feedback shared during data collection activities, we will continue to collect feedback through our Integrity Line, our CLO and local E&S Specialist, and during the LRP Disclosure Meeting.

The LRP Report can be accessed at the following locations:

- municipal websites,
- Alcazar Energy office in Stip, and
- the Project website.

A Non-Technical Summary of the LRP will also be provided to attendees of the LRP Meeting.



WHO WILL BE IMPACTED AND HOW?

- The project may affect some people who own, occupy, or use land within the project area.
- Depending on their location and means of livelihood, individuals may experience economic displacement.
- Compensation for losses, such as land or assets, will be provided at full replacement cost.
- Livelihood restoration support will be provided through targeted programmes designed to sustain or improve the living conditions of affected people.

WHAT LEGISLATION AND POLICIES WILL BE FOLLOWED?

The LRP developed and managed according to the laws of North Macedonia and the international environmental and social requirements of the investor.

ECONOMIC DISPLACEMENT AFFECTS

- People who will lose livelihood resources or have limited access to their land, crops, trees or livestock because of the project
- People who will lose or are unable to continue their income generating activities because of the project's land acquisition.

FULL REPLACEMENT COST

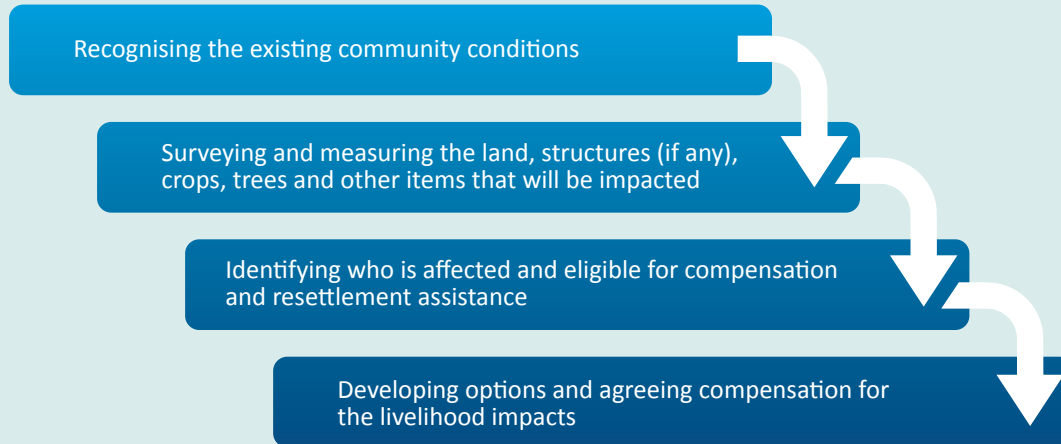
Full replacement cost includes (I) fair market value with no depreciation; (II) transaction costs; (III) interest accrued, (IV) transitional and restoration costs; and (V) other applicable payments, if any.

FOR PRIVATE LANDOWNERS, **THE PROJECT** IS COMMITTED TO PROVIDING FAIR COMPENSATION AND LIVELIHOOD SUPPORT TO PEOPLE WHOSE LAND AND ECONOMIC ACTIVITIES ARE AFFECTED.



HOW DOES THE LRP PLANNING PROCESS WORK?

The key activities of the LRP planning process will include:



The LRP process is being conducted in a transparent and participatory manner. Extensive site and household surveys have been carried out for Stip I, along with focus group discussions (FGDs), individual consultations, and key informant interviews (KIIs) with relevant institutions. Individuals whose land, assets, or livelihoods are affected by the project will be provided with information about the LRP process, including their eligibility for compensation and the types of support available.

LRP TIMELINE AND CUT-OFF DATE

- The LRP Report, as part of the ESIA Disclosure Package, has been disclosed for a 60-day public consultation period starting from 27 February 2026.
- Construction activities in Project affected areas will not start before land agreements have been completed and compensation payments provided accordingly.
- “Cut-off date” refers to the date that determines who can receive compensation or support from the Project. People who used or owned the land before this date may be eligible. People who started using the land after this date will not be eligible.
- The LRP describes cut-off dates to guide eligibility for entitlement. These dates vary depending on the type of land use and PAP category.

- The Project is undertaking additional efforts to identify people using the Project area. As part of this effort, posters have been placed at different locations across the Project area to invite land users to register. Registration will remain open until the end of June 2026. Once land users are identified, Alcazar Energy will contact each project-affected land user in each project phase to inform them of the cut-off dates applicable to government-owned land.
- Any new assets, structures or land users newly established in the project-affected areas after the “cut-off date” will not be eligible for compensation or other entitlements

Frequently Asked Questions (FAQs)

Livelihood Restoration Plan

Q1: What is a Livelihood Restoration Plan (LRP)?

A1: An LRP is a plan designed to help people restore or improve their livelihoods when a Project economically affects them. It identifies who is affected, how their income or assets may be impacted, and what type of support they may need. An LRP outlines compensation measures, livelihood restoration programmes. It is required by international standards whenever economic displacement occurs and is developed through ongoing engagement with affected communities.

Q2: Will people lose access to their land?

A2: The wind farm requires land for wind turbine generators (WTGs), access roads, a substation, overhead transmission lines (OHL), and other infrastructure, which may affect privately owned and government-owned land. Some plots may be temporarily or permanently affected, but access will be maintained as much as possible, and livelihood restoration support will be provided where needed.

Q3: Will I be forced to leave my land?

A3: No, the Project is working with landowners through open dialogue, fair negotiation, and compensation at full replacement cost to reach mutually agreed solutions.

Q4: How will I be compensated if my land is acquired?

A4: You will receive compensation based on the full replacement cost of the land and any improvements or assets on it, such as crops, trees, beehives, fences, and sheds. Compensation may also include support for loss of income or livelihood, depending on how you use the land. Livelihood restoration support may include, for example, training, support to purchase agricultural equipment, fertilisers or seeds, assistance in identifying alternative land where possible, veterinary services, microfinance support, and vocational training.

Q5: Will I be compensated for loss of income or business activities?

A5: Yes. If the Project affects your ability to earn income from the affected land, such as through farming, grazing, beekeeping, or renting, you may be eligible for livelihood restoration support.

Q6: How is the value of my land and assets determined?

A6: An independent, certified valuer has assessed, or will assess, the land and assets based on current market rates, land use, and productivity. You will be informed and consulted during this process.

Q7: What if I do not agree with the compensation offered?

A7: You have the right to understand and discuss the compensation amount. The Project Developer has a dedicated team, and the grievance contact details provided in the brochures can be used for any questions, concerns, or complaints.

Q8: What if I do not have legal title to the land I use?

A8: If you do not have formal ownership of the land, you may still be considered for livelihood support or other forms of assistance if you can show that you have used the land regularly and consistently. However, monetary compensation will generally not be provided in such cases. Each situation will be assessed individually by the Project. Please refer to the eligibility criteria and entitlement matrix included in the disclosed LRP documents for more information on applicable entitlements.

Q9: Will I be able to move animals near the WTGs or use nearby land?

A9: Yes. Although some small areas may be temporarily inaccessible during construction, movement across the site will not be restricted during operations. People may continue using the land for grazing, recreation, and other purposes, provided that this does not interfere with the construction or operation of the wind farm.

Q10: Is there a cut-off date to determine who is eligible for livelihood compensation and support?

A10: Yes. To prevent opportunistic claims, ensure fairness, and clearly establish who qualifies for assistance, the Project must set cut-off dates. These dates vary depending on the type of land use and PAP category.

- For privately owned land, the cut-off date is generally the date of signing the land agreement, the valuation site visit, the measurement of land and assets, or the socioeconomic survey.
- For concessionaires and employees working on public land, the cut-off date is the date on which the concession cessation agreement is signed.
- For informal land users of public land, the cut-off date is 90 days after the LRP public disclosure meetings. During this period, they are encouraged to come forward to Alcazar Energy so they can be identified and their entitlements properly assessed. After the 90-day cut-off period has passed, no additional individuals will be added to the list of informal land users unless they can provide a reasonable and justified explanation for why they were unable to come forward earlier.

ENTITLEMENTS

Project-affected people may receive different types of compensation and support depending on how the Project affects them.

- Who may be eligible: landowners, land users, tenants, employees, heirs, and other people using the land.
- Possible impacts: loss of land, buildings, crops, trees, income, or livelihoods.
- Possible support: cash compensation, replacement land, temporary support, help to find alternative land, relocation support, and livelihood restoration support.
- Support for vulnerable people: extra support will be provided to people who may need additional help, such as elderly people, persons with disabilities, women-headed households, or people who lose their livelihoods.

More information can be found in the Livelihood Resettlement Plan (LRP), which guides the development of the LRP. The LRP is available on the company's website: <http://stipwindfarm.mk>

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GRIEVANCES AND FEEDBACK

Alcazar Energy is committed to operating with the highest levels of integrity in line with our Code of Ethics and Business Conduct. Alcazar Energy values engagement, transparency, and accountability towards stakeholders that could be impacted by or have an interest in our assets. Alcazar Energy accepts comments concerning the Project, including anonymous submissions. For any concerns or questions about the Project, please refer to:

<https://alcazar.integrityline.com>



All LRP stakeholders can share their feedback, complaints, or suggestions through Alcazar's Integrity Line website, during the LRP Disclosure Meeting, by phone or email through our CLO or local E&S specialist, or by visiting Alcazar Energy office in Stip.