## **Ethical Considerations in Finance and Stock Market Projects**

With this document we plan to describe the main ethical considerations to take into account when working on forecasting and portfolio optimisation projects using machine learning and search methods. Ethical considerations are a crucial part of ensuring that transparency and trust are maintained in financial systems.

### **Data Privacy**

* We must ensure that we comply with data protection regulations such as the GDPR or the CCPA, which govern the collection, storage and use of personal data. We must also ensure that all data used in this project is treated confidentially. All personal and sensitive information must be anonymised to protect the privacy of those involved.

### **Transparency and Accountability**

* Machine learning and optimisation techniques must be explained in detail so that anyone interested can understand how decisions were made and predictions made. Maintain responsibility for the results presented by the models and guarantee their validity.

### **Fairness and Bias Mitigation**

* Models must be fair so as not to promote existing inequalities in the financial system Possible biases in data and models should be checked regularly. No groups or individuals should be favoured.

### **Ethical Investment Practices**

* Other factors such as environmental, social and governance can be considered when selecting stocks for investment. It can be good practice to avoid investing in companies that engage in unethical practices.

### **Impact on Society**

* Social Responsibility: Evaluate the broader impact of financial decisions on society. Ensure that the investment strategies contribute positively to societal well-being.

### **Regulatory Compliance**

* Legal Framework: Stay informed about and comply with all relevant financial regulations and laws. This includes securities laws, anti-fraud regulations, and ethical guidelines set by financial authorities.

### **Ethical Use of Technology**

* AI and machine learning must be used responsibly. Ensure that these technologies are used to improve decision-making without compromising ethical standards.