

**APOLLO COMMERCIAL REAL ESTATE FINANCE, INC.
CORPORATE GOVERNANCE GUIDELINES**

Role of the Board and Management

The business and affairs of Apollo Commercial Real Estate Finance, Inc. (the “Company”) shall be conducted by its officers and employees, under the direction of the Chief Executive Officer and the oversight of the Company’s Board of Directors (the “Board”). The Board, which is elected by the Company’s stockholders, shall oversee management and act in a manner that helps assure that the long-term interests of the stockholders are being served.

Composition of the Board

The Company’s Bylaws provide that the Board shall consist of no more than fifteen members nor less than the minimum number required by the Maryland General Corporation Law, with the specific number of members determined from time to time by a majority vote of the Board. The number of directors serving on the Board is currently set at seven members.

Functions and Responsibilities of the Board

The Board shall have a minimum of four regularly scheduled meetings per year, generally one per calendar quarter, at which it shall meet to review and discuss reports furnished by management on the performance of the Company, its plans and prospects, as well as other issues facing the Company. The Board shall meet at such other times, as necessary, in person or by telephone. Actions of the Board may also take the form of unanimous written consent, as necessary and appropriate from time to time.

It is the policy of the Board to encourage and promote the attendance by each director at all scheduled meetings of the Board and all meetings of the Company’s stockholders. Each director is expected to review, before attending meetings of the Board, all materials provided by the Company relating to the matters to be considered at the meetings so that they may participate in a productive fashion. Directors who are not employees of the Company shall meet in executive session at the conclusion of each of the Board’s regularly scheduled meetings, and additionally as needed, without the presence of any directors or other persons who are part of the Company’s management.

In addition to the general oversight of management, the Board, either itself or through its committees, shall also perform a number of specific functions, including:

- Reviewing, approving and monitoring the Company’s fundamental financial and business strategies and major corporate actions;
- Assessing the major risks facing the Company and reviewing options for the mitigation of such risks;
- Selecting, evaluating and compensating the Chief Executive Officer;
- Providing counsel and oversight on the selection, evaluation, development, retention and compensation of senior management of the Company;
- Overseeing succession planning for the Chief Executive Officer and senior management of the Company; and

- Ensuring that policies and procedures are in place for maintaining the integrity of the Company, including the integrity of the financial statements, the integrity of compliance with laws and ethics and the integrity of business relationships with investors, counterparties and others.

Committees of the Board

The Board has established the following standing committees to assist it in discharging its responsibilities: Audit Committee, Compensation Committee and Nominating and Corporate Governance Committee. The charters of the Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee are published on the Company's website. These committees shall meet regularly, typically in conjunction with regular scheduled meetings of the Board, or otherwise as necessary, to carry out their functions and responsibilities. Each director is expected to attend all the meetings of each committee on which the director serves. The committee chairs shall report the highlights of their committee meetings to the full Board.

In accordance with their respective charters, the Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee shall be comprised entirely of "independent" directors.

Director Qualification Standards

The Company's directors shall be nominated in accordance with the procedures set forth in the charter of the Nominating and Corporate Governance Committee. Directors should (i) possess the highest personal and professional ethics, integrity and values, exercise good business judgment and be committed to representing the long-term interests of the Company and its stockholders and (ii) have an inquisitive and objective perspective, practical wisdom and mature judgment. The Company shall endeavor to have a Board representing a diverse education and experience that provides knowledge of business, financial, governmental or legal matters that are relevant to the Company's business and to its status as a publicly owned company.

Directors must be willing to devote sufficient time and effort to carrying out their duties and responsibilities effectively and should be committed to serve on the Board for an extended period of time. Directors who also serve as chief executive officers or hold equivalent positions at other companies should not serve on more than two other boards of public companies in addition to the Board and other directors should not serve on more than four other boards of public companies in addition to the Board. Current positions in excess of these limits may be maintained, unless the Board determines that doing so would impair the quality of the director's service to the Board.

A majority of the directors serving on the Board shall be "independent" as determined by the Board in accordance with the rules and standards established by the New York Stock Exchange, Inc. (the "NYSE") from time to time. The Board shall undertake an annual review of the independence of all non-employee directors and, in accordance with the independence criteria established by the Board from time to time, shall make an affirmative determination that each "independent" director has no direct or indirect material relationship with the Company.

The Board does not believe that arbitrary term limits on directors' service are appropriate nor does it believe that directors should expect to be nominated for re-election until they reach a mandatory retirement age. The Board self-evaluation process, together with the procedures set forth in the charter of the Nominating and Corporate Governance Committee, shall be an important determinant for Board tenure.

Majority Vote Policy

In an uncontested election of directors, any nominee for director who, of the votes cast in such election with respect to such nominee, receives a greater number of votes “withheld” from his or her election than votes “for” such election (a “Majority Withheld Vote”) shall promptly tender his or her resignation to the Board following certification of the stockholder vote.

The Nominating and Corporate Governance Committee shall promptly consider the resignation and make a recommendation to the Board concerning the acceptance or rejection of the tendered resignation. In considering whether to accept or reject the tendered resignation, the Nominating and Corporate Governance Committee shall consider all factors it deems relevant, which may include the stated reasons, if any, why stockholders withheld votes from the director, any alternatives for curing the underlying cause of the withheld votes, the length of service and qualifications of the director, the director's past and expected future contributions to the Company, the composition of the Board, and such other information and factors as members of the Nominating and Corporate Governance Committee shall determine are relevant.

The Board shall act on the Nominating and Corporate Governance Committee's recommendation no later than 90 days after the certification by the Company of the voting results. In considering the Nominating and Corporate Governance Committee's recommendation, the Board shall analyze the information and factors considered by the Nominating and Corporate Governance Committee and such additional information and factors the Board deems relevant.

Following the Board's decision on the Nominating and Corporate Governance Committee's recommendation, the Company will promptly disclose the Board's decision whether to accept the resignation as tendered (providing a full explanation of the process by which the decision was reached and, if applicable, the reasons for rejecting the tendered resignation) in a press release, a filing with the Securities and Exchange Commission or other broadly disseminated means of communication.

Any director who tenders his or her resignation pursuant to this provision shall not participate in the Nominating and Corporate Governance Committee recommendation or Board action regarding whether to accept the tendered resignation. If a majority of the members of the Nominating and Corporate Governance Committee tender their resignations, then the independent directors who did not receive Majority Withheld Votes shall appoint a committee amongst themselves to consider the tendered resignations and recommend to the Board whether to accept or reject them.

Access to Management and Independent Advisors

Non-employee directors are encouraged to maintain contact between Board meetings with each other and the members of the Company's senior management in order to keep themselves adequately informed with respect to the Company's affairs. In addition, the Board and its committees have the right to consult with and retain independent legal, financial or other advisors, as necessary and appropriate from time to time.

Director Compensation

In fixing the compensation to be paid to non-employee directors of the Company for serving on the Board and its committees, the Board may consider the following:

- The compensation that is paid to directors of other companies that are comparable to the Company;

- The amount of time it is likely directors will be required to devote to preparing for, and attending meetings of, the Board and the committees on which they serve;
- The success of the Company (which may be reflected in compensation related to the price of the Company's shares);
- If a director is a chairman of one of the Board's committees and the time commitment related thereto;
- If a committee on which a director serves undertakes a special assignment, the importance of that special assignment to the Company and its stockholders; and
- The risks involved in serving as a director of the Board or a member of its committees.

The management directors serving on the Board shall not be separately compensated for serving on the Board or any of its committees. All directors shall be reimbursed for expenses related to their attendance at Board and committee meetings.

Management Succession

As part of their role in directing the management of the business and affairs of the Company, the directors shall be responsible for selecting, evaluating and compensating the Chief Executive Officer and overseeing the Company's succession planning activities. The Board may delegate elements of this responsibility to one or more of its committees or to senior management. In carrying out this function, the Board shall endeavor to ensure that the Company's management has the capabilities to cause the Company to operate in an efficient and business-like fashion in the event of a vacancy in senior management, either anticipated or sudden. The Board shall develop, as and when necessary, relevant policies and procedures to address management succession issues.

Director Orientation and Continuing Education

The Company encourages directors and committee chairmen to participate in orientation and continuing education programs that will enhance their ability to effectively discharge their duties as members of the Board. Each new director shall, within six months of election to the Board, be required to spend a day at the Company's offices for a personal briefing by senior management regarding the Company's business, strategic plans, asset portfolio, financial statements and key policies and procedures. All directors shall be given an opportunity to discuss the Company and its business with senior management and be informed of the Company's policies that affect directors, including these Corporate Governance Guidelines. Management of the Company will also make available to directors materials or briefing sessions regarding director responsibilities and other matters related to service on the Board.

Annual Performance Evaluation of the Board

The Board shall conduct an annual review and evaluation of its performance based upon, among other things, an assessment of (i) the Board's composition and independence, (ii) the Board's access to and review of information from management and the quality of such management, (iii) the Board's responsiveness to stockholder concerns, (iv) the Board's maintenance and implementation of these Corporate Governance Guidelines, and (v) the general effectiveness of the Board and its committees. The review shall seek to identify specific areas, if any, that need improvement or strengthening in order to increase the effectiveness of the Board as a whole and its committees.

Adopted: July 28, 2015