

UNIFI, INC.

AUDIT COMMITTEE CHARTER (Updated as of October 25, 2017)

1. Purpose

The primary purposes of the Audit Committee (the "Committee") of the Board of Directors (the "Board") of Unifi, Inc. (the "Company") are to (i) assist the Board in fulfilling its responsibility to oversee (A) the Company's accounting and financial reporting processes, (B) the integrity of the Company's financial statements, (C) the Company's compliance with legal and regulatory requirements, (D) the qualifications and independence of the Company's registered public accounting firm (the "Independent Auditors") and (E) the performance of the Company's internal audit function and the Independent Auditors; (ii) prepare the audit committee report required by the rules and regulations of the Securities and Exchange Commission (the "SEC") to be included in the Company's annual proxy statement; and (iii) perform such other tasks the Board deems appropriate.

2. Membership

The Committee shall consist of at least three directors, the exact number to be determined from time to time by the Board. All members of the Committee must be independent under the applicable rules of the New York Stock Exchange (the "NYSE") and:

- each member must be able to read and understand fundamental financial statements;
- at least one member must have past employment experience in finance or accounting, requisite professional certification in accounting or any other comparable experience or background that results in the individual's financial sophistication, including being or having been a chief executive officer, chief financial officer or other senior officer with financial oversight responsibilities; and
- no member may have participated in the preparation of the financial statements of the Company or any current subsidiary of the Company at any time during the past three years.

No member of the Committee may (i) accept, directly or indirectly, any consulting, advisory or other compensatory fee from the Company (or any subsidiary thereof) other than (A) fees paid to directors for service on the Board (including customary perquisites and other benefits that all directors are eligible to receive), (B) additional fees paid to directors for service on a committee of the Board (including the Committee), as the chairperson of any committee or as the Lead Independent Director and (C) fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the Company that is not contingent in any way on continued service on the Board; or (ii) be an affiliated person of the Company, a subsidiary of the Company or an affiliate of a subsidiary of the Company.

The determination of any member's qualification to serve on the Committee, including assessments of financial literacy and accounting or related financial management expertise, shall be made by the Board consistent with the applicable requirements of the NYSE rules and of the rules and regulations of the SEC. Each member of the Committee shall be appointed by a majority vote of the Board from among its members taking into consideration the recommendations of the Corporate

Governance and Nominating Committee and shall serve until such member's successor is duly appointed and qualified or until such member's resignation or removal by a majority vote of the Board.

No member of the Committee may serve simultaneously on the audit committees of more than two other public company boards, unless the Board determines that such simultaneous service would not impair such director's ability to serve effectively on the Committee and such determination is disclosed in the Company's annual proxy statement.

3. Authority and Responsibilities

The Committee's function is one of oversight. The Committee recognizes that it is the Company's management's responsibility to prepare the Company's financial statements and to develop and maintain systems of internal accounting and financial controls and that the Independent Auditors are ultimately accountable to the Committee and the Board for their review of these financial statements and internal controls. The Committee also recognizes that the Company's financial management, the Independent Auditors and the Company's internal audit function have more knowledge and information about the Company than do Committee members. Consequently, in carrying out its oversight responsibilities, the Committee is not providing any expert or special assurance as to the Company's financial statements or internal controls or any professional certification as to the Independent Auditors' work.

The Committee shall have the following specific authority and responsibilities (in addition to any others that the Board may from time to time delegate to the Committee and those required by the NYSE rules or the rules and regulations of the SEC):

Independent Auditors and Internal Audit Function

- The Committee shall be directly responsible for the appointment, compensation, retention and oversight of the work of the Independent Auditors engaged (including resolution of disagreements between management and the Independent Auditors regarding financial reporting) for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company. The Independent Auditors shall report directly to the Committee.
- The Committee shall review and pre-approve all auditing services (including those performed for purposes of providing comfort letters and statutory audits) rendered to the Company by the Independent Auditors. Subject to the de minimis exception for non-audit services described in Section 10A(i)(1)(B) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), the Committee shall review and pre-approve all non-audit services rendered to the Company by the Independent Auditors. The Committee may delegate to one or more of its members the authority to pre-approve non-audit services, provided that the decisions of any member to whom pre-approval authority is delegated shall be presented to the Committee at the next Committee meeting.
- The Committee shall, at least annually, obtain and review a report by the Independent Auditors describing (i) the Independent Auditors' internal quality-control procedures; (ii) any material issues raised by the most recent internal quality-control review, peer review or Public Company Accounting Oversight Board review of the Independent Auditors, or by any inquiry or investigation by governmental or professional authorities,

within the preceding five years, respecting one or more independent audits carried out by the Independent Auditors, and any steps taken to address any such issues; and (iii) (to assess the Independent Auditors' independence) all relationships between the Independent Auditors and the Company or individuals in a financial reporting oversight role at the Company, that may reasonably be thought to bear on the Independent Auditors' independence, and discuss with the Independent Auditors the potential effects of any disclosed relationships on the Independent Auditors' independence.

- After reviewing the foregoing report and the Independent Auditors' work throughout the year, the Committee shall evaluate the Independent Auditors' qualifications, performance and independence. This evaluation should include the review and evaluation of the lead audit partner of the Independent Auditors. In making its evaluation, the Committee should take into account the opinions of management and Company personnel responsible for the internal audit function. In addition to assuring the regular rotation of the lead audit partner as required by law, the Committee should further consider whether, in order to assure continuing auditor independence, there should be regular rotation of the audit firm itself. The Committee should present its conclusions with respect to the Independent Auditors to the Board.
- The Committee shall obtain assurance from the Independent Auditors that the audit was conducted in a manner consistent with Section 10A of the Exchange Act.
- The Committee shall establish clear hiring policies with respect to employees or former employees of the Independent Auditors.
- The Committee shall review with management, the Independent Auditors and Company personnel responsible for the internal audit function the performance and adequacy of the Company's internal audit function, including its responsibilities, budget, staffing and any proposed changes in the audit scope, plan or procedures from the prior period.
- The Committee shall review and approve the appointment, replacement, reassignment or dismissal of the director of the Company's internal audit function and periodically review his or her performance.

Financial Reporting Process and Financial Statements Integrity

- The Committee shall meet periodically, at such times as it may determine, in separate sessions with (i) management, (ii) Company personnel responsible for the internal audit function and (iii) the Independent Auditors.
- The Committee shall meet to review and discuss with management and the Independent Auditors the Company's annual audited financial statements and quarterly financial statements, including the Company's specific disclosures in the related "Management's Discussion and Analysis of Financial Condition and Results of Operations."
- In connection with the annual audit and the review by the Independent Auditors of the financial information included in the Company's quarterly reports on Form 10-Q, the Committee shall, prior to the release of earnings or the filing of the Form 10-K or a Form 10-Q, as applicable, discuss with the Independent Auditors the matters required to be

discussed by Statement on Auditing Standards No. 1301, as amended or supplemented (or any successor auditing standards statement).

- The Committee shall receive from the Independent Auditors and, to the extent it may request, the Company's internal audit function, timely reports concerning:
 - (i) all critical accounting policies and practices to be used;
 - (ii) all alternative treatments of financial information within generally accepted accounting principles ("GAAP") that have been discussed with the Company's management, the ramifications of the use of such alternative treatments and the treatment preferred by the Independent Auditors; and
 - (iii) other material written communications between the Independent Auditors and the Company's management, such as any management letter or schedule of unadjusted differences.
- The Committee shall review with the Independent Auditors any audit problems or difficulties the Independent Auditors encountered in the course of the audit work and management's response. The review should include any restrictions on the scope of the Independent Auditors' activities or on access to requested information and any significant disagreements with management.
- The Committee shall confirm with the Independent Auditors that they are not aware of any information indicating that any illegal act has or may have occurred that would necessitate a response under Section 10A(b) of the Exchange Act.
- The Committee shall discuss with management, the Independent Auditors and Company personnel responsible for the internal audit function the quality and adequacy of the Company's internal controls, any special steps adopted in light of material control deficiencies and the adequacy of disclosures about changes in internal control over financial reporting.
- The Committee shall prepare the report of the audit committee required to be included in the Company's annual proxy statement in accordance with applicable SEC rules and regulations.
- The Committee shall discuss with management the Company's earnings press releases, as well as financial information and earnings guidance provided to analysts, rating agencies or the general public. The Committee may fulfill this responsibility by discussing with management policies with regard to the types of information to be disclosed and the types of presentation to be made with respect to that disclosure (paying particular attention to any use of "pro forma," or "adjusted" non-GAAP, information). The Committee shall not be responsible for drafting, approving, or issuing earnings press releases or guidance, or for directing management as to any of the foregoing.

Risk Assessment and Management

- The Committee shall discuss with management, the Independent Auditors and Company personnel responsible for the internal audit function the guidelines and policies that govern the process by which the Company's exposure to risk is assessed and managed by management.

- In connection with the Committee's discussions of the Company's risk assessment and management guidelines and policies, the Committee should discuss the Company's major financial risk exposures and the steps that the Company's management has taken to monitor and control these exposures.

Director and Executive Officer Indemnification and Insurance

- The Committee shall review and make recommendations to the Board regarding director and executive officer indemnification and insurance matters.

Related Person Transactions

- The Committee shall review and, if appropriate, approve or ratify any transactions between the Company and a related person that is required to be disclosed under the rules and regulations of the SEC. The Company's management shall have responsibility for bringing any such transaction known to management to the attention of the Committee. Each director shall have responsibility for bringing any such transaction to the attention of the Committee if such director believes he or she may be a related person in such a transaction. In approving, ratifying or rejecting any such transactions, the Committee will consider the relevant facts and circumstances, including the material terms of the transactions, risks, benefits, costs, availability of other comparable services or products and, if applicable, the impact on a director's independence.
- Any Committee member who is a related person with respect to a transaction under review may not participate in the deliberations or vote respecting such approval or ratification; provided, however, that such Committee member may be counted in determining the presence of a quorum at a meeting of the Committee which considers the transaction.

Compliance with Laws, Regulations and Ethics Codes

- The Committee shall review with the Company's General Counsel or any other appropriate people legal matters that may have a material impact on the Company's financial statements and any material reports received from or communications with regulators or government agencies.
- The Committee shall discuss with management and the Independent Auditors the effect of regulatory and accounting initiatives, as well as off-balance sheet structures, if any, on the Company's financial statements.
- The Committee shall develop a code of ethics for the senior financial and executive officers (the "Code"), and review and discuss with management the Code and any other relevant codes or portions thereof insofar as they relate to or govern accounting, financial reporting, auditing or fraud or related compliance policies (including the Company's Insider Trading Policy, which the Committee shall have responsibility for). The Committee shall (i) regularly receive reports from management regarding compliance with the Code and any other relevant codes or portions thereof insofar as they relate to or govern accounting, financial reporting, auditing or fraud or related compliance policies (including the Company's Insider Trading Policy) and the procedures established to monitor compliance; (ii) review and approve requests for waivers of the foregoing; and

(iii) promptly disclose any waivers of the foregoing that are granted as required by law, regulation or the NYSE rules.

- The Committee shall establish procedures for (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

Annual Performance and Charter Evaluations

- The Committee shall evaluate its own performance and reassess the adequacy of this Charter at least annually in such manner as it deems appropriate, and report the results thereof, including any recommendations for change, to the Board.

Retention of Consultants and Advisors; Investigations

- The Committee shall have the authority to engage, without having to seek Board approval, independent counsel and other advisors, as it determines necessary to carry out its duties.
- The Committee shall make determinations with respect to funding by the Company for (i) payment of compensation to the Independent Auditors engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company and any other advisors retained by the Committee; and (ii) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.
- The Committee shall have the authority to conduct or authorize investigations into or studies of any matters within the Committee's scope of responsibilities.

Reporting to the Board

- The Committee shall report regularly to the Board. The Committee should review with the Board any issues that arise with respect to the quality or integrity of the Company's financial statements, the Company's compliance with legal or regulatory requirements, the performance and independence of the Independent Auditors or the performance of the Company's internal audit function.

4. Structure and Operations

The Board shall designate one member of the Committee to act as its chairperson. The Committee shall meet in person or telephonically at least quarterly at such times and places determined by the Committee chairperson, with further meetings to occur, or actions to be taken by unanimous written consent, when deemed necessary or desirable by the Committee or its chairperson. The chairperson, with input from the other members of the Committee and, where appropriate, management, shall set the agendas for Committee meetings. A majority of the members of the Committee shall constitute a quorum; when more than two members are present, the act of a majority of such members at a meeting at which a quorum exists shall be the act of the Committee. When only two members are present and constitute a quorum, the unanimous vote of the two members shall constitute the act of the Committee.

The Committee may request that any directors, officers or other employees of the Company, or any other persons whose advice and counsel are sought by the Committee, attend any meeting of the Committee to provide such pertinent information as the Committee requests. The Committee may exclude from its meetings any persons it deems appropriate in order for the Committee to fulfill its responsibilities.

The Committee may form and delegate authority to subcommittees when appropriate.

The Committee shall maintain minutes or other records of its meetings and shall give regular reports to the Board on these meetings and such other matters as required by this Charter or as the Board shall from time to time specify.

Except as expressly provided in this Charter, the Company's Amended and Restated By-laws or the Company's Corporate Governance Guidelines, or as required by law, regulation or the NYSE rules, the Committee shall set its own rules of procedure.

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