

UNIFI, INC.'S

CORPORATE GOVERNANCE AND NOMINATING COMMITTEE CHARTER

(as amended as of July 22, 2004)

I. Membership

A. Members. The Corporate Governance and Nominating Committee (the "Committee") shall consist of not less than three (3) nor more than five (5) directors of Unifi, Inc. (the "Company"), with the specific number of members to be designated by the Company's Board of Directors (the "Board"). Each member of the Committee must be an independent, non-employee director of the Company, and must further qualify as an "independent director" under the applicable guidelines, then in effect, of the New York Stock Exchange (the "NYSE") or any other exchange on which shares of the Company's Common Stock are traded. No person may be a member of the Committee if his or her service on the Committee would violate any restriction on service imposed by any rule or regulation of the United States Securities and Exchange Commission (the "SEC"), the NYSE or any other exchange on which shares of the Company's Common Stock are traded.

B. Appointment of Members. Committee members will be approved by the Board following recommendations from the Committee (which recommends the membership of all committees of the Board). Each member and the Chairperson shall serve at the pleasure of the Board and for such term or terms as the Board shall determine.

II. Function

A. Director Nominees. The Committee is responsible for identifying individuals who are qualified to serve as directors of the Company consistent with criteria approved by the Board, and for making recommendations to the Board of qualified nominees for election or re-election as directors of the Company. This includes the responsibility for reviewing Board candidates proposed by a stockholder.

B. Committee Membership. The Committee is responsible for recommending to the Board for the Board's approval all committee members and chairpersons.

C. Evaluation of Performance. The Committee is responsible for establishing a system for, and monitoring the process of, performance reviews of the Board, its committees and key management personnel.

D. Corporate Governance Guidelines. The Committee is responsible for developing and recommending to the Board for the Board's approval a set of corporate governance principles applicable to the Company (see the Company's "Corporate Governance Issues and Guidelines" adopted by the Board on July 27, 2000) (as amended, the "Corporate Governance Guidelines"). The Committee will also review the Corporate Governance Guidelines from time to

time and recommend to the Board any changes to the Corporate Governance Guidelines.

E. Corporate Compliance. The Committee will monitor compliance with the Company's Ethical Business Conduct Policy Statement dated April 30, 2002, as amended (the "Policy Statement"), will review the Policy Statement from time to time and will provide to the Board the Committee's recommendations for any changes to the Policy Statement. The Committee will also receive reports from management regarding the Company's corporate compliance program.

III. Duties

A. Board Membership. In accordance with the Corporate Governance Guidelines, the Committee shall recommend to the Board (i) nominees for election as directors at the annual meeting of stockholders, and (ii) nominees for election as directors to fill vacancies that may occur between annual meetings of stockholders. The Committee shall have sole authority to retain and terminate any outside search firm to be used to identify director candidates, including sole authority to approve the search firm's fees and other retention terms. The Committee will also establish and review the orientation process for any new directors, and from time to time recommend changes to the director orientation process.

B. Committees of the Board. The Committee shall recommend to the Board the duties, functions, membership and chairpersons of the committees of the Board, subject to applicable rules and regulations of the SEC, NYSE or any other exchange on which shares of the Company's Common Stock are traded.

C. Criteria for Selection of Board Members. The Committee shall recommend to the Board changes to the criteria set forth in the Corporate Governance Guidelines regarding personal qualifications for directors of the Company.

D. Board Composition and Size. The Committee shall recommend to the Board changes to the criteria set forth in the Corporate Governance Guidelines regarding composition and size of the Board and its committees.

E. Tenure of Directors. The Committee shall recommend to the Board changes to the criteria set forth in the Corporate Governance Guidelines regarding tenure of members of the Board.

F. Removal of Directors. The Committee shall recommend to the Board changes to the criteria set forth in the Corporate Governance Guidelines regarding the continued service of a member of the Board.

G. Corporate Governance Guidelines. The Committee shall review from time to time and recommend to the Board any changes to the Corporate Governance Guidelines.

H. Corporate Compliance. The Committee shall review and evaluate from time to

time the design and operation of the Company's corporate compliance program.

I. Proxy Statement Disclosures. The Committee shall adopt a policy regarding the Committee's consideration of candidates proposed by stockholders. The Committee shall provide a description of (i) the minimum criteria as well as special skills and qualities that the Committee believe are necessary for one or more of the Company's Directors to possess, and (ii) a description of the Committee's process for identifying and evaluating Director nominees (including candidates recommended by stockholders).

J. Stockholder Communications. The Committee shall recommend to the Board a process by which the Company's stockholders may send communications to Directors. The process by which stockholders may communicate with Directors shall be disclosed in the Company's annual proxy statement.

K. Evaluations. The Committee shall, from time to time, approve the form of Board and Board committee performance evaluations, review the results, and report to the Board with findings and recommendations. The Committee will also report annually to the Board on attendance of all directors at Board and Board committee meetings.

L. Evaluation of the Committee. The Committee shall, on an annual basis, perform a self-evaluation of the Committee, review the results and report to the Board with findings and recommendations.

IV. Meetings.

A. Number of Meetings. The Committee shall meet at least two times annually, or more frequently as circumstances dictate. The Committee will meet at such times as shall be determined by the Chairperson, or upon the request of any two members of the Committee.

B. Agenda for Meetings. The Chairperson of the Committee shall set the agenda for each Committee meeting. At the request of the Chairperson, written materials pertinent to the Committee's review and consideration of agenda items shall be distributed by the appropriate management personnel to the Committee members in advance of each meeting.

C. Quorum for Meetings. A majority of the members will constitute a quorum. A majority of the members present at any meeting at which a quorum is present may act on behalf of the Committee.

D. Telephonic Meetings; Consent in Lieu of Meetings. The Committee may meet by telephone or videoconference, and may take action by unanimous written consent of its members.

V. General Provisions

A. Restrictions. In the performance of its responsibilities, the Committee shall

be subject to the Certificate of Incorporation and By-Laws of the Company, as amended from time to time, together with all other relevant provisions of the New York Business Corporation Law, as amended, and all applicable rules and regulations of the SEC, the NYSE or any other exchange on which shares of the Company's Common Stock are traded.

B. Reports. The Chairperson of the Committee shall (i) see that appropriate minutes and records of all meetings of the Committee are kept, and (ii) deliver a summary of key actions of the Committee to the Board.

C. Changes. This Charter shall not be amended or modified without the approval of the Board. This Charter shall be reviewed at least annually by the Committee to assess the Committee's performance of its responsibilities hereunder and to determine if changes should be made to this Charter. If there is a conflict between the terms of this Charter and the Corporate Governance Guidelines, the terms of this Charter shall prevail.

D. Delegation. Except as otherwise prohibited, the Committee may delegate its responsibilities to subcommittees or individuals, as the Committee may deem appropriate in its sole discretion.