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Cadbury Schweppes

Sir Christopher Hogg
Financial Reporting Council
Aldwych House
71-91 Aldwych
LONDON
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29 May 2007

Dear Sir Christopher

Review of the impact of the Combined Code

Our Chairman, Sir John Sunderland, has passed to me your letter of 18 April 2007 and asked me to reply on his behalf.

Thank you for giving us the opportunity to comment. I attach some comments on behalf of Cadbury Schweppes.

Yours sincerely



Hester Blanks
Group Secretary

cc: J M Sunderland

Enc.

Working together to create brands people love



FRC Consultation Paper on Combined Code

Cadbury Schweppes' comments:-

1. Does the Code support better board performance over time?

Like many large established companies with a history of strong leadership, the Combined Code validates the Board structure and process already followed by Cadbury Schweppes.

We believe that the requirements of the Combined Code allow the Board to effectively balance its priorities with complying with the spirit of the Code. However, there is a risk that the Board's effectiveness could be impacted by unnecessary amendments and expansion of the current Code which would reduce the time the Board can spend on other aspects of its role.

2. Is the "comply or explain" approach working effectively?

The Company values the flexibility of the "comply or explain" approach which allows companies to follow the spirit rather than the letter of the Code. There is a risk that investors do not have appropriate resources to fully understand explanations of Code breaches (for example when reviewing the corporate governance reports of multiple companies with the same year ends) which can mean that these explanations are not given proper consideration.

3. What impact has the Code had on smaller companies?

Not applicable

4. Do disclosures on the Combined Code in annual reports provide useful information to shareholders at proportionate cost to companies?

We believe that the disclosures do provide useful information to shareholders, and as the Corporate Governance procedures are well embedded within our Company, the cost to provide information to shareholders is not excessive.

HB/29.5.07